

Commissioners Court Meeting

12. 36.

Meeting Date: 01/13/2020

Safe Haven Building Lease Contract-Final Approval

Department: Purchasing

Subject:

Discussion and possible action to approve the execution of a twenty-one (21) month building lease contract effective January 13, 2020 and ending September 30, 2021 between Webb County and McPherson Plaza, LTD, pursuant to the prior approval and award of sole source lease contract for approximately 3,000 square feet of building space located at 5711 McPherson Road for the purpose of housing the Webb County Sheriff's Safe Haven program and authorizing the Webb County Judge to execute any and all relevant documents; and any other matters incident thereto. **[DOJ Grant #2018-FJ-AX-0007; Account #2607-1150-001-444100 (Space Rental OVW Justice for Families Program)]**

Initial Lease Term Two (2) Years	Monthly Rent	Rent/SF/Year	Rent/Year
01-01-20 - 09-30-20	\$5,400.00	\$21.60	\$48,600.00
10-01-20 - 09-30-21	\$5,562.00	\$22.25	\$66,744.00
Option to Extend Term			
10-01-21 - 09-30-22	\$5,728.86	\$22.92	\$68,746.32

Issue: Commissioners Court authorized the Purchasing Agent to negotiate the lease terms with the awarded sole source vendor that met all the Grantors space requirements for the Safe Haven Program under the direction of the Webb County Sheriff.

Solution: Approve the final lease terms as submitted by the Purchasing Agent. Final rental amounts will fall under the grant budget for space rental expenditures. Lease terms include \$18,000.00 of owner improvements to accommodate the space modifications to fit program needs.

Results: Execute the lease agreement to initiate the improvements needed to move in Webb County Sheriff's staff and proceed with safe haven operations provided to Webb County citizens needing a safe environment for visitation for custodial and non-custodial clients.

Background:

After solicitation of a number of sources, competition is determined inadequate. The Purchasing Agent has solicited for qualified proposals twice and none of the properties inspected met the GRANTORs requirements. Additional City owned properties were also inspected and did not meet the requirements of the Safe Haven program.

Under DOJ guidelines, it allows a non-competitive process to take place. The Safe Haven Staff has located a property that fits all the requirements of the GRANTOR in order to provide a safe environment for the custodial and non-custodial parents/guardians and their children.

Previous Court Action:

Approval of sole source building lease contract with Hurd Urban Development, DBA as McPherson Plaza, LTD on 9/23/19, item 19 g.

Fiscal Impact

Budget

Account 2607-1150-001-444100

Number:

Funding Source: Space Rental

Balance: \$127,080.00

Financial Impact:

2607-1150-001-444100 Space Rental

2018-FJ-AX-007 DOJ Grant

\$127,080.00 Balance

Attachments

[Safe Haven Lease with McPherson Plaza Ltd](#)

STANDARD LEASE

1. PARTIES

1.1 Names. This Lease Agreement ("Lease") is made and entered into as of the 13th day of **January 2020** (the "Effective Date"), by and between **McPHERSON PLAZA, LTD.**, a Texas limited partnership ("Landlord"), and **WEBB COUNTY, TEXAS**, in connection with Webb County Sheriff's "Save Haven" program ("Tenant").

2. PREMISES

2.1 Description. In consideration of the obligation of Tenant to pay Rent as herein provided, and in consideration of the other terms, provisions, and covenants hereof, Landlord hereby demises and leases to Tenant, and Tenant hereby takes from Landlord, certain premises located at 5711 McPherson Road, situated within the City of Laredo, in the County of Webb, State of Texas 78041, being approximately **3,000** net rentable square feet of space located in **Suite 107**, more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes, together with all rights, privileges, easements, appurtenances, and amenities belonging to or in any way pertaining to the said premises (hereinafter sometimes called the "Premises", the "Demised Premises", or the "Leased Premises"), located in Laredo, Webb County, Texas on a tract of land more fully described on Exhibit "B" attached hereto and incorporated herein by reference for all purposes. The building (including all parking and common areas) of which the Premises is a part is located in Landlord's development consisting of the building and two (2) other buildings known as McPherson Plaza (the "Project"), said Project being more particularly depicted on Exhibit "A" attached hereto.

3. TERM

3.1 Period. The initial term of this Lease (the "Lease Term") shall be for a period of Twenty-One (21) months commencing on January 01, 2020 (the "Commencement Date") and ending on September 30, 2021. First month's rent will be prorated if effective date of this Lease is after the 1st of the month.

Renewal Option. Tenant shall have an option to extend the Lease Term (the "Option") for one (1) year commencing October 1, 2021 and ending on September 30, 2022 (the "Extended Term"). Tenant's Option to extend or not extend shall be requested by Tenant in writing delivered to Landlord no later than 90 days prior to expiration of initial Lease Term. Tenant shall have the right to not exercise the option to extend if no appropriation of funds is allocated for the Leased Premises by Webb County and/or any other granting agency.

3.2 Acceptance of the Premises. Tenant acknowledges that it has fully inspected the Demised Premises and hereby accepts the Demised Premises and the appurtenant improvements thereto as suitable for Tenant's business purposes in their present condition, subject only to latent defects and to the completion of Landlord's Work (such work being more particularly described in Exhibit "C" and "C-1" attached hereto and made a part hereof for all purposes), hereinafter referred to as "Landlord's Work".

3.3 Adjustments. Landlord agrees to use its best efforts to complete Landlord's Work on or before the Commencement Date. Tenant hereby accepts Exhibit "C" and "C-1" attached hereto as the final and complete description of Landlord's Work and Tenant further acknowledges that any changes in the plans which are subsequently requested by Tenant or required, by virtue of Tenant's occupancy or use of the Premises in order to secure a Certificate of Occupancy, will be made at Tenant's expense. In the event Landlord is unable to complete Landlord's Work prior to the Commencement Date, the Lease Term shall commence on the date when the Premises are ready for occupancy; provided, however that if Tenant takes possession of or occupies any portion of the Premises earlier than the date the Premises are ready for occupancy, then the Lease Term shall commence upon the date Tenant first occupies the Premises. If the Commencement Date is a date other than the first day of a calendar month, then the Lease Term shall be extended for the number of days remaining in the month the Lease Term commences. The Premises shall be deemed "ready for occupancy" on the date that Landlord has substantially completed all of Landlord's Work. Tenant's failure to occupy the Premises when Landlord has substantially completed all of Landlord's Work shall not delay the Commencement Date. In the event of any delay in the completion of Landlord's Work, Landlord shall not be liable for any damage caused thereby; however, if such completion is delayed for more than ninety (90) days after the Commencement Date, then Tenant may declare this Lease to be null and void by written notice received by Landlord prior to completion of Landlord's Work. The parties agree to execute and deliver a written stipulation of the Lease Term

INITIALS:

LANDLORD: JR

TENANT: _____

prepared by Landlord, specifying the Commencement Date and termination date of the Lease Term as determined herein if such dates are different than those specified in Section 3.1 above.

4. BASE RENT AND LEASE TERM(S)

4.1 Amount and Payment. In consideration of this Lease, Tenant, throughout the Lease Term, and without prior notice or demand, shall pay to Landlord, in advance, at the address set out after the signature of Landlord or at such place or places as Landlord may from time to time direct, Base Rent (herein so-called), on the first (1st) day of each month commencing January 01, 2020, in lawful money of the United States of America, as follows:

Initial term – 2 Years	Monthly Base Rent	Rent/SF/Year	Rent/Year
01-01-20 – 09-30-20	\$5,400.00	\$21.60	\$48,600.00
10-01-20 – 09-30-21	\$5,562.00	\$22.23	\$66,744.00
Option to Extend:			
10-01-21 – 09-30-22	\$5,728.86	\$22.92	\$68,746.32

In the event Tenant shall fail to pay the rent on the due date stipulated hereunder or any other sum due under this lease, Tenant shall be liable for and Landlord may collect, at its sole option interest on overdue payment(s) as per the Texas Government Code; Chapter 2251 (Payment for Goods and Services) and more specifically; Section 2251.025 (Interest On Overdue Payment).

4.2 Payments and Performance. Tenant agrees to pay all Rent and all other sums required to be paid to Landlord at the times and in the manner provided by the Lease. The obligation of Tenant to pay Rent is an independent covenant and Tenant shall have no right of deduction or setoff whatsoever and under no circumstances shall Tenant be released from its obligation to pay Rent.

4.3 Security Deposit. [Intentionally Deleted].

5. USE, LAWS AND REGULATIONS

5.1 The Leased Premises. The Leased Premises may be used and occupied only for supervised child visitation and caregiver exchanges and general office use, and for no other purpose or purposes without Landlord's prior written consent, such consent not to be unreasonably withheld, delayed or conditioned (the "Permitted Use"). Tenant will maintain the Premises in a clean condition, and Tenant shall promptly comply with all governmental laws, ordinances, orders and regulations and Landlord's reasonable rules affecting the Leased Premises and their occupation and use. After Tenant has accepted the Premises, Landlord shall pay for any renovations to the Premises which are required so to as cause Tenant's use of the Premises to comply with the Americans with Disabilities Act ("ADA") and all regulations issued thereunder. After Tenant has accepted the Premises, Tenant shall comply in its operations promptly with the requirements of the City of Laredo Fire Code as applicable to the Leased Premises. Tenant, Tenant's employees and invited guests will not perform any act or carry on any practices that may injure (except normal wear and tear) the building of which the Premises are a part, or the Project, or unreasonably and substantially disturb the rights, comforts or conveniences of other tenants of the Project. Tenant may not store any trash, equipment, vehicles or merchandise on any outside parking areas or loading areas, except in areas specifically designated and approved in writing by Landlord for such purposes, such approval not to be unreasonably withheld, delayed or conditioned. Unless provided in Common Area Costs in Section 8.2 of this Lease, Tenant will provide sanitary receptacles for any and all trash, rubbish or discarded merchandise. Such receptacles will be emptied as required in order to maintain the Premises in a clean and sanitary fashion. All such expenses of trash storage and removal will be borne by Tenant unless they are a part of Common Area Costs. Vehicles owned or operated by or for Tenant, Tenant's employees, agents or invitees may be parked only in those areas in the Project designated by Landlord.

5.2 Insurance. Tenant will not, in any event, permit or perform any use or act within the Premises which will cause the cancellation of Landlord's Insurance (defined below).

5.3 Fire Protection System. Tenant hereby accepts any fire protection system (if any) for the Premises as sufficient for Tenant's purposes and agrees to maintain same in good working order at all times. Any modification to the fire protection system within the Premises (if any) required by governmental authorities as a result of Tenant's particular use shall be at Tenant's cost and expense.

6. UTILITIES

INITIALS:

LANDLORD: JRM

TENANT: _____

6.1 Responsibility. Landlord's responsibility with respect to natural gas (if any), telephone, water, waste water and electrical utility services hereunder shall be limited to the connection and maintenance of the service lines and meters to the Premises, which shall be in place on the Commencement Date. Tenant shall have the entire responsibility to contract for and maintain gas, telephone, water, waste, water and electrical utility services through such service lines and Tenant shall not in any event be relieved of any of Tenant's obligations under this Lease by reason of Tenant's failure or inability to contract for or maintain any such service. Landlord shall not be liable for any interruption or failure whatsoever in utility service unless caused by Landlord's negligence or intentional misconduct. Tenant shall comply with all terms and provisions of this Lease notwithstanding any such interruption or failure.

6.2 Payment. Tenant shall pay, prior to delinquency, for all water, gas, heat, electricity, telephone, sewage, air conditioning and ventilating, janitorial and other materials and services which may be furnished to or used in or about the Premises during the Lease Term. Common meter water and sewer charges shall be apportioned pro rata among tenants on the basis of relative floor areas. In the event that Tenant occupies the Premises prior to the effective transfer of utility service charges into Tenant's own name, then Tenant agrees to reimburse Landlord for Tenant's pro rata share of common meter gas and electrical service charges, such share to be based upon the relative floor areas of the tenants being served by such common meter. It is the intention of the parties hereto that such apportionment of common meter utility charges equitably represents relative tenant usage of such utilities. In the event of significantly disproportionate use of common meter services by Tenant, Landlord reserves the right to allocate the cost of same to Tenant on a reasonably specific basis.

7. TAXES AND INSURANCE

7.1 Personal Property Taxes. Tenant shall be liable for all taxes levied against personal property and trade fixtures placed by Tenant in the Demised Premises, if any. If any such taxes are levied against Landlord or Landlord's property and if Landlord elects to pay the same or if the assessed value of Landlord's property is increased by inclusion of personal property and trade fixtures placed by Tenant in the Demised Premises and Landlord elects to pay the taxes based on such increase, Tenant shall pay to Landlord within thirty (30) days of demand that part of such taxes for which Tenant is primarily liable hereunder.

7.2 Real Property Taxes. Landlord agrees to pay all taxes, assessments and governmental charges of any kind and nature whatsoever (hereinafter collectively referred to as the "Taxes"), levied or assessed against the Project.

7.3 Records. Landlord, for a period of one (1) year after its demand for payment, shall make available to Tenant during reasonable business hours after reasonable notice, for audit, inspection and copying, all records of Landlord relating to the Common Area Costs, and Insurance payments made by Tenant. If after such audit or inspection it is determined that Tenant has overpaid any such amounts Landlord shall immediately refund such amount to Tenant. If Tenant has overpaid any such amount by three percent (3%) or more then Landlord shall reimburse Tenant for the reasonable expense of any such audit or inspection, not to exceed \$2,500.00.

8. MAINTENANCE AND REPAIRS

8.1 Landlord's Duties. All requests for repairs or maintenance that are the responsibility of Landlord hereunder must be made in writing to Landlord and Landlord shall have a reasonable time within which to perform such repairs or maintenance. Landlord, at its sole cost and expense, shall maintain in a good state of repair the exterior of the roof and exterior walls and all structural portions of the roof, exterior walls, floors and foundations of the Premises and all utilities, which service the Demised Premises which are located outside of the Demised Premises.

Tenant shall assume the responsibility for replacing monthly air filters for HVAC system on Leased Premises. Any routine maintenance or major malfunction of HVAC systems that serve the Leased Premises are the sole responsibility of the Landlord.

INITIALS:

LANDLORD: JRT

TENANT: _____

8.2 Common Facilities; Tenant Responsibility.

Tenant shall be responsible for all cost associated with the interior leased Premises that may require upkeep and or routine maintenance such as replacement of bulbs, monthly HVAC filter change out, any minor plumbing or electrical issues with the interior Leased Premises. To include window cleaning on Leased Premises both interior and exterior, tenants trash removal and proper disposal, pest control for Leased Premises only, and all related utility hookups and reoccurring fees. In addition, Tenant will be responsible for all repairs, replacement and/or cleaning occasioned by the intentional, reckless, gross negligent or negligent acts of Tenant, Tenants employees, agents, customers or invitees (“Damages Caused by Tenant”) for the Leased Premises only and common areas used by Tenant and its employees, agents, customers or invitees.

8.3 Tenant's Duties. Tenant, at its sole cost and expense, shall maintain in a clean and sanitary condition and in a good state of repair all other portions of the Demised Premises, including, but in no way limited to, all plumbing within the Demised Premises, wiring within the Demised Premises, glazing, windows, doors, floors, ceilings, interior walls and the interior surface of exterior walls, all fixtures, equipment, signs, except for repairs caused by the negligent acts or omissions of Landlord and its agents.

Tenant shall assume the responsibility for replacing monthly air filters for HVAC system on the Leased Premises. Any routine maintenance or major malfunction of HVAC systems that serve the Leased Premises are the sole responsibility of the Landlord. In addition, Tenant shall comply with Section 8.2 Tenants responsibilities.

8.4 Parking Lot Damage. Tenant shall not be permitted to dump or drain any garbage, wastewater, refuse, liquids or any other materials directly onto the parking lot surface within the Project without the prior consent of Landlord. Tenant shall also be responsible for any damage in excess of normal wear and tear to the parking lot caused by vehicles and equipment utilized in connection with Tenant's use of the Demised Premises.

8.5 Failure to Perform. In the event Tenant fails to maintain the Demised Premises pursuant to the above provisions, Landlord shall give Tenant written notice to do such acts as are reasonably required to so maintain the Premises. In the event Tenant fails to promptly commence such work and diligently pursue it to completion, then Landlord shall have the right to do such acts and expend such funds at the expense of Tenant as are reasonably required to perform such work. Any amount so expended by Landlord shall be paid by Tenant promptly after demand or deducted by Landlord from Tenant's security deposit. Landlord shall have no liability to Tenant for any damage, inconvenience or interference with the use of the Premises by Tenant as a result of performing such work unless Landlord is negligent in performing such work.

8.6 Condition at End of Term. Upon the termination of this Lease or upon the expiration of the Lease Term, Tenant shall surrender the Premises in the same condition as received, normal wear and tear and damage by earthquake, act of God or the elements alone excepted. Specifically, Tenant will restore or replace any portion of the floor, door or wall surfaces within the Demised Premises which have been scratched, gouged, broken, or otherwise marred by Tenant's operations within the Premises and agrees to reasonably clean such surfaces of dirt, grease, paint, or other discoloration prior to surrendering the Premises to Landlord upon the termination of this Lease. Tenant's duties hereunder shall include the duty to clean the Premises and to deliver the current keys to Landlord. Failure to perform Tenant’s duties under this Section 8.6 shall constitute a failure to perform under Section 8.5 above.

9. ALTERATIONS

9.1 Tenant's Right to Make Alterations. Tenant shall not make or permit to be made any alterations or changes in or additions to the exterior or structural interior of the Demised Premises in excess of \$5,000.00 per year without the prior written consent of Landlord, which consent shall not be unreasonably withheld, delayed or conditioned. Any and all alterations, additions and improvements shall be accomplished in a good and workmanlike manner, in conformity with all applicable laws and regulations, and by a contractor approved by Landlord, such approval not to be unreasonably withheld, delayed or conditioned. Upon completion of any such work, Tenant shall provide Landlord with “As Built” plans, copies of all construction contracts and proof of payment for all labor and materials. Tenant shall, unless otherwise specifically waived in writing by Landlord (if not in default hereunder), prior to the expiration of this Lease Term, or any extension thereof, remove all fixtures, equipment and removable improvements which Tenant has placed in Demised Premises, and repair all damages to the Demised

INITIALS:

LANDLORD: JQH

TENANT: _____

Premises caused by such removal and restore (except for reasonable wear and tear) the Demised Premises to the condition existing as of the Commencement Date in accordance with Section 8.6 above.

10. LIENS

10.1 Tenant's Obligation. Tenant shall keep the Premises, and any building of which the Premises are a part, free and clear of any liens arising out of work performed or caused to be performed by Tenant and shall indemnify, hold harmless and defend Landlord from any liens and encumbrances arising out of any work performed or materials furnished by or at the direction of Tenant. In the event any lien is filed, Tenant shall do all acts necessary to discharge such lien within thirty (30) days of filing; or, if Tenant desires to contest any lien, then Tenant shall deposit with Landlord such security as is reasonable to ensure the removal of such lien. In the event Tenant shall fail to pay any lien claim when due or shall fail to deposit such security with Landlord, then Landlord shall have the right to expend all sums necessary to discharge the lien claim, and Tenant shall pay promptly after demand all sums expended by Landlord in discharging any lien, including attorney's fees and costs.

11. ENTRY

11.1 Rights of Landlord. Upon 24 hours prior notice Landlord and its agents shall have the right at any reasonable time to enter upon the Premises for the purposes of inspection, construction, serving or posting notices, showing to a prospective purchaser or tenant, or making any changes or alterations or repairs which Landlord shall deem necessary for the protection, improvement or preservation of the Premises or the building of which the Premises are a part, or for any other lawful purpose. At any time during the 120 days prior to expiration of the Lease Term, Landlord may place customary "For Lease" or "For Sale" signs on the Premises. Notwithstanding anything herein to the contrary, Landlord shall have the right at all times to enter the Premises by any means in the event of an emergency without liability therefor.

12. ASSIGNMENT AND SUBLETTING

12.1 Limitation. Tenant shall not assign, pledge or encumber this Lease, or sublet the whole or any part of the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld, delayed or conditioned. In the event of any assignment or subletting of this Lease made with or without Landlord's consent, Tenant shall nevertheless remain fully and primarily liable for the performance of all of the terms, conditions and covenants of this Lease. Landlord shall be entitled to, and Tenant shall promptly remit to Landlord as Additional Rental hereunder, all sums which Tenant receives as the result of any such subletting or assignment in excess of the Rent payments to Landlord required hereunder, whether or not such subletting or assignment is consented to by Landlord. Any such assignment or subletting without the prior written consent of Landlord shall be void and constitute a breach of the Lease and shall, at the option of the Landlord, terminate the Lease. No consent to any assignment, voluntarily or by operation of law, of this Lease or any subletting of said Premises shall be deemed to be a consent to any subsequent assignment or subletting, except as to the specific instance covered thereby.

In the event that Tenant desires to assign or sublet all or any part of the Premises, Tenant shall so notify Landlord in writing at least thirty (30) days in advance of the date on which Tenant desires to make such assignment or sublease. Tenant shall provide Landlord with a copy of the proposed assignment or sublease and such information as Landlord might reasonably request concerning the proposed sub lessee or assignee. All reasonable legal fees and expenses not to exceed \$1,500.00 incurred by Landlord in connection with the review by Landlord of Tenant's requested assignment or sublease pursuant to this Section 12.1, together with any legal fees and disbursements incurred in the preparation and/or review of any documentation required by the requested assignment or sublease, shall be the responsibility of Tenant and shall be paid by Tenant within thirty (30) days of written notice for payment thereof, as Additional Rent hereunder.

13. LANDLORD'S INDEMNITY

13.1 Landlord's Obligation. Landlord shall hold harmless, indemnify and defend Tenant, and its partners, officers, directors, shareholders, independent contractors, attorneys, employees and agents against all claims, demands and action for loss, liability, damage, cost and expense (including attorney's fees) resulting from injury or death to any person and damage to property caused by the intentional

INITIALS:

LANDLORD: JON

TENANT: _____

wrongful act or negligent omission of Landlord, its employees and agents, while in, upon or connected in any way with the Premises or the Project during the term of this Lease or any occupancy hereunder.

13.2 Exemption of Landlord from Liability. Landlord and Landlord's agents and employees shall not be liable to Tenant, nor to Tenant's employees, agents or visitors, nor to any other person whomsoever, for any damage to property caused by the Demised Premises or other portions of the Project becoming out of repair or by defect or failure of any structural element of the Demised Premises or of any equipment, pipes or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity, or oil leaking, escaping or flowing into the Demised Premises (except where due to Landlord's failure to make repairs required to be made by Landlord hereunder, after the expiration of a reasonable time after written notice to Landlord of the need for such repairs), nor shall Landlord be liable to Tenant, nor to Tenant's employees, agents or visitors, nor to any other person whomsoever, for any loss or damage to property that may be occasioned by or through the acts or omissions of other tenants of the Project or of any other persons whomsoever, excepting only duly authorized employees and agents of Landlord. Landlord shall not be held responsible in any way on account of any construction, repair or reconstruction (including widening) of any private or public roadways, walkways or utility lines.

14. INSURANCE COVERAGE

14.1 Public Liability. Tenant shall take out and keep in force during the Lease Term, at Tenant's expense, commercial general liability insurance protection in the limit of \$1,000,000 per occurrence and \$2,000,000 in the aggregate. The policy shall contain a broad form contractual liability endorsement under which the insurer agrees to insure Tenant's indemnity obligations under this Lease. Landlord shall maintain comprehensive general liability insurance protection with at least equivalent limits.

14.2 Property Insurance. Landlord shall take out and keep in force during the Lease Term, a Texas standard property insurance policy, including "all-risk" coverage under the policy definition of a standard property insurance policy with six (6) months' rent insurance, covering the replacement value of all of the Buildings in the Project. The proceeds shall be applied by Landlord pursuant to the provisions of Section 17. Tenant shall carry, at Tenant's own expense, property insurance, including vandalism and malicious mischief coverage and sprinkler leakage and glass breakage coverage, on the full value of Tenant's property and property for which Tenant is legally liable located in, about, or on the Premises, including, without limitation, furniture, fixtures, equipment, personal property, leasehold improvements and alterations.

14.3 Other Tenant Insurance. Intentionally Deleted.

14.4 Limited Subrogation.

Tenant waives its right to subrogate against the Landlord for damages caused by its sole negligence and its joint negligence. Tenant retains the right to subrogate against the Landlord for damages caused by the Landlord's sole negligence.

14.5 Procedure. All of the foregoing insurance policies required to be carried by Tenant shall name Landlord, any mortgagee or any managing agent for the Project as an additional insured as their respective interests may appear, and shall provide that any loss shall be payable to Landlord and any other additional insured parties as their respective interests may appear. The policies required of Tenant by Sections 14.1 and 14.2 shall be issued by an insurance company with a rating of no less than A-VIII in the current Best's insurance guide or that is otherwise reasonably acceptable to Landlord and qualified to do business in the State of Texas. Tenant's insurance shall provide primary coverage to Tenant when any policy issued to Landlord provides duplicate or similar coverage, and in such circumstances, Landlord's policy will be excess over Tenant's. A certificate as to such Tenant insurance shall be delivered to Landlord prior to any occupancy of the Demised Premises by Tenant and all renewals thereof shall be delivered to Landlord at least ten (10) days prior to the expiration of the respective policy terms. Tenant and Landlord shall have the right to provide such insurance coverage pursuant to blanket policies, provided such blanket policies expressly afford coverage to the Premises and to Tenant and Landlord as required by this Lease. Tenant shall obtain a written obligation on the part of any such insurance company to notify Landlord in writing of any delinquency in premium payments and at least ten (10) days prior thereto of any cancellation of any such policy. Tenant agrees that if Tenant does not take out such insurance or keep the same in full force and effect, Landlord may take out the necessary insurance and pay the premium therefor, and Tenant, after written demand therefor, shall promptly repay to Landlord the amount so paid.

INITIALS:

LANDLORD: JEH

TENANT: _____

15. DEFAULT BY TENANT

15.1 Events of Default. Tenant shall be deemed in default hereof in the event ("Event of Default") any of the following occurs:

(a) Default in the prompt payment of Rent when the same is due and continuance of such default for ten (10) days after Tenant has received written notice from Landlord of such default, however, after the second such notice in any calendar year, Tenant shall not be entitled to any such further written notice from Landlord in such calendar year; or

(b) Violation of any other of the covenants performable by Tenant hereunder after the expiration of thirty (30) days following the receipt of written notice of such violation or such longer period as may be reasonably required to cure such default provided that Tenant commences to cure such default within such thirty (30) day period and thereafter diligently proceeds to cure such default; or

(c) Tenant files a voluntary petition in bankruptcy, be adjudged bankrupt, be placed in or subjected to receivership, or make an assignment for benefit of creditors.

15.2 Remedies. Upon the occurrence of any Event of Default, Landlord may, take only any of the following actions:

(a) Terminate this Lease by giving Tenant written notice thereof, in which event Tenant shall pay to Landlord the sum of all remaining past and current rent due as of termination notice effective date.

(b) Terminate Tenant's right to possess the Premises without terminating this Lease by giving written notice thereof to Tenant, in which event Tenant shall pay to Landlord (1) all Rent and other amounts accrued hereunder to the date of termination of possession, (2) all amounts due from time to time under Section 15.2(d) and (3) all Rent and other net sums required hereunder to be paid by Tenant during the remainder of the Term, diminished by any net sums thereafter received by Landlord through reletting the Premises during such period, after deducting all reasonable costs incurred by Landlord in reletting the Premises. Landlord shall use reasonable efforts to relet the Premises on such terms as Landlord in its reasonable discretion may determine (including a term different from the Lease Term, rental concessions, and alterations to, and improvement of, the Premises); however, Landlord shall not be obligated to relet the Premises before leasing other portions of the Project. Landlord shall not be liable for, nor shall Tenant's obligations hereunder be diminished because of, Landlord's failure to relet the Premises or to collect rent due for such letting. Tenant shall not be entitled to the excess of any consideration obtained by reletting over the Rent due hereunder. Reentry by Landlord in the Premises shall not affect Tenant's obligations hereunder for the unexpired Lease Term; rather, Landlord may, from time to time, bring an action against Tenant to collect amounts due by Tenant, without the necessity of Landlord's waiting until the expiration of the Lease Term. Unless Landlord delivers written notice to Tenant expressly stating that it has elected to terminate this Lease, all actions taken by Landlord to dispossess or exclude Tenant from the Premises shall be deemed to be taken under this Section 15.2(b). If Landlord elects to proceed under this Section 15.2(b), it may at any time elect to terminate this Lease under Section 15.2(a); or

(c) Additionally, as provided by Texas law, Landlord may alter locks or other security devices at the Premises to deprive Tenant of access thereto, and Landlord shall not be required to provide a new key or right of access to Tenant.

(d) Payment by Tenant. Upon any Event of Default, Tenant shall pay to Landlord all costs incurred by Landlord (including court costs and reasonable attorney's fees and expenses) in (1) obtaining possession of the Premises, (2) removing and storing Tenant's or any other occupant's property, (3) repairing, restoring the Premises, (4) if Tenant is dispossessed of the Premises and this Lease is not terminated, reletting all or any part of the Premises, (5) performing Tenant's obligations which Tenant failed to perform, and (6) enforcing, or advising Landlord of, its rights, remedies, and recourses arising out of the Event of Default. To the full extent permitted by law, Landlord and Tenant agree that the state courts located in Webb County, Texas shall have exclusive' rights and obligations under this Lease.

(e) No Waiver. Landlord's acceptance of Rent following an Event of Default shall not waive Landlord's rights regarding such Event of Default. No waiver by Landlord of any violation or breach of any of the terms contained herein shall waive Landlord's rights regarding any future violation of such term. Landlord's acceptance of any partial payment of Rent shall not waive Landlord's rights with regard to the remaining portion of the Rent that is due, regardless of any endorsement or other statement

INITIALS:

LANDLORD: JEA

TENANT: _____

on any instrument delivered in payment of Rent or any writing delivered in connection therewith; accordingly, Landlord's acceptance of a partial payment of Rent shall not constitute an accord and satisfaction of the full amount of the Rent that is due.

15.3 Bankruptcy of Tenant. If this Lease is assigned to any person or entity pursuant to the provisions of the Bankruptcy Code, 11 U.S.C. Section 101 *et seq.*, any and all funds payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Landlord, shall be and remain the exclusive property of Landlord and shall not constitute property of Tenant or of the estate of Tenant within the meaning of the Bankruptcy Code. Any and all funds or other considerations constituting Landlord's property under the preceding sentence not paid or delivered to Landlord shall be held in trust for the benefit of Landlord and be promptly paid or delivered to Landlord. Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy code shall be deemed without further act or deed to have assumed all of the obligations arising under this Lease on and after the date of such assignment. Any such assignee shall upon demand execute and deliver to Landlord an instrument confirming such assumption.

16. COST OF SUIT

16.1 Right to Recover. If legal action shall be brought by either of the parties hereto for the unlawful detainer of the Premises, for the recovery of any Rent due under the provisions of this Lease, or because of the breach of any term, covenant or provision hereof, the party prevailing in said action shall be entitled to recover costs of suit and reasonable attorney's fees incurred by the prevailing party in the action.

17. DAMAGE TO PREMISES BY FIRE OR OTHER CASUALTY

17.1 Restoration of the Premises. In the event that the Leased Premises are damaged by fire or other casualty, Tenant shall give prompt written notice of such damage to Landlord and to any mortgagee of the Premises whose address shall have been furnished it, and Landlord shall proceed with all reasonable diligence to commence and complete restoration of the Premises within one hundred twenty (120) days from the date of such damage, during which restoration period this Lease shall remain in full force and effect, except that the Base Rent and all Additional Rent shall be reduced in proportion to the percentage which the area of the unusable portion of the Premises bears to the area of the entire Premises. Landlord's obligation to restore the Premises shall be limited to the scope of Landlord's original work and to extent of available insurance proceeds and Tenant shall be entirely responsible for the restoration of improvements made by Tenant or Tenant's personal property. In the event that the Leased Premises cannot be restored within one hundred twenty (120) days of the date of such damage, then either Landlord or Tenant may cancel this Lease effective upon written notice of such cancellation given to the other party.

17.2 No Restoration. Notwithstanding anything contained hereinabove to the contrary, in the event that any mortgagee of the Premises refuses to make the proceeds of Landlord's insurance immediately available to Landlord for the restoration of the Premises, or in the event that such damage is the result of any casualty other than a casualty for which Landlord is required by Section 14.2 of this Lease to provide insurance, or in the event that the damage occurs during the last year of the Lease Term (or any renewal or extension thereof) and Tenant does not elect to renew or extend the Lease pursuant to the terms hereof, or in the event that the cost of such restoration is estimated to exceed eighty percent (80%) of the replacement cost of the entire Premises, then Landlord, at Landlord's option, shall be released from the obligation to restore the Premises by giving notice of such event and of Landlord's election not to so restore, which notice must be given to Tenant within sixty (60) days of the date of the damage.

18. EMINENT DOMAIN

18.1 Premises Taken. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (all of which are herein called "condemnation"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than ten percent (10%) of the floor area of the Premises, or more than twenty-five percent (25%) of the parking area of the Project is taken by condemnation, Tenant may, at Tenant's option, to be exercised in writing only within thirty (30) days after Landlord shall have given Tenant written notice of such taking (or in the absence of such notice, within

INITIALS:

LANDLORD: _____ 

TENANT: _____

thirty (30) days after the condemning authority shall have taken possession), terminate this Lease as of the date the condemning authority takes such possession.

18.2 Premises Remaining. If Tenant does not terminate this Lease in accordance with the foregoing, Landlord, at its expense, shall restore the improvements to an architectural whole, and this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Rent shall be reduced in the proportion that the floor area of the Premises taken bears to the total floor area of the original Premises. Any award for the taking of all or any part of the Premises under the power of eminent domain, or any payment made under threat of the exercise of such power, shall be the property of Landlord, whether such award shall be made as compensation for diminution in value of the leasehold or for the taking of the fee, or as severance damages; provided, however, that Tenant shall be entitled to any award for loss or damage to Tenant's trade fixtures, removable personal property, and improvements which were made by Tenant and all other damages to which Tenant may be entitled provided such award to Tenant does not decrease Landlord's award to which it would otherwise be entitled.

19. HOLDING OVER

19.1 Holdover. Should Tenant continue to occupy the Premises after the expiration of the Lease Term, whether with or against the consent of Landlord, such tenancy shall be deemed a tenancy at will and under all the terms, covenants and conditions of this Lease, but at 110% of the Base Rent required herein. In the event Tenant remains in possession of the Premises after the expiration of this Lease without Landlord's consent, Tenant shall also pay to Landlord all damages sustained by Landlord resulting from the retention of possession by Tenant, including without limitation, the loss of any proposed subsequent tenant for any portion of the Premises.

20. SUBORDINATION AND STATEMENT OF CONDITION OF LEASE

20.1 Subordination. Tenant accepts this Lease subject and subordinate to any recorded mortgage or deed of trust lien presently existing or hereafter created upon the Demised Premises or the Project and to all existing recorded restrictions, covenants, easements and agreements with respect to the Demised Premises or the Project. This subordination shall be self-operative without the necessity of the execution of any further instruments by Tenant, but upon the request of any present or future mortgagee. Tenant further agrees upon demand to execute any additional instruments subordinating this Lease as Landlord may reasonably request. If the interests of Landlord under this Lease shall be transferred by reason of foreclosure or other proceedings for enforcement of any first mortgage or deed of trust lien on the Demised Premises, Tenant shall be bound to the transferee (sometimes called the "Purchaser") at the option of the Purchaser, under the terms, covenants and conditions of this Lease for the balance of the Lease Term, including any extensions or renewals, with the same force and effect as if the Purchaser were Landlord under this Lease, and, if requested by Purchaser, Tenant agrees to attorn to the Purchaser. Notwithstanding the above, the subordination of this Lease to any mortgage, deed of trust or other mortgage lien now or hereafter placed upon the Demised Premises and/or the Land shall be contingent upon the holder of any such lien ("Lienholder") providing Tenant with notice that so long as there exists no default by Tenant under this Lease, Tenant's rights under this Lease shall not be terminated or disturbed by Lienholder or any purchaser or subsequent owner of the Project and/or the Land in the exercise of any of such Lienholder's rights under Lienholder's mortgage, deed of trust or other mortgage lien, nor in any other way under this Lease except in accordance with its terms.

20.2 Notice to Landlord's Lienholder. Tenant shall not seek to enforce any remedy it may have for any default on the part of Landlord without first giving written notice by certified mail, return receipt requested, specifying the default in reasonable detail, to any Landlord's Lienholder whose address has been given to Tenant, and affording such Landlord's Lienholder a reasonable opportunity to perform Landlord's obligations hereunder.

20.3 Condition of Lease. Tenant shall execute, acknowledge and deliver to Landlord, without any charge, at any time within twenty (20) days after request by Landlord, a written statement or estoppel certificate as may be reasonably required by any mortgagee or purchaser of the Premises to the effect that this Lease, as of said date, is unmodified and in full force and effect (or if there have been modifications, that this Lease is in full force and effect as modified), and providing the Commencement Date, the date on which Rent has been last paid, and such other information as Landlord shall reasonably request. Any such statement by Tenant shall be used by Landlord for delivery to and reliance upon by prospective purchasers and lenders whose security will consist of liens upon the Premises and buildings of which the Premises are a part and shall not affect Tenant's right to later assert any subsequent default or modification.

INITIALS:

LANDLORD: JLS

TENANT: _____

21. SIGNS

21.1 Premise Sign. Tenant, at Tenant's expense, may affix one sign to the exterior of the Premises in a location previously designated by Landlord. Such sign must meet Landlord's requirements with respect to size, shape, construction, materials, design and color, and must be approved in writing by Landlord prior to its installation by Tenant, such approval not to be unreasonably withheld, delayed or conditioned.

21.2 Pylon Sign. If the Project has a pylon sign (tenant menu sign) at the street, Landlord shall place Tenant's name on such signage at Landlord's expense.

22. RIGHT OF LANDLORD

22.1 Right of Landlord. Landlord reserves the right to the use of the exterior walls and the roof of the Premises and the building of which the Premises are a part.

23. SECURITY

23.1 Security. Tenant, at Tenant's own expense, shall provide whatever security and/or alarm systems which Tenant deems necessary and appropriate for the protection of the Demised Premises and of Tenant's fixtures, inventory and equipment located therein. In no event shall Landlord be responsible for loss of or damage to any of Tenant's fixtures, inventory and equipment situated in the Premises, even though Landlord may have provided general area security or guard services. Tenant is expressly advised that if Tenant should place any fixtures, inventory and equipment within the Premises prior to the time the Premises are completed and delivered to Tenant, the risk of loss or damage to the same will be greatly increased in view of the fact that numerous people will, out of necessity, be permitted access to the Premises for the purpose of completing the same. Landlord may provide general area security or guard services as required from time to time, in which event Tenant shall pay to Landlord, as Additional Rent at the same time and in the same manner as Base Rent as provided herein, Tenant's pro rata share of the costs incurred by Landlord in having such services performed, such pro rata share to be determined by the percentage which the square footage of the Leased Premises bears to the total square footage of the building(s) benefiting from such services. Tenant is hereby notified that Landlord maintains no security with respect to keys and that Tenant may (at Tenant's expense) change or re-key the Premises' locks as deemed necessary by Tenant without Landlord's consent. Upon default per Section 15.1 of this lease, Landlord may change or re-key the Premises' locks without Tenant's consent or notice to Tenant.

24. NOTICE

24.1 Requirement. All notices or demands of any kind required to be given by Landlord or Tenant hereunder shall be in writing and shall be deemed delivered when actually received or forty-eight (48) hours after depositing the notice or demand in the United States mail, certified or registered, postage prepaid, at the following addresses, or such other address as shall be designated by either party in compliance with the provisions of this paragraph, to wit:

Landlord:

MCPHERSON PLAZA, LTD.
c/o Worth & Associates, Ltd.
Managing Agent for Owner
7373 Broadway, Suite 201
San Antonio, Texas 78209

Tenant:

WEBB COUNTY, TEXAS,
In connection with Webb County Sheriff's
"Save Haven" program
1110 Washington Street, Suite 101
Laredo, Texas 78040
c/o Jose Angel Lopez III, CTPM
Webb County Purchasing Agent

WEBB COUNTY LEGAL COUNSEL:
Mr. Nathan Bratton, Civil / Legal Director
1000 Houston Street, 2nd Floor
Laredo, Texas 78040

25. WAIVER

25.1 Either Party. No covenant, term or condition or breach thereof shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver or the breach of any covenant, term or condition shall not be deemed to be a waiver of any preceding or succeeding

INITIALS:

LANDLORD: JRA

TENANT:

breach of the same or any other covenant, term or condition. Acceptance of all or any portion of Rent at any time shall not be deemed to be a waiver of any covenant, term or condition as to the Rent payment accepted.

26. MISCELLANEOUS

26.1 Captions. The captions of the paragraphs contained in this Lease are for convenience only and shall not be deemed to be relevant in resolving any questions of interpretation or construction of any paragraph of this Lease.

26.2 Successors and Assigns. All of the terms, covenants and conditions of this Lease shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, legal representatives, successors and assigns, except that nothing in this provision shall be deemed to permit any assignment, subletting or use of the premises other than as provided for herein.

26.3 Applicable Law. This Lease shall be governed and interpreted solely by the laws of the State of Texas then in force. Each number, singular or plural, as used in this Lease, shall include all numbers, and each gender shall be deemed to include all genders.

26.4 Time and Joint and Several Liability. Time is of the essence in this Lease and each and every provision hereof, except as to the conditions relating to the delivery of possession of the premises to Tenant. All the terms, covenants and conditions contained in this Lease to be performed by either party, if such party shall consist of more than one person or organization, shall be deemed to be joint and several and all rights and remedies of the parties shall be cumulative and nonexclusive of any other remedy.

26.5 Joint Venture. Any intention to create a joint venture or partnership relationship between Landlord and Tenant is hereby expressly disclaimed.

26.6 Counterparts. This Lease may be executed in two or more counterparts, and it shall not be necessary that any one of the counterparts be executed by all the parties hereto. Each fully or partially executed counterpart shall be deemed an original, but all such counterparts taken together shall constitute but one and the same instrument.

27. WITHHOLDING OF CONSENT

27.1 It is expressly understood with respect to Sections 9.1 and 12.1 of this Lease that Landlord shall not be liable for damages, even though withholding of the Landlord's consent shall be found unreasonable, so that Tenant's remedy in such event shall be limited to injunctive relief.

28. ENTIRETY CLAUSE

28.1 This Lease contains and embraces the entire agreement between the parties hereto and it or any part of it may not be changed, altered, modified, limited, terminated, or extended orally or by any agreement between the parties unless such agreement be expressed in writing, signed and acknowledged by the parties hereto, their legal representatives, successors and assigns, except as may be expressly otherwise provided herein.

29. NO REPRESENTATIONS

29.1 Landlord or Landlord's agent have made no representations or promises with respect to the building, the land upon which the building is erected, or the Premises, and no rights, easements or licenses are acquired by Tenant, by implication or otherwise, except as expressly set forth in the provisions of this Lease.

30. QUIET ENJOYMENT

30.1 Tenant, subject to the terms and provisions of this Lease, shall lawfully, peacefully and quietly have, hold and enjoy the Demised Premises during the Lease Term without hindrance or ejection by Landlord and any other persons, subject, nevertheless, to the terms and conditions of this Lease. It is understood and agreed, however, that this covenant and any and all other covenants of Landlord contained in this Lease shall be binding upon Landlord and its successors only with respect to breaches occurring during its and their respective ownership of Landlord's interest hereunder.

31. RULES AND REGULATIONS

INITIALS:

LANDLORD: JWA

TENANT: _____

31.1 Tenant and Tenant's agents, employees and invitees will comply fully with any reasonable rules and regulations governing the operation and use of the Premises or the Common Facilities including, without limitation, the service drives, parking areas, and railroad spur (if any) situated upon the Project which are now or hereinafter imposed by Landlord upon all tenants of the Project in order to preserve the rights and peaceful occupancy of all tenants of the Project, described on Exhibit "D" attached hereto.

32. RELOCATION

32.1 [Intentionally Deleted].

33. ABANDONED PROPERTY

33.1 All of Tenant's furniture, movable trade fixtures and personal property not removed from the Premises within five (5) days of Landlord's written request at the termination of this Lease, whether such termination occurs by lapse of time or otherwise, shall be conclusively presumed abandoned by Tenant, and Landlord may declare such property to be the property of Landlord or may dispose of the property by any method Landlord deems advisable, at Tenant's expense. Landlord's rights under this paragraph shall be cumulative of Landlord's rights under Section 15 above.

INITIALS:

LANDLORD: JWA _____

TENANT: _____

34. FORCE MAJEURE

34.1 In the event Landlord shall be delayed, hindered or prevented from the performance of any act required under this Lease by reason of acts of God, acts of common enemies, fire, storm, flood, explosion or other casualty, strikes, lockouts, labor disputes, labor troubles, inability to procure materials, failure of power, restrictive governmental laws of regulations, riots, insurrection, war, settlement of losses with insurance carriers, injunction, order of any court or governmental authority, or other cause not within the reasonable control of Landlord or Tenant, then the performance of such act shall be excused for the period of the delay and the period for the performance of such act shall be extended for a period equivalent to the period of such delay.

35. TRANSFER OF LANDLORD'S RIGHTS

35.1 Landlord shall have the right to transfer and assign, in whole or in part, all and every feature of Landlord's rights and obligations under this Lease and in the building and property referred to in this Lease. In such event, Landlord shall be released from any further obligation under this Lease, and Tenant shall look solely to Landlord's successor for the performance of such obligation.

36. PARKING

36.1 Tenant shall have the exclusive use of twelve (12) parking spaces (a ratio of approximately 4 spaces per 1,000 square feet) to be located in the Project parking area, subject to reasonable rules and regulations for the use thereof and as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas for the use of other tenants and their employees; and Tenant and its employees shall not park in parking areas not so designated.

37. REAL ESTATE COMMISSION

37.1 Landlord and Tenant represent that they have not contracted with or dealt with any realtor, agent, broker or third party in connection with this Lease other than FORUM CRE, LLC, and Landlord shall be responsible for such party's real estate commission; to each party's knowledge, no other person, firm or individual is entitled to or has a claim for a commission or fee arising out of or in connection with the execution of this Lease.

38. MEDIATION AND VENUE

38.1 Except as expressly provided in this Lease, Landlord and Tenant agree that if a dispute arises between them relating to this Lease, they will initially attempt to settle the dispute by the alternative dispute resolution procedures ("ADR") described in this paragraph. Either party may give written notice to the other that a dispute exists and that such party desires to pursue ADR. Such notice must identify a neutral person not affiliated with either of the parties (the "Mediator") to negotiate a resolution of the dispute. Landlord and Tenant shall have ten (10) days after delivery of such notice to agree upon a Mediator and thereafter participate in good faith in the ADR to its conclusion as determined by the Mediator. Venue for any dispute arising as a result of the relationship between the parties and/or this Lease shall lie exclusively in the state courts in Webb County, Texas. The prevailing party shall be awarded attorney's fees and all court costs and related expenses.

39. LANDLORD'S LIABILITY

39.1 The liability of Landlord to Tenant for any default by Landlord under the terms of this Lease shall be limited to the interest of Landlord in the Premises or the Project, it being intended that Landlord, its partners, any subsidiary or affiliate of Landlord and its officers, directors, shareholders, partners, employees and managers shall not be personally liable for any judgment or deficiency.

40. AUTHORITY

40.1 The persons executing this Lease on behalf of Tenant and Landlord hereby represent and warrant to the other party that such execution has been duly authorized by all requisite action of Tenant or Landlord as the case may be so that upon such execution this Lease will be binding upon and enforceable against Tenant or Landlord as the case may be in accordance with its terms. Tenant or Landlord agrees to furnish to the other party from time to time upon request such written proof of such authorization as Landlord or Tenant may reasonably request.

INITIALS:

LANDLORD: JDA

TENANT: _____

41. GUARANTY

41.1 [Intentionally Deleted].

42. EXHIBITS

- 42.1 Exhibit "A" Site Plan
- Exhibit "B" Legal Description
- Exhibit "C" Landlord's Work; Tenant Finish-out Allowance
- Exhibit "C-1" Space Plan
- Exhibit "D" Building Rules & Regulations
- Exhibit "E" Tenant Signage Criteria

All exhibits attached hereto have been added prior the execution hereof and by this reference are deemed a part of this Lease.

[Signature Page Follows]

INITIALS:

LANDLORD: JCS

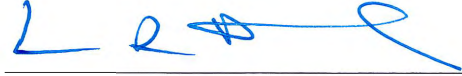
TENANT: _____

EXECUTED as of the Effective Date.

LANDLORD:

McPHERSON PLAZA, LTD.,
a Texas limited partnership

By: McPherson Plaza GP, L.L.C.,
a Texas limited liability company,
its general partner

By: 

John R. Hurd, Jr., Manager

TENANT:


WEBB COUNTY, TEXAS, in connection with Webb
County Sheriff's "Save Haven" program

By: 

Name: Tano E. Tijerina

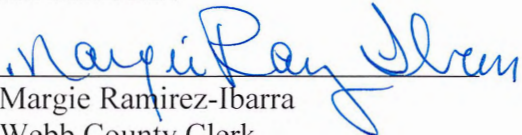
Title: Webb County Judge

INITIALS:

LANDLORD: 

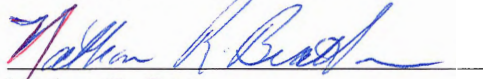
TENANT: _____

ATTESTED:


Margie Ramirez-Ibarra
Webb County Clerk



APPROVED AS TO FORM:


Nathan R. Bratton
General Counsel
Webb County Civil Legal Division *

*The General Counsel, Civil Legal Division's office, may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval of their own respective attorney(s).

*Passed and approved by the Webb County Commissioners Court
On January 13, 2020; item no. 36.*



EXHIBIT "B"

Legal Description – McPherson Plaza

Surface only of Lot Number One (1) and Lot Number Two (2), in Block Number Nine (9), McPherson Acres, Unit IV, a Subdivision situated in the City of Laredo, Webb County, Texas, as per plat recorded in Volume 3, Page 26A, Webb County Plat Records, Texas.

EXHIBIT "C"

Landlord's Work; Tenant Finish-out Allowance

Landlord will perform Landlord's Work according to the space plan attached hereto as Exhibit "C-1" at a cost not to exceed \$18,000.00 (the "Tenant Finish-out Allowance"). Any costs above the Tenant Finish-out Allowance (the "Excess Tenant Costs") shall be paid by Tenant as set forth in this Exhibit.

To the extent there are Excess Tenant Costs, Tenant shall pay to Landlord, as Additional Rent, within ten (10) days after submission by Landlord to Tenant of the general contractor's draw certificate for work performed (a "Draw Request"), an amount equal to the product obtained by multiplying (i) the percentage that the Excess Tenant Costs bear to the per square foot amount of the Tenant Finish-out Allowance by (ii) the amount of the Draw Request, until all Excess Tenant Costs have been paid in full.

EXHIBIT "C-1"

Space Plan

The space plan will be prepared and approved by Landlord and Tenant prior to commencement of Landlord's Work.

EXHIBIT "D"

Building Rules and Regulations

1. Tenant will refer all contractors, contractor's representatives and installation technicians, rendering any service on or to the Premises for Tenant, to Landlord for Landlord's approval and supervision before performance of any contractual service. This provision shall apply to all work performed in the Building including installations of telephones, telegraph equipment, electrical devices and attachments and installations of any nature affecting floors, walls, woodwork, trim, windows, ceilings, equipment or any other physical portion of the Building.
2. No Tenant shall at any time occupy any part of the Building as sleeping or lodging quarters.
3. Tenant shall not place, install or operate on demised premises or in any part of Building, any engine, stove or machinery or conduct mechanical operations or cook thereon or therein, or place or use in or about premises any explosives, gasoline, kerosene, oil, acids, caustics or any other flammable, explosive or hazardous material without prior written consent of Landlord.
4. Landlord will not be responsible for lost or stolen personal property, equipment, money or jewelry from Tenant's area or public rooms regardless of whether such loss occurs when area is locked against entry or not.
5. No birds, fowl or animals shall be brought into or kept in or about the building, except seeing eye dogs.
6. None of the entries, passages, doors, hallways or stairways shall be blocked or obstructed or any rubbish, litter, trash or material of any nature placed, emptied or thrown into these areas, or such areas be used at any time except for access or egress by Tenant, Tenant's agents, employees or invitees.
7. The water closets and other water fixtures shall not be used for any purpose other than those for which they were constructed and any damage resulting to them from misuse, or the defacing or injury of any part of the Building shall be borne by the person who shall occasion it. No person shall waste water by interfering with the faucets or otherwise.
8. No person shall disturb the occupants of the building by the use of any musical instruments, the making of unseemly noises, the emission of odors or other unreasonable use.
9. Nothing shall be thrown out of the windows of the Building, or down the stairways or other passages.
10. Tenant shall not store any materials, equipment, products, etc. outside the Leased Premises.
11. Tenant shall not erect any sign or other insignia upon any part of the building or other portion of the Leased Premises without the prior written consent of the Landlord.
12. Tenant shall comply with all local and federal codes and ordinances. In the event of fire or code problems, Tenant shall comply with said requirements.
13. Tenant shall at least on an annual basis have the heating, ventilation, and/or air conditioning system(s) completely checked out and repaired if necessary. Additionally, the Tenant shall have the filters on said /system(s) changed at least on a quarterly basis.
14. Landlord may provide for trash pick-up and removal. The cost for this service is billed back as a Common Area Cost.
15. Tenant agrees not to abuse the parking rights as provided by the Building. Additionally, the parking of cars of Tenant's personnel will not interfere with the operation of the other tenants in this Building.
16. The Landlord reserves the right to rescind any of these rules and make such other and further rules and regulations as in the reasonable judgment of Landlord shall from time to time be needed for the safety, protection, care and cleanliness of the Building, the operation thereof, the preservation of good order therein, and the protection and comfort of its Tenants, their agents, employees and invitees, which rules when made and notice thereof given to a Tenant shall be binding upon Tenant in like manner as if originally herein prescribed. In the event of any conflict, inconsistency, or other difference between the terms and provisions of these Rules and Regulations, as now or hereafter in effect and the terms and provisions of any lease now or hereafter in effect between Landlord and any tenant in the Building, the terms of the lease shall control.

EXHIBIT "E"

Tenant Signage Criteria

PREFACE

These sign criteria are hereby set forth by Landlord, to govern any and all signage by tenants leasing space in the above referenced project.

These criteria serve to outline the design, fabrication and application of tenant signage and are intended to afford all tenants with good visual identification and to protect against poorly designed and badly proportioned signage. They also have been established for the purpose of maintaining a continuity of quality and aesthetics throughout the Project for the mutual benefit of all tenants. Conformance will be strictly enforced, and any installed nonconforming or unapproved signs must be brought into conformance at the expense of the Tenant.

1. GENERAL REQUIREMENTS

- A. Tenant shall submit to Landlord for approval, prior to fabrication, two (2) copies of detailed drawings indicating the location, size, layout, design color, materials and method of installation.
- B. All permits for signs shall be obtained by the tenant or his sign contractor.
- C. All signs shall be constructed and installed at Tenant's sole expense.
- D. Tenant shall be responsible for the maintenance of Tenant's sign. Should Tenant's sign require maintenance or repair, Landlord shall give thirty (30) days written notice to effect said maintenance or repair. Should Tenant fail to do same, Landlord shall undertake repairs and Tenant shall reimburse Landlord within ten (10) days from receipt of invoice.
- E. Advertising devices such as attraction boards, posters, banners and flags shall not be permitted.
- F. Upon removal of any sign by Tenant, any damage to the sign band face will be repaired by Tenant or by Landlord at Tenant's cost.
- G. Sign companies must be licensed by the City of Laredo, under their own name and capable of manufacturing sign's according to the basic criteria for the Project.

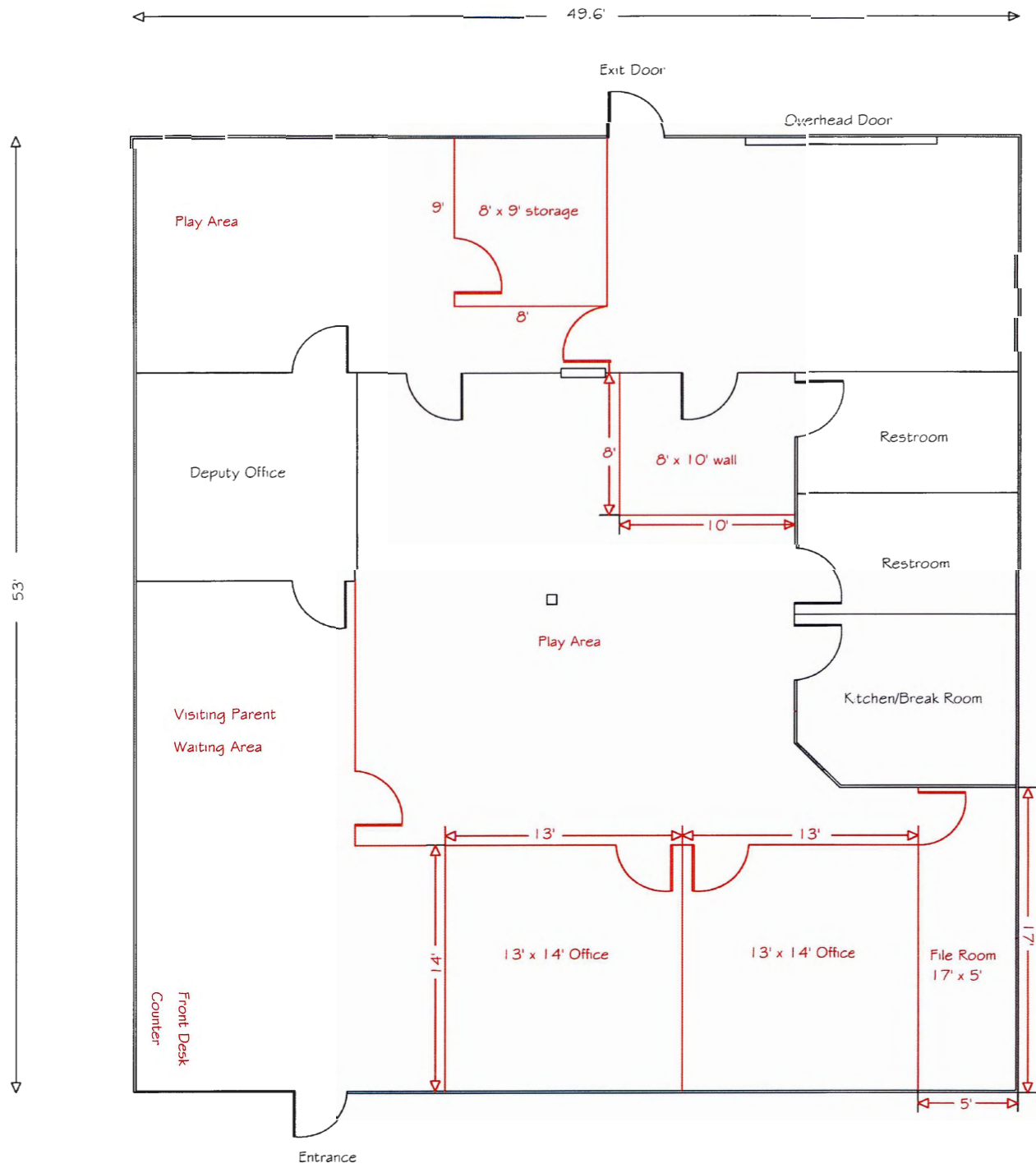
2. BUILDING AND FASCIA SIGNS

- A. NUMBER OF SIGNS - Only one (1) sign is permitted per Tenant suite, except as described below:
 - 1) When a store is located on a corner with two (2) matching fascias, one (1) sign per fascia will be permitted.
- B. LOCATION OF SIGN - Sign must be contained within the storefront sign band area. (Each sign band is 24 feet long and 3 feet high and is constructed of prefinished aluminum sheet metal). Signs must be centered both horizontally and vertically in the sign band area.
- C. TYPE OF SIGNAGE - White die cut vinyl lettering affixed to the sign band will be the only type of signs permitted.
- D. SIZE OF SIGN - The following limits are suggested as the size that will be accepted:
 - 1) Maximum length of sign is 80% of storefront width (i.e., 19 feet)
 - 2) Maximum capital letter height is 18".
 - 3) Maximum height if two lines are used is 24"
 - 4) Letters to be white in color
 - 5) Letters to be style "Zurich Bold Extended" (See samples attached).
- E. TENANT'S LOGO - Tenant may use a different color for its logo, or if Tenant's trade name and color is its logo then Tenant may use its standard color, provided Landlord has approved the signage.
- F. SIGN TEXT - Sign text shall be limited to Tenant's trade name as it appears in the lease.

3. SIGNAGE AT REAR OF EACH SUITE - Tenant may use white vinyl applied lettering to rear overhead doors and personnel doors to identify its rear entrances, provided Landlord approves the signage. Tenant may use 3 " lettering at specified door locations.

4. PYLON SIGN

- A. Location and Tenant's copy to be approved by Landlord
- B. Tenant's copy shall consist of Tenant's name, log and suite number.
- C. Tenant copy shall be 4 1/2" white vinyl letters applied to the pylon at Tenant's cost.



* New additions will be identified in RED COLOR