

OFFICE LEASE

This is a Lease Agreement made and entered into the 24th day of February, 2016, by and between **GODOT, L.C.** hereinafter referred to as "**Lessor**", and **Webb County** hereinafter referred to as "**Lessee**".

1.1 **The Leased Premises.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor the following:

1.2 **(A) Commercial Space.** Exclusive rights to Suite 102 of the Aurora Office Building, ("the "building"). The street address of the building is 9901 McPherson, Laredo, Texas 78045, and (the Leased Premises").

(B) Exterior Common Area. Non-exclusive rights to use the common area of the building, as designated by Lessor from time to time, in Lessor's sole discretion, for use by all lessees within the Aurora Office Building, including loading areas, sidewalks, driveways, parking areas, bathrooms and any other open areas, subject to the Parking Regulations herein and the Rules and Regulations of the Aurora Office Building, attached hereto as **Exhibits "B" and "C"**.

1.3 **Use.** The Leased Premises shall be used only for general business purposes only.

1.4 **Usable Area.** For purposes of calculating rent and prorating

expenses, the "usable area" of the Leased Premises is One Thousand Seven Hundred Twenty-Four (1,724) Square Feet.

2.1 **Rent.** Lessee shall pay to Lessor as monthly rent the sum, (i.e. **THREE THOUSAND SIXTY-THREE DOLLARS AND 00/100 (\$3,063.00 DOLLARS)**), as base rent, for the term of this Lease, payable in monthly installments on the **1st** day of **April 2016**, and continuing monthly and regularly during the term of this Lease.

~~After the first year of the Lease term and at annual intervals for the rest of the term, the yearly, and therefore monthly, rent will be adjusted as set forth in this section to reflect increases in the Consumer Price Index-Urban, Southwest Statistical Summary (CPI-U), Region 6, as published by the Bureau of Labor Statistics, so that the annual rental for each succeeding year will be the amount set out above for that year plus an amount that reflects the cumulative increase in the Consumer Price Index from the first month of this Lease to the first month of each succeeding year; provided, however, notwithstanding the foregoing terms of this paragraph, and without regard to the amount of the increase in the Consumer Price Index for the Lease in question, in no event~~

~~shall any such annual rent increase excess five percent (5%). In the event such index is discontinued, comparable statistics on the purchasing power of the consumer dollars as published at the time of such discontinuance by a responsible financial authority, will be used for making such computation.~~

2.2 **Additional Rent.** N/A

2.3 **Place and time of Payment.** Unless otherwise provided all payments of rent and other sums shall be made by Lessee to Lessor at 9901 McPherson, Suite 101, Laredo, Texas 78045, or at such other addresses as Lessor may designate in writing, in advance on the 1st day of each calendar month. Rent and late payment charges shall be due and paid without demand in accordance with the terms of this Lease. Unless otherwise specifically provided, all other sums payable by Lessee under this Lease shall be due upon delivery of written notice to Lessee in accordance with the terms of this Lease. Failure to pay rent or other sums shall subject Lessee to the default provisions of this Lease.

2.4 **Late Payment of Rent.** If any rent payment is not received by Lessor within Five (5) days after its due date, Lessee shall pay a late charge of Five (5%) percent of such rent payment. If any rent payment is not received by Lessor within

Thirty (30) days after its due date, Lessee shall pay interest at the highest rate allowable by law for Lessee, until such rent is paid. Such late payment charges are due immediately when incurred without notice or demand. Lessee shall pay all applicable bank charges incurred by Lessor plus Twenty-Five and No/100 Dollars (\$25.00) for each returned check. Payments of any kind received by Lessor on behalf of Lessee shall be applied first to non-rent items, then to rent. Payment of rent by Lessee shall be an independent covenant, without right of set-off or deduction. Lessee's right to possession and all of Lessor's obligations hereunder are expressly contingent on the prompt payment of rent, and the use of the Leased Premises is obtained only on the condition that rent is paid on time. In the event Lessee has not timely paid rentals and other sums due on two or more consecutive occasions or in the event of a returned check for insufficient funds or no account, Lessor may require that all rent and other sums due be paid by Cashier's Check, Certified check, or Money Order, without prior notice.

3.1 **Prepaid Rent.** Lessee shall prepay with Lessor **TWO THOUSAND NINE HUNDRED SEVENTY-THREE AND 36/100 (\$2,973.36) DOLLARS** to secure performance of Lessee's obligations under this Lease during the term of this Lease including any renewals or extension periods. If Lessee fails to pay rent or other sums when due, the prepaid rent may, at Lessor's option, be applied to such

unpaid amounts. If the prepaid rent is drawn against in whole or in part, Lessee shall restore the prepaid rent to its original amount immediately upon written request by Lessor. The prepaid rent (or an accounting thereof) shall be returned to Lessee within Thirty (30) days after surrender of the Leased Premises by Lessee, less lawful deductions for damages and other sums due under this Lease.

4.1 **Term, Commencement and Anniversary.** The Lease term shall be for Twenty-four (24) full calendar months from April 1, 2016.

5.1 **Finish Out.** N/A

5.2 **Delivery of Possession and Acknowledgment of Commencement.**

N/A

6.1 **Quiet Possession and Access.** If Lessee is in compliance with all of its obligations under this Lease, Lessee shall be entitled to peaceful and quiet possession and enjoyment of the Leased Premises, subject to all terms and

conditions of this Lease and the Declaration and Rules and Regulations attached hereto as **Exhibits "B" and "C"**.

7.1 **Utilities**. Lessee shall be responsible for all utility services, including janitorial services. Lessor reserves the right to approve janitorial service providers. However, Lessor will not be responsible for telephone or other telecommunication services or equipment nor any kind of television cable service.

7.2 **Interruption of Utilities or Services**. Temporary interruption or malfunction of utilities, services, and/or telephone service shall not constitute an eviction or disturbance of Lessee or a breach by Lessor. Nor shall such temporary interruption or malfunction render Lessor liable for damages, release Lessee from any obligation under this Lease, or grant Lessee any right of offset, recoupment, or rent abatement, unless interruption is caused by Lessor's intentional negligence.

7.3 **Maintenance and Repairs by Lessee**. Lessee shall maintain the Leased Premises in good repair at Lessee's expense. Lessee shall at all times during the term of this Lease be responsible for maintenance and associated repairs for the Leased Premises including plumbing, air conditioning, electrical, windows, interior and exterior lighting and repairs required by normal maintenance operations. Subject to the waiver of subrogation provision in Paragraph 12.1,

Lessee shall also be responsible for all damages caused to the Leased Premises by Lessee, its employees, licensees, visitors or patients. The maintenance, repair and replacement of all structural elements, including but not be limited to the roof, exterior walls, and foundation, and all major repairs (i.e. over \$500.00) and replacement of the mechanical, electrical, plumbing and HVAC systems and equipment of the building, (other than damages caused by Lessee, its employees, licensees, visitors or patients; subject, however, to the subrogation provision in Paragraph 12.1) and repairs and modifications required by applicable health and safety laws shall be the responsibility of Lessor.

7.4 **Security.** Lessee may provide suitable security for its intended operations at all times. Lessor will not provide security for the building or parking area. Lessor shall not be liable for any loss or injury resulting from lack of security. Lessor will provide Lessee with two (2) keys to the Leased Premises. Lessee will be responsible for any additional keys. Lessor reserves the right to re-key or change locks for security reasons, provided new keys are timely furnished to Lessee. Lessee may not add locks, change locks or re-key locks without written permission from Lessor.

8.1 **Telecommunications Equipment.** All telecommunications items and equipment necessary to serve Lessee shall be provided by Lessee.

9.1 **Entry by Lessor.** Unless otherwise prohibited by law, Lessor and Lessor's agents shall have access to the Leased Premises at all times, during regular business hours and upon reasonable notice to Lessee, for inspections, repairs, and other reasonable business purposes, except that such notice shall not be required in cases of emergency to protect the Leased Premises or the building or in the event of abandonment by Lessee. Such right shall be exercised by Lessor in a reasonable manner. Upon termination of this Lease or termination of Lessee's right of possession, Lessor shall have the right to peacefully re-enter and resume possession of the Leased Premises.

9.2 **Parking.** Parking is governed by the Declaration and the Rules and Regulations of the Aurora Office Building, attached hereto as **Exhibits "B" and "C"**.

10.1 **Occupancy, Nuisance and Hazards.** The Leased Premises shall be occupied only by Lessee or Lessee's employees and shall not be left entirely vacant for periods in excess of Thirty (30) days nor used exclusively for storage. Lessee and Lessee's agents, employees, family, licensees, invitees, visitors, and contractors shall comply with all federal, state, and local laws relating to occupancy or to criminal conduct while such persons are on the Leased Premises. Lessee and the persons listed above shall not (a) use, occupy, or permit the use or

occupancy of the Leased Premises for any purpose which is directly or indirectly forbidden by such laws or which may be dangerous to life or property; (b) permit any public or private nuisance; (c) do anything which might emit offensive odors or fumes; (d) make undue noise; (e) set up vibrations in the building; (f) permit anything which would cancel insurance coverage; (g) do any act which will cause or create an environmental hazard to the Leased Premises or the Aurora Office Building; or (h) otherwise damage the Leased Premises or the Aurora Office Building.

11.1 **Taxes**. Lessor will be responsible for payment of all taxes and assessments against the land, building and improvements during the term of this Lease. Lessee shall be responsible for payment of all taxes assessed against Lessee's furniture, equipment, fixtures, or other personal property in the Leased Premises and any increase in taxes allocable to Lessee's special improvements to the Leased Premises.

12.1 **Insurance**. Lessee shall maintain, subject to Lessor's approval and at Lessee's expense, comprehensive general liability insurance on the Leased Premises in the following minimum amounts: \$1,000,000.00 per occurrence; (2) \$2,000,000.00 aggregate; and, (3) \$25,000.00 medical. Lessee shall provide proof of insurance to Lessor. Such insurance shall show Lessor as loss payee and/or

additional insured. Proof of insurance will be provided to Lessor within Fifteen (15) days of the commencement date of this Lease.

Lessor will obtain and maintain during the term of this Lease a Texas standard fire insurance policy on the building, and any improvements and fixtures appurtenant thereto (including the improvements to be made by Lessor under the terms of Paragraph 5.1), including coverage for the perils enumerated under the policy definition of fire, lightning and extended coverage. The insurance to be maintained by Lessor under the terms of this Section 12.1 shall expressly exclude Lessee's personal property, trade fixtures and equipment, which are required to be insured by Lessee, at his sole cost and expense.

12.2 Waiver of Subrogation. Lessor and Lessee hereby waive and release each other from any and all liability or responsibility to the other or anyone claiming by, through or under them by way of subrogation or otherwise for any loss or damage to property caused by fire or any of the extended coverage or supplementary contract casualties which are required to be insured under the terms of Paragraph 12.1 hereof (provided, however, such mutual waivers and releases shall not include any deductible amounts on insurance policies carried by either party or any amounts which are self (insured), even if such fire or other casualty have been caused by the fault or negligence of the other party or anyone for whom

such party may be responsible. Each party shall cause its insurance carrier to endorse all applicable policies to evidence such waiver of the carrier's rights of recovery under subrogation or otherwise against the other party.

13.1 **Hold Harmless and Indemnification**. Lessee does hereby indemnify Lessor for and shall hold Lessor harmless from all fines, suits, claims, demands, liabilities and actions (including expenses of defending against the same) resulting from any acts or omissions of Lessee, its agents, licensees, visitors or patients at the Leased Premises or employees, from the use of the Leased Premises by Lessee, its employees, agents, licensees, visitors or patients. Lessor shall not be liable to Lessee or the Lessee's agents, employees, licensees, visitors or customers for any damage to any person or co-tenant, visitor, or other occupant of the building unless caused by the negligence or willful misconduct of Lessor.

14.1 **Alterations by Lessee**. Lessee may not make any structural alterations, improvements, or other modifications of any kind to the Leased Premises without Lessor's written consent, except, however, Lessee may make nonstructural cosmetic type interior alterations, improvements or modifications without Lessor's consent. Prior to installation by Lessee of any fixtures necessary to satisfy Lessee's intended business needs, which require Lessor's consent, Lessee shall tender written plans for such alterations, installation or other

remodeling to Lessor. If same are performed by Lessee with Lessor's permission, Lessee shall not allow any liens to be placed against the building as result of such addition or alterations. Alterations, improvements and modifications done by Lessee shall comply with all applicable laws. Lessee will be responsible for any alterations to the Leased Premises required by any governmental entity, by not as to any other portions of the building or the common areas.

15.1 **Removal of Property by Lessee.** Lessee may remove its trade fixtures, supplies and movable furniture and equipment from the Leased Premise only if (a) such property is not nailed, stapled, bolted, screwed, glued, or otherwise attached to the building; (b) such removal is made prior to the end of the Lease term, renewal terms or negotiated extension period; and (c) Lessee is not in default under this Lease at the time of such removal. Notwithstanding the foregoing, it is agreed that Lessee may remove such trade fixtures, supplies, furniture and equipment that are nailed, bolted, stapled, screwed, glued or otherwise attached to the building if any damage caused to the Leased Premises by reason of such removal is repaired to the satisfaction of Lessor. Lessee may remove picture frames, hanging mechanisms and ceiling fans which were installed at Lessee's expense. Lessee shall have no rights to property remaining on the Leased Premises after Thirty (30) days after the end of the Lease term, renewal terms or extension

period or after move-out. If Lessor requests in writing, Lessee shall, immediately prior to moving out, remove alterations, additions, fixtures, equipment, and property installed or attached by Lessee in the Leased Premises. Lessee shall pay for the cost of repair or any damage caused by Lessee's removal of any property covered by this paragraph.

16.1 **Subletting and Assignment by Lessee.** Lessee shall not sublet the Leased Premises or any part thereof, without the prior written approval of Lessor, which approval shall not be unreasonably withheld. Lessee shall not assign this Lease or allow it to be assigned in whole or in part, by operation of law or otherwise, without the prior written approval of Lessor, which approval shall not be unreasonably withheld, Lessee shall not mortgage or pledge this Lease in any manner. Lessor shall be entitled to withhold such approval, and shall be deemed to be acting reasonably, if Lessor, in its good faith judgment, determines that (i) the creditworthiness of the proposed assignee is less than that of Lessee; (ii) the use of the Leased Premises, or portion thereof, by the proposed assignee will interfere with, or cause Lessor to be in violation of, an exclusivity clause in any other lease executed or to be executed by Lessor in the building; (iii) the proposed assignee or sublease intends to engage in a retail business that is inconsistent with Lessor's intent that the building be occupied solely as a professional office building; or (iv)

the proposed assignee or sublease intends to engage in business that is immoral or disreputable.

Approval by Lessor of any sublease shall not release Lessee from any obligation under this Lease and shall not constitute permission for subsequent subletting without Lessor's approval, which approval shall not be unreasonably withheld. Approval by Lessor of any assignment, whereby the credit worthiness of the assignee is equal to or greater than that of Lessee, shall release Lessee from all obligations under this Lease arising from and after the date of such assignment. If assignee does not meet such credit worthiness requirement, then Lessee shall remain liable for all obligations under this Lease. Sublessees or assignees that do not meet the above credit worthiness requirement shall be liable for all of Lessee's obligations under this Lease unless otherwise specified in writing. Lessee shall cure any default by a sub lessee or assignee (for which Lessee was not released) within Ten (10) days of receipt of notice. Lessee hereby gives Lessor permission to deliver a copy of this Lease to any sublessee or assignee of Lessee. Unless otherwise agreed in writing, no sublease or assignment shall be valid unless (a) a copy of this Lease is attached thereto; and (b) written approval of the Lessor under this Lease is attached to the sublease or assignment, which, if applicable, shall evidence Lessee's release of all obligations under this Lease.

17.1 **Destruction by Fire or Other Casualty.** If the Leased premises are partially or totally destroyed by fire or other casualty normally covered by a fire and extended coverage insurance policy in Texas, Lessor shall repair and restore the Leased Premises as soon as reasonably practical to substantially the same condition before such damage. However, if Lessor determines that the Leased Premises are completely destroyed or so badly damaged that repairs cannot be commenced within Thirty (30) days after the casualty and completed within Six (6) months after the fire or casualty, then this Lease may be terminated as of the date of the occurrence of the damage or destruction by either Lessor or Lessee by serving written notice upon the other. If the Leased Premises are totally destroyed or so damaged by fire or other casualty that the Leased Premises cannot reasonably be used by Lessee for the purposes allowed in this Lease, and if this Lease is not terminated as above provided, there shall be a total abatement of rent until the Leased Premises is made usable. If the Leased Premises are partially destroyed or damaged by fire or other hazard so that the Leased Premises can be only partially used by Lessee for the purposes allowed in this Lease, there shall be an abatement in the rent corresponding to the time and extent to which such premises are not and cannot reasonably be used by Lessee. In no event shall Lessee be entitled to an abatement in rent as a result of damage to or destruction of the Leased Premises,

which damage or destruction was caused by Lessee's employees, agents, family, licensees, visitors, or contractors. In no event shall Lessor be required to make repairs in excess of the insurance proceeds received plus the deductible under Lessor's applicable insurance policies.

18.1 **Condemnation.** If the entire building is taken in condemnation, or if a portion of the building is so taken, the result of which would interfere with Lessee's use and enjoyment of the Leased Premises, in Lessee's reasonable business judgment, this Lease shall terminate one day prior to such taking. If only a portion of the building is taken in condemnation, Lessee's right to use such portion shall terminate one day prior to such taking. Lessee shall not participate in any of the condemnation award. Lessee shall however have the right to claim and recover from the condemning authority, but not from Lessor, and only to the extent that such recovery by Lessee shall not diminish the amounts recoverable by Lessor, such compensation as may be separately awarded or recoverable by Lessee in Lessee's own right on account of any and all damage or loss to Lessee's business by reason of the condemnation and for or on account of any cost or loss which Lessee might incur in removing Lessee's merchandise, furniture, fixtures, leasehold improvements or equipment. Otherwise, all awards or compensation by reason of condemnation by any governmental agency (or private sale under threat of

condemnation) of all or any portion of the Leased Premises shall belong entirely to Lessor; and Lessee hereby assigns its interest, if any, in such awards to Lessor.

19.1. **Default by Lessee.** (a) Lessor shall have any or all remedies provided by law or in equity. If Lessee defaults in any of the terms or conditions of this Agreement, the exercise of one or more rights or remedies by Lessor will not be taken to exclude or waive the right to the exercise of any other. Such defaults may include, but are not limited to: (1) failure to pay rent or any other sum due by Lessee under this Lease within Five (5) days after the due date thereof; (2) failure to vacate on or before the last day of the Lease term, renewal term, or negotiated extension period; (3) failure to pay rent in advance on a daily basis in the event of unlawful holdover by Lessee; (4) unauthorized early move-out or notice of same as set forth below; (5) acquisition of Lessee's interest in this Lease by a third party by Judicial or non-judicial process; (6) unauthorized assignment or sublease; or (7) failure to comply with any provision of this Lease for a period of Ten (10) days after written notice by Lessor to Lessee of such default, provided that if Lessee has commenced actions to cure such default within said Ten (10) day period and is diligently and in good faith prosecuting such cure to completion, Lessee shall have all reasonable and necessary time to complete such cure.

(b) **Door locks.** If Lessee is more than Ten (10) days delinquent in payment of rent or other sums due, the Lessor shall be entitled to change or modify door locks on all entry doors of the Leased Premises in accordance with applicable law, provided, however, Lessor shall immediately thereafter post a notice on the primary entry door to the Leased Premises stating name and location of such individual where such key may be obtained. Lessor's right to modify or change locks shall occur automatically and without notice if Lessee's rent is accelerated as provided below, relating to unlawful early move-out. Lessor shall not be responsible to Lessee for any loss of business or any other loss during such door lock times.

(c) **Acceleration after notice of Ten (10) day rental delinquency.** If Lessee is more than Ten (10) days delinquent in payment of rent or other sums due and if Lessee fails to pay same in full within Three (3) days after Lessor delivers to Lessee at the Leased Premises, a written notice of Lessor's intent to accelerate, then all rent for the remainder of the Lease term shall be accelerated, due and delinquent at the end of such Three (3) day notice period without further notice. Such acceleration rights are in consideration of the rentals for the entire term being payable in monthly installments rather than in one lump sum at the beginning of the Lease term. If Lessee has already vacated the Leased Premises, notice of

acceleration may be delivered to Lessee pursuant to the notice provisions of this Lease.

(d) **Acceleration upon move-out.** If Lessee moves out or gives oral or written notice (in person or by an employee or agent), of intent to move out prior to the end of the Lease term without the rent being paid in full for the entire remainder of the Lease term without prior written consent of Lessor, all remaining rents for the remainder of the Lease term shall be accelerated immediately and automatically. Such accelerated rents shall be due and delinquent without notice before or after such acceleration. Such acceleration shall occur even if the rent for the current month has been paid in full.

(e) **Termination of possession.** If Lessee is in default pursuant to the terms of Paragraph 19.1, and if Lessee remains in default for Three (3) days after Lessor gives written notice of such default to Lessee, or if Lessee abandons the Leased Premises, Lessor may (with or without demand for performance) terminate Lessee's right of possession by giving One (1) day's written notice to vacate; and Lessor shall be entitled to immediate possession without termination of Lessee's obligations under the Lease. Lessor's repossession shall not be considered an election to terminate this Lease unless written notice of such intention to terminate is given to Lessee by Lessor. Repossession may be by voluntary agreement or by

eviction lawsuit. Commencement of an eviction lawsuit shall not preclude Lessor's remedies of lock change, utilities termination, or other rights and remedies of Lessor.

(f) **Reletting Costs.** If Lessee is in default, and if Lessor terminates Lessee's right of possession without terminating this Lease, Lessee shall pay upon Lessor's demand the following: (1) all costs of reletting (which in no event shall be less than one month's rent), including leasing commissions, rent concessions (whether in the form of assuming lease remainders elsewhere, free rent for a period of time, or reduced rental rates), utilities during the vacancy, advertising costs, administrative overhead, and all costs of repair, reasonable remodeling or redecorating for replacement tenants in the Leased Premises, as determined by the going criteria for similar leased space at the time, (2) all rent and other indebtedness due from Lessee to Lessor through the date of termination of Lessee's right of possession, and (3) all rent and other sums required to be paid by Lessee during the remainder of the entire Lease term, subject to the acceleration paragraphs above.

(g) **Mitigation by Lessor.** Upon eviction or voluntary vacation of the Leased Premises by Lessee without the Lease being terminated by Lessor, Lessor shall make reasonable efforts to relet the Leased Premises. After deduction of

reasonable expenses incurred by Lessor, Lessor shall set off against Lessee's obligation to pay rent accelerated under the provisions hereof the entire rent reserved throughout the full term of any replacement lease, through the remaining term of the Lease, or renewal extensions thereof in effect at the time of default. Such deductible expenses may include real estate commissions, attorney's fees, and all other reasonable expenses in connection with reletting. Any action to collect amounts due by Lessee under this Lease may be brought from time to time on one or more occasions without the necessity of Lessor's waiting until the expiration of the Lease term. In the event judgment for accelerated rents is recovered, Lessor shall give credit against such judgment for the entire rent reserved throughout the full term of any replacement lease, through the remaining term of this Lease, or renewal extension thereof in effect at the time of default, less lawful deductions and expenses of reletting. Lessee shall be liable to any real estate agent signing this Lease for leasing commissions lost by such agent due to Lessee's default.

(h) **Termination of Lease.** Lessor may elect to terminate this Lease (as contrasted to termination of possession rights only) upon default by Lessee or at any time after Lessor's lawful re-entry of repossession following default by Lessee, by providing written notice of such termination as provided by the notice provisions of this Lease.

(i) If Lessee holds over beyond the last day of the Lease term, or negotiated extension period, Lessor may exercise all rights set forth herein regarding holdovers; and, notwithstanding any other provision of this Lease, Lessor may immediately exercise lock change or utility termination rights under this Lease, without delay and without prior notice to Lessee, except as may be required by law.

(j) **Parking violations.** If vehicles are parked in violation of the Aurora Office Building parking rules and regulations attached hereto or in violation of state statutes, Lessor may remove vehicles parked in violation without liability to Lessee or its agents. If such vehicles belong to Lessee's agents, invitees, employees or patients, Lessee shall indemnify Lessor from any and all claims by Lessee's agents, invitees, employees or patients for damage or loss resulting from the removal of any such vehicle.

(k) **Damages.** In addition to other remedies, Lessor may recover actual damages resulting from Lessee's default.

20.1 **Default by Lessor.** If Lessor defaults in the performance of any term, covenant or condition required to be performed by Lessor under this Lease, Lessor will have Thirty (30) days following receipt of written notice from Lessee specifying such default, to cure such default, provided that if Lessor has

commenced actions to cure such default within said Thirty (30) day period, Lessor will have all reasonable and necessary time to complete such cure.

20.2 **Remedies for Lessor Default.** Upon occurrence of any default by Lessor as provided by this Lease and the subsequent failure by Lessor to cure or commence actions to cure, as herein provided, Lessee will, as Lessee's sole remedy, have the right to maintain an action against Lessor solely for actual damages suffered as a result of Lessor's default.

20.3 **Lessor's Liability.** Neither the officers, members or managers comprising Lessor, will be liable for the performance of Lessor's obligations under this Lease. Lessee will look solely to Lessor to enforce Lessor's obligations under the Lease and will not seek damages against the released parties. The liability of Lessor for Lessor's obligations under this Lease will not exceed and will be limited to the greater of the value of Lessor's interest in the building and the land on which the building is situated subject to any and all liens and encumbrances against such land and building, and Lessee will not look to any other property of Lessor or the property and assets of the released parties to enforce Lessor's obligations under the Lease or to satisfy any judgment against Lessor.

21.1 Lien **for Rent.** To secure performance of all Lessee's obligations under this Lease and all monies or damages owed by Lessee to Lessor, Lessee gives to

Lessor a contractual lien on all of Lessee's property which may be found on Leased Premises. Such lien also covers all insurance proceeds which may accrue to Lessee by reason of damage or destruction of such property. This lien is given in addition to Lessor's statutory liens, particularly Section 54.021 of the Texas Property Code; and Lessor's statutory lien and contractual lien shall be considered encumbrances properly fixed on such property for statutory and contractual lien purposes when the Lessee's property is placed on the premises. Exercise of statutory lien shall not waive Lessor's contractual lien; and vice versa. Lessee shall not remove such property while rent or other sums remain due and unpaid to Lessor and such property shall not be removed until all covenants of this Lease have been complied with. Notwithstanding the above, Lessor's lien shall be subordinate to any purchase money security interest in Lessee's personal property if such purchase money lien is property perfected and timely recorded as required by the Texas Business and Commerce Code prior to exercise of lien by Lessor. If Lessee fails to pay rent or any other sums due by Lessee, Lessor's representative may peacefully enter the Leased Premises (and any storage facilities) and remove and store all property therein. If Lessor removes any property under this lien, Lessor shall leave the following information in a conspicuous place inside the Leased Premises: (a) written notice of exercise of lien; (b) a list of items removed;

(c) the name of the Lessor's representative who removed such items; and, (d) the date of such removal.

Notwithstanding the foregoing terms of this Paragraph 21.1, Lessor agrees, upon request of Lessee from time to time during the term of this Lease, to subordinate its contractual and statutory landlord's liens to any purchase money security interest created in favor of a third party lender secured by equipment, inventory or trade fixtures to be used by Lessee in the Leased Premises. Such subordination shall be evidenced on such form(s) as may be reasonably requested by Lessee's lender, and Lessor agrees to execute any such subordination agreement within Ten (10) days after request thereof by Lessee or its lender.

22.1 **Attorney's Fees, Interest, and Other Expenses.** All sums due and unpaid by Lessor or Lessee under this Lease shall bear interest at the maximum lawful rate of interest as provided by law from date of default until paid, plus any late payment fees due under this Lease. Late payment fees as set forth in Paragraph 2.3 shall be considered reasonable liquidated damages for the time, trouble, inconvenience and administrative overhead expenses involved in collecting late rentals, such elements of damages being uncertain and difficult to ascertain. Late payment fees shall not be liquidated damages for attorney's fees. If Lessee or Lessor is in default under this Lease and if it becomes necessary for the

non-defaulting party to place this Lease in the hands of any attorney in order to enforce the rights or remedies under this Lease, the non-defaulting party may recover reasonable attorney's fees even if suit has not been filed. In any lawsuit concerning this Lease, the prevailing party shall be entitled to recover reasonable attorney's fees from the nonprevailing party, plus all out of pocket expenses such as deposition costs, telephone calls, travel expenses, expert witness fees, court costs, and other reasonable expenses.

23.1 **Nonwaiver.** Lessor's or Lessee's acceptance of monies or failure to complain of any action, non-action or default of Lessee or Lessor, whether singular or repetitive, shall not constitute a waiver of any of Lessor's or Lessee's rights or obligations under this Lease. If payment of any sums due hereunder is accompanied by written conditions or is represented to be a settlement or satisfaction of any obligation, the payee may accept and deposit such monies without being bound by such conditions or representations unless the payee expressly agrees to such conditions or settlement in a separate written instrument. Waiver of any right or any default under this Lease shall not constitute a waiver of any other right or constitute a waiver of any other default or any subsequent default. No act or omission by Lessor or Lessor's agents shall be deemed an acceptance of surrender of the Leased Premises. No agreement by Lessor to accept

a surrender of the Leased Premises shall be valid unless it is in writing and signed by a duly authorized agent of Lessor.

24.1 **Assignment by Lessor and Liability of Lessor.** Lessor may assign or transfer, in whole or in part, all Lessor's rights and obligations under this Lease and in the building, land, or Leased Premises, without the consent of Lessee. If Lessor transfers such ownership (other than as security for a mortgage) and if the transferee acknowledges in writing to Lessee that the transferee has received all of Lessee's security deposits and prepaid rent (if any) and has assumed all of Lessor's obligations under this Lease, then Lessor shall be released from all liability and such transferee shall become liable to Lessee. Such right to be released of liability shall accrue to subsequent owners only if such transfer is in good faith and for consideration.

25.1 **Subordination to Mortgage.** This Lease shall be subordinate to the lien of any present or future mortgage or deed of trust upon the building, land, or the Leased Premises or upon Lessor's rights under this Lease. This Lease shall be subordinate to all renewals, extensions, rearrangements, modification or consolidations of any such mortgage or deed of trust. Lessee agrees to execute any instrument deemed necessary by Lessor to further effect the subordination of this Lease to any such mortgage, provided such instrument is not in conflict with the

provisions of this Lease, but only if the mortgagee under such mortgage or deed of trust agrees in writing not to disturb Lessee's rights under this Lease as long as Lessee attorns to such mortgagee as the Lessor hereunder. Additionally, and only in connection with any financing or refinancing of the Aurora Office Building, Lessee agrees that within Ten (10) days after request of Lessor, Lessee will provide Lessee's financial statement to Lessor's Lender.

26.1 **Surrender of Premises.** At the expiration or termination of this Lease or the termination of Lessee's right of possession, Lessee shall surrender the Leased Premises to Lessor in the same condition as on the date of initial possession by Lessee, ordinary wear and tear expected. Removal of property by Lessee upon Lessee's surrender of the Leased Premises shall be in accordance with Paragraph 15.1.

27.1 **Holding Over.** If Lessee remains in possession of the Leased Premises after the expiration of or mutually agreed termination of this Lease, without the consent of Lessor or the execution by Lessor and Lessee of a new lease or a renewal or extension of this Lease, then (a) Lessee shall be deemed to be occupying the Leased Premises as a tenant-at-sufferance on a monthly basis, subject to all obligation of this Lease, except that Lessee will pay to Lessor as rental during the holdover period an amount equal to one and half times the rental

including the base rental and the additional rental; (b) Lessee shall be subject to all other remedies of Lessor as provided herein; and, (c) Lessee shall indemnify Lessor and/or prospective tenants for damages (including lost rentals, storage expenses and attorney's fees). If Lessee holds over with Lessor's consent, then Lessee shall continue to pay base rent and additional rent in accordance with the terms of Paragraphs 2.1 and 2.2.

28.1 **Estoppel Certificate and Attornment.** Upon Ten (10) days prior written notice from Lessor, Lessee will execute, acknowledge and deliver to Lessor, a statement in writing which: (a) specifies any subsequent modifications or amendments to this Lease and describing any subleases of Lessee's Leased Premises or portions thereof; (b) certifies that this Lease is otherwise unmodified and in full force and effect; (c) states the amount of any security deposits; (d) acknowledges that there are not, to Lessee's knowledge, any uncured defaults on the part of the Lessor, or specifies such defaults, if any, are claimed; and (e) acknowledges that Lessee will give notice of any Lessor default to the prospective lender and/or purchaser in such request for estoppel certificate. Any such statement may be conclusively relied upon by Lessor and by any prospective purchaser or lienholder of the Leased Premises. If Lessee fails to comply with the foregoing by the end of the Ten (10) day period, it will be conclusively presumed

that: (I) this Lease is unmodified and in full force and effect without any subleases; (ii) that no rent, security deposits or other charges have been prepaid; (iii) that there are no uncured defaults by Lessor; and (iv) Lessor may execute such statement as Lessee's irrevocable agent for such sole purpose and any lienholder may conclusively rely on statement executed by Lessor as agent for Lessee.

Upon Ten (10) days prior written request to Lessor's mortgagee at any time before or after the institution of any proceedings for the foreclosure of any mortgage or other instrument of security, or sale of the Leased Premises pursuant to any mortgage or other instrument of security, Lessee will attorn to such purchaser by recognizing such Purchaser as Lessor under the Lease, assuming consummation of such foreclosure sale. The agreement of Lessee to attorn will survive any foreclosure sale or trustee's sale. Lessee will, upon Ten (10) days written request from Lessor's mortgagee any time before or after foreclosure sale or trustee's sale, execute, acknowledge and deliver to Lessor's mortgagee all instruments and certificates that in reasonable judgment of Lessor's mortgagee may be necessary or proper to confirm such attornment, provided, however, under no circumstance shall Lessee be obligated to execute any documents which would serve to amend the terms of this Lease.

29.1 **Notices.** Whenever written notice is required or permitted under this Lease, such notice shall be in writing and shall be either (a) hand delivered personally to the party being notified; (b) hand delivered to or inside such party's mailing address set forth below, provided such notice is delivered to an employee or representative of Lessee or (c) forwarded by certified mail, return receipt requested, postage prepaid, to such party at such party's mailing address. The mailing address of Lessor shall be the address to which Lessee normally mails or delivers the monthly rent unless Lessor notifies Lessee of a different address in writing. The mailing address of Lessee shall be the Leased Premises under this Lease unless otherwise stated. However, if Lessee moves out, it shall be Lessee's last address known by Lessor.

Hand delivered notice is required only when expressly required in this Lease. Notice and payment of monies shall be deemed given or made upon actual delivery or upon the third day after mailing from any location within the county where the building is located, whichever is sooner. Notice by non-certified mail shall be sufficient if actually received by the addressee or an employee or agent of addressee at Lessee's office space. Notice to any one of multiple Lessees shall be considered notice to all. Notice from any one of multiple Lessees to Lessor shall

be considered notice from all Lessees. The term "notice" shall be inclusive of notices, billings, requests and demands.

30.1 **Binding on Successors.** Unless otherwise expressly stated herein, this Lease shall bind and inure to the benefit of the parties to this Lease and their respective heirs, legal and personal representatives, successors and assigns.

31.1 **Warranties.** Lessor's duties are limited to those expressly stated in this Lease and shall not include any implied duties or implied warranties, now or in the future. Lessor does not make and herewith specifically disclaims any warranties whatsoever, express or implied, concerning the Leased Premises or their suitability or profitability for Lessee or for any particular purpose, except as specifically provided in Paragraph 5.2 hereof.

32.1 **Place of Performance.** All obligations under this Lease, including payment of rent and other sums due, shall be performed in Webb County, Texas, where the building is located, unless otherwise expressly stated in this Lease.

33.1 **Miscellaneous.** This instrument, including all exhibits, constitutes the entire agreement between Lessor and Lessee. No other written or oral promises or representations have been made, and none shall be binding. This Lease shall not be amended or changed except by written instrument, signed by both Lessor and Lessee. Lessor's agents do not and will not have the authority to (a) make

exceptions, changes or amendments to this Lease; (b) waive any right, requirement or provision of this Lease; or (c) release Lessee from all or part of this Lease. Paragraph captions are for convenience only, and such captions neither limit nor amplify the provisions of this Lease. This Lease shall be construed in accordance with the laws of the State of Texas. Time is of the essence in the performance of all obligations by all parties, particularly in determining the existence of a default of the parties. If any provision of this Lease is invalid under present or future laws, the remainder of this Lease shall not be affected.


EXECUTED this 24th day of Feb, 2016.

ADDRESS OF LESSEE

1110 Washington, Suite 101
Laredo, TX 78040

"LESSEE"

Webb County

By: 
Name: Iano E. Tijerina
Title: Webb County Judge
Date: 3/2/16

ADDRESS OF LESSOR

9901 McPherson, Suite 101
Laredo, Texas 78045

"LESSOR"

GODOT, L.C.,

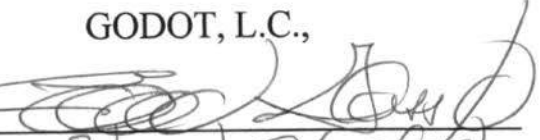
By: 
Name: Edward Glasgo
Title: Partner
Date: 2-24-16

EXHIBIT "B"
BUILDING RULES AND REGULATIONS

It is the desire of Lessor to maintain in the building the highest standard of dignity and good taste consistent with comfort and convenience for all tenants. Any action or condition not meeting his high standard should be reported directly to the Lessor or Lessor's representatives. Cooperation by all tenants will be sincerely appreciated. The following rules and regulations apply to all tenants in the building and their agents, employees, family, licensees, invitees, visitors, and contractors unless otherwise stated. Lessor reserves the right to rescind these rules, make modification thereto, and make other reasonable rules and regulations for the safety, care and cleanliness of the building and for the preservation of good order.

1. **Deliveries and movement of furniture.** Movement into or out of the building of furniture or equipment shall be restricted to hours, stairways, and elevators designated by Lessor. All such movement and delivery shall be reported to Lessor prior to such movement and carried out in a manner agreed between Lessee and the Lessor, by prearrangement. Prearrangement shall include time, method, routing, and any limitations imposed for reasons of safety or nondisturbances of others. The hold harmless and indemnification provisions of the Lease shall apply to the foregoing. Lessor may require that movement of furniture or equipment which interferes with normal building traffic shall be made at hours other than normal business hours.

2. **Obstruction of passageways.** None of the passageways, outside entries, exterior doors, elevators, hallways, or stairways shall be locked or obstructed. No rubbish, trash, litter or material of any nature may be emptied or thrown into these areas. These areas may be used only for ingress and egress.

3. **Doors and Doorlocks.** No additional locks shall be placed on any doors in Lessee's space without written consent of Lessor. Lessee shall not change, alter, or replace locks provided by Lessor on doors in the building, except with written permission of the Lessor. Lessee shall not make duplicate keys. All necessary keys shall be furnished by Lessor, and Lessor shall be entitled to have a key for every door in Lessee's space. Lessee shall surrender all keys upon termination of Lessee's right of occupancy; and at such time, Lessee shall give Lessor the

combination to all vaults or combination locks remaining in lessee's space after surrender by Lessee.

4. **Safes.** Safes and other heavy articles shall be carried onto the leased premises only at such times and in such manner as prescribed by Lessor. Lessor shall have the right to specify height limitations and positioning of safes or other heavy articles. Any damage done to the building by installation, presence, or removal of a safe or other article owned or controlled by Lessee on the Leased Premises, shall be paid by Lessee.

5. **Removal of Furniture.** Removal of furniture or equipment from the building shall require presentation of written authorization by an authorized representative of Lessor. Security guards, watchman, janitors and other building employees will have a right to challenge all persons leaving the building with such items.

6. **Installation and Repair Work.** Lessee shall refer all contracts, contractor's representatives, and installation technicians who render any service on or to Lessee's space, to the Lessor for approval and supervision before performance of any service. This provision shall apply to all work performed in the building, including installation of telephones, electrical lines, and other electrical devices where such installation affects the floors, walls, woodwork, trim, windows, ceilings, mechanical equipment or any other part of the building. If Lessee desires telephone or other electronic connection, Lessee shall notify Lessor, and Lessor shall then direct installation servicemen as to where and how wires may be introduced. Without such directions, no installation shall be permitted.

7. **Hazardous Materials.** Lessee shall not place or install, on the leased premises or any part of the building, any explosive, gasoline, kerosene, oil, acids, caustics, or any other inflammable explosive, or hazardous materials without written consent of the Lessor. Lessee shall not operate electric space heaters, stoves, engines, or other equipment not typical of an office building without written consent of the Lessor.

8. **Entry by Lessor.** Lessor shall have the right to enter for the purposes of maintenance, repair and inspection of the leased premises.

9. **Plumbing.** Plumbing fixtures and appliances shall be used only for the purposes for which they were constructed. No sweeping, rubbish, rags or other

unsuitable materials may be thrown or placed in plumbing fixtures or appliances. The cost of any stoppage or damage resulting from negligence or improper use of these fixtures and appliances by a Lessee or Lessee's agents, employees, family, invitees, licensees or visitors shall be paid for by the Lessee.

10. **Windows.** Lessee shall not allow windows within Lessee's space to be opened at any time, except in emergencies. Nothing shall be thrown out of the windows of the building or down the stairwells or other passages. Lessor reserves the right to cause any of all windows of the building to be locked, sealed, closed or otherwise made inoperable, or to install permanent or temporary screens thereon, and to include the cost thereof with the operating expenses of the building.

11. **Theft and Damages.** Lessor shall not be responsible for lost or stolen personal property, equipment, money, or jewelry from Lessee's space or from the public areas of the building, regardless of whether such loss occurs when the area is locked against entry. Lessor will not be liable to Lessee, or Lessee's employees, customers, or invitees for any damages or losses to persons or property caused by other lessees in the building or for damages or losses caused by theft, burglary, assault, vandalism, or other crimes. Lessor shall not be liable for personal injury or loss of Lessee's property from fire, flood, water leaks, rain, hail, ice, snow, smoke, lightning, wind, explosions, interruption of utilities, or other occurrences unless such injury or damage is caused by negligence of Lessor. Lessor strongly recommends that Lessee secure Lessee's own insurance to protect against the above occurrences.

12. **Animals.** No birds, fowl, or animals (except seeing eye dogs) shall be brought into or kept in or about the building or common area.

13. **Bicycles and Other Vehicles.** No bicycles, motorcycles, similar vehicles shall be allowed in the building and may not be parked in entranceways or walkways. No trailers or large trucks may be parked in the building parking areas except for temporary loading or unloading.

14. **Residential Use.** No sleeping, cooking (other than incidental to ordinary office use), clothes cleaning, or laundering permitted on the leased premises without written consent of Lessor.

15. **Intoxication.** Lessor reserves the right to exclude or expel from the building any person who in the reasonable judgment of Lessor, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any rules and regulations of the building.

16. **Disturbances.** Lessee shall not obstruct, disturb, or interfere with the rights of other Lessees or occupants or in any way injure or annoy them. Lessee shall not make any noises by any means which, in the reasonable judgment of Lessor, are likely to disturb other Lessees or occupants of the building.

17. **Compliance with Safety and Sanitation Laws.** Lessee shall comply with all laws relating to fire, safety, and sanitation, and shall comply with any requirements of Lessor's insurance company with respect to fire prevention, safety standards and sanitation.

18. **Cleaning.** Lessee shall employ person or persons for the purpose of cleaning or maintaining of the leased premises. Lessee shall keep lessee's premises neat and clean. Any special cleaning requested by Lessee and performed by Lessor or Lessor's employees, agents or contractors shall be paid for by Lessee.

19. **Soliciting.** Canvassing, soliciting, or peddling in the building is prohibited without written permission of Lessor, and Lessee shall cooperate to prevent same.

20. **Signs.** No signs, fixtures, or notices of any kind may be displayed except by written consent of Lessor. All signs shall conform to the requirements of the Lease.

21. **Notice of Personal Injuries or Utility or Mechanical Problems.** Lessee shall give prompt notice to the building manager, to the best of Lessee's knowledge, of any significant accidents involving injury to persons or property, including plumbing, electrical, heating and air-conditioning, stairwell, corridor, and elevator problems and/or personal injury and property damage caused thereby.

22. **Requests by Lessee.** Except in emergencies and cases of reasonable immediate need, requests by Lessee shall be attended to only after written request by Lessee to the Lessor. Lessor's employees are not allowed to perform or do anything outside their regular duties unless pursuant to special orders from Lessor.

Lessee may not contract with Lessor's employees for the performance of paid or free services to Lessee. If, at the request of Lessee, Lessor or Lessor's agents furnish services, goods, labor, or material to Lessee which are not required to be furnished by Lessor under this Lease, Lessee shall pay for same upon delivery of a written statement therefor to Lessee.

23. **Building Access.** In case of fire, destruction, invasion, mob, riot, or other commotion, Lessor reserves the right to prevent access to the building by closing the doors or otherwise.

24. **Elevators.** Lessor shall not be liable for damages from stoppage of elevators for repair, service, or improvements, nor will Lessor be liable for delays of any duration in connection with elevator repair, service, or improvements.

25. **Lease provisions regarding Lessee's conduct.** Lessee shall comply with all the provisions of the Lease regarding parking and occupancy, nuisance, and standards of occupancy.

EXHIBIT "C"
RULES AND REGULATIONS

It is the desire of Lessor to maintain and operate the parking area in an orderly manner. Cooperation by all tenants will be sincerely appreciated. The following rules and regulations apply to all tenants in the building and their agents, employees, family, licensees, invitees, visitors, and contractors unless otherwise stated.

Lessor reserves the right to rescind these rules, make changes, or make other rules and regulations for the safety, care, and cleanliness of the parking areas and for the preservation of good order.

1. **Traffic Signs.** All persons parking in the parking areas shall observe posted signs and markings regarding speed, stop signs, traffic lanes, reserved parking, no parking, parking stripes, etc.

2. **Control Devices.** Lessor reserves the right to install or utilize any reasonable system of entry and exit control devices, lessee identification cards, or vehicles identification cards or stickers; and all persons parking in the parking areas shall comply with such system. Lessor may make reasonable charges for replacement of control; device cards or other parking identification cards which are lost or damaged.

3. **Lessee and Guest Parking.** Lessees and their guests and customers may park without charge.

4. **Trash.** All persons parking in the parking areas shall refrain from throwing trash, ashtray contents, or other debris on the garage floor or parking areas.

5. **Flat Tires.** All vehicle owners and all persons parking in the parking garage or parking areas shall be responsible for promptly repairing flat tires or other conditions of the vehicle which cause unsightliness in the reasonable judgment of Lessor.

6. **Removal of unauthorized vehicles.** If vehicles are blocking driveways or passageways or parked in violation of these rules and regulations or state statutes, Lessor may exercise vehicle removal remedies under the Lease.

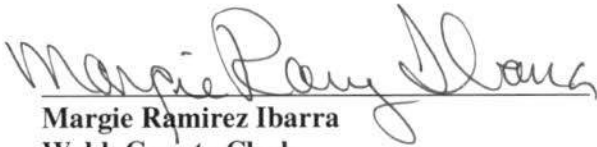
7. **Security.** Lessor shall use reasonable diligence in the maintenance of existing lighting in the parking areas. Lessor shall not be responsible for additional lighting or further security measures in the parking garage or other parking area. Lessor makes no warranties or representations regarding safety or security of parking areas and shall not be liable to Lessee or their guests or customers for any loss or injury occurring in the parking areas. Lessor will not provide security for the building, any leased premise or the parking area.

WEBB COUNTY



Tano E. Tijerina
Webb County Judge

ATTEST:



Margie Ramirez Ibarra
Webb County Clerk



APPROVED AS TO FORM:



Marco A. Montemayor
Webb County Attorney

*By law, the County Attorney'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).