

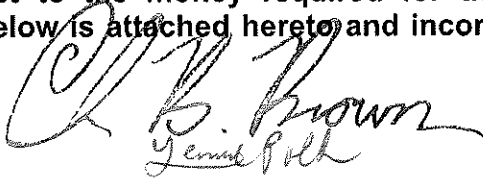
Controller's Office

To the Honorable Mayor and City Council of the City of Houston:

I hereby certify, with respect to the money required for the contract, agreement, obligation or expenditure contemplated by the ordinance set out below that:

- () Funds have been encumbered out of funds previously appropriated for such purpose.
- () Funds have been certified and designated to be appropriated by separate ordinance to be approved prior to the approval of the ordinance set out below.
- () Funds will be available out of current or general revenue prior to the maturity of any such obligation.
- () No pecuniary obligation is to be incurred as a result of approving the ordinance set out below.
- () The money required for the expenditure or expenditures specified below is in the treasury, in the fund or funds specified below, and is not appropriated for any other purposes.
- () A certificate with respect to the money required for the expenditure or expenditures specified below is attached hereto and incorporated herein by this reference.

() Other - :


Gerald B. Brown

City Controller of the City of Houston

Date: 9-29, 2020

2301-2000-

FUND REF:

AMOUNT:

ENCUMB. NO.: RF25070-21

OA 46-13682

City of Houston, Texas, Ordinance No. 2020- 830

AN ORDINANCE APPROVING AND AUTHORIZING A FIRST AMENDMENT TO LEASE AGREEMENT BETWEEN FELICIS PROPERTIES, INC. AS SUCCESSOR IN INTEREST TO SATURN VENTURE, LLC, AS LANDLORD, AND THE CITY OF HOUSTON, TEXAS, AS TENANT, FOR 1,175 SQUARE FEET OF OFFICE SPACE AT 1335 REGENTS PARK DRIVE, BUILDING 2, SUITE 130, HOUSTON, HARRIS COUNTY, TEXAS, FOR A SATELLITE PERMITTING OFFICE; MAKING VARIOUS FINDINGS AND PROVISIONS RELATING TO THE SUBJECT; AND DECLARING AN EMERGENCY.

* * * * *

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:

Section 1. The City Council hereby approves and authorizes the contract, agreement or other undertaking described in the title of this Ordinance, in substantially the form as shown in the document that is attached hereto as "EXHIBIT A" and incorporated herein by this reference. The Mayor is hereby authorized to execute such document and all related documents on behalf of the City of Houston. The City Secretary is hereby authorized to attest to all such signatures and to affix the seal of the City to all such documents.

Section 2. The Mayor is hereby authorized to take all actions necessary to effectuate the City's intent and objectives in approving such agreement, agreements or other undertaking described in the title of this ordinance, in the event of changed circumstances.

Section 3. The City Attorney is hereby authorized to take all action necessary to enforce all legal obligations under said contract without further authorization from Council.


Section 4. That there exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor, however, in the event that the Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 30th day of September, 2020.

APPROVED this _____ day of _____, 2020.

Mayor of the City of Houston, Texas

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is OCT 06 2020.



Interim City Secretary

DocuSigned by:

Anna Howard

Prepared by Legal Department

AH/sec 9/17/20

Requested by Carol Ellinger Haddock, P.E.

Director – Houston Public Works Department

(L.D. File No.0641500039001)

Z:\REALESTATE\ARVA\1335\REGENTS PARK DRIVE

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Sr. Assistant City Attorney

AYE	NO	
✓		MAYOR TURNER
....	COUNCIL MEMBERS
✓		PECK
	ABSENT	DAVIS
✓		KAMIN
✓		EVANS-SHABAZZ
✓		MARTIN
✓		THOMAS
✓		TRAVIS
✓		CISNEROS
✓		GALLEGOS
✓		POLLARD
✓		MARTHA CASTEX-TATUM
✓		KNOX
✓		ROBINSON
	ABSENT-ON PERSONAL BUSINESS	KUBOSH
✓		PLUMMER
✓		ALCORN
CAPTION	ADOPTED	

Exhibit "A"

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT (this "First Amendment") is made and entered into by and between **FELICIS PROPERTIES, INC. as successor in interest to Saturn Venture, LLC**, a Texas limited liability company ("Landlord"), whose address for purposes hereof is 1335 Regents Park Drive, Suite 135, Houston, Texas 77058, and the **CITY OF HOUSTON, TEXAS**, a municipal corporation situated in Harris, Fort Bend and Montgomery Counties, Texas ("Tenant"), whose address for purposes hereof is P.O. Box 61189, Houston, Texas 77208-1189, Attention: Assistant Director of Real Estate, General Services Department. Landlord and Tenant are also referred to collectively as the "Parties" and individually as a "Party".

WITNESSETH:

WHEREAS, the Parties entered into that certain Lease Agreement (the "Original Lease") approved by the City Council of the City of Houston, Texas, by Ordinance No. 2016-0097 passed and adopted February 3, 2016 (Contract No. 4600013682), for a building known as Regents Park II, parking and other improvements located on the real property having a street address of 1335 Regents Park Drive, Building 2, Suite 130, Houston, Texas, 77058; (containing approximately 1,175 square feet of net rentable area); and

WHEREAS, a copy of the Original Lease is attached hereto as **Exhibit "A"** and incorporated herein for all purposes (the Original Lease and, together with this First Amendment, herein the "Lease"); and

WHEREAS, the Original Lease became effective and commenced on March 4, 2016; and

WHEREAS, the term of the Original Lease is thirty-six (36) months from Commencement Date; and

WHEREAS, on August 27, 2018, Tenant exercised its option to renew the Original Lease for two (2) twelve (12) month periods beyond the Expiration Date as defined in the Original Lease; and

WHEREAS, the Parties now desire to amend the Original Lease in order to extend the Lease Term and modify the renewal option outlined in the Original Lease;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. That Section 1(e) of Article 1, Certain Definitions, Basic Provisions and Cross References, is hereby deleted in its entirety and replaced with the following:

"(e) "Expiration Date" shall mean March 3, 2022, unless sooner terminated or extended pursuant to the terms of this Lease."

2. That Section 1(f) of Article 1, Certain Definitions, Basic Provisions and Cross References, is hereby deleted in its entirety and replaced with the following:

"(f) "Monthly Payment" shall be as follows commencing on the Commencement Date: rent shall be \$1,542.19/month; total rent to be paid for the Lease Term is \$111,037.68."

3. That Section 5.1 of Article 5, Renewal Option, is hereby deleted in its entirety and replaced with the following:

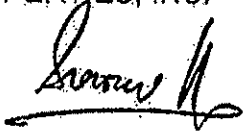
"Section 5.1 Provided that Tenant is not in default of its obligations under this Lease at the time of the exercise of the option or at the commencement of the Renewal Term, Tenant shall have the option, at Tenant's discretion, to renew this Lease for **one (1), twelve (12) month period** in length beyond the expiration of the Lease Term (the "Renewal Term"). The Monthly Payment during the Renewal Term shall be **\$15.75 per square foot per year**. Tenant may exercise its option to renew by giving written notice to Landlord on or before November 30, 2021. Time is of the essence in exercise of such option. The Leased Premises will be provided in its then existing condition (on an "as-is" basis) at the time the Renewal Term commences."

4. All capitalized terms in this First Amendment that are not otherwise defined herein shall have the meanings assigned to those terms in the Original Lease.
5. Except as modified by the changes set forth in this First Amendment, all other terms, conditions, and provisions of the Original Lease shall remain unchanged and in full force and effect.
6. To the extent there exists a conflict between the terms of the Original Lease and the terms of this First Amendment, the terms of this First Amendment control.

[Signature pages follow]

EXECUTED in multiple counterparts, dated and effective as of the date of countersignature by the City Controller.

"LANDLORD"
FELICIS PROPERTIES, INC.



By: _____

Name: Siromi Wijesinghe

Title: Manager / Principal

"TENANT"

ATTEST:

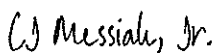
THE CITY OF HOUSTON, TEXAS

Pat Jefferson Daniel
Interim City Secretary

Sylvester Turner
Mayor of the City of Houston

APPROVED AND RECOMMENDED:


COUNTERSIGNED

DocuSigned by:



C.J. Messiah Jr.
Director, General Services Department

Chris B. Brown
Controller

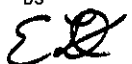
Countersignature Date:



Richard Vella
Assistant Director, Real Estate
General Services Department

DocuSigned by:


A93C410B72B3453
Carol Haddock
Director
Houston Public Works

DS


APPROVED AS TO FORM:

Arva L. Howard
Senior Assistant City Attorney
LD#: 064 1500039 001

Exhibit "A"

ORIGINAL LEASE

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT (this "First Amendment") is made and entered into by and between **FELICIS PROPERTIES, INC. as successor in interest to Saturn Venture, LLC**, a Texas limited liability company ("Landlord"), whose address for purposes hereof is 1335 Regents Park Drive, Suite 135, Houston, Texas 77058, and the **CITY OF HOUSTON, TEXAS**, a municipal corporation situated in Harris, Fort Bend and Montgomery Counties, Texas ("Tenant"), whose address for purposes hereof is P.O. Box 61189, Houston, Texas 77208-1189, Attention: Assistant Director of Real Estate, General Services Department. Landlord and Tenant are also referred to collectively as the "Parties" and individually as a "Party".

WITNESSETH:

WHEREAS, the Parties entered into that certain Lease Agreement (the "Original Lease") approved by the City Council of the City of Houston, Texas, by Ordinance No. 2016-0097 passed and adopted February 3, 2016 (Contract No. 4600013682), for a building known as Regents Park II, parking and other improvements located on the real property having a street address of 1335 Regents Park Drive, Building 2, Suite 130, Houston, Texas, 77058; (containing approximately 1,175 square feet of net rentable area); and

WHEREAS, a copy of the Original Lease is attached hereto as **Exhibit "A"** and incorporated herein for all purposes (the Original Lease and, together with this First Amendment, herein the "Lease"); and

WHEREAS, the Original Lease became effective and commenced on March 4, 2016; and

WHEREAS, the term of the Original Lease is thirty-six (36) months from Commencement Date; and

WHEREAS, on August 27, 2018, Tenant exercised its option to renew the Original Lease for two (2) twelve (12) month periods beyond the Expiration Date as defined in the Original Lease; and

WHEREAS, the Parties now desire to amend the Original Lease in order to extend the Lease Term and modify the renewal option outlined in the Original Lease;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. That Section 1(e) of Article 1, Certain Definitions, Basic Provisions and Cross References, is hereby deleted in its entirety and replaced with the following:

"(e) "Expiration Date" shall mean March 3, 2022, unless sooner terminated or extended pursuant to the terms of this Lease."

2. That Section 1(f) of Article 1, Certain Definitions, Basic Provisions and Cross References, is hereby deleted in its entirety and replaced with the following:

"(f) "Monthly Payment" shall be as follows commencing on the Commencement Date: rent shall be \$1,542.19/month; total rent to be paid for the Lease Term is \$111,037.68."

3. That Section 5.1 of Article 5, Renewal Option, is hereby deleted in its entirety and replaced with the following:

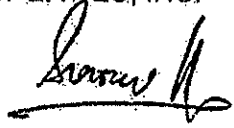
"Section 5.1 Provided that Tenant is not in default of its obligations under this Lease at the time of the exercise of the option or at the commencement of the Renewal Term, Tenant shall have the option, at Tenant's discretion, to renew this Lease for **one (1), twelve (12) month period** in length beyond the expiration of the Lease Term (the "Renewal Term"). The Monthly Payment during the Renewal Term shall be **\$15.75 per square foot per year**. Tenant may exercise its option to renew by giving written notice to Landlord on or before November 30, 2021. Time is of the essence in exercise of such option. The Leased Premises will be provided in its then existing condition (on an "as-is" basis) at the time the Renewal Term commences."

4. All capitalized terms in this First Amendment that are not otherwise defined herein shall have the meanings assigned to those terms in the Original Lease.
5. Except as modified by the changes set forth in this First Amendment, all other terms, conditions, and provisions of the Original Lease shall remain unchanged and in full force and effect.
6. To the extent there exists a conflict between the terms of the Original Lease and the terms of this First Amendment, the terms of this First Amendment control.

[Signature pages follow]

EXECUTED in multiple counterparts, dated and effective as of the date of countersignature by the City Controller.

"LANDLORD"
FELICIS PROPERTIES, INC.



By: _____

Name: Siromi Wijesinghe

Title: Manager / Principal

"TENANT"

ATTEST:


THE CITY OF HOUSTON, TEXAS

Pat Jefferson Daniel
Interim City Secretary

Sylvester Turner
Mayor of the City of Houston

APPROVED AND RECOMMENDED:

COUNTERSIGNED

DocuSigned by:



C.J. Messiah Jr.
Director, General Services Department

Chris B. Brown
Controller

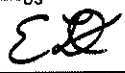
Countersignature Date:




Richard Vella
Assistant Director, Real Estate
General Services Department

DocuSigned by:


A93C410B72B3453
Carol Haddock
Director
Houston Public Works



APPROVED AS TO FORM:

DocuSigned by:


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Arva L. Howard
Senior Assistant City Attorney
LD#: 064 1500039 001

Exhibit "A"

ORIGINAL LEASE

LEASE AGREEMENT

4600013682
2016-0097

THIS LEASE AGREEMENT (this "Lease") is made and entered into by and between **SATURN VENTURE, LLC.**, a Texas limited liability company ("Landlord"), whose address for all purposes is 1963 Emerald Point Ln. League City, Texas 77573 and the **CITY OF HOUSTON, TEXAS**, a municipal corporation situated in Harris, Fort Bend and Montgomery Counties ("Tenant"), whose address for purposes hereof is P. O. Box 61189, Houston, Texas 77252-1189, Attention: Assistant Director of Real Estate, General Services Department. Landlord and Tenant are also referred to collectively as the "Parties" and individually as a "Party".

ARTICLE 1

Certain Definitions, Basic Provisions and Cross References

The following definitions, basic provisions and cross references are placed at the beginning of this Lease for easy reference to certain material terms and provisions of this Lease. Landlord and Tenant agree that each and every provision contained in this Lease is material to the agreements between Landlord and Tenant relating to the Leased Premises (defined below), and no implication is intended, nor shall any implication be inferred, that the failure to define or reference a term, provision, covenant, agreement or condition in this Article 1, shall mean that such term, provision, covenant, agreement or condition is not material or an integral part of this Lease. This Lease should be read carefully and in full for all the terms, provisions, covenants, agreements and conditions that are material to the intent and agreements of the Parties under this Lease.

- (a) "Leased Premises" shall mean the real property, the building known as Regents Park II, parking and other improvements located on the real property having a street address of 1335 Regents Park Drive, Building 2, Suite 130, Houston, Harris County, Texas 77058; (containing approximately 1,175 square feet of net rentable area) as more particularly described in Exhibit A attached and made a part of this Lease and as shown on the floor plan attached and made a part of this Lease as Exhibit B. The Leased Premises shall also include all alterations, repairs, additions and improvements.
- (b) "Lease Term" shall mean from Commencement Date through the Expiration Date.
- (c) "Lease Effective Date" shall mean the date this Lease is countersigned by the City of Houston Controller.
- (d) "Commencement Date" shall mean March 4, 2016.
- (e) "Expiration Date" shall mean thirty six (36) months from Commencement Date, unless sooner terminated or extended pursuant to the terms of this Lease.
- (f) "Monthly Payment" shall be as follows commencing on the Commencement Date: rent shall be \$1,542.19/month; for months 1-36; total rent to be paid for the initial Lease Term is \$55,518.84.
- (g) "Permitted Use" shall mean use by Tenant's Permits Office or any other Tenant Department.

- (h) "HVAC Equipment" shall mean that the Landlord will, at Landlord's sole cost and expense, contract to maintain the HVAC equipment servicing the Leased Premises and conduct any repairs or replacements as needed.

ARTICLE 2

Granting Clause

Landlord hereby demises and leases to Tenant, and Tenant hereby rents, accepts and takes from Landlord, the Leased Premises TO HAVE AND TO HOLD the Leased Premises for the Lease Term, all upon the terms, provisions, covenants, agreements and conditions set forth in this Lease.

Notwithstanding anything herein to the contrary, by occupying the Leased Premises, Tenant shall be deemed to have accepted the same and to have acknowledged that the same comply fully with Landlord's covenants and obligations hereunder.

ARTICLE 3

Monthly Payment

Section 3.1 Tenant agrees to pay to Landlord each month during the Lease Term the Monthly Payment. The initial Monthly Payment shall be due and payable on the first (1st) day of the first month following the Commencement Date as defined in Article 1(d) and each subsequent Monthly Payment shall be due and payable on the first (1st) day of each succeeding calendar month during the Lease Term. If the Commencement Date is other than the first (1st) day of a calendar month or if this Lease expires or terminates on other than the last day of a calendar month, then the Monthly Payment for such month or months shall be prorated and the Monthly Payment so prorated shall be paid in advance. The Monthly Payments, together with any amounts Tenant is required to pay under this Lease, shall constitute and are sometimes collectively referred to as "Rent".

Section 3.2 Landlord will invoice Tenant (Gina Kaminski, Division Manager of Public Works & Engineering/Code Enforcement Division, Customer Assistance and Code Development Office at 1002 Washington Avenue, 4th Floor, Houston, Texas 77002) (i) on the Commencement Date and on or before each one year anniversary of the Commencement Date for all of the Monthly Payments that are to become due and payable during the year following such date to ensure the timely receipt of such Monthly Payments on or before first (1st) day of each month during such year and (ii) on an annual basis. Notwithstanding anything contained in this Lease to the contrary, Landlord acknowledges and agrees that all Monthly Payments and any other payments payable to Landlord by Tenant shall be made only by warrant issued by the City of Houston City Controller within ten (10) days of receipt of an invoice by Tenant. Landlord hereby admits its knowledge and notice that the ability of Tenant to make Monthly Payments and any other payments payable to Landlord by Tenant is completely dependent upon and limited by the extent to which funds may be certified by the City of Houston City Controller as available for use in making Monthly Payments under this Lease. Provided Landlord has sent the required invoice, Tenant acknowledges that it will be in default of its obligations under this Lease if Landlord has not received any Monthly Payment within twenty-one (21) days after the first day of the month for which such Monthly Payment was due or any other amounts payable to Landlord by Tenant hereunder within thirty (30) days after Tenant's receipt of an invoice therefor.

ARTICLE 4

Improvements to Leased Premises and Operation of Building

Section 4.1 Landlord shall, at Landlord's sole cost and expense, prepare the Leased Premises in compliance with Title 3 the Americans with Disabilities Act (the "ADA"). If there are any changes in the ADA after the Commencement Date that require any changes or additional improvements to be made to the Leased Premises, Landlord will make such changes or improvements upon Tenant's request and at Landlord's expense.

Section 4.2 Landlord shall operate and maintain the Leased Premises in accordance with all applicable laws, regulations and ordinances, including, without limitation, the City of Houston Building Code and Fire Code, however, it will be the Tenant's responsibility to comply with the City of Houston Fire Code for Tenant's specific use of the Leased Premises.

ARTICLE 5

Renewal Option

Section 5.1 Provided that Tenant is not in default of its obligations under this Lease at the time of exercise of the option or at the commencement of the Renewal Term, Tenant shall have the option, at Tenant's discretion, to renew this Lease ***for two (2), twelve (12) month periods*** in length beyond the expiration of the initial Lease Term. The Monthly Payment during the Renewal Term shall be ***\$15.75 per square foot per year***. Tenant may exercise its option to renew by giving written notice to Landlord at least six (6) months prior to the Expiration Date of the initial Lease Term. Time is of the essence in the exercise of such option. The Leased Premises will be provided in their then existing condition (on an "as-is" bases) at the time the Renewal Term commences.

ARTICLE 6

Maintenance, Repair or Replacement of Leased Premises

Section 6.1 Landlord, at Landlord's sole cost and expense, shall perform all maintenance and make all repairs and replacements to the common area, the foundation, the exterior walls, all equipment serving the leased premises and common area, plumbing fixtures and lines, and the roof of the Leased Premises. In addition, Landlord shall keep the sidewalks, parking and service areas which are part of the premises in a good, clean and usable condition. In the event that the Leased Premises are in need of repairs required to be made by Landlord, Tenant shall give immediate written notice of the same to Landlord. Landlord shall have thirty (30) days after receipt by Landlord of such written notice to complete or start and diligently pursue to completion, the needed repairs.

Section 6.2 Landlord agrees to provide and maintain, or to cause to be provided and maintained, necessary and adequately sized mains, conduits or other facilities necessary to supply water, electricity, telephone service and sewage service to the Leased Premises that shall be paid for by Tenant.

Section 6.3 At the expiration or termination of this Lease, Tenant shall surrender the Leased Premises in good condition, reasonable wear and tear and loss by fire

or other casualty excepted, and shall surrender all keys for the Leased Premises to Landlord.

ARTICLE 7

Alterations

Section 7.1 Tenant shall have the right, at its sole cost and expense, to install data communication devices, including but not limited to, satellite dishes, microwave dishes, whip antennas and infrared technology on the roof of the Leased Premises during the Lease Term and any Renewal Term. Tenant shall have no obligation to pay Landlord for exercising this right; provided, however, that Landlord shall have the right to require that any roof penetrations or attachments required for such devices be performed or supervised by Landlord's roofing contractor, at Tenant's expense. Tenant shall be solely responsible for, and shall promptly repair, any roof leaks resulting from any such installations or penetrations. Notwithstanding anything to the foregoing Tenant will not make or cause to be made any alterations to the Premises or building that might void any roof warranty that Landlord might have.

Section 7.2 Tenant shall be allowed, at Landlord's sole expense and discretion, to install signage on the interior and exterior of the Leased Premises at appropriate and reasonable locations.

Section 7.3 Except as otherwise provided, Tenant shall not make any material alterations, additions or improvements to the Leased Premises without the prior written consent of Landlord, which consent will not unreasonably be delayed or denied; however, Tenant shall not be required to obtain any consent whatsoever from Landlord for any alterations, additions or improvements which involve (i) the installation and removal of unattached, movable furniture and trade fixtures which may be installed without drilling, cutting or otherwise defacing the Leased Premises, or (ii) any interior lighting, window or door lettering, placards, decorations or paintings, or (iii) telephone and computer network cabling and equipment. Any and all alterations, additions and improvements to the Leased Premises made by Tenant shall be: (a) made at Tenant's sole cost, risk and expense; (b) performed in a prompt, good and workmanlike manner; (c) prosecuted diligently and continuously to completion; and (d) constructed in accordance with all applicable laws. Tenant shall obtain, at Tenant's expense, any permits or licenses required in connection with any such construction and shall provide Landlord with a copy of the same. All telephone or computer equipment, and unattached, movable furniture and trade fixtures made or installed by Tenant upon the Leased Premises shall remain the property of Tenant and may be removed by Tenant at any time, including upon the expiration or termination of this Lease. Any alterations, additions, improvements, including, without limitation, linoleum, carpeting or other floor covering which may be cemented or otherwise affixed to the floor of the Leased Premises, shall become the property of Landlord and shall remain on the Leased Premises upon the expiration or earlier termination of this Lease. Tenant shall have no (and hereby waives all) rights to payment or compensation for any such alterations, additions and improvements.

Section 7.4 Tenant shall not permit the filing or imposition of any mechanic's material man's or artisan's liens against any part of the Leased Premises. In the event that any such lien is imposed against any part of the Leased Premises, Tenant shall have thirty (30) days in which to cause such lien to be removed or to bond around the lien sufficiently

that the lien does not affect the marketability of title of the Leased Premises. Tenant shall defend and indemnify, to the extent allowed by law, the Landlord from any such liens.

ARTICLE 8

Landlord's Right of Access

Upon at least twenty-four (24) hour advance notice to Tenant or without notice in the event of an emergency, Landlord shall have the right to enter upon the Leased Premises for the purpose of inspecting or making repairs, alterations or additions to the Leased Premises or showing the same to prospective purchasers. Non-emergency entries upon the Leased Premises by Landlord shall be during normal business hours and coordinated with Tenant so as to minimize the intrusion on Tenant's use of the Leased Premises.

ARTICLE 9

General Services

Section 9.1 Tenant shall have the non-exclusive use of the surface parking areas on the Leased Premises throughout the Lease Term and any Renewal Term and such use is included in the Monthly Payment.

Section 9.2 Landlord shall pay all taxes and assessments of every nature which are levied upon or assessed against the Leased Premises by any political subdivision and for whatever purpose (the "Taxes"). Tenant shall pay all taxes (if any) which may be lawfully charged, assessed, or imposed upon all fixtures and equipment of every type and also upon all personal property in the Leased Premises.

Section 9.3 Tenant shall be provided a key, or other means that may be required by the Landlord, to gain access/entry by means of the exterior door of the Leased Premises and will have access/entry into Leased Premises at all times in order to access the Leased Premises.

ARTICLE 10

Indemnification

Section 10.1 LANDLORD SHALL DEFEND, INDEMNIFY, AND HOLD TENANT HARMLESS AND DEFEND TENANT AGAINST ANY AND ALL CLAIMS OR LIABILITY FOR ANY INJURY OR DAMAGE TO ANY PERSON OR PROPERTY IN, ON OR ABOUT THE LEASED PREMISES OR ANY PART THEREOF, WHEN SUCH INJURY OR DAMAGE SHALL BE CAUSED BY (I) THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF LANDLORD OR ANY OF LANDLORD'S AGENTS, SERVANTS, EMPLOYEES OR INVITEES (COLLECTIVELY, "LANDLORD'S RELATED PARTIES"), OR (II) LANDLORD'S FAILURE TO PERFORM ITS OBLIGATIONS UNDER SECTIONS 4, 7, AND 10 OF THIS LEASE. TENANT SHALL INsofar AS IS PERMITTED BY APPLICABLE LAW, HOLD LANDLORD HARMLESS AND DEFEND LANDLORD AGAINST ANY AND ALL CLAIMS OR LIABILITY FOR ANY INJURY OR DAMAGE TO ANY PERSON OR PROPERTY IN, ON OR ABOUT THE LEASED PREMISES OR ANY PART THEREOF, WHEN SUCH INJURY OR DAMAGE SHALL BE CAUSED BY THE ACT, SOLE

COMPARATIVE, OR CONCURRENT NEGLIGENCE, FAULT OF, OR OMISSION BY TENANT, ITS AGENTS, SERVANTS, EMPLOYEES, OR INVITEES. LANDLORD SHALL NOT BE LIABLE TO TENANT FOR ANY LOSS OR DAMAGE THAT MAY BE OCCASIONED BY OR THROUGH THE ACTS OR OMISSIONS OF ANY OTHER PERSON WHOMSOEVER, EXCEPTING ONLY THE NEGLIGENCE OR WILFULL MISCONDUCUT OF LANDLORD OR ANY OF LANDLORD'S RELATED PARTIES.

Section 10.2 UPON THE FILING BY ANYONE OF ANY TYPE OF CLAIM, CAUSE OF ACTION OR LAWSUIT (HEREAFTER COLLECTIVELY REFERRED TO AS "CLAIM") AGAINST TENANT FOR ANY TYPE OF DAMAGES ARISING OUT OF INCIDENTS FOR WHICH LANDLORD MAY BE LIABLE PURSUANT TO SECTION 12.1, TENANT SHALL NOTIFY LANDLORD OF SUCH CLAIM AND, IN THE EVENT THAT LANDLORD DOES NOT SETTLE OR COMPROMISE SUCH CLAIM AT ITS OWN COST AND EXPENSE, LANDLORD, AT ITS SOLE COST AND EXPENSE, SHALL UNDERTAKE THE LEGAL DEFENSE OF SUCH CLAIM ON BEHALF OF BOTH LANDLORD AND TENANT UNTIL FINAL DISPOSITION, INCLUDING ALL APPEALS. TENANT MAY AT ITS EXPENSE PARTICIPATE IN THE LEGAL DEFENSE OF ANY SUCH CLAIM. ANY FINAL JUDGEMENT RENDERED AGAINST TENANT FOR ANY CAUSE FOR WHICH LANDLORD IS LIABLE SHALL BE CONCLUSIVE AGAINST LANDLORD AS TO LIABILITY AND AMOUNT UPON THE EXPIRATION OF THE TIME FOR ALL APPEALS.

Section 10.3 UPON THE FILING BY ANYONE OF ANY TYPE OF CLAIM, CAUSE OF ACTION OR LAWSUIT (HEREAFTER COLLECTIVELY REFERRED TO AS "CLAIM") AGAINST LANDLORD FOR ANY TYPE OF DAMAGES ARISING OUT OF INCIDENTS FOR WHICH TENANT MAY BE LIABLE PURSUANT TO SECTION 12.1 OR SECTION 12.5, LANDLORD SHALL NOTIFY TENANT OF SUCH CLAIM AND, IN THE EVENT THAT TENANT DOES NOT SETTLE OR COMPROMISE SUCH CLAIM AT ITS OWN COST AND EXPENSE, TENANT, AT ITS SOLE COST AND EXPENSE, SHALL UNDERTAKE THE LEGAL DEFENSE OF SUCH CLAIM ON BEHALF OF BOTH LANDLORD AND TENANT UNTIL FINAL DISPOSITION, INCLUDING ALL APPEALS. LANDLORD MAY PARTICIPATE IN THE LEGAL DEFENSE OF ANY SUCH CLAIM. TENANT MAY PARTICIPATE IN THE LEGAL DEFENSE OF ANY SUCH CLAIM AND IN THE SELECTION OF COUNSEL BY LANDLORD TO DEFEND AGAINST SUCH CLAIM. ANY FINAL JUDGEMENT RENDERED AGAINST LANDLORD FOR ANY CAUSE FOR WHICH TENANT IS LIABLE SHALL BE CONCLUSIVE AGAINST TENANT, TO THE EXTENT ALLOWED BY LAW, AS TO LIABILITY AND AMOUNT UPON THE EXPIRATION OF THE TIME FOR ALL APPEALS.

Section 10.4 **Waiver of Negligence; No Subrogation.** Anything in this Lease to the contrary notwithstanding, Landlord and Tenant each releases the other and waives any claim it might have against the other for any injury to or death of any person or persons or damage to or theft, destruction, loss, or loss of use of any property (a "Loss"), to the extent such Loss is insured against under any insurance policy (or in the case of Tenant, is self-insured) that covers the Leased Premises, Landlord's or Tenant's fixtures, personal property, leasehold improvements or business, or, in the case of Tenant's waiver, is required to be insured against by Landlord under the terms hereof, regardless of whether the negligence of the other party caused such Loss and regardless of cause or origin, **INCLUDING THE NEGLIGENCE OF THE OTHER PARTY HERETO, ITS AGENTS, OFFICERS, PARTNERS, SHAREHOLDERS, SERVANTS OR EMPLOYEES;** however, Landlord's waiver shall not include any deductible amounts on insurance policies carried by Landlord or any coinsurance penalty which Landlord may sustain. Each party shall cause its insurance carrier to endorse all applicable policies waiving the carrier's rights of recovery

under subrogation or otherwise against the other party. Neither Party shall be required to indemnify the other hereunder for any Loss that is covered by this waiver of subrogation clause.

Section 10.5 IN THE EVENT OF ANY INTERRUPTION OR MALFUNCTION OF ANY UTILITY SERVICE (THAT IS THE RESPONSIBILITY OF LANDLORD) TO THE LEASED PREMISES THAT CAUSES TENANT TO BE UNABLE TO CONDUCT ITS NORMAL BUSINESS/SERVICES, TENANT SHALL NOTIFY LANDLORD IN WRITING OF THE SAME, AND IF SUCH INTERRUPTION OR MALFUNCTION CONTINUES FOR MORE THAN FIVE (5) CONSECUTIVE DAYS, TENANT SHALL HAVE THE RIGHT TO OFFSET OR ABATE RENT COMMENCING ON THE SIXTH (6TH) DAY OF SUCH INTERRUPTION OR MALFUNCTION AND CONTINUING FOR THE PERIOD OF TIME (NOT TO EXCEED ONE HUNDRED TWENTY (120) DAYS) THAT SUCH UTILITY SERVICE IS NOT REINSTATED. HOWEVER, ANY INTERRUPTION OR MALFUNCTION OF ANY UTILITY SERVICE TO THE LEASED PREMISES THAT CAUSES TENANT TO BE UNABLE TO CONDUCT ITS NORMAL BUSINESS/SERVICES, WILL NOT RESULT IN LANDLORD NOR LANDLORD'S AGENTS, REPRESENTATIVES OR EMPLOYEES BEING LIABLE FOR DAMAGES OR EXPENSE (CONSEQUENTIAL, INCIDENTAL, DIRECT, OR OTHERWISE) AS A RESULT THEREOF. SHOULD ANY SUCH INTERRUPTION OR MALFUNCTION LAST FOR MORE THAN ONE HUNDRED TWENTY (120) DAYS, TENANT'S SOLE AND EXCLUSIVE REMEDY SHALL BE TO TERMINATE THIS LEASE UPON WRITTEN NOTICE TO LANDLORD GIVEN AT ANY TIME THEREAFTER AND BEFORE SUCH UTILITY SERVICE IS RESTORED. LANDLORD SHALL HAVE NO OTHER LIABILITY TO TENANT IN THE EVENT OF SUCH TERMINATION OR IN THE EVENT OF ANY DEFAULT HEREUNDER UNLESS SPECIFIED HEREIN.

Section 10.6 INDEMNITY. TENANT SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS LANDLORD AND LANDLORD'S RELATED PARTIES, TO THE EXTENT ALLOWED BY LAW, FROM AND AGAINST ALL CLAIMS, DEMANDS, LIABILITIES, CAUSES OF ACTION, SUITS, JUDGMENTS, DAMAGES, AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES) THAT LANDLORD OR ANY OF LANDLORD'S RELATED PARTIES MAY AT ANY TIME SUSTAIN OR INCUR BY REASON OF (I) ANY OCCURRENCE, IN, UPON OR ABOUT THE LEASED PREMISES OR (II) TENANT'S FAILURE TO PERFORM ITS OBLIGATIONS UNDER THIS LEASE. THE FOREGOING INDEMNIFICATION OBLIGATION OF TENANT, TO THE EXTENT ALLOWED BY LAW, SHALL EXTEND TO AND COVER CLAIMS, DEMANDS, LIABILITIES, CAUSES OF ACTION, DAMAGES AND ANY LOSS EVEN IF CAUSED BY THE NEGLIGENCE OR FAULT OF LANDLORD OR ANY OF LANDLORD'S RELATED PARTIES, BUT NOT INCLUDING ANY CLAIMS, DEMANDS, LIABILITIES, CAUSES OF ACTIONS, DAMAGES OR LOSS CAUSED SOLELY BY REASON OF LANDLORD OR ANY OF LANDLORD'S RELATED PARTIES SOLE NEGLIGENCE OR WILLFUL MISCONDUCT.

ARTICLE 11

Insurance

Section 11.1 At Landlord's sole cost and expense, Landlord shall obtain and maintain throughout the Lease Term one or more insurance policies providing fire and extended coverage for the Leased Premises and comprehensive general liability coverage in such amounts and for such premiums as Landlord, in its sole discretion, deems reasonable. For purposes of this Lease, the term "Insurance Premiums" shall mean and

include the total insurance premiums and other charges for such policies incurred by Landlord. Nothing herein shall be construed to limit, modify or abate Tenant's obligation to self-insure or obtain and maintain its own policies of insurance providing fire and extended coverage for Tenant's furniture, fixtures, equipment, inventory and other personal property belonging to Tenant and which is located in the Leased Premises. It is understood and agreed that the Tenant assumes all risk of damage to its own property arising from any cause whatsoever, including, without limitation, loss by theft or otherwise, and not caused by the willful misconduct of Landlord or any of Landlord's Related Parties.

Section 11.2 As a political subdivision of the State of Texas and governmental unit, Tenant is self-insured under the Texas Tort Claims Act (Chapter 101, *et seq.*, Tex. Civ. Prac. & Rem. Code Ann.) and its statutory liability is limited to a maximum amount of \$100,000 per person and \$300,000 for each single occurrence for bodily injury or death and \$100,000 for each single occurrence for injury to or destruction of property. Under its status as a political subdivision, Tenant does not provide or purchase insurance for Commercial General Liability, Blanket Contractual Liability, Broad Form Property Damage, Personal and Advertising Injury, Completed Operations/Products Liability, Medical Expenses, and Interest of Employees as additional insured's. Additionally, as a political subdivision, Tenant provides Workers' Compensation benefits to Tenant's employees involved in the performance of this Agreement under a self-insurance plan pursuant to Tex. Labor Code Ann § 504.011, as amended.

ARTICLE 12

Damage by Casualty

Section 12.1 Tenant shall give immediate written notice to Landlord of any damage caused to the building located on the Leased Premises by fire or other casualty. In the event that the building located on the Leased Premises shall be damaged or destroyed by fire or other casualty covered by the fire and extended coverage insurance maintained by Landlord and Landlord does not elect to terminate this Lease as hereinafter provided, Landlord shall commence, to rebuild and repair the roof, exterior walls and foundation of the building located on the Leased Premises within the later of sixty (60) days after (i) the occurrence of the casualty loss or (ii) the issuance of any required building permits by the City of Houston, provided however, Landlord makes application for the building permits within sixty (60) days after the occurrence of the event. In the event (a) the building located on the Leased Premises shall be destroyed or substantially damaged by a casualty not covered by the fire and extended coverage maintained by Landlord or (b) such building shall be destroyed or rendered untenable to an extent in excess of twenty-five percent (25%) of the floor area by a casualty covered by Landlord's insurance, or (c) the holder of a mortgage, deed of trust or other lien on the Leased Premises at the time of the casualty elects, pursuant to such mortgage, deed of trust or other lien, to require the use of all or part of Landlord's insurance proceeds in satisfaction of all or part of the indebtedness secured by the mortgage, deed of trust or other lien, then Landlord may elect either to terminate this Lease or to proceed to rebuild and repair such building. Landlord shall give written notice to Tenant of such election within sixty (60) days after the occurrence of such casualty. If Landlord elects to rebuild and repair, Landlord shall proceed to do so within sixty (60) days after the later of (i) the occurrence of the casualty loss, or (ii) the issuance of any required building permits by the City of Houston provided however, Landlord makes application for the building permits within sixty (60) days after the occurrence of the event. If Landlord fails to commence such rebuilding or repairing within the later of sixty (60) days after (i) the occurrence of the casualty loss or (ii) the issuance of any required building permits by the

City of Houston, or thereafter fails to complete the same within one hundred twenty (120) days after commencing such work, then at the option of Tenant and upon Tenant giving Landlord thirty (30) days written notice, this Lease shall forthwith terminate with all remaining Monthly Payments abated.

Section 12.2 Landlord's obligation to rebuild and repair shall in any event be limited to restoring the roof, exterior walls and foundation of the building located on the Leased Premises to substantially the condition which existed prior to such casualty. Tenant agrees that during any period of reconstruction or repair of the Leased Premises Tenant will continue the operation of its business within the Leased Premises to the extent practicable and safe as judged by the City of Houston Fire Marshal. During the period from the occurrence of the casualty until Landlord's repairs are completed, the Rent shall be abated to such extent as may be fair and reasonable under the circumstances.

ARTICLE 13

Eminent Domain

Section 13.1 If any of the floor area of the building located on the Leased Premises should be taken for any public or quasi-public use under any governmental law, ordinance or regulation or by right of eminent domain, Tenant shall have the option to immediately terminate this Lease with all remaining Monthly Payments being abated. If Tenant decides not to terminate this Lease, the Monthly Payment during the unexpired portion of this Lease shall be reduced in proportion to the area taken, effective on the date physical possession is taken by the condemning authority. Following such partial taking, Landlord shall make all necessary repairs or alterations to make the Leased Premises an architectural whole.

Section 13.2 If more than thirty percent (30%) of that portion of the Leased Premises located outside of the building shall be taken as aforesaid, Tenant shall have the option to immediately terminate this Lease with all remaining Monthly Payments being abated.

Section 13.3 All compensation awarded for any taking of the Leased Premises shall be the property of Landlord; provided, however, Landlord shall have no interest in any separate award made to Tenant, provided such separate award does not reduce the award payable to Landlord.

ARTICLE 14

Assignment and Subletting

Section 14.1 Tenant shall not, by operation of law or otherwise, assign, sublet, transfer or encumber this Lease, or any interest therein (each, a "Transfer") without Landlord's prior written approval, which approval shall not be unreasonably withheld, delayed or conditioned with respect to an assignment of this Lease, provided that the transferee, in Landlord's judgment, is financially able to discharge the obligations of this Lease, and expressly assumes the obligations of this Lease.

Section 14.2 If Tenant requests Landlord's consent to any Transfer, then Tenant shall provide Landlord with documentation reasonably requested by Landlord regarding the proposed Transfer. Landlord's consent to a Transfer shall not release Tenant

from performing its obligations under this Lease but rather Tenant's transferee shall assume all of Tenant's obligations under this Lease in a writing satisfactory to Landlord and Tenant, and its transferee shall be jointly and severally liable therefore. Any attempted Transfer by Tenant in violation of the terms and covenants of this Section shall be void and shall constitute a default by Tenant under this Lease.

Section 14.3 Landlord shall have the right at any time to sell, transfer or assign its interest in this Lease or in any portion of the Leased Premises without the consent of Tenant, and any such sale, transfer or assignment shall be binding upon Tenant. Tenant shall attorn to such purchaser, transferee or assignee, upon such party's request, and Landlord shall be released from all liability and obligations under this Lease, provided that any new Landlord assumes all liabilities of the current Landlord herein.

ARTICLE 15

Default by Tenant and Remedies

Section 15.1 The occurrence of any of the following events shall constitute an "Event of Default" by Tenant under this Lease:

- (a) Tenant shall fail to pay (i) any Monthly Payment within twenty-one (21) days after the first day of the month for which such Monthly Payment was due, or (ii) the pass through of the Insurance Premiums and Taxes or any other amounts payable to Landlord by Tenant hereunder within thirty (30) days after Tenant's receipt of an invoice therefor.
- (b) Tenant shall fail to comply with any term, provision or covenant of this Lease, other than the payment of the Monthly Payment or expenses demanded by Landlord, and such failure shall continue for a period of thirty (30) days after written notice thereof to Tenant by Landlord.
- (c) Tenant shall fail to comply with any of the indemnity obligations set forth in Section 12.

Upon the occurrence of Event of Default, the Landlord shall have the option to terminate this Lease in addition to all other rights and remedies available to the Landlord at law or in equity.

ARTICLE 16

Subordination

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter created upon the Leased Premises, and to any renewals and extensions thereof. Any lender may at any time subordinate this Lease to any mortgage, deed of trust or other lien hereafter placed upon the Leased Premises, and Tenant agrees to execute such further instruments subordinating this Lease as such lender may request. Tenant's subordination shall be expressly conditioned upon Landlord securing a non-disturbance agreement from any lender in a form satisfactory to Tenant, in Tenant's reasonable discretion, which assures Tenant that in the event of foreclosure, or in the event title to the Leased Premises is transferred in lieu of such foreclosure, or in the event any lender directly or indirectly becomes the new landlord of the Leased Premises, that the terms of this Lease will not be terminated, disturbed, or adversely affected. Landlord agrees that, within thirty (30) days

from the date of execution of this Lease, it will provide Tenant with a subordination, non-disturbance and attornment agreement in favor of Tenant from any mortgage holders or lien holders then in existence. Said non-disturbance agreements shall be recorded, at Landlord's sole cost and expense, in the Real Property Records of Harris County, Texas. In the event Landlord fails to provide such non-disturbance agreements within the time frame set forth in this Article, Tenant shall have the right to terminate this Lease.

ARTICLE 17

Holding Over by Tenant

In the event Tenant remains in possession of the Leased Premises without the execution of a new lease, Tenant shall be deemed to be occupying the Leased Premises as a tenant from month-to-month at a rental equal to 110% of the Monthly Payment then due under this Lease and Landlord and Tenant shall be subject to all the conditions, provisions and obligations of this Lease insofar as the same are applicable to a month-to-month tenancy. No holding over by Tenant after the expiration or termination of this Lease shall be construed to extend the Lease Term or in any other manner be construed as permission by Landlord to hold over. Tenant shall indemnify, to the extent allowed by Law, Landlord (a) against all claims for damages by any other existing or prospective tenant to whom Landlord may have leased any part of the Leased Premises effective upon the termination or expiration of this Lease, and (b) for all other losses, costs and expenses of Landlord, including reasonable attorneys' fees, incurred by reason of such holding over.

ARTICLE 18

Environmental Restrictions

Section 18.1 Neither Landlord nor Tenant shall transport, use, store, maintain, generate, manufacture, handle, dispose, release or discharge any "Hazardous Material" (as defined below) upon or about the Leased Premises, nor permit their employees, agents, and contractors to engage in such activities upon or about the Leased Premises. However, the foregoing provisions shall not prohibit the transportation to and from, and use, storage, maintenance and handling within the Leased Premises of substances customarily used in owning, managing, repairing, leasing, or operating real estate similar to the Leased Premises; provided (i) such substances shall be used and maintained only in such quantities as are reasonably necessary and in accordance with applicable law and the manufacturers' instructions therefor and (ii) such substances may be disposed of, released or discharged at the Leased Premises if permitted by and in compliance with applicable laws, and shall be transported to and from the Leased Premises in compliance with all applicable laws.

Section 18.2 Each Party shall promptly notify the other Party upon the notifying Party becoming aware of: (i) any enforcement, cleanup, or other regulatory action taken or threatened against either Party by any governmental or regulatory authority with respect to the presence of any Hazardous Material on the Leased Premises, (ii) any demands or claims made or threatened by any party against Landlord, Tenant relating to any loss or injury resulting from any Hazardous Material, (iii) any unlawful release, discharge or non-routine, improper or unlawful disposal or transportation of any Hazardous Material on or from the Leased Premises, and (iv) any matters where the Party is required by law to give a notice to any governmental or regulatory authority respecting any Hazardous Materials on the Leased Premises. At such times as may be reasonably requested, each Party shall provide the other Party with a written list identifying any Hazardous Material then actually

known by the reporting Party to be then used, stored, or maintained upon the Leased Premises, a copy of any material safety data sheet ("MSDS") issued by the manufacturer therefor, written information concerning the removal, transportation and disposal of the same, and such other information as the requesting Party may reasonably require or as may be required by laws. The term "Hazardous Material" shall mean any chemical, substance, material or waste or component thereof which is now or hereafter listed, defined or regulated as a hazardous or toxic chemical, substance, material or waste or component thereof by any federal, state or local governing or regulatory body having jurisdiction, or which would trigger any employee or community "right-to-know" requirements adopted by any such body, or for which any such body has adopted any requirements for the preparation or distribution of an MSDS.

Section 18.3 If any Hazardous Material is released, discharged or disposed of by either Party or the Party's employees, agents or contractors, on or about the Leased Premises in violation of the foregoing provisions, the discharging Party shall immediately, properly and in compliance with all applicable laws and ordinances, clean up and remove the Hazardous Material from the Leased Premises and any other affected property, at the discharging Party's sole cost and expense. Such clean up and removal work shall be subject to the prior written approval of the non-discharging Party, and shall include, without limitation, any testing, investigation and/or preparation and implementation of any remedial action plan required by any governmental body having jurisdiction. If the discharging Party shall fail to comply with the provisions of this Section within fifteen (15) days after written notice by the non-discharging Party, or such shorter time as may be required by law, the non-discharging Party may (but shall not be obligated to) arrange for such compliance directly or as the discharging Party's agent through contractors or other parties selected by the non-discharging Party at the expense the discharging Party.

ARTICLE 19

Notices

Wherever any notice is required or permitted such notice shall be in writing. Any notice or document required or permitted to be delivered shall be deemed to be delivered when deposited in the United States mail, postage prepaid, Certified or Registered Mail, Return Receipt Requested, addressed to the Parties at their respective addresses set forth in the preamble paragraph of this Lease, or such other addresses as they may have specified by written notice. Notice given in any other manner shall be effective only upon receipt by the Party for whom it is intended.

ARTICLE 20

Miscellaneous

Section 20.1 Nothing contained in this Lease shall be deemed or construed by the Parties, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between Landlord and Tenant, it being understood and agreed that neither the method of computation of Rent, nor any other provisions contained in this Lease, nor any acts of Landlord and Tenant, shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant. Whenever the singular number is used, the same shall include the plural, and words of any gender shall include each other gender.

Section 20.2 The captions used in this Lease are for convenience only and do not limit or amplify the provisions hereof.

Section 20.3 One or more waivers of any covenant, term or condition of this Lease by either Party shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval by either Party shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval by either Party to or of any act by the other Party requiring such consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

Section 20.4 Landlord covenants and agrees that, if Tenant shall pay all Monthly Payments and perform all of the other covenants and agreements required to be performed by Tenant, Tenant shall, subject to the terms of this Lease, have the peaceable and quiet enjoyment and possession of the Leased Premises, without hindrance by Landlord or any other person claiming or purporting to claim title to the Leased Premises, or any part thereof, by, through or under Landlord but not otherwise.

Section 20.5 This Lease contains the entire agreement between the Parties, and no agreement shall be effective to change, modify or terminate this Lease in whole or in part unless such agreement is in writing and duly signed by the Party against whom enforcement of such change, modification or termination is sought. This Lease supersedes all prior proposals.

Section 20.6 The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Lease. Any action brought to enforce or interpret this Lease shall be brought in the court of appropriate jurisdiction in Houston, Harris County, Texas. Should any provision of this Lease require judicial interpretation, Landlord and Tenant hereby agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a Party by reason of any rule or conclusion that a document should be construed more strictly against the Party who prepared the same, it being agreed that all Parties have participated in the preparation of this Lease and that each Party had full opportunity to consult legal counsel of its choice before the execution of this Lease.

Section 20.7 Each and every agreement contained in this Lease is, and shall be construed as, a separate and independent agreement. If any provision of this Lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

Section 20.8 Notwithstanding anything to the contrary in this Lease, all remedies of the Parties are cumulative and the election of a remedy by one Party shall not foreclose such Party from pursuing any other equitable or legal remedy.

Section 20.9 Subject to the provisions of this Lease, and except as otherwise provided in this Lease, the terms, provisions and covenants contained in this Lease shall inure to the benefit of and be binding upon the Parties and the Parties' respective successors and assigns.

Section 20.10 Neither Landlord nor Tenant shall be required to perform any term of this Lease (other than the obligations of Tenant to pay Rent as provided herein) so long as such performance is delayed or prevented by "Force Majeure", which shall mean acts of God, strikes, injunctions, lockouts, material or labor restrictions by any governmental

authority, civil riots, floods, fire, theft, public enemy, insurrection, war, court order, requisition or order of governmental body or authority, and any other cause not reasonably within the control of Landlord or Tenant and which by the exercise of due diligence Landlord or Tenant is unable, wholly or in part, to prevent or overcome.

Section 20.11 Landlord represents and warrants that all consents or approvals required for the execution, delivery and performance of this Lease have been obtained and that Landlord has the right and authority to enter into and perform its covenants and agreements contained in this Lease. Tenant represents and warrants that, once this Lease has been approved by the City of Houston Council and signed by the Mayor, all consents or approvals required for the execution, delivery and performance of this Lease have been obtained and that Tenant has the right and authority to enter into and perform its covenants and agreements contained in this Lease.

Section 20.12 Time is of the essence in this Lease.

Section 20.13 This Lease is subject to all terms and provisions of the Charter and Code of Ordinances of the City of Houston, Texas.

Section 20.14 This Lease shall not become fully binding and effective as to either party, and neither party shall have any obligation hereunder until this Lease has been approved by the City Council of the City of Houston, signed by the Mayor of the City of Houston and countersigned by the Controller of the City of Houston.

Section 20.15 Landlord's Liability. The liability of Landlord to Tenant for any default by Landlord under the terms of this Lease shall be limited to Tenant's actual direct, but not consequential, damages therefor and shall be recoverable only from the interest of Landlord in the Leased Premises, and Landlord shall not be personally liable for any deficiency. This Section shall not be deemed to limit or deny any remedies which Tenant may have in the event of default by Landlord hereunder which do not involve the personal liability of Landlord. Landlord shall not be in default hereunder and Tenant shall not have any remedy or cause of action unless Landlord fails to perform any of its obligations hereunder with thirty (30) days after written notice from Tenant specifying such failure (unless such performance will, due to the nature of the obligation, require a period of time in excess of thirty (30) days, then after such period of time as is reasonably necessary). If Landlord is in default hereunder, Tenant's exclusive remedy shall be an action for damages, and Tenant's damages shall be limited to Tenant's actual direct (excluding consequential, speculative, special, exemplary and punitive damages) damages therefor.

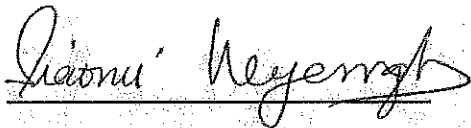
Section 20.16 Estoppel Certificates. From time to time, Tenant shall furnish to any party designated by Landlord, within twenty (20) days after Landlord has made a request therefor, a certificate signed by Tenant confirming and containing such factual certifications and representations as to this Lease as Landlord may reasonably request.

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EXECUTED in multiple counterparts, to be effective upon the date of countersignature by the City Controller.

"LANDLORD"

SATURN VENTURE, LLC, a Texas limited liability company

By: 

Name: Siromi S. Wijesinghe
Title: Owner/ Property Manager

"TENANT"

CITY OF HOUSTON

Sylvester Turner
Sylvester Turner
Mayor

ATTEST:

Anna Russell
Anna Russell
City Secretary

APPROVED AND RECOMMENDED:

Scott D. Minnix
Scott D. Minnix
Director,
General Services Department

COUNTERSIGNED:

Chris B. Brown
Chris B. Brown
Controller

Date 2/16/16

Humberto Bautista
Humberto Bautista, P.E.
Assistant Director, Real Estate Division
General Services Department

Dale A. Rudick
Dale A. Rudick, P.E.
Director,
Public Works and Engineering Department

APPROVED AS TO FORM:

Ondrea U. Taylor
Ondrea U. Taylor
Assistant City Attorney
LD # 064 1500039 001

EXHIBIT A

Legal Description

The Leased Premises consist of and are located on the following described property:

A 2.6782 acre tract of land out of the Sarah Deal League, Abstract No. 13, Harris County, Texas, said 2.6782 acres of land being out of Block 2, Unrestricted Reserves "B" and "C" of the Replat and Extension of Clear Lake City Industrial Park Section D-3 as recorded in Volume 281, Page 29 of the Harris County Map Records and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch rod marking the most southerly cut-back corner at the intersection of the westerly right-of-way line of Regents Park Drive and the southerly right-of-way line of Saturn Lane;

THENCE South 23 deg. 14 min. 00 sec. West, 376.00 feet along the westerly right-of-way line of Regents Park Drive (60' wide) to a 1/2 inch iron rod marking the beginning of a curve to the right with a radius of 420.00 feet;

THENCE in a southerly direction with a curve to the right having a radius of 420.00 feet a central angle of 10 deg. 25 min. 31 sec., a distance of 76.42 feet (chord = South 28 deg. 26 min. 45 sec. West, 76.32 feet) to a 1/2 inch iron rod for corner;

THENCE North 66 deg. 46 min. 00 sec. West, 246.07 feet to a 1/2 inch iron rod set for corner;

THENCE North 23 deg. 14 min. 00 sec. East, 462.00 feet to an iron rod in the southerly right-of-way line of Saturn Lane (80 feet);

THENCE South 66 deg. 46 min. 00 sec. East, 243.00 feet to a 1/2 inch iron rod;

THENCE South 21 deg. 46 min. 00 sec. East, 14.14 feet to the **POINT OF BEGINNING**, and containing 2.6782 acres of land.

EXHIBIT B

FLOOR PLAN

PUBLIC WORKS/CODE ENFORCEMENT
REGENT'S PARK 11
LEVEL ONE
1,175 S.F. N.R.A.

