

**midtown**  
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**MIDTOWN REDEVELOPMENT AUTHORITY/  
TIRZ#2  
BOARD OF DIRECTORS MEETING  
JUNE 26,2025**



**MIDTOWN REDEVELOPMENT AUTHORITY  
and  
REINVESTMENT ZONE NUMBER TWO, CITY OF HOUSTON, TEXAS  
(ALSO KNOWN AS THE MIDTOWN REINVESTMENT ZONE)**

**TO: THE BOARD OF DIRECTORS OF THE MIDTOWN REDEVELOPMENT AUTHORITY AND  
THE MIDTOWN REINVESTMENT ZONE AND TO ALL OTHER INTERESTED PERSONS:**

Notice is hereby given that the Board of Directors of the Midtown Redevelopment Authority (the "Authority") will hold a joint regular meeting, open to the public, with the Board of Directors of the Midtown Reinvestment Zone on Thursday, June 26, 2025, at 12:30 p.m. at 410 Pierce Street, 1<sup>st</sup> Floor Conference Room (enter at the Pierce St. and Brazos St. door) Houston, Texas 77002.

The meeting location will be open to the public during open portions of the meeting. Members of the public may attend and/or offer comments in person as provided on the agenda and as permitted by the presiding officer during the meeting, or may view the meeting through the following link:

<https://midtownhouston.com/event/mra-board-meeting/>

<https://midtownhouston.com/event/mra-board-meeting-2025-06-26/>

**Meeting ID: 247 576 862 826**

**Passcode: GddGFQ**

**Or dial in by phone and enter the phone ID when prompted**

**Phone: +1 872-256-8243**

**Phone ID 355 736 852#**

The Board of Directors of each of the Authority and the Midtown Reinvestment Zone will (i) consider, present and discuss orders, resolutions or motions; (ii) adopt, approve and ratify such orders, resolutions or motions; and (iii) take other actions as may be necessary, convenient or desirable, with respect to the following matters:

**AGENDA**

1. Call to Order, Introduction of Guests and Board Comments
2. Public Comment
3. Consent Agenda for the Midtown Reinvestment Zone
  - a. Minutes for April 23, 2025
4. Consent Agenda for the Authority
  - a. Minutes for April 23, 2025
  - b. Monthly financial reports for April 30, 2025 and May 31, 2025
  - c. Ratification of HVAC Repair Contract with NEVA for 402/410 Pierce in the amount of \$137,112
  - d. Second Amendment to Amended and Restated Lease with La Calle, LLC

- e. Annual renewal of Professional Services Agreement with Walter P Moore
- 5. TxDOT North Houston Highway Improvement Project Presentation
- 6. Affordable Housing Program
  - a. Affordable Housing Operations Campus and Related Administrative Matters
    - i. Primary Care Cohort 2 PropCo LLC Office Lease
    - ii. Honeycomb Clinic, LLC Office Lease
    - iii. Iridium Specialty Pharmacy, PLLC Office Lease
  - b. Purchase and Sale Agreement with the City of Houston Relating to Approximately 101,978 Square Feet of Real Property on Old Spanish Trail between Blythewood Street and Calhoun Road
  - c. Conveyance of 11 Tracts of Land to Heart of Houston Community Development Corporation, Inc. for Construction of Single-Family Affordable Homes
  - d. Reservation of 6 Tracts of Land for the City of Houston Housing and Community Development Department's New Home Development Program for Construction of Single-Family Affordable Homes
  - e. Amendment to Grant Agreement with Houston Habitat for Humanity, Inc. related to the Maximum Sale Price of Four Single-Family Affordable Homes
  - f. Amendment to Grant Agreement with Change Happens Community Development Corporation related to the Maximum Sale Price of Two Single-Family Homes for a City of Houston Housing and Community Development Department Project
  - g. Daggett Development LLC – Single-Family Affordable Housing Development at 5635 MLK
- 7. Interlocal Agreement with The Harris Center for Mental Health and IDD
- 8. Capital Improvements Program
  - a. Street Overlay and Sidewalk Program
    - i. Design Phase Work Order
  - b. Urban Redevelopment Plan
    - i. Developer Agreements
- 9. Executive Director
  - a. Economic Development Strategy Report
  - b. Morgan Group Update
  - c. Affordable Housing Update
- 10. Personnel, Compensation and Review Process
- 11. With respect to the foregoing agenda items, the Authority may conduct an executive session with regards to the following, as appropriate and necessary:
  - a. Consultation with attorney (Section 551.071, Texas Government Code);
  - b. The purchase, exchange, lease or value of real property (Section 551.072, Texas Government Code);
  - c. Personnel matters (Section 551.074, Texas Government Code);
  - d. Security personnel or devices (Section 551.076, Texas Government Code); and
  - e. Economic development negotiations (Sections 551.087, Texas Government Code).

Upon entering into the executive session, the presiding officer shall announce which agenda items will be discussed.

- 12. Adjourn

  
 Matt Thibodeaux

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Executive Director MT/ks



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# **ZONE CONSENT AGENDA**

**MINUTES OF THE BOARD OF DIRECTORS OF  
REINVESTMENT ZONE NUMBER TWO, CITY OF HOUSTON, TEXAS**

**April 23, 2025**

A special meeting of the Board of Directors (the “Board”) of Reinvestment Zone Number Two, City of Houston, Texas, was held at 410 Pierce Street, First Floor Conference Room, Houston, Texas 77002 and via video conference on Wednesday, April 23, 2025, at 12:30 p.m. The meeting was open to the public. The roll was called of the duly appointed members of the Board, to-wit:

<u>Pos. #</u>	<u>Name</u>	<u>Pos. #</u>	<u>Name</u>
1	Camille Foster	6	Abe Goren
2	Terence Fontaine	7	Deanea LeFlore
3	Michael Lewis	8	James Gilford
4	Michael T. Murphy	9	Zoe Middleton
5	Al Odom		

and all of the above were present in person at the meeting location except Directors Foster, Goren and Gilford, who were absent.

In attendance were Authority staff members Matt Thibodeaux, Kandi Schramm, Marlon Marshall, Jeremy Rocha, David Thomas and Kayler Williams; Jaime Giraldo, Chandler Snipe and Chrystal Davis Robinson of the Midtown Management District; Barron Wallace and Mary Buzak of Bracewell LLP; Melissa Morton of The Morton Accounting Services; Rachel Ray-Welsh of Walter P. Moore; Jennifer Curley of the City of Houston; Mike Pittman of Cushman & Wakefield; Jennifer Gribble of Super Neighborhood 62; and Dominic Walsh of Houston Public Media.

In attendance via video conference were Authority staff member Sally Adame; Cynthia Alvarado of the Midtown Management District; Lynda Guidry of Super Neighborhood #62; Andrea Moore; Zack Martin of Martin Construction Management and Designs, LLC; Carol Harrison of IDS Engineering; Corey Glenn of the City of Houston; Tanya Babbar of the Houston Chronicle; Ashley Segura of Medley, Inc.; and one additional attendee who was not identified by first and last name.

Director Odom called the meeting to order.

**MINUTES FOR MARCH 27, 2025**

Director Murphy made a motion to approve the minutes for March 27, 2025. The motion was seconded by Director Lewis and unanimously approved.

**EXECUTIVE SESSION**

The Board did not enter a closed executive session.

**ADJOURN**

There being no further business to come before the Board, the meeting was adjourned.

\_\_\_\_\_  
Camille Foster, Assistant Secretary

\_\_\_\_\_  
Date



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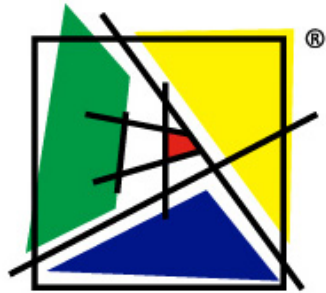
# **AUTHORITY CONSENT AGENDA**





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# **AUTHORITY MINUTES**



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# FINANCIALS

## Midtown Redevelopment Authority

## Profit &amp; Loss

July 2024 through May 2025

	Jul '24 - May 25
Ordinary Income/Expense	
Income	
400000 · Revenue & Support	
400011 · Harris County Tax Increment	3,906,030.00
400023 · HTC Build Out Reimbursement	229,468.29
400025 · Interest-Debt Service & Reserve	687,358.21
400026 · Interest-Other Bond Funds	217.36
400029 · Interest - Affordable Housing	318,246.20
400030 · Interest-Operating Funds	873,223.08
400031 · Interest Income	79,680.42
400040 · 3131 EMANCIPATION	964,864.95
400041 · Affordable Housing Apts Units	80,945.95
400042 · 402 & 410 Tenant Inome	181,225.72
Total 400000 · Revenue & Support	7,321,260.18
40010 · Other Revenue	
400020 · Reimb Off Exp & Staff	624,059.11
400032 · Other Revenue	49,268.22
Total 40010 · Other Revenue	673,327.33
400441 · Bagby Park Kiosk Lease	3,621.38
450000 · Gain/Loss from Sale of Land	-2,293,704.33
Total Income	5,704,504.56
Gross Profit	5,704,504.56
Expense	
500000 · BOND FUND EXPENSES	
500419 · Camden Int.	136,462.94
504000 · Projects & Expenses	
500021 · T-0203 Entry Portals	750.00
500412 · T-0239 Brazos St Recon	26,478.47
504000 · Projects & Expenses - Other	50,492.93
Total 504000 · Projects & Expenses	77,721.40
Total 500000 · BOND FUND EXPENSES	214,184.34
510000 · INCREMENT PROJECTS/EXPENSE	
510002 · T-0214 Caroline St near HCCS	70,650.25
510008 · T-0220 Afford Housing Land Bnk	3,189,652.36
510019 · T-0214 Caroline St	4,275.00
510024 · T-0204 Infrastruc/Street Lights	707.42
510040 · Developer Reimbursement	1,046,479.23
510041 · CIP Program Expenses	58,130.25
510043 · T-0234 Parks & Open Space & Mob	210,748.75
510045 · T-0224 HTC I - Bldg Maintenance	341,013.82
510046 · T-0221 Midtown Pk	161,831.53
510048 · T-0240 Acquisitions Block 442	114,883.07
510053 · T-0233 Midtown Garage	15,393.37
510096 · T-0207 Opr of Zone Prj Faciliti	1,733,460.72
510102 · HMAAC Interest Expense	14,726.05
510400 · Kiosk at Bagby Park	51,538.58
510534 · T-0225 Mobility & Pedest Imprv	106,595.20
510536 · T-0248 Tuam Street	300.00
Total 510000 · INCREMENT PROJECTS/EXPENSE	7,120,385.60

No assurance is provided on these financial statements

## Midtown Redevelopment Authority

## Profit &amp; Loss

July 2024 through May 2025

	Jul '24 - May 25
550000 · General & Admin. Expense	
550002 · Contract Labor	35,139.31
550003 · Rent Expense	10,800.00
550004 · Salaries	1,742,525.17
550007 · Courier Service	2,946.65
550008 · Office Supply & Expense	14,635.98
550009 · Misc Exp	32,733.10
550010 · Telephone & Utilities	9,888.31
550012 · Postage	1,275.15
550022 · Bank Charges & Fees	26,402.24
550023 · Trust Expenses	127,308.91
550025 · Professional Services	83,663.45
550026 · Accounting Consultants	170,785.07
550027 · Financial Audit	47,000.00
550028 · Legal Consultants	415,552.81
550030 · Planning Consultants	220,960.22
550032 · Engineering Consultants	56,663.43
550033 · Professional Fees/Other Consult	972.00
550034 · Equip Rent & Lease Expense	8,512.29
550036 · Licenses & Fees	1,581.37
550037 · Workman's Comp Insurance	4,830.02
550038 · Insurance - All	761,286.67
550039 · Computers & Repairs & Maint	65,040.34
550040 · Repair & Maintenance	69,133.65
550045 · Payroll Fees	24,731.36
550058 · Travel	7,404.59
550065 · Training and Conferences	1,960.82
550000 · General & Admin. Expense - Other	146.30
Total 550000 · General & Admin. Expense	3,943,879.21
600000 · Bond Related Expenses	
560040 · 2015 Bond Int Expense	66,125.00
560041 · 2017 Bond Int Expense	848,062.50
560042 · 2020 Bond Int Exp	176,775.00
560045 · 2022 Bond Int Expense	339,806.09
Total 600000 · Bond Related Expenses	1,430,768.59
66900 · Reconciliation Discrepancies	1.01
Total Expense	12,709,218.75
Net Ordinary Income	-7,004,714.19
Other Income/Expense	
Other Expense	
999990 · Ask My Accountant	2,590.37
Total Other Expense	2,590.37
Net Other Income	-2,590.37
Net Income	-7,007,304.56

No assurance is provided on these financial statements

Midtown Redevelopment Authority  
Balance Sheet  
As of May 31, 2025

	May 31, 25
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
101001 · Wells Fargo Ope Acctg 64040	329,032.39
101002 · Infrastructure Projects 1731	176,699.89
101003 · Texas Capital Operating x 6020	6,992.53
101004 · Texas Capital MM x 6052	752,359.67
101010 · WF Surplus Acct 63943	1,249,475.10
101020 · WF FTA Enhanced Path 63919	61.72
101030 · Wells Fargo 1094	533,206.05
102200 · Logic Operating Account	23,130,176.02
103200 · TexStar Operating Acct 1111	7,952.03
103600 · Wells Fargo Oper Inves 63901	306.78
103700 · WF Operating Saving 3215777180	46,081.75
104000 · Affordable Housing Accounts	
104021 · WF Afford Hous 3927	707,975.43
104022 · WF Pilot Program 3935	353.62
104024 · Texas Capital AH Ops x 6028	39,772.64
104025 · Texas Capital AH MM x 6036	787,553.33
104116 · TexStar Aff. Hsng MM 1800	2,304.08
104200 · Logic Affordable Housing	10,608,777.43
1044000 · Wells Fargo NAI - 2259	358,011.16
Total 104000 · Affordable Housing Accounts	12,504,747.69
105000 · Trustee Investments	
105001 · Pledge Revenue Fund 422885	79,912.43
105002 · Debt Service Fund	1,625,754.77
105003 · Reserve Fund 422897	7,875,784.90
105009 · Austin Park Maint. Fund 422919	4,015.18
107000 · BOND FUNDS	5,055.12
Total 105000 · Trustee Investments	9,590,522.40
Total Checking/Savings	48,327,614.02
Accounts Receivable	
170000 · Accounts Receivable	298,070.30
Total Accounts Receivable	298,070.30
Other Current Assets	46,795.28
Total Current Assets	48,672,479.60
Fixed Assets	
150000 · Fixed Assets	
150010 · Office Furniture & Equipment	68,129.62
150011 · Accumluated Depreciation-Furn.	-42,580.36
150020 · Computer Equipment	62,956.03
150021 · Accumulated Depreciation-Comp.	-33,773.72
150040 · Land - JPI Park	736,911.00
150045 · Walgreens/Lui Park Land	141,000.00
150062 · Land - Houston Tech.Center I	798,053.89
150063 · Houston Tech Center I	2,676,862.62
150064 · Accm Deprec-Houston Tech Cntr I	-2,676,862.62
150065 · Land - HTC Phase II	697,219.00
150066 · Houston Tech Center II	2,869,654.14
150067 · Accum.Deprec. HTC Phase I	-2,547,414.23
150069 · Land - Bagby Park	1,318,870.15

No assurance is provided no these financial statements

## Midtown Redevelopment Authority

## Balance Sheet

As of May 31, 2025

	May 31, 25
150070 · BagbyPark	2,453,218.83
150071 · Accum.Deprec. BagbyPark	-1,769,629.01
150075 · Midtown Park 2905 Travis St	3,506,306.26
150078 · Midtown Park Land-Tracts I & II	4,416,996.74
1500783 · Accum Deprec-Works of Art	-266,557.57
1500784 · Acc Depr Office Housng & Garage	-1,822,493.31
1500785 · Accum Depreciation - Bagby Park	-244,951.00
150078A · Midtown (Superblock) Garage	13,784.20
150078B · Midtown (Superblockj) Park	5,299,848.40
150078C · Midtown Garage - Depreciable As	
1500781 · Acc Depre - Midtown Garage	-3,003,636.52
150078C · Midtown Garage - Depreciable As - Other	23,104,895.00
Total 150078C · Midtown Garage - Depreciable As	20,101,258.48
150078D · Midtown Park - Depreciable Asse	
1500782 · Acc Depre Mldtown Park	-4,243,233.96
150078D · Midtown Park - Depreciable Asse - Other	19,094,553.00
Total 150078D · Midtown Park - Depreciable Asse	14,851,319.04
150078E · Land - Operations Center	1,002,054.00
150078H · Midtown Park - Depr Assc 2&3	5,506,202.00
150078I · Bagby Park - Depr Asset (2020)	1,049,784.00
150078J · Opration Center Dep Asset	
15078J2 · Operation Center - Non Depr Ass	710,243.70
150078J · Opration Center Dep Asset - Other	26,350,556.73
Total 150078J · Opration Center Dep Asset	27,060,800.43
150078K · Midtown Park -Placed in Service	-5,506,202.00
150079B · Works of Art - Donated	1,137,027.00
150080 · Land (Resale)	
150081 · Earnest Money	-16,846.09
150082 · Option Fees	4,990.00
150803 · Affordable Housing Legal	104,380.05
150804 · Affordable Housing Misc	756,295.40
150805 · AFFORD HOUS GRANTS	126,750.28
150080 · Land (Resale) - Other	35,791,196.39
Total 150080 · Land (Resale)	36,766,766.03
150080A · Land Held for Resale	-10,912,125.78
150089 · Land HMAAC (Land)	1,206,150.00
150090 · HMAAC Property	918,850.00
150091 · Accum Depr HMAAC	-627,881.30
150100 · 2800 MAIN	317,069.93
150782A · Acc Depr Midtown Park Phase 2-3	-871,815.00
150000 · Fixed Assets - Other	-546,027.24
Total 150000 · Fixed Assets	107,108,778.65
Total Fixed Assets	107,108,778.65
Other Assets	
180500 · Leases	
180510 · Lease Receivable	6,149,882.00
180530 · Deferred Inflow	-6,005,734.00
Total 180500 · Leases	144,148.00
Total Other Assets	144,148.00
TOTAL ASSETS	155,925,406.25

No assurance is provided no these financial statements

Midtown Redevelopment Authority  
**Balance Sheet**  
As of May 31, 2025

	May 31, 25
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	349,292.65
Other Current Liabilities	
200001 · Current Liabilities	1,403,330.53
200006 · Property Tax Liability	125,411.00
2103007 · Developer Advances Midtown Park	1,962.42
Total Other Current Liabilities	1,530,703.95
Total Current Liabilities	1,879,996.60
Long Term Liabilities	
210000 · Long Term Liabilities	
210050 · Bond Payable Series 2017	33,895,000.00
210053 · Accrued Bond Int 2015 series	-110,650.00
210059 · Series 2015 Bond Prem	77,723.00
210060 · Accrued Bond Interst 2020	110,650.00
210061 · Series 2017 Bond Premium	2,807,096.00
210063 · Series 2020 Bond Premium	1,418,064.00
210064 · Bonds Payable Series 2020	7,165,000.00
210065 · Bonds Payable Series 2022	22,075,000.00
2103000 · LOANS	
2103003 · HMAAC LOAN REFINANCED	311,910.85
Total 2103000 · LOANS	311,910.85
Total 210000 · Long Term Liabilities	67,749,793.85
210401 · ION Deferred Tax Increment	1,850,000.00
Total Long Term Liabilities	69,599,793.85
Total Liabilities	71,479,790.45
Equity	
1110 · Retained Earnings	91,452,920.36
Net Income	-7,007,304.56
Total Equity	84,445,615.80
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>155,925,406.25</b>

# Midtown Redevelopment Authority Operating Disbursements

As of June 20, 2025

Date	Num	Name	Memo	Credit
101003 · Texas Capital Operating x 6020				
05/23/2025	ACH	G&A Partners	PR 05/31/2025	98,525.73
05/27/2025	ACH	Reliant Energy	402 PIERCE ST - 75237953-7 MAY 2025	5,215.97
05/27/2025	ACH	Reliant Energy	410 PIERCE STREET - 75237956-0 MAY 2025	4,076.20
05/28/2025	11852	1Vision	1,000 Corporate Letterhead May 2025	320.60
05/28/2025	11853	Angelika Northrup	Office Administration - May 19 - May 23, 2025	675.00
05/28/2025	11854	Otis Elevators	VOID: Logistics and Fuel Impact Fee May 2025	
05/28/2025	11855	THR Enterprises, Inc.	Cleaning Services -April 2025	1,550.00
05/28/2025	11856	Wulfe & Co.	Consulting for Bagby Park and Midown Park -April 2025	3,400.00
06/03/2025	11857	Affordable Environmental Services	Pumped and Cleaned Lift Station & Grease Trap - Bagby Park - April 2025	1,990.00
06/03/2025	11858	Angelika Northrup	Office Administration - May 26 - May 30, 2025	517.50
06/03/2025	11859	Comcast	410 SERVICE Ste #355 to JUNE 29, 2025	278.51
06/03/2025	11860	Purchase Power	Postage MAY 2025	250.00
06/11/2025	11861	Air Texas Mechanical, LLC	Diagnose Only Equipment Service Charge and Labor April 2025	539.00
06/11/2025	11862	Bee-Line Delivery Service, Inc.	550008	61.44
06/11/2025	11863	Condor Express Delivery, Inc	Delivery & Delivery Return May 2025	168.25
06/11/2025	11864	Datavox Inc	AV Project -1 Year Warranty May 23, 2025 - May 22, 2026	2,926.58
06/11/2025	11865	Goode Systems & Consulting Inc		6,750.19
06/11/2025	11866	Goode Technology Group		593.75
06/11/2025	11867	Midtown Scouts Square Property. LP	Contract Parking Spaces - 12 June 2025	900.00
06/11/2025	11868	Cushman & Wakefield Inc	Real estate development consulting	38,541.50
06/11/2025	11869	Lion Heart	Project 043-001 Midtown Work order 1 - 05.31.2025	3,802.50
06/11/2025	11870	THR Enterprises, Inc.	Cleaning Services -May 2025	1,550.00
06/12/2025	11850	Angelika Northrup	Office Administration - June 2 - June 6, 2025	697.50
06/16/2025	ACH	City of Houston - Water	155065	720.36
06/16/2025	ACH	City of Houston - Water	155065	1,081.30
06/16/2025	ACH	City of Houston - Water	155065	375.18
06/17/2025	11851	Angelika Northrup	Office Administration - June 9 - June 13, 2025	652.50
06/17/2025	11871	Carr Riggs & Ingram, LLC	CentraLease Quarterly Fee (Mar 2025 - May 2025)	362.50
06/17/2025	11872	Comcast Business	402 & 410 SERVICE ACCT# 708743225 JUNE 2025	1,505.73
06/17/2025	11873	Design Workshop, Inc.	Houston Midtown District Work Order#1 Project 0068786.00 MAY 2025	8,445.00
06/17/2025	11874	Equi-Tax, Inc.	MontlyConsultation Service fee per contract June 2025	500.00
06/17/2025	11875	Flextg Financial Services	CANNON/IR-C5750I JUNE 2025	3,212.78
06/17/2025	11876	Hilltop Securities Inc.	Computational fee incurred in connection with the arbitrage calculations prepared for ...	705.00
06/17/2025	11877	IDS Engineering Group	Midtown PSA 2021 WO No 01B Professional Services to May 25, 2025	9,024.07
06/17/2025	1878	NEVA Corporation	Unit Repairs 410 Pierce June 2025	561.20
06/17/2025	11879	OJB	On Call Services - WO 1A May 2025	450.00
06/17/2025	11880	Otis Elevators	VOID: Logistics and Fuel Impact Fee May 2025	
06/17/2025	11881	Pitney Bowes Global Financial Services ...	LEASE June 30, 2025 - Sept 29, 2025	163.20
06/17/2025	11885	Staples Advantage	Office supplies 05.25.25	1,823.29
06/17/2025	11884	The Goodman Corporation		8,137.67
06/17/2025	11883	Walter P. Moore		16,760.00
06/17/2025	11882	Wulfe & Co.	Consulting for Bagby Park and Midown Park -May 2025	3,400.00
Total 101003 · Texas Capital Operating x 6020				231,210.00
TOTAL				231,210.00



Midtown Redevelopment Authority  
Affordable Housing Disbursements

As of June 20, 2025

Date	Num	Name	Memo	Credit
104000 · Affordable Housing Accounts				
104024 · Texas Capital AH Ops x 6028				
05/28/2025	5068	American Fence Company, Inc.	U34854B Installation of 56 FT 5702 GRIGGS RD 03.11.25 - 04.01.25	413.60
05/28/2025	5069	CCPPI	Midtown Affordable Housing Plan Grant March 2025	119,083.33
05/28/2025	5070	Harris County Clerk	VOID: Release of Weedcutting Lien 2828 Francis St Lien #H-015719746	
05/28/2025	5071	Jaime Giraldo	Checking MRA Owned Properties April/May 2025	49.00
05/28/2025	5072	Roberta F. Burroughs & Associates	Project: Midtown Affordable Housing Plan - Impl Srvs For April 2025	8,000.00
05/28/2025	5073	TransTeQ	April 2025 Landscaping	34,420.18
05/28/2025	5074	United National Insurance Agency		269,266.26
06/03/2025	ACH	City of Houston - Water	155065	16.22
06/03/2025	ACH	City of Houston - Water	155065	18.14
06/03/2025	ACH	City of Houston - Water	155065	42.58
06/03/2025	ACH	City of Houston - Water	155065	15.16
06/03/2025	ACH	City of Houston - Water	155065	3.18
06/03/2025	ACH	City of Houston - Water	155065	21.08
06/03/2025	ACH	City of Houston - Water	155065	134.25
06/03/2025	ACH	City of Houston - Water	155065	33.84
06/03/2025	5075	American Fence Company, Inc.		693.80
06/11/2025	5076	Harris County Clerk	Release of Weedcutting Lien 2828 Francis St Lien #H-015719746	25.00
06/17/2025	5081	Four Eleven LLC	Landscape Services April 2025	23,191.89
06/17/2025	5082	Smith & Company Architects, Inc.	Architects - Permit Drawings & Reimbursements April 30, 2025	2,750.00
06/18/2025	ACH	City of Houston - Water	155065	30.48
06/18/2025	ACH	City of Houston - Water	155065	25.62
06/18/2025	ACH	City of Houston - Water	155065	25.62
06/18/2025	ACH	City of Houston - Water	155065	24.35
06/18/2025	ACH	City of Houston - Water	155065	30.20
06/18/2025	ACH	City of Houston - Water	155065	30.57
06/18/2025	ACH	City of Houston - Water	155065	155.64
06/18/2025	ACH	City of Houston - Water	155065	8.40
Total 104024 · Texas Capital AH Ops x 6028				458,508.39
Total 104000 · Affordable Housing Accounts				458,508.39
TOTAL				458,508.39

## Midtown Redevelopment Authority

## Profit &amp; Loss

July 2024 through March 2025

	Jul '24 - Mar 25
Ordinary Income/Expense	
Income	
400000 · Revenue & Support	
400011 · Harris County Tax Increment	3,906,030.00
400023 · HTC Build Out Reimbursement	229,468.29
400025 · Interest-Debt Service & Reserve	553,306.11
400026 · Interest-Other Bond Funds	105.39
400029 · Interest - Affordable Housing	242,279.73
400030 · Interest-Operating Funds	690,801.25
400031 · Interest Income	79,115.23
400040 · 3131 EMANCIPATION	821,182.27
400041 · Affordable Housing Apts Units	57,986.16
400042 · 402 & 410 Tenant Inome	148,319.24
Total 400000 · Revenue & Support	6,728,593.67
40010 · Other Revenue	
400020 · Reimb Off Exp & Staff	547,235.73
400032 · Other Revenue	49,306.27
Total 40010 · Other Revenue	596,542.00
400441 · Bagby Park Kiosk Lease	55,299.68
450000 · Gain/Loss from Sale of Land	-2,121,416.83
Total Income	5,259,018.52
Gross Profit	5,259,018.52
Expense	
500000 · BOND FUND EXPENSES	
500419 · Camden Int.	136,462.94
504000 · Projects & Expenses	
500021 · T-0203 Entry Portals	750.00
500412 · T-0239 Brazos St Recon	25,010.97
504000 · Projects & Expenses - Other	45,893.00
Total 504000 · Projects & Expenses	71,653.97
Total 500000 · BOND FUND EXPENSES	208,116.91
510000 · INCREMENT PROJECTS/EXPENSE	
510002 · T-0214 Caroline St near HCCS	70,650.25
510008 · T-0220 Afford Housing Land Bnk	2,649,999.32
510024 · T-0204 Infrastruc/Street Lights	707.42
510040 · Developer Reimbursement	1,046,479.23
510041 · CIP Program Expenses	
510094 · Midtown CIP TM	52,830.25
510041 · CIP Program Expenses - Other	4,300.00
Total 510041 · CIP Program Expenses	57,130.25

No assurance is provided on these financial statements

## Midtown Redevelopment Authority

## Profit &amp; Loss

July 2024 through March 2025

	Jul '24 - Mar 25
510043 · T-0234 Parks & Open Space & Mob	146,538.85
510045 · T-0224 HTC I - Bldg Maintenance	135,554.28
510046 · T-0221 Midtown Pk	161,125.97
510048 · T-0240 Acquisitions Block 442	76,079.07
510053 · T-0233 Midtown Garage	15,393.37
510096 · T-0207 Opr of Zone Prj Faciliti	1,718,751.24
510102 · HMAAC Interest Expense	12,470.47
510400 · Kiosk at Bagby Park	44,312.78
510534 · T-0225 Mobility & Pedest Imprv	91,263.40
510536 · T-0248 Tuam Street	300.00
<b>Total 510000 · INCREMENT PROJECTS/EXPENSE</b>	<b>6,226,755.90</b>
550000 · General & Admin. Expense	
550002 · Contract Labor	29,593.06
550003 · Rent Expense	9,000.00
550004 · Salaries	1,322,144.39
550007 · Courier Service	2,237.90
550008 · Office Supply & Expense	11,922.87
550009 · Misc Exp	32,733.10
550010 · Telephone & Utilities	9,321.90
550012 · Postage	1,025.15
550022 · Bank Charges & Fees	20,127.10
550023 · Trust Expenses	12,803.00
550025 · Professional Services	48,043.45
550026 · Accounting Consultants	177,579.74
550027 · Financial Audit	47,000.00
550028 · Legal Consultants	343,972.06
550030 · Planning Consultants	193,453.14
550031 · HTC Bldg Maintenance	242.30
550032 · Engineering Consultants	43,546.74
550034 · Equip Rent & Lease Expense	7,632.66
550036 · Licenses & Fees	1,148.68
550037 · Workman's Comp Insurance	3,901.54
550038 · Insurance - All	492,020.41
550039 · Computers & Repairs & Maint	51,172.08
550040 · Repair & Maintenance	23,020.34
550045 · Payroll Fees	19,900.82
550058 · Travel	7,404.59
550065 · Training and Conferences	1,960.82
550000 · General & Admin. Expense - Other	97.30
<b>Total 550000 · General &amp; Admin. Expense</b>	<b>2,913,005.14</b>
600000 · Bond Related Expenses	
560040 · 2015 Bond Int Expense	66,125.00
560041 · 2017 Bond Int Expense	848,062.50
560042 · 2020 Bond Int Exp	176,775.00
560045 · 2022 Bond Int Expense	339,806.09
<b>Total 600000 · Bond Related Expenses</b>	<b>1,430,768.59</b>
66900 · Reconciliation Discrepancies	1.01
<b>Total Expense</b>	<b>10,778,647.55</b>
<b>Net Ordinary Income</b>	<b>-5,519,629.03</b>

No assurance is provided on these financial statements

## Midtown Redevelopment Authority

## Profit &amp; Loss

July 2024 through March 2025

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	Jul '24 - Mar 25
Other Income/Expense	
Other Expense	
999990 · Ask My Accountant	2,051.37
Total Other Expense	2,051.37
Net Other Income	-2,051.37
Net Income	-5,521,680.40

## Midtown Redevelopment Authority

## Balance Sheet

As of March 31, 2025

	Mar 31, 25
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
101001 · Wells Fargo Ope Acctg 64040	327,276.23
101002 · Infrastructure Projects 1731	176,499.20
101003 · Texas Capital Operating x 6020	24,346.71
101004 · Texas Capital MM x 6052	542,668.74
101010 · WF Surplus Acct 63943	1,248,055.97
101020 · WF FTA Enhanced Path 63919	61.65
101030 · Wells Fargo 1094	500,849.57
102200 · Logic Operating Account	24,453,506.31
103200 · TexStar Operating Acct 1111	7,895.04
103600 · Wells Fargo Oper Inves 63901	306.43
103700 · WF Operating Saving 3215777180	46,029.41
104000 · Affordable Housing Accounts	
104021 · WF Afford Hous 3927	5,705,522.42
104022 · WF Pilot Program 3935	353.22
104024 · Texas Capital AH Ops x 6028	10,494.64
104025 · Texas Capital AH MM x 6036	268,613.65
104116 · TexStar Aff. Hsng MM 1800	2,287.59
104200 · Logic Affordable Housing	6,541,260.35
1044000 · Wells Fargo NAI - 2259	357,455.39
Total 104000 · Affordable Housing Accounts	12,885,987.26
105000 · Trustee Investments	
105001 · Pledge Revenue Fund 422885	79,410.41
105002 · Debt Service Fund	1,545,496.22
105003 · Reserve Fund 422897	7,821,991.35
105009 · Austin Park Maint. Fund 422919	3,990.06
107000 · BOND FUNDS	4,943.15
Total 105000 · Trustee Investments	9,455,831.19
Total Checking/Savings	49,669,313.71
Accounts Receivable	
170000 · Accounts Receivable	220,197.93
Total Accounts Receivable	220,197.93
Other Current Assets	46,795.28
Total Current Assets	49,936,306.92
Fixed Assets	
150000 · Fixed Assets	
150010 · Office Furniture & Equipment	68,129.62
150011 · Accumulated Depreciation-Furn.	-42,580.36
150020 · Computer Equipment	62,956.03
150021 · Accumulated Depreciation-Comp.	-33,773.72
150040 · Land - JPI Park	736,911.00
150045 · Walgreens/Lui Park Land	141,000.00
150062 · Land - Houston Tech.Center I	798,053.89
150063 · Houston Tech Center I	2,676,862.62
150064 · Accm Deprec-Houston Tech Cntr I	-2,676,862.62
150065 · Land - HTC Phase II	697,219.00
150066 · Houston Tech Center II	2,862,231.52
150067 · Accum.Deprec. HTC Phase I	-2,547,414.23
150069 · Land - Bagby Park	1,318,870.15

No assurance is provided no these financial statements

## Midtown Redevelopment Authority

## Balance Sheet

As of March 31, 2025

	Mar 31, 25
150070 · BagbyPark	2,453,218.83
150071 · Accum.Deprec. BagbyPark	-1,769,629.01
150075 · Midtown Park 2905 Travis St	3,506,306.26
150078 · Midtown Park Land-Tracts I & II	4,416,996.74
1500783 · Accum Deprec-Works of Art	-266,557.57
1500784 · Acc Depr Office Housng & Garage	-1,822,493.31
1500785 · Accum Depreciation - Bagby Park	-244,951.00
150078A · Midtown (Superblock) Garage	13,784.20
150078B · Midtown (Superblockj) Park	5,299,848.40
150078C · Midtown Garage - Depreciable As	
1500781 · Acc Depre - Midtown Garage	-3,003,636.52
150078C · Midtown Garage - Depreciable As - Other	23,104,895.00
Total 150078C · Midtown Garage - Depreciable As	20,101,258.48
150078D · Midtown Park - Depreciable Asse	
1500782 · Acc Depre Mldtown Park	-4,243,233.96
150078D · Midtown Park - Depreciable Asse - Other	19,094,553.00
Total 150078D · Midtown Park - Depreciable Asse	14,851,319.04
150078E · Land - Operations Center	1,002,054.00
150078H · Midtown Park - Depr Assc 2&3	5,506,202.00
150078I · Bagby Park - Depr Asset (2020)	1,049,784.00
150078J · Opration Center Dep Asset	27,060,800.43
150078K · Midtown Park -Placed in Service	-5,506,202.00
150079B · Works of Art - Donated	1,137,027.00
150080 · Land (Resale)	36,969,119.53
150080A · Land Held for Resale	-10,722,768.58
150089 · Land HMAAC (Land)	1,206,150.00
150090 · HMAAC Property	918,850.00
150091 · Accum Depr HMAAC	-627,881.30
150100 · 2800 MAIN	317,069.93
150782A · Acc Depr Midtown Park Phase 2-3	-871,815.00
150000 · Fixed Assets - Other	-546,027.24
Total 150000 · Fixed Assets	107,493,066.73
Total Fixed Assets	107,493,066.73
Other Assets	
180500 · Leases	
180510 · Lease Receivable	6,149,882.00
180530 · Deferred Inflow	-6,005,734.00
Total 180500 · Leases	144,148.00
Total Other Assets	144,148.00
TOTAL ASSETS	157,573,521.65
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	263,095.23
Other Current Liabilities	
200001 · Current Liabilities	1,652,456.95

No assurance is provided no these financial statements

## Midtown Redevelopment Authority

## Balance Sheet

As of March 31, 2025

	Mar 31, 25
200006 · Property Tax Liability	125,411.00
2103007 · Developer Advances Midtown Park	1,962.42
Total Other Current Liabilities	1,779,830.37
Total Current Liabilities	2,042,925.60
Long Term Liabilities	
210000 · Long Term Liabilities	
210050 · Bond Payable Series 2017	33,895,000.00
210053 · Accrued Bond Int 2015 series	-110,650.00
210059 · Series 2015 Bond Prem	77,723.00
210060 · Accrued Bond Interst 2020	110,650.00
210061 · Series 2017 Bond Premium	2,807,096.00
210063 · Series 2020 Bond Premium	1,418,064.00
210064 · Bonds Payable Series 2020	7,165,000.00
210065 · Bonds Payable Series 2022	22,075,000.00
2103000 · LOANS	
2103003 · HMAAC LOAN REFINANCED	311,910.85
Total 2103000 · LOANS	311,910.85
Total 210000 · Long Term Liabilities	67,749,793.85
210401 · ION Deferred Tax Increment	1,850,000.00
Total Long Term Liabilities	69,599,793.85
Total Liabilities	71,642,719.45
Equity	
1110 · Retained Earnings	91,452,482.60
Net Income	-5,521,680.40
Total Equity	85,930,802.20
TOTAL LIABILITIES & EQUITY	157,573,521.65

Midtown Redevelopment Authority  
Affordable Housing Disbursements

As of April 18, 2025

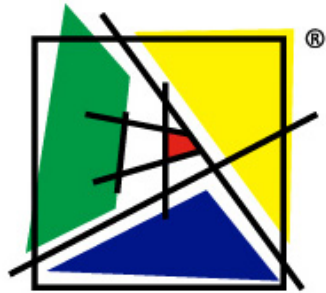
Date	Num	Name	Memo	Credit
104000 · Affordable Housing Accounts				
104024 · Texas Capital AH Ops x 6028				
03/24/2025	ACH	City of Houston - Water	155065	29.83
03/24/2025	ACH	City of Houston - Water	155065	153.65
03/24/2025	ACH	City of Houston - Water	155065	26.54
03/24/2025	ACH	City of Houston - Water	155065	19.01
03/24/2025	ACH	City of Houston - Water	155065	4.94
03/24/2025	ACH	City of Houston - Water	155065	23.61
03/24/2025	ACH	City of Houston - Water	155065	7.08
03/24/2025	ACH	City of Houston - Water	155065	2.17
03/24/2025	ACH	City of Houston - Water	155065	4.90
03/24/2025	ACH	City of Houston - Water	155065	3.69
03/24/2025	ACH	City of Houston - Water	155065	3.53
03/24/2025	ACH	City of Houston - Water	155065	2.76
03/24/2025	ACH	City of Houston - Water	155065	26.03
03/24/2025	ACH	City of Houston - Water	155065	25.27
03/24/2025	ACH	City of Houston - Water	155065	24.88
03/24/2025	ACH	City of Houston - Water	155065	8.40
03/24/2025	ACH	City of Houston - Water	155065	24.88
03/24/2025	ACH	City of Houston - Water	155065	23.61
03/24/2025	ACH	City of Houston - Water	155065	23.61
03/24/2025	ACH	City of Houston - Water	155065	24.88
03/24/2025	ACH	City of Houston - Water	155065	29.46
03/24/2025	ACH	City of Houston - Water	155065	29.74
03/24/2025	ACH	City of Houston - Water	155065	29.11
03/25/2025	5053	American Fence Company, Inc.		3,307.90
03/25/2025	5054	Bracewell LLP	Third Ward Acquisitions/Affordable Housing Legal - Through February 28, 2025...	52,855.50
03/25/2025	5055	Four Eleven LLC	Landscape Services February 2025	33,106.43
03/25/2025	5056	Roberta F. Burroughs & Associates	Project: Midtown Affordable Housing Plan - Impl Srvs For February 2025	8,000.00
04/15/2025	ACH	City of Houston - Water	155065	24.93
04/15/2025	ACH	City of Houston - Water	155065	19.01
04/15/2025	ACH	City of Houston - Water	155065	29.35
04/15/2025	ACH	City of Houston - Water	155065	4.94
04/15/2025	ACH	City of Houston - Water	155065	23.66
04/15/2025	ACH	City of Houston - Water	155065	23.85
04/15/2025	ACH	City of Houston - Water	155065	7.08
04/15/2025	ACH	City of Houston - Water	155065	2.17
04/15/2025	ACH	City of Houston - Water	155065	26.10
04/15/2025	ACH	City of Houston - Water	155065	25.12
04/15/2025	ACH	City of Houston - Water	155065	3.69
04/15/2025	ACH	City of Houston - Water	155065	8.40
04/15/2025	ACH	City of Houston - Water	155065	23.66
04/15/2025	ACH	City of Houston - Water	155065	25.34
04/15/2025	ACH	City of Houston - Water	155065	2.76
04/15/2025	ACH	City of Houston - Water	155065	24.93
04/15/2025	ACH	City of Houston - Water	155065	3.53
04/15/2025	ACH	City of Houston - Water	155065	4.90
04/15/2025	ACH	City of Houston - Water	155065	29.81
04/15/2025	ACH	City of Houston - Water	155065	29.83
04/15/2025	ACH	City of Houston - Water	155065	153.65
04/15/2025	ACH	City of Houston - Water	155065	29.63
04/15/2025	ACH	City of Houston - Water	155065	26.54
04/16/2025	5057	Jaime Giraldo	Checking MRA Owned Properties	42.00
04/16/2025	5058	Smith & Company Architects, Inc.	Architects - Permit Drawings & Reimbursements January 31, 2025	14,253.07
Total 104024 · Texas Capital AH Ops x 6028				112,669.36
Total 104000 · Affordable Housing Accounts				112,669.36
TOTAL				112,669.36



Midtown Redevelopment Authority  
Operating Disbursements

As of April 18, 2025

Date	Num	Name	Memo	Credit
101003 · Texas Capital Operating x 6020				
03/25/2025	11755	Angelika Northrup	Office Administration - Mar 17 - Mar 21, 2025	540.00
03/25/2025	11756	Bracewell LLP	Capital Improvement Project -February 28, 2025	5,568.75
03/25/2025	11757	Comcast Business	402 & 410 SERVICE ACCT# 708743225 MARCH 2025	1,505.73
03/25/2025	11758	IDS Engineering Group	Midtown PSA 2021 WO No 01B Professional Services to February 25, 2025	3,805.90
03/25/2025	11759	Kilgore Industries, LP	HVAC Repair- 410 Pierce Street March 18, 2025	2,754.48
03/25/2025	11760	Middleton Brown, L.L.C.	Inspection Services for Brazos Bayou Beautification Project April 2024 to December ...	750.00
03/25/2025	11761	City of Houston - Mech. Section	Annual Boiler Fee Renewal 2024-2025 & 2025-2026	242.30
03/25/2025	11762	Jose Portillo		21,563.00
03/27/2025	ACH	G&A Partners	PR 03/31/2025	95,695.34
04/02/2025	11764	Angelika Northrup	Office Administration - Mar 24 - Mar 28, 2025	720.00
04/02/2025	11765	Equi-Tax, Inc.	MontlyConsultation Service fee per contract April 2025	500.00
04/02/2025	11766	Everon LLC		4,328.28
04/02/2025	11767	Goode Systems & Consulting Inc	IT Service - Comprehensive Support Services February 2025	2,886.00
04/02/2025	11768	Goode Technology Group		1,875.00
04/02/2025	11769	Midtown Scouts Square Property. LP	Contract Parking Spaces - 12 April 2025	900.00
04/02/2025	11770	One World Strategy Group, LLC	OW Team - May 2024 - March 2025	7,700.00
04/02/2025	11771	SMC Landscape Services	Special Project - Palletize Bricks from METRO Project @ 902 McGowen March 2025	980.00
04/03/2025	ACH	City of Houston - Water	155065	540.97
04/09/2025	11772	American Elevator Inspections	Annual Hydraulic Elevator Inspection March 26, 2025	350.00
04/09/2025	11773	Angelika Northrup	Office Administration - Mar 31 - April 04, 2025	663.75
04/09/2025	11774	Comcast	410 SERVICE Ste #355 to APR 29, 2025	278.51
04/09/2025	11775	Condor Express Delivery, Inc	Delivery & Delivery Return March 2025	243.80
04/09/2025	11776	Hilltop Securities Inc.	Computational fee incurred in connection with the arbitrage calculations prepared for ...	1,000.00
04/09/2025	11777	Kilgore Industries, LP		8,040.34
04/09/2025	11778	Mathias Thibodeaux	2025 National Planning Conference (APA) Denver, CO (March 28-April 1, 2025) Meal...	1,199.14
04/09/2025	11779	Midtown Management District -2	Maintenance & Content Retainer October, November, & December 2024	2,250.00
04/09/2025	11780	Wulfe & Co.	Consulting for Bagby Park and Midown Park -March 2025	3,400.00
04/09/2025	11781	Midtown Management District -2	Maintenance & Content Retainer January & February 2025	1,500.00
04/16/2025	11782	Angelika Northrup	Office Administration - April 07 - April 11, 2025	540.00
04/16/2025	11783	Comcast Business	402 & 410 SERVICE ACCT# 708743225 APRIL 2025	1,505.73
04/16/2025	11784	Datavox Inc	AV Project -Audio Additions - March 2025	346.87
04/16/2025	11785	Elite Construction and Engineering SVCS	Elite Construction Pay Application 01.06.2025 - 04.03.2025	11,026.25
04/16/2025	11786	FireTron, Inc.		320.00
04/16/2025	11787	Flextg Financial Services	CANNON/IR-C5750I APRIL 2025	683.98
04/16/2025	11788	Goode Systems & Consulting Inc		4,852.96
04/16/2025	11789	IDS Engineering Group	Midtown PSA 2021 WO No 01B Professional Services to March 26, 2025	4,315.58
04/16/2025	11790	Midtown Parks Conservancy		4,812.91
04/16/2025	11791	Staples Advantage	Office supplies 03.25.25	1,576.96
04/16/2025	11792	The Goodman Corporation		21,329.67
04/16/2025	11793	Midtown Parks Conservancy	MRA Reimbursable Expenses for WF CC Charges 2024	1,705.09
04/16/2025	ACH	Reliant Energy	410 PIERCE STREET - 75237956-0 APR 2025	4,830.88
04/16/2025	ACH	Reliant Energy	402 PIERCE ST - 75237953-7 APR 2025	6,662.56
Total 101003 · Texas Capital Operating x 6020				236,290.73
TOTAL				236,290.73



**midtown**  
H O U S T O N

# **HVAC FOR 402/410 PIERCE STREET**

## Jeremy Rocha

---

**From:** Larry Poulin <larry@nevacorp.com>  
**Sent:** Wednesday, April 9, 2025 3:01 PM  
**To:** Jeremy Rocha  
**Cc:** Ben Graham; Steve Smith  
**Subject:** RE: BUDGET PRICING FOR A/C REPAIRS TO 402 & 410 PIERCE  
**Attachments:** HTC 410 1ST FLOOR #3 COMPS 2025 REV 2.xls; HTC 410 2ND FLOOR #3 COMP REPLACEMENT & REPAIRS 2025 REV 2.xls; HTC 410 2NDFLOOR YORK CONTROL RETROFIT 2025 REV 1.xls; HTC 402 AAON #1 COMP MODULE REPLACEMENT 2025 REV 2.xls; HTC 402 AAON CONDENSER COIL REPLACEMENTS 2025 REV 2.xls

[CAUTION] This email has been received from outside of our organization. Please be careful when replying, opening attachments, or clicking links.

Jeremy,

I made a site visit yesterday morning and reviewed the scope of work at both buildings. As we discussed, the attached quotes have been revised to reduce total cost;

1. Reduced crane cost by combining usage.
2. Reduction in redundant labor providing all work can be scheduled together and/or sequentially.
3. Because there is a blend of R-22 and R-407C systems, Neva can reduce total cost by allowing the R-407C system to remain rather than convert back to R-22.
4. A further reduction in cost is due to the warranty obligation of another contractor on the building 410 3<sup>rd</sup> floor compressor failures. It is obvious and they have admitted to installing R-22 compressors with mineral oil and converting to R-407C refrigerant that requires P.O.E. oil; the result of this mistake is very predictable mechanical failure. The replacement of both 3<sup>rd</sup> floor compressors should be at no cost to HTC.

A summary of the attached quotes is as follows, read individual Product & Service Agreements for itemized details:

Building 402 – Aaon condenser coil replacements =	\$45,160.00
Building 402 – Aaon #1 comp module retrofit =	\$23,566.00
Building 410 – 1 <sup>st</sup> Floor #3 comp & leak repairs =	\$26,318.00
Building 410 – 2 <sup>nd</sup> Floor #3 comp & repairs =	\$26,434.00
Building 410 – 2 <sup>nd</sup> Floor control upgrade =	\$15,639.00
<u>Building 410 – 3<sup>rd</sup> floor comp warranty by others</u>	<u>\$ No Cost</u>
<b>TOTAL COMBINED REPAIR COST =</b>	<b>\$137,117.00</b>

Please note to achieve the above reduced costs, the jobs must be scheduled together, all must be awarded to Neva at the same time. The quoted parts costs are good for 30 days, but the required refrigerant cost is subject to change. As stated in the previous email below, HTC should allow for contingency monies for unidentified problems that will most likely come up during these repairs. Please note Neva has quoted the use of Aaon and York O.E.M. parts only, none are in local stock, but some are available at the factory; lead times will vary. Due to the age of the equipment, all the O.E.M. parts are special order and can't be cancelled or returned; for this reason, Neva will need to invoice the O.E.M. parts on receipt of order to get these repairs started. I will make myself available to discuss this scope of work at your convenience.

This will hopefully give you an idea of the repair challenge Midtown faces trying to restore the A/C systems in both buildings. Please note the quotes are for known problems, at least another 25% contingency money should be allowed for unknown problems that will result for getting these system running again. Getting five more years of operation is possible but will come at a continued repair cost due to equipment age, metal fatigue, obsolete parts availability, refrigerant costs due to very predictable leaks, etc..... Ownership, past and present, have kicked this can down the road for too many years; full building occupancy may not be a sustainable idea.

Larry Poulin  
Neva Corp  
281-960-2138 cell

## PRODUCT AND SERVICE AGREEMENT

Date 4/9/2025

Job Number REV 2

NEVA Corporation (hereinafter "Contractor")  
11350 Brittmoore Park Dr.  
Houston, Texas 77041

Customer Name HOUSTON TECHNOLOGY CENTER (hereinafter "Customer")  
Address 410 PIERCE ST. HOUSTON, TEXAS 77002  
Location of Equipment ATTENTION: JEREMY ROCHA

This Agreement is to confirm the undersigned Customer's request for service and/or materials (including parts and components) on the following equipment:

QUANTITY	MANUFACTURER	MODEL#	SERIAL#	DESCRIPTION
1	YORK	YCUL040SC46X	RHCM001208	40-TON COND UNIT 1ST FLOOR

DESCRIPTION OF WORK REPLACED 1ST FLOOR CONDENSING UNIT #3 COMPRESSOR, OIL CHANGE  
SISTER COMPRESSORS, CHANGE ONE CONTACTOR & DRIERS, USE R-22

	PRICE
1 - YORK O.E.M. #3 COMPRESSOR #SM160 INCLUDING FREIGHT	\$12,448.00
1 - YORK O.E.M. COMPRESSOR CONTACTOR WITH AUX & CRANKCASE HEATERS	\$416.00
2 - SPORLAN LIQUID LINE FILTER DRIER CORES	\$96.00
1 - 23 TON CRANE ( ONLY TWO HOURS APPLIED, SHARE CRANE WITH OTHER COMP LIFTS)	\$450.00
175 LBS R-407C REFRIGERANT	\$2,756.00
1 - SPORLAN LIQUID LINE SOLENOID #ME35S190-HP	\$883.00
REFRIGERANT RECOVERY, TANKS & EVACUATION EQUIPMENT	\$75.00
MISC: COPPER FITTINGS, SEALANT, SOLDER, OXY/ACT, NITROGEN, CONNECTORS, VAC OIL, POE OIL	\$500.00
LABOR: 36 HRS S.T. TWO JOURNEYMAN	\$8,280.00
TRUCK, FUEL & INS. @ 5% OF TOTAL LABOR	\$414.00

- \* 1ST FLOOR CONDENSING UNIT #3 COMPRESSOR IS GROUNDED.
- \* REPLACE COMPRESSOR, CONTACTOR, LIQUID LINE FILTER, LL SOLENOID & REPAIR LEAKS.
- \* COMPRESSOR 3 TO 4 WEEKS FROM FACTORY STOCK.
- \* CONVERT SYSTEM BACK TO R-22 REFRIGERANT
- \* PRICE OF R-22 SUBJECT TO CHANGE, OTHER PRICING GOOD FOR 30 DAYS.

Contract Price\* TOTAL \$26,318.00

Sales Tax Included ☐ Yes ☒ No

ACCEPTED: "CUSTOMER"

NEVA CORPORATION: "CONTRACTOR"

By \_\_\_\_\_  
By \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_

By LARRY POULIN  
Title GENERAL MANAGER  
Date April 9, 2025

\*It is mutually understood by the parties hereto that due to the complexity of the equipment, as the work progresses often times there is encountered the need for additional repairs (more detailed inspection) which could not have been anticipated at the time this agreement was signed. Therefore, the contract price, subject to the provisions herein, may be adjusted. However, Contractor shall notify Customer of the (additional repairs) (inspection). If Customer does not notify Contractor to proceed with such (additional repairs) (inspection) then in such event Customer agrees to pay contract price or the price of work performed and/or materials furnished, whichever is less.

The undersigned Customer affirms that prior to Contractor's performance of labor and/or furnishing materials (he/she) has read the entire Agreement and agrees to the terms and conditions appearing on the front AND REVERSE SIDE HEREON. This proposal shall become a binding agreement when accepted and signed by Purchaser and when approved by management of NEVA Corporation, as Sellers, at the spaces provided for below.

## PRODUCT AND SERVICE AGREEMENT

Date 4/9/2025

Job Number REV 2

NEVA Corporation (hereinafter "Contractor")  
11350 Brittmoore Park Dr.  
Houston, Texas 77041

Customer Name HOUSTON TECHNOLOGY CENTER (hereinafter "Customer")  
Address 402 PIERCE ST. HOUSTON, TEXAS 77002  
Location of Equipment ATTENTION: JEREMY ROCHA

This Agreement is to confirm the undersigned Customer's request for service and/or materials (including parts and components) on the following equipment:

QUANTITY	MANUFACTURER	MODEL#	SERIAL#	DESCRIPTION
1	AAON	RL11030	200602-BLCL00242	ROOFTOP PACKAGE UNIT

DESCRIPTION OF WORK RECOMMENDED REPLACEMENT OF THE AAON RTU CONDENSER COILS.

	PRICE
6 - AAON O.E.M. CONDENSER COILS PART# AAO-R2850J	\$26,582.00
8 - HOURS 40 TON CRANE & RIGGING (TWO 4 HOUR TRIPS)	\$2,280.00
3 - SPORLAN LIQUID LINE FILTER DRIERS	\$306.00
60 LBS REFRIGERANT R-22 (TOP OFF CHARGES ON CIRCUIT #2 & #3 ONLY)	\$2,226.00
3 - REFRIGERANT RECOVERY & EVACUATION EQUIPMENT	\$225.00
3 - MISC: FITTINGS, SEALANT, SOLDER, OXY/ACT, NITROGEN, VAC OIL, SOLVENT, TOWELS, T-FRAME, ETC	\$500.00
LABOR: 36 HRS S.T. THREE JOURNEYMAN	\$12,420.00
TRUCK, FUEL, INS. @ 5% OF TOTAL LABOR	\$621.00

\* THE EXISTING CONDENSER COIL DETERIORATION HAS GREATLY LIMITED THE AAON OPERATION DURING SUMMER AMBIENT HEAT AND CAUSE HIGH COMPRESSOR TEMPERATURES RESULTING IN INCREASE COMPRESSOR FAILURE FREQUENCY AND NUISANCE HIGH PRESSURE TRIPS.

\* THERE ARE ONLY TWO PATHS FORWARD TO IMPROVE 402 PIERCE COMFORT COOLING;

1) REPLACE THE AAON CONDENSER COILS 2) REPLACE ENTIRE UNIT

\* REFRIGERANT PRICE SUBJECT TO CHANGE, OTHER PRICING GOOD FOR 30 DAYS

Contract Price\* TOTAL \$45,160.00

Sales Tax Included ☐ Yes ☒ No

ACCEPTED: "CUSTOMER"

NEVA CORPORATION: "CONTRACTOR"

By \_\_\_\_\_  
By \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_

By LARRY POULIN  
Title GENERAL MANAGER  
Date April 9, 2025

"It is mutually understood by the parties hereto that due to the complexity of the equipment, as the work progresses often times there is encountered the need (for additional repairs) (a more detailed inspection) which could not have been anticipated at the time this agreement was signed. Therefore, the contract price, subject to the provisions herein, may be adjusted. However, Contractor shall notify Customer of the (additional repairs) (inspection). If Customer does not notify Contractor to proceed with such (additional repairs) (inspection) then in such event Customer agrees to pay contract price or the price of work performed and/or materials furnished, whichever is less.

The undersigned Customer affirms that prior to Contractor's performance of labor and/or furnishing materials (he) (she) has read the entire Agreement and agrees to the terms and conditions appearing on the front AND REVERSE SIDE HEREON. This proposal shall become a binding agreement when accepted and signed by Purchaser and when approved by management of NEVA Corporation, as Sellers, at the spaces provided for below.

## PRODUCT AND SERVICE AGREEMENT

Date 4/9/2025

Job Number REV 2

NEVA Corporation (hereinafter "Contractor")  
11350 Brittmoore Park Dr.  
Houston, Texas 77041

Customer Name HOUSTON TECHNOLOGY CENTER (hereinafter "Customer")  
Address 402 PIERCE ST. HOUSTON, TEXAS 77002  
Location of Equipment ATTENTION: JEREMY ROCHA

This Agreement is to confirm the undersigned Customer's request for service and/or materials (including parts and components) on the following equipment:

QUANTITY	MANUFACTURER	MODEL#	SERIAL#	DESCRIPTION
1	AAON	RL11030	200602-BLCL00242	ROOFTOP PACKAGE UNIT

DESCRIPTION OF WORK REPLACE AAON #1 CIRCUIT TANDEM COMPRESSORS INCLUDING BOTH COMPS, CHANGE LIQ DRIERS, CONTACTORS, FUSES, CRANE, ETC.

	PRICE
1 - AAON O.E.M. ROTOLOCK TANDEM TWO-COMP MODULE #AAO-V4899B	\$15,891.00
2 - AAON O.E.M. COMPRESSOR CONTACTORS #AAO-R08590 & AUX CONTACTS #AAO-R08720	\$649.00
6 - FUSES #TRS-40R	\$240.00
2 - SPORLAN LIQUID LINE FILTER DRIER CORES (INCLUDED IN CONDENSER COIL CHANGE)	
1 - 23 TON CRANE, 4 HOUR MINIMUM (INCLUDED IN CONDENSER COIL CHANGE)	
50 LBS R-407C REFRIGERANT	\$790.00
REFRIGERANT RECOVERY & EVACUATION EQUIPMENT (INCLUDED IN CONDENSER COIL CHANGE)	
MISC: FITTINGS, SEALANT, SOLDER, OXY/ACT, NITROGEN, VAC OIL, SOLVENT, TOWELS, RIGGING, ETC	\$200.00
LABOR: 24 HRS S.T. TWO JOURNEYMAN	\$5,520.00
TRUCK, FUEL & INS. @ 5% OF TOTAL LABOR	\$276.00
* FACTORY O.E.M. TANDEM COMPRESSOR MODULE NO LONGER AVAILABLE, NEW COMPRESSOR CONFIGURATION HAS CHANGED, MUST BE RETROFITTED.	
* RECOVER EXISTING BURNT R-407C, EVACUATE & RECHARGE WITH NEW REFRIGERANT	
* REPLACE CONTACTORS, LL DRIERS & FUSES; PRESS WITH NITROGEN, EVACUATE SYSTEM.	
* REFRIGERANT PRICE SUBJECT TO CHANGE, OTHER PRICING GOOD FOR 30 DAYS.	

Contract Price\* TOTAL \$23,566.00

Sales Tax Included ☐ Yes ☒ No

ACCEPTED: "CUSTOMER"

NEVA CORPORATION: "CONTRACTOR"

By \_\_\_\_\_  
By \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_

By LARRY POULIN  
Title GENERAL MANAGER  
Date April 9, 2025

\*It is mutually understood by the parties hereto that due to the complexity of the equipment, as the work progresses often times there is encountered the need (for additional repairs) (a more detailed inspection) which could not have been anticipated at the time this agreement was signed. Therefore, the contract price, subject to the provisions herein, may be adjusted. However, Contractor shall notify Customer of the (additional repairs) (Inspection). If Customer does not notify Contractor to proceed with such (additional repairs) (Inspection) then in such event Customer agrees to pay contract price or the price of work performed and/or materials furnished, whichever is less.

The undersigned Customer affirms that prior to Contractor's performance of labor and/or furnishing materials (he) (she) has read the entire Agreement and agrees to the terms and conditions appearing on the front AND REVERSE SIDE HEREON. This proposal shall become a binding agreement when accepted and signed by Purchaser and when approved by management of NEVA Corporation, as Sellers, at the spaces provided for below.

## PRODUCT AND SERVICE AGREEMENT

 Date 4/8/2025

 Job Number REV 1

NEVA Corporation (hereinafter "Contractor")  
 11350 Brittmoore Park Dr.  
 Houston, Texas 77041

Customer Name HOUSTON TECHNOLOGY CENTER (hereinafter "Customer")  
 Address 410 PIERCE ST. HOUSTON, TEXAS 77002  
 Location of Equipment ATTENTION: JEREMY ROCHA

This Agreement is to confirm the undersigned Customer's request for service and/or materials (including parts and components) on the following equipment:

QUANTITY	MANUFACTURER	MODEL#	SERIAL#	DESCRIPTION
1	YORK	YCUL040SC46X	RHCM001208	40-TON COND UNIT 2ND FLOOR

DESCRIPTION OF WORK RETROFIT #2 YORK UNIT MICROPROCESSOR CONTROLLER

	PRICE
1 - YORK MICROPROCESSOR I/O BOARD RETROFIT KIT #375-70601-001	\$11,063.00
1 - SUCTION PRESSURE TRANSDUCER	\$1,095.00
MISC: HARDWARE, CONNECTORS, WIRE, SEALANT, FITTINGS, ETC.	\$100.00
LABOR: 28 HRS S.T. JOURNEYMAN	\$3,220.00
TRUCK, FUEL & INS. @ 5% OF TOTAL LABOR	\$161.00
* RETROFIT EXISTING 3RD FLOOR YORK CONDENSING UNIT CONTROLLER	

Contract Price\*

 Sales Tax Included ☐ Yes ☒ No

ANNUAL

 TOTAL \$15,639.00

ACCEPTED: "CUSTOMER"

NEVA CORPORATION: "CONTRACTOR"

By \_\_\_\_\_

 By LARRY POULIN

Title \_\_\_\_\_

 Title GENERAL MANAGER

Date \_\_\_\_\_

 Date April 8, 2025

\*It is mutually understood by the parties hereto that due to the complexity of the equipment, as the work progresses often times there is encountered the need (for additional repairs) (a more detailed inspection) which could not have been anticipated at the time this agreement was signed. Therefore, the contract price, subject to the provisions herein, may be adjusted. However, Contractor shall notify Customer of the (additional repairs) (inspection). If Customer does not notify Contractor to proceed with such (additional repairs) (inspection) then in such event Customer agrees to pay contract price or the price of work performed and/or materials furnished, whichever is less.

The undersigned Customer affirms that prior to Contractor's performance of labor and/or furnishing materials, (he) (she) has read the entire Agreement and agrees to the terms and conditions appearing on the front AND REVERSE SIDE HEREON. This proposal shall become a binding agreement when accepted and signed by Purchaser and when approved by management of NEVA Corporation, as Sellers, at the spaces provided for below.



**PRODUCT AND SERVICE AGREEMENT**Date 4/9/2025Job Number REV 2

NEVA Corporation (hereinafter "Contractor")  
11350 Brittmoore Park Dr.  
Houston, Texas 77041

Customer Name HOUSTON TECHNOLOGY CENTER (hereinafter "Customer")  
Address 410 PIERCE ST. HOUSTON, TEXAS 77002  
Location of Equipment ATTENTION: JEREMY ROCHA

This Agreement is to confirm the undersigned Customer's request for service and/or materials (including parts and components) on the following equipment:

QUANTITY	MANUFACTURER	MODEL#	SERIAL#	DESCRIPTION
1	YORK	YCUL040SC46X	RHCM001208	40-TON COND UNIT 2ND FLOOR

DESCRIPTION OF WORK REPLACE #3 COMPRESSOR & CONTACTOR ON 2ND FLOOR INCLUDING  
DRIERS & ELECTRICAL WIRING REPAIRS

	PRICE
1 - YORK O.E.M. #3 COMPRESSOR #SM160 INCLUDING FREIGHT	\$12,448.00
2 - YORK O.E.M. COMPRESSOR CONTACTOR WITH AUX	\$832.00
1 - 23 TON CRANE & RIGGING (ONLY TWO HOURS APPLIED, SHARE WITH OTHER COMP LIFTS)	\$450.00
2 - SPORLAN LIQUID LINE FILTER DRIER CORES	\$96.00
90 LBS R-22 REFRIGERANT	\$3,339.00
REFRIGERANT RECOVERY, TANKS & EVACUATION EQUIPMENT	\$75.00
MISC: COPPER FITTINGS, SEALANT, SOLDER, OXY/ACT, NITROGEN, CONNECTORS, COMP OIL, ETC.	\$500.00
LABOR: 36 HRS S.T. TWO JOURNEYMAN	\$8,280.00
TRUCK, FUEL & INS. @ 5% OF TOTAL LABOR	\$414.00
* LEAK CHECK SYSTEM, REPAIR LEAKS NOT REQUIRING ADDITIONAL COMPONENTS NOT LISTED.	
* REPAIR #1 COMPRESSOR BURNT WIRING, CHANGE CONTACTOR.	
* #3 YORK OEM COMPRESSOR LEAD TIMES 3 TO 4 WEEKS.	
* REPLACE COMPRESSOR CONTACTORS & DRIERS	
* REFRIGERANT PRICING IS SUBJECT TO CHANGE, OTHER PRICING GOOD FOR 30 DAYS.	
* 2ND FLOOR UNIT NOT OPERATIONAL, OTHER PROBLEMS MAY BE IDENTIFIED DURING STARTUP.	
Contract Price*	TOTAL \$26,434.00

Sales Tax Included ☐ Yes ☒ No

ACCEPTED: "CUSTOMER"

NEVA CORPORATION: "CONTRACTOR"

By \_\_\_\_\_

By LARRY POULIN

Title \_\_\_\_\_

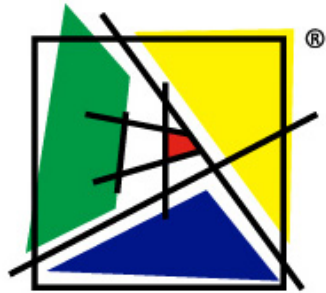
Title GENERAL MANAGER

Date \_\_\_\_\_

Date April 9, 2025

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The undersigned Customer affirms that prior to Contractor's performance of labor and/or furnishing materials (he) (she) has read the entire Agreement and agrees to the terms and conditions appearing on the front AND REVERSE SIDE HEREON. This proposal shall become a binding agreement when accepted and signed by Purchaser and when approved by management of NEVA Corporation, as Sellers, at the spaces provided for below.



**midtown**  
H O U S T O N

# **LaCalle Second Amended Lease**

**SECOND AMENDMENT TO AMENDED AND RESTATED LEASE**

This Second Amendment to Amended and Restated Lease (this “Second Amendment”) is made and entered into by and between **MIDTOWN REDEVELOPMENT AUTHORITY**, a Texas local government corporation (“Landlord”), and **LA CALLE, LLC**, a Texas limited liability company (“Tenant”), and shall be effective for all purposes as of \_\_\_\_\_, 2025 (“Effective Date”).

**WITNESSETH:**

WHEREAS, Landlord and Tenant are parties to that certain Amended and Restated Retail Lease Agreement dated June 29, 2020, as amended by that certain First Amendment dated July 13, 2023 (the “Lease”), relating to certain leased premises located within Bagby Park, located at the northeast corner of the intersection of Gray and Bagby Streets in Houston, Harris County, Texas, within Reinvestment Zone Number Two, City of Houston, Texas; and

WHEREAS, Landlord and Tenant hereby acknowledge that Tenant is, as of the Effective Date, in Lease Year 4, which expires on July 31, 2025; and

WHEREAS, Landlord and Tenant desire to amend and modify certain terms and provisions of the Lease, including the addition of a second Renewal Option for Lease Years 9-12; and

WHEREAS, Tenant desires to exercise its first Renewal Option (as defined herein) pursuant to Section 2.5 of the Lease.

NOW, THEREFORE, pursuant to the foregoing, and in consideration of the mutual covenants and agreements contained in the Lease and herein, the Lease, effective as of the Effective Date, is hereby modified and amended as set out below:

1. Definitions. All capitalized terms used herein shall have the same meaning as defined in the Lease, unless otherwise defined in this Second Amendment.

2. Amendments.

A. Section 1.1(e) of the Lease is hereby amended and restated to read as follows:

(e) Lease Term: Four (4) years, with two four (4) year renewal options  
Section 2.2

B. Section 1.1(f) of the Lease is hereby amended and restated to read as follows:

(f) Annual Minimum Rent: Section 3.1

Lease Term:

Lease Year 1:	\$42,000.00	(\$3,500.00 per month)
Lease Year 2:	\$43,200.00	(\$3,600.00 per month)
Lease Year 3:	\$44,400.00	(\$3,700.00 per month)

Lease Year 4:	\$45,600.00	(\$3,800.00 per month)
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First Optional Extension Term:

Lease Year 5:	\$46,800.00	(\$3,900.00 per month)
Lease Year 6:	\$48,000.00	(\$4,000.00 per month)
Lease Year 7:	\$49,200.00	(\$4,100.00 per month)
Lease Year 8:	\$50,400.00	(\$4,200.00 per month)

Second Optional Extension Term:

Lease Year 9:	\$51,600.00	(\$4,300.00 per month)
Lease Year 10:	\$52,800.00	(\$4,400.00 per month)
Lease Year 11:	\$54,000.00	(\$4,500.00 per month)
Lease Year 12:	\$55,200.00	(\$4,600.00 per month)

C. Section 2.5 of the Lease is hereby amended and restated to read as follows:

**SECTION 2.5      Tenant's Renewal Option.** Tenant shall have the right and option to extend the Lease Term for two (2) extension or renewal periods of four (4) years each (each such option, a "Renewal Option" and each such renewal period, an "Extension Term"), on and subject to the terms, conditions, and limitations set forth in **Exhibit F** attached to this Lease and made a part hereof.

D. Section 3.4(b) of the Lease is hereby amended and restated to read as follows:

(b) If at any time during the initial four (4) year Lease Term, or any Extension Term provided for in **Exhibit F** attached to this Lease (if Tenant exercises either of its Renewal Options for the Extension Terms as therein provided), the fee title ownership of Landlord in and to the Leased Premises is or becomes subject to Real Estate Taxes, then Landlord shall be solely responsible for the payment of such Real Estate Taxes and Tenant shall have no obligation to contribute to the payment of Real Estate Taxes in any way. If at any time after the Second Optional Extension Term of this Lease (and provided this Lease remains in force and effect), the fee title ownership of Landlord in and to the Leased Premises is or becomes subject to Real Estate Taxes, and Landlord notifies Tenant in writing (Landlord's "Tax Notice") that Landlord is unwilling to pay such Real Estate Taxes assessed against Landlord's fee title interest, then Tenant shall be obligated to either: (i) agree in writing by amendment to this Lease to pay the Real Estate Taxes levied against the Leased Premises (including the Land and improvements thereon but not the remainder of the Park), as additional rent payable by Tenant under this Lease, such payments to be made annually by Tenant within fifteen (15) days after Landlord's delivery to Tenant of the bill(s) for such Real Estate Taxes, but in any event no later than the date such payments are due and payable (and Tenant's obligation for such Real Estate Taxes for the year in

which the Lease Term expires or is terminated shall survive the expiration or termination of this Lease, but shall be prorated as of the date of such expiration or termination); or (ii) terminate this Lease effective as of the thirtieth (30<sup>th</sup>) day following Landlord's Tax Notice to Tenant as hereinabove described. Tenant shall notify Landlord in writing of its election within fifteen (15) days after receipt of Landlord's Tax Notice, and Tenant's failure to respond in writing within such fifteen (15) day period shall be deemed conclusively to be Tenant's election to pay the Real Estate Taxes as provided for in clause (i) above.

E. Section 7.3 of the Lease is hereby amended and restated to read as follows:

**SECTION 7.3 Tenant's Exclusive; Radius Restriction.**

(a) During any period in which this Lease is in force and effect, including but not limited to the initial four (4) year Lease Term, and any Extension Term (if Tenant exercises the Renewal Option for such Extension Term as provided in **Exhibit F** attached to this Lease), and provided Tenant: (i) is in fact operating its business in the Leased Premises for the Permitted Use set forth in Section 1.1(i) of the Basic Lease Provisions of this Lease, except for "Permitted Closures" (as defined in Section 7.2(f) above); (ii) has not assigned this Lease or sublet the Leased Premises to any person or entity other than a Permitted Transferee (as defined in Section 14.1 of this Lease), or to another transferee specifically consented to in writing by Landlord; and (iii) is not in default under the terms and provisions of this Lease (after any required notice and beyond any applicable grace or cure period), Landlord covenants and agrees that Landlord shall not allow to operate or enter into a lease or other occupancy agreement covering any portion of the Park with any other restaurant, food service provider, tenant or occupant that permits such restaurant, food service provider, tenant or occupant to sell any food or beverage items which are in the same food classification of the food and beverage items listed on **Exhibit D** attached to this Lease (or any additional food or beverage items added thereto as provided for in Section 1.1(i) of this Lease). If Landlord violates the foregoing use restriction, as Tenant's sole and exclusive remedy, Tenant's Annual Minimum Rent shall be reduced by fifty percent (50%) until such violation is cured; provided, however, that after Tenant has been paying such reduced Annual Minimum Rent for thirty-six (36) months, Tenant shall be obligated, within the next following thirty (30) day period, to elect to either resume paying full Annual Minimum Rent at the end of such thirty (30) day period, or terminate this Lease by written notice thereof to Landlord given within such thirty (30) day period, in which event this Lease shall terminate on the thirtieth (30<sup>th</sup>) day following Tenant's notice of termination and neither party thereafter shall have any further rights, duties or obligations under this Lease except any that expressly survive termination hereof. If Tenant fails to timely terminate this Lease, then Tenant shall be deemed conclusively to have elected to resume payment of full Annual Minimum Rent as

hereinabove provided. Additionally, if another tenant of the Park operates in violation of Tenant's exclusive and such operation is in violation of the provisions of such tenant's lease (a "Rogue Tenant"), then so long as Landlord is exercising commercially reasonable efforts to stop the violation of Tenant's exclusive by such Rogue Tenant, then Landlord shall not be in breach of its covenants under this Section 7.3(a), Tenant's Annual Minimum Rent shall not be reduced as hereinabove provided, and Tenant shall not have any rights or remedies under this Section 7.3(a) or otherwise under this Lease as the result of such violation. Provided however, notwithstanding the foregoing, if Landlord fails to prevent such Rogue Tenant from violating Tenant's Exclusive after a period of ninety (90) days, then Tenant shall have the right, until such Rogue Tenant stops violating Tenant's Exclusive, to pay, as Minimum Rent, fifty percent (50%) of Tenant's Annual Minimum Rent.

(b) During the initial four (4) year Lease Term, and any Extension Term (if Tenant exercises the Renewal Option for such Extension Term as provided in **Exhibit F** attached to this Lease), in the event Tenant or any Affiliate of Tenant (as defined in Section 14.1 of this Lease) shall directly or indirectly, either individually or as a partner or stockholder or otherwise, own, operate or become financially interested in any restaurant or food service provider operating within the existing geographical boundaries of Reinvestment Zone Number Two, City of Houston, Texas (the "Zone"), as of the Date of this Lease, that sells any of the food or beverage items listed on **Exhibit D** attached to this Lease (or any additional food or beverage items added thereto as provided for in Section 1.1(i) of this Lease), then in such event the Gross Sales of any such business or businesses within the existing boundaries of the Zone shall be included in the Gross Sales made from the Leased Premises, and the Percentage Rent payable by Tenant hereunder shall be computed upon the aggregate of the Gross Sales made from the Leased Premises and by any such other business or businesses then conducted within the existing boundaries of the Zone. This Section 7.3(b) shall not apply to any such business or businesses open and operated by Tenant or any Affiliate of Tenant within the existing boundaries of the Zone as of the Date of this Lease. With respect to any such business or businesses within said existing boundaries of the Zone, the Gross Sales of which are included in the computation of Percentage Rent hereunder, Tenant shall maintain the records and deliver statements as required pursuant to Article IV hereof and Landlord shall have the right to audit such records pursuant to Article V hereof.

### 3. **Exhibits.**

- A. **Exhibit F** attached hereto and incorporated herein by reference shall replace **Exhibit F** attached to the Lease.

4. Exercise of First Renewal Option.

- A. Extension of Lease Term. The parties hereby agree that, pursuant to Section 2.5 of the Lease, Tenant has extended the Lease Term by exercising its first Renewal Option as described in Exhibit F of the Lease. The Extension Term is for an additional four (4) years commencing on August 1, 2025 (the “First Optional Extension Commencement Date”) and ending on July 31, 2029 (such term, the “First Optional Extension Term”). The Annual Minimum Rent for the First Optional Extension Term shall be as set forth in Section 1.1(f) of the Lease.
- B. Condition of the Leased Premises. Notwithstanding anything in the Lease to the contrary, Tenant is currently in possession of the Premises and hereby agrees to accept the Premises from Landlord, in its existing “AS-IS”, “WHERE-IS” and “WITH ALL FAULTS” condition, and Landlord shall have no obligation whatsoever to refurbish or otherwise improve the Premises at any time during the Lease Term or any Extension Term.
- C. Completion of Improvements. Tenant acknowledges and agrees that any obligations of Landlord originally existing in the Lease to complete leasehold improvements and/or furnish allowance(s) with respect to the Premises, if any, have been completed and/or satisfied in their entirety, and any provisions in the Lease providing for such obligations, including, without limitation, the obligations set forth in Exhibit C of the Lease, are hereby null and void and of no further force or effect.

5. Miscellaneous Provisions.

- A. The recitals to this Second Amendment are hereby incorporated into and made a part of this Second Amendment for all purposes.
- B. Capitalized terms not otherwise defined in this Second Amendment shall have the meanings ascribed to them in the Lease.
- C. In the event of a conflict between the provisions of the Lease and this Second Amendment, the provisions of this Second Amendment shall prevail.
- D. Except as specifically amended in this Second Amendment, the Lease shall remain in full force and effect in accordance with its original terms and conditions.
- E. Tenant warrants that it has had no dealings with any broker or agent other than Wulfe & Co. (the “Broker”) in connection with the negotiation or execution of this Second Amendment. **TENANT AGREES TO INDEMNIFY LANDLORD AND HOLD LANDLORD HARMLESS FROM AND AGAINST ANY AND ALL COSTS, EXPENSES OR LIABILITY FOR COMMISSIONS OR OTHER COMPENSATIONS OR CHARGES CLAIMED BY ANY BROKER OR AGENT, OTHER THAN THE BROKER, WITH RESPECT TO THIS SECOND AMENDMENT.**

[execution page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment on the date set forth below, to be effective, however, as of the Effective Date.

**LANDLORD:**

**MIDTOWN REDEVELOPMENT AUTHORITY,  
a Texas local government corporation**

**By:** \_\_\_\_\_

**Name:** Matt Thibodeaux

**Title:** Executive Director

**Date:** \_\_\_\_\_

**TENANT:**

**LA CALLE, LLC,  
a Texas limited liability company**

**By:** \_\_\_\_\_

**Name:** Ramon Soriano

**Title:** Owner

**Date:** \_\_\_\_\_



## EXHIBIT F

### RENEWAL OPTION

This Renewal Option is attached to and forms a part of that certain Amended and Restated Retail Lease Agreement dated \_\_\_\_\_, 2020, as amended by that certain First Amendment dated July 13, 2023, and that certain Second Amendment dated \_\_\_\_\_, 2025 (the "Lease"), between MIDTOWN REDEVELOPMENT AUTHORITY, as "Landlord," and \_\_\_\_\_, as "Tenant," covering approximately 1,247 square feet of space in Bagby Park, Houston, Harris County, Texas.

(a) Contingent upon Tenant satisfying all of the following conditions, Tenant is hereby granted two (2) options (each, a "Renewal Option") to extend the Lease Term, for two (2) additional periods of four (4) full Lease Years (each, an "Extension Term"), said conditions being that:

- (i) No Event of Default by Tenant shall exist under the Lease, beyond any applicable notice and opportunity to cure period;
- (ii) Tenant shall not have assigned the Lease or sublet the Leased Premises to any person or entity other than a Permitted Transferee of Tenant, or other assignment approved by Landlord, such approval not to be unreasonably withheld, delayed or conditioned; and
- (iii) Tenant shall have given written notice to Landlord not more than three hundred sixty (360) days, and not less than one hundred eighty (180) days, prior to the scheduled termination of the then-current Lease Term or Extension Term.

Time is of the essence in the exercise of this option and should Tenant fail to exercise said option by timely notice, said option automatically and immediately shall lapse and be of no further force or effect.

(b) In the event that Tenant effectively exercises a Renewal Option herein granted, then all of the terms and provisions of the Lease as are applicable during the primary Lease Term shall likewise be applicable during such Extension Term, except:

- (i) Landlord shall not be obligated to make any decorations, repairs, additions, alterations or improvements to the Leased Premises, or to provide an allowance or credit therefor, in connection with or as the result of Tenant's exercise of the Renewal Option.
- (ii) If the Lease is extended for an Extension Term, Landlord shall prepare and Tenant and Landlord shall execute a mutually acceptable amendment to this Lease confirming the renewal of the Lease Term, the new Annual Minimum Rent and the other provisions applicable thereto.

(c) Throughout any applicable Extension Term, Tenant shall continue to pay all items of additional Rent as set forth in Article 3 of the Lease.

(d) References in this Exhibit F to the Lease Term shall be understood to refer to both the primary Lease Term and (if Tenant's options therefore are effectively exercised in accordance with the provisions hereof) also the hereinabove stated Extension Terms unless such interpretation is expressly negated.

*[SIGNATURE PAGE FOLLOWS]*



**midtown**  
H O U S T O N

# **Professional Services**

## **Walter P. Moore**

May 28, 2025

Mr. Marlon Marshall  
Senior Director of Engineering & Strategic Development  
Midtown Redevelopment Authority  
410 Pierce, Suite 355  
Houston, TX 77002

Re: FY 2026 Midtown CIP Work Order 1 - Renewal

Dear Marlon,

We are pleased to submit this proposal to renew CIP Work Order 1 for the 2026 Fiscal Year (July 1, 2025 through June 30, 2026).

The total proposed fee of \$153,790 (inclusive of expenses and subconsultant expenses) covers the anticipated work efforts of Walter P Moore and team members based on hourly services at the current hourly rates. The subconsultants will be identified later as needed for tasks such as Landscape Architecture, MEP, or Architecture.

We look forward to continuing to support the development of capital improvement projects in Midtown. Please contact me with any questions or concerns.

Sincerely,

Walter P. Moore and Associates, Inc.



Rachel Ray-Welsh, P.E., STP, ENV SP  
Senior Associate



Jennifer L. Peek, P.E., PTOE, PTP  
Managing Principal

Enclosure

## ATTACHMENT B

## Form of Work Order

WORK ORDER NO. 1 – FY 2026 Midtown CIP Work Order 1 - Renewal

This Work Order is issued subject to and is governed by that certain professional services agreement between Midtown and Consultant dated October 1, 2021.

Work Order Date: July 1, 2025

Consultant: Walter P. Moore and Associates, Inc.

Type of Compensation: Time and Materials to a Maximum

Compensation: Maximum of \$153,790.00

Location of Services: Houston, Texas

Description of Services: This work order is to serve as a general services agreement for efforts associated with assisting Midtown during implementation of Capital Improvement Program (CIP) for a period of one year. See attached hour estimate for additional details. Specific duties included in this fee are listed below:

- Updating the CIP based on our meetings and discussions
- Coordination with other Consultants
- Attending Board meetings as necessary
- Consultation, assistance, and coordination of activities as per our Professional Services Agreement
- Development and updating of maps as requested by Midtown
- Parking feasibility assessments and coordination
- Other tasks as assigned

Schedule Requirements: Commencement of Services: July 1, 2025  
Completion of Services: June 30, 2026

**Consultant:**

WALTER P. MOORE AND  
ASSOCIATES, INC.

By:

Jennifer L. Peek – Managing Principal

May 28, 2025  
Date

**Client:**

MIDTOWN REDEVELOPMENT  
AUTHORITY

By:

Matt Thibodeaux – Executive Director

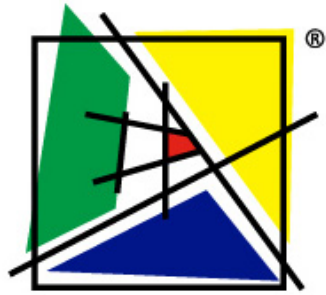
Date \_\_\_\_\_



**Work Order 1 - Fiscal Year 2026 Renewal through June 30, 2026**  
**Midtown Redevelopment Authority**

Task	Senior/Managing Principal	Principal	Senior Project Manager/Team Director	Senior GIS Specialist	Senior Engineer	Engineer	Total Hours
	\$395	\$350	\$320	\$240	\$265	\$200	
Project management	0	0	12	0	0	0	12
Bi-weekly meetings to discuss Midtown's CIP	6	6	14	0	0	0	26
Coordination with other Midtown Consultants	0	0	10	0	0	0	10
Civil Site Support	0	2	20	0	21	11	54
Attending Board Meetings	6	0	24	0	0	0	30
Mapping/Graphics Support	0	0	4	10	0	0	14
General Planning, Plan Updates, Mobility etc.	10	0	15	0	0	0	25
Affordable Housing	0	0	0	0	0	0	0
Preparation or assistance with any global CIP requests	12	10	67	0	45	0	134
Parking Coordination	20	0	0	0	0	0	60
Total Hours	54	18	166	10	66	11	365
Total Labor Costs	\$21,330	\$6,300	\$53,120	\$2,400	\$17,490	\$2,200	\$113,840

Walter P Moore Fee	\$113,840
30% MWDBE Subconsultants	\$34,500
10% Mark-up on Subconsultants	\$3,450
Total Fee	\$151,790
Expenses	\$2,000
<b>Total Fee (Includes Labor and Expenses)</b>	<b>\$153,790</b>



**midtown**  
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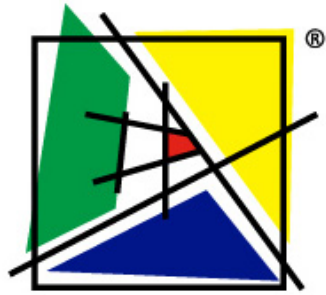
**TxDOT North  
Houston Highway  
Improvement Project  
Presentation**



**midtown**  
H O U S T O N

# **MIDTOWN AFFORDABLE HOUSING PROGRAM**





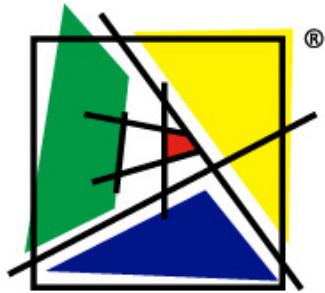
**midtown**  
H O U S T O N

# **AFFORDABLE HOUSING OPERATIONS CAMPUS**



**midtown**  
H O U S T O N

**PRIMARY CARE  
COHORT 2 PROPCO LLC  
-  
OFFICE LEASE**



**midtown**  
H O U S T O N

**HONEYCOMB  
CLINIC LLC -  
OFFICE LEASE**

**LEASE**

between

**MIDTOWN REDEVELOPMENT AUTHORITY**  
("Landlord")

and

**HONEYCOMB CLINIC, LLC**  
("Tenant")

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## **LEASE**

**THIS LEASE** is made and entered by and between **MIDTOWN REDEVELOPMENT AUTHORITY**, a nonprofit local government corporation created and organized under the provisions of Chapter 431, Texas Transportation Code (hereinafter called “Landlord”), and **HONEYCOMB CLINIC, LLC**, a Texas limited liability company (hereinafter called “Tenant”).

## **WITNESSETH:**

### **ARTICLE I GRANT AND TERM**

Section 1.1 Leased Premises. For and in consideration of the rents, covenants and agreements hereinafter reserved and contained, Landlord demises and leases to Tenant and Tenant leases from Landlord 9,239 rentable square feet of space (7,819 usable square feet) on the first floor (as further defined in subsection (a), the “Premises”) as depicted in Exhibit “A”, within the building commonly known as One Emancipation Center (the “Building”), located at 3131 Emancipation Avenue, Houston, Texas 77004.

Section 1.2 Commencement of Term. The Lease shall become effective on the date on which Landlord receives from Tenant the Security Deposit (as further described in Section 15.1 hereof) and the Lease has been executed by both parties hereto (“Effective Date”). The term of the Lease (“Term”) shall commence upon the earlier of (i) the date of Substantial Completion (as defined below) of the Tenant Improvements (as defined in Section 5.2 hereof); or (ii) the date that Tenant commences business in the Premises (the “Commencement Date”). “Substantial Completion” shall mean the day on which the Tenant Improvements have been completed in accordance with the Tenant Improvement Plans so that Tenant may receive the beneficial use of the Premises (*i.e.*, when Tenant may use the Premises for its intended purpose), subject to a punch list of non-material items that can be completed within thirty (30) days, all as determined by Landlord in its reasonable judgment.

Section 1.3 Time of Rent Payments. All Rent (as that term is defined in Section 4.1 hereof) due under this Lease shall be payable in advance for any partial month of occupancy on a prorated basis and thereafter on the first day of each month in advance.

Section 1.4 Length of Term. The term of this Lease (“Term”) shall be for sixty-three (63) months, commencing upon the Commencement Date and ending at 11:59 p.m. on the last day of the sixty-third (63<sup>rd</sup>) full calendar month following the Commencement Date (“Expiration Date”), unless extended pursuant to Section 14.1 hereof.

### **ARTICLE II RENT**

Section 2.1 Rent. (a) Upon determination of the Commencement Date, Landlord and Tenant agree to execute, acknowledge and deliver a Commencement Date Agreement, the form of



which is attached hereto as Exhibit “B”, confirming the Commencement Date and Expiration Date of this Lease; provided, however, Landlord’s or Tenant’s failure to execute, acknowledge and deliver such instrument shall not affect in any manner whatsoever the validity of the Commencement Date or the parties obligations under this Lease. Rent shall accrue in accordance with the Lease, but shall not be payable by Tenant to Landlord until the Commencement Date Agreement is signed by Landlord and Tenant.

(b) Tenant shall commence paying Rent upon the Commencement Date (the “Rent Commencement Date”). The “Base Rent” during the Term shall be as follows:

(i) Base Rent:

Months of Term	Rent Per RSF	Monthly Installment of Base Rent	Annual Base Rent
1-3	\$0.00	\$0.00	\$0.00
4-12	\$18.50	\$14,243.46	\$128,191.14
13-24	\$19.06	\$14,674.61	\$176,095.34
25-36	\$19.63	\$15,113.46	\$181,361.57
37-48	\$20.22	\$15,567.72	\$186,812.58
49-60	\$20.82	\$16,029.67	\$192,355.98
61-63	\$21.44	\$16,507.01	\$49,521.03

(ii) Rent shall be payable by Tenant without any diminution, abatement, set off or deduction whatsoever, except as provided herein. Landlord acknowledges and agrees that the monthly Base Rent payments for the Premises shall be abated during the first three (3) months of the Term provided Tenant is not then in default under this Lease beyond any applicable notice and cure period.

Section 2.2 Non-Waiver of Conditions. Extension of time for payment of Rent or change by Landlord of the mode or time of payment of Rent upon any occasion shall not be construed as a waiver of the provisions of this Article or as requiring a similar extension or change by Landlord on any subsequent occasion. All recurring Rent shall be due and payable to Landlord as provided in Section 1.3 hereof without any penalty to Tenant. Any non-recurring Rent that is due and payable to Landlord shall be due within forty-five (45) days of receipt of notice and invoice from Landlord.

### **ARTICLE III TAXES, UTILITIES, AND OPERATING COSTS**

Section 3.1 Proportionate Share. As used herein and further described in Section 3.4, Tenant’s proportionate share of the Building’s operating costs (“Tenant’s Proportionate Share”) shall equal 16%, calculated based on dividing the rentable square footage of the Premises (9,239 rentable square feet) by the rentable square footage of the Building (57,381 rentable square feet). The term “Common Areas” as used herein shall mean areas of the Building for use in common by

tenants of the Building, and shall include parking areas and facilities, sidewalks, stairways, service corridors, elevators, landscaped areas, and portions of the Building which are not reserved for the exclusive use of any Building tenants.

Section 3.2 Taxes. As further described in Section 3.4, Tenant shall pay as Additional Rent Tenant's Proportionate Share of Real Estate Taxes assessed against the Building. The term "Real Estate Taxes" shall mean the cost of all taxes, assessments, and governmental charges relating to the Building, whether directly paid by Landlord, whether federal, state, county, or municipal and whether imposed by taxing districts or authorities presently taxing the Building or by others subsequently created or otherwise, and any other taxes and assessments attributable to Building or its operation.

Section 3.3 Utilities. As further described in Section 3.4, Tenant shall pay Tenant's Proportionate Share of costs for heat, gas, water, sewer, electricity and other public utilities ("Utilities") used in the Common Areas ("Utility Expenses"). Landlord will be responsible for providing terminating utility trunk lines and service mains at the Premises, the cost of separately metering each utility (including installation of meter), and the cost of all impact fees and initial connection fees, excluding deposits, associated with Utilities to the Premises. Landlord shall provide, for the Term defined herein, and any extension thereof, all utilities and services (including but not limited to electric, water and sewer) serving the Building and Premises reasonably sufficient for the operation of the Building and the Premises. Landlord shall be responsible for repair and maintenance of the main sewer line servicing the Premises at Landlord's sole cost and expense.

Section 3.4 Operating Expenses. (a) Tenant shall pay as Additional Rent Tenant's Proportionate Share of the Building's operating costs, including Real Estate Taxes, insurance, Utility Expenses, and CAM Expenses, as hereinafter defined (collectively "Operating Expenses"). Operating Expenses are initially estimated to be Eighteen and 39/100 Dollars (\$18.39) per rentable square foot per year as further detailed in Exhibit "C" attached hereto.

(b) Tenant shall reimburse Landlord for costs and expenses paid or incurred by or on behalf of Landlord relating to the repair, maintenance and operation of the Building and Common Areas of the Building for which Landlord shall have a repair or maintenance obligation ("CAM Expenses"). CAM Expenses shall be determined on an accrual basis in accordance with generally accepted accounting principles consistently applied. Without limiting the generality of the foregoing, CAM Expenses shall include the cost of: (i) normal and customary replacement (excluding capital replacement) and repairing any facilities of the Building and Common Areas, (ii) policing and protecting the Building and Common Areas, (iii) cleaning, painting, and landscaping of the Building and Common Areas, (iv) premiums for worker's compensation and employer's liability insurance for on-site employees at the Building, and (v) casualty and commercial general liability insurance that Landlord is obligated or deems necessary to carry covering the Building.

(c) Notwithstanding anything set forth above to the contrary, CAM Expenses shall not include costs or expenses which properly constitute capital expenditures under generally accepted accounting principles. Additionally, CAM Expenses shall not include the following: (i) the cost of any work which Landlord performs solely for any other tenants and the costs of any services

rendered or costs reimbursed to a tenant which are not generally rendered or reimbursed to other tenants; (ii) the cost of repairs or maintenance costs necessitated by the negligence of Landlord, or its agents, contractors or employees; (iii) legal and other fees, leasing commissions, advertising expenses and other costs incurred in connection with development or leasing of the Building; (iv) any amounts for which Landlord is reimbursed by insurance or otherwise compensated, including direct reimbursement by any tenant (provided, however, that CAM Expenses shall include commercially reasonable deductibles paid by Landlord); (v) replacement or repairs covered by and reimbursed under construction contracts or contractor's warranties; (vi) expenses relating to vacant or vacated space; (vii) the costs, including without limitation any fees, taxes or costs, for furnishing water, sewer, gas, fuel, electricity, janitor or trash removal service or other utilities or services to those portions of the Building which are leased to other tenants and which are separately metered or billed; (viii) any bad debt or rental loss and any reserves or insurance for such losses; (ix) the cost of Landlord's federal, state or local income taxes; (x) interest or principal payments on any mortgage or deed of trust or any ground lease payments; (xi) reserves for anticipated future expenses; and (xii) with respect to any personnel costs included by Landlord in CAM Expenses, if such personnel do not work exclusively for the Building, the portion of such costs equivalent to the percentage of time spent by such personnel on matters other than the Building. Except for the management fee specified in Exhibit "C", no additional administration or management fees shall be charged. "Controllable Operating Expenses" shall mean those expenses that are reasonably controllable by Landlord, and specifically excludes Real Estate Taxes, insurance, Utility Expenses, and snow/ice removal. Annual amortization amounts for expenses, capital or operational, related to equipment intended to increase the energy efficiency of the Property shall not exceed annual savings related to such expenditures.

(d) Tenant agrees to pay one-twelfth (1/12th) of Landlord's estimate of Additional Rent in advance upon the first day of each calendar month (each a "CAM Payment" and collectively, the "CAM Payments") at the same time as monthly Base Rent. Within ninety (90) days of the end of each calendar year, Landlord will submit to Tenant a reasonably detailed statement with support documents, including but not limited to, a general ledger of expenses, property tax invoices, and insurance invoices, showing CAM Expenses for the preceding calendar year along with a reconciliation to Tenant's actual CAM Payment for such calendar year ("CAM Statement"). All charges under the Lease shall be billed by Landlord within one hundred eighty (180) days from the end of the calendar year in which the charges were incurred; any charges beyond such period shall not be billed by Landlord, and shall not be payable by Tenant, except that nothing in this paragraph shall terminate Landlord's obligation to credit Tenant for any over-payments of Tenant's Proportionate Share in the preceding year. Within sixty (60) days after receipt of a CAM Statement, Tenant shall pay Landlord any additional amounts owed as shown on the CAM Statement. If Tenant's total CAM Payments paid to Landlord during the previous calendar year exceed Tenant's Proportionate Share of the actual CAM Expenses, then Landlord shall credit the difference to Tenant against the next-due Rent or refund such amount to Tenant if the Term has expired. Any CAM Payments shall be prorated for any partial calendar year. Tenant's obligation to pay any amounts due under this Section shall survive the Expiration Date or earlier termination of this Lease.

(e) Information Technology/Telecommunication Services. Landlord will be responsible for providing fiber optic connectivity to the Building. Tenant shall be required to use the third party provider with whom Landlord has contracted to provide internet services to the

Building. Tenant shall electronically submit technology/telecommunications services providers' entry permission documents and/or plans for running transmission lines for the Premises ("IT Provider Plans") to Landlord for review and approval (which approval shall not be unreasonably withheld, conditioned or delayed), together with a written notice specifying that Landlord shall have ten (10) business days from Tenant's submission within which to review and provide comments regarding the IT Provider Plans ("IT Provider Plans Review Period"), which notice shall specify the due date for Landlord's response. The IT Provider Plans Review Period may be extended for a reasonable amount of time by Landlord's provision of written notice to Tenant prior to the expiration of the IT Provider Plans Period indicating that Landlord requires additional time to review the IT Provider Plans and specifying a new due date by which Landlord will provide its response to Tenant.

#### **ARTICLE IV TENANT'S COVENANTS**

Section 4.1 Payment of Rent. Tenant shall pay to Landlord, its successors and assigns or to Landlord's agent, the specified Rent at the times and in the manner above provided. The term "Rent" as used in this Lease shall mean the Base Rent, Additional Rent, and any other monies due Landlord under the terms of this Lease.

Section 4.2 Landlord's Right of Entry. Landlord and persons authorized by Landlord shall at any and all reasonable times have the right to enter and inspect the Premises, to supply janitorial service or any other service to be provided by Landlord to Tenant hereunder or to show the Premises to current or prospective lenders, purchasers or tenants or to make repairs, improvements or alterations to the Premises, all without being deemed guilty of an eviction of Tenant and without abatement of Rent. During the pendency of any such entry, Landlord shall use good faith efforts to minimize any interference with the conduct of Tenant's business. Tenant hereby waives any claim for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises and any other loss occasioned thereby.

Section 4.3 Use of Premises. (a) Tenant shall have the right to use the Premises for the purpose of operating a medical office and ancillary administrative operations therefor (the "Permitted Use"), so long as such use complies with lawful business and commercial purposes.

(b) Tenant shall comply with, and Tenant shall cause its agents, contractors, customers, employees, invitees, licensees, servants and visitors to comply with, all laws, ordinances, orders, rules and regulations (state, federal, municipal and other agencies or bodies having any jurisdiction thereof) relating to the use, condition, occupancy, maintenance or alteration of the Premises or the conduct of Tenant's business therein including, without limitation, the Americans With Disabilities Act of 1990 and the Texas Accessibility Standards (together, the "ADA" and collectively with all such laws, the "Laws") and shall cause the Premises to comply with all Laws, all at Tenant's sole cost and expense.

(c) Tenant shall use and occupy the Premises only for the Permitted Use. Tenant may not use or permit the use of the Premises for (i) the sale of food, (ii) the placement, storage, release, discharge, manufacture, treatment or use of any Hazardous Materials (as hereinafter defined), the

manufacture, storage, transport or disposal of which is regulated, governed, restricted or prohibited by any federal, state or local agency or authority, or under any federal, state or local law, ordinance, rule or regulation related to the environment, health or safety (collectively, the “Environmental Laws”), except as necessary and appropriate for the Permitted Use, including but not limited to, medical waste, office and cleaning supplies, and materials used in the ordinary course of Tenant’s business, in which case the use, storage and disposal of such Hazardous Substances shall be performed in compliance with Environmental Laws, or (iii) any purpose which is illegal, or deemed to be hazardous on account of fire or other hazards, creates obnoxious odors (including tobacco smoke), noises or vibrations, is dangerous to persons or property, would reasonably be expected to increase Landlord’s insurance costs, or which would reasonably be expected to unreasonably disturb any other tenants of the Building or interfere with the operation or maintenance of the Property or any work by Landlord or its contractors in the Premises “Hazardous Materials” means any substance, material, or waste which is now or hereafter classified or considered to be hazardous, toxic, radioactive or dangerous under any law relating to pollution or the protection or regulation of human health, natural resources or the environment, or poses or threatens to pose a hazard to the health or safety of persons on the Premises or in the Building, including but not limited to oil, gasoline, petroleum, petroleum by-products, mold and asbestos or asbestos-containing materials.

Section 4.4 Assignment and Subletting. (a) Except for Permitted Transfers (as defined in Section 4.4(b) below), Tenant agrees not to assign, mortgage, encumber or in any manner transfer, in whole or in part, this Lease or any estate or interest therein, and not to sublet the Premises or any part or parts thereof or allow anyone to come in with, through or under it without Landlord’s prior written consent, which shall not be unreasonably withheld, conditioned, denied, or delayed. Any transfer, assignment or subletting in violation of this Section 4.4 shall be void. Consent by Landlord to one or more assignments of this Lease or to one or more subletting of the Premises shall not operate to exhaust Landlord’s rights under this Section 4.4. In the event that Tenant, with or without the previous consent of Landlord, does assign or in any manner transfer this Lease or any estate or interest therein, Tenant shall in no way be released from any of its obligations under this Lease. The sale, issuance, or transfer of any voting capital stock of Tenant (if Tenant be a nonpublic corporation), which results in a change in the voting control of Tenant, shall be deemed to be an assignment of this Lease within the meaning of this Section 4.4(a).

(b) Notwithstanding anything to the contrary contained in this Lease, and provided there is no change in the Permitted Use of the Premises, Tenant shall have the right, without the consent of Landlord (but with written notice given to Landlord at least five (5) business days prior to the effective date of such transfer, to be accompanied by true and complete copies of the documents that will evidence the transfer) to make the following “Permitted Transfers”: any assignment of this Lease, or any transfer of this Lease by operation of law, or any subletting of the entirety of the Premises (or any portion thereof) for the remaining Term, to any entity (each, a “Permitted Transferee”): (A) which controls Tenant (Tenant’s parent entity), or is controlled by Tenant (a subsidiary entity of Tenant), or is under common control with Tenant (Tenant’s “Affiliate”); (B) into or with which Tenant is merged or consolidated by merger, consolidation or other business reorganization; or (C) to which all or substantially all of Tenant’s assets, voting stock, partnership interests, membership interests or other equitable ownership interests are transferred. As used in this Section 4.4(b), “control” and all variations thereof used herein shall mean and require both the direct ownership, or indirect ownership through no more than one

intermediary, of more than 50% of the voting stock or other beneficial ownership interest of the controlled entity and the ability to direct the day-to-day business operations of the controlled entity. All Permitted Transfers are otherwise subject to and upon all of the terms, provisions and covenants of this Lease, and shall not in any way relieve Tenant of liability as to any term or condition of this Lease without the express written approval of Landlord (which may be granted, withheld, delayed or conditioned in Landlord's sole and absolute discretion) granted at the time of and in connection with such Permitted Transfer. Notwithstanding any term or provision to the contrary contained herein, Tenant may not engage in a series of one or more Permitted Transfers under this Section 4.4(b) to "spin off" this Lease to an independent third party. As an example of the foregoing (but without limiting the foregoing), Tenant may not assign this Lease to a wholly owned subsidiary entity whose assets consist solely of this Lease and the rights granted under this Lease and thereafter sell the stock or other beneficial ownership interest of such entity to an independent third party.

(c) Landlord shall have the right to transfer and assign, in whole or in part, all of its rights and obligations hereunder and in the Building and all other property referred to herein, and in such event and upon such transfer (any such transferee to have the benefit of, and be subject to, the provisions of Section 10.1 and subsection (d) of this Section 4.4). Landlord shall be released from any further obligations hereunder that arise after the date of such transfer and no further liability or obligation shall thereafter accrue against Landlord hereunder.

(d) Tenant shall look solely to Landlord's interest in the Project for the recovery of any judgment against Landlord, it being agreed that neither Landlord (and its members, partners, officers, directors and shareholders) nor any mortgagee shall ever be personally liable for any such judgment. In addition, Tenant also agrees that Tenant shall not be entitled to recover from Landlord nor any of its agents, employees, officers, members, partners, servants or shareholders any indirect, special or consequential damages Tenant may incur as a result of a default under this Lease or other action by Landlord, its agents, employees, officers, members, partners, servants or shareholders. In no event whatsoever shall recourse be had or liability asserted against any of Landlord's partners, members, shareholders, employees, agents, directors, officers or other owners of Landlord or their respective constituent members, partners, shareholders, employees, agents, directors, officers or other owners. Landlord's direct and indirect shareholders, partners, members, beneficiaries and owners and their respective trustees, officers, directors, employees, agents and security holders, assume no personal liability for any obligations entered into on behalf of Landlord under this Lease.

**Section 4.5 Parking.** During the standard business hours of operation for the Building, as set forth in Exhibit "D" attached hereto ("Business Hours"), Tenant, its employees and customers, shall have the non-exclusive right to use all common area parking in the parking garage associated with the Building (the "Parking Garage"). Landlord agrees for the Term, and any extension thereof, to provide a parking ratio to Tenant of not less than three parking spaces per one thousand rentable square feet at no cost to Tenant, during Business Hours, excluding the monthly payment for reserved parking spaces ("Reserved Spaces") and for unreserved parking spaces ("Unreserved Spaces"), which shall not be subject to reduction or restriction by Landlord. During the Term, for the use of Reserved Spaces and Unreserved Spaces during Business Hours, Tenant shall pay Landlord \$50.00 per space per month for the Reserved Spaces and \$35.00 per space per month for Unreserved Spaces.

**ARTICLE V**  
**DELIVERY, CONSTRUCTION, ALTERATIONS AND LIENS**

Section 5.1 Condition of Premises. On or prior to the Effective Date, Tenant has made a complete inspection of the Premises and agrees it will accept the Premises “as-is” and without recourse to Landlord; provided that the Tenant Improvements (as defined in Section 5.2) will be completed in accordance with Section 5.2. Tenant acknowledges that no representations as to the condition or repair of the Premises or the Building, nor promises to alter, remodel or improve the Premises or the Building, have been made by Landlord, except as are expressly set forth in this Lease.

Section 5.2 Tenant Improvements.

(a) *Tenant Improvements*. Landlord shall perform all work for Tenant’s initial occupancy of the Premises (“Tenant Improvements”), which shall consist of removing windows, installing drywall and repainting the Premises in accordance with a schematic plan prepared by or on behalf of Landlord and approved by Tenant (“Tenant Improvement Plans”). Tenant Improvements shall be constructed in a good and workmanlike manner in keeping with applicable statutes, laws, codes and other government requirements, including ADA rules and regulations.

(b) *Tenant Allowance*. Landlord shall be responsible for the costs and expenses incurred in connection with the construction of the Tenant Improvements in accordance with the Tenant Improvement Plans (the “Tenant Allowance”). Provided, however, that all costs associated with the installation of telecommunication, data wiring, or IT equipment for the Premises shall be at Tenant’s sole cost and expense (the “IT Work”).

(c) *Construction Coordination*. On or after the day that is forty-five (45) days prior to Substantial Completion of the Tenant Improvements, Tenant may enter onto the Premises at no cost to Tenant, subject to the terms and conditions of this Lease, for the purpose of undertaking the IT Work and furniture installation (“Tenant’s Additional Work”). Tenant and Landlord shall reasonably coordinate the Tenant Improvements and Tenant’s Additional Work so as to avoid any delay in the completion of the Tenant Improvements and any other material or unreasonable interference with work or other activities being performed or conducted in the Premises.

(d) *Tenant Contractor’s Insurance*. Prior to undertaking any construction work on the Premises, including Tenant’s Additional Work, Tenant shall cause its contractor(s) to secure and maintain insurance policies for the construction work undertaken on the Premises, including but not limited to workers compensation, general liability, and builder’s risk insurance, in accordance with the requirements of Section 7.1, and both Landlord and Tenant shall be listed as additional insured.

Section 5.3 Construction and Alterations. Tenant shall not make or allow to be made (except as otherwise provided in this Lease) any alterations or physical additions (including fixtures) in or to the Premises or place safes, vaults, filing cabinets, libraries or other heavy furniture or equipment within the Premises without first obtaining the written consent of Landlord. Tenant’s alterations or physical additions in or to the Premises subsequent to the construction of the Tenant Improvements shall be undertaken in accordance with the terms and conditions of

Section 5.2 with respect to construction of the Tenant Improvements. Notwithstanding the foregoing, Tenant may, without Landlord's consent, make interior nonstructural alterations in and to the Premises which are consistent in quality, color and décor to the Tenant Improvement Plans previously approved by Landlord, provided that the alterations do not involve the front-facing areas of the Premises or the electrical, plumbing and HVAC system.

Section 5.4 Liens. **TENANT SHALL INDEMNIFY AND HOLD HARMLESS LANDLORD FROM AND AGAINST ALL COSTS (INCLUDING REASONABLE ATTORNEY'S FEES AND COSTS OF SUIT), LOSSES, LIABILITIES, OR CAUSES OF ACTION ARISING OUT OF OR RELATING TO ANY ALTERATIONS, MADE BY TENANT OR ITS CONTRACTORS AS OTHERWISE PERMITTED PURSUANT TO THE TERMS AND CONDITIONS OF THIS LEASE, INCLUDING BUT NOT LIMITED TO ANY MECHANICS' OR MATERIALMEN'S LIENS ASSERTED IN CONNECTION THEREWITH.** Should any mechanics' or other liens be filed against the Premises or any portion of the Building or the land on which the Building is situated or any interest therein by reason of Tenant's acts or omissions or because of a claim against Tenant or its contractors, Tenant shall cause the same to be cancelled or discharged of record by bond or otherwise within ten (10) days after notice of such lien by Landlord or otherwise. If Tenant shall fail to cancel or discharge said lien or liens within said ten (10)-day period, which failure shall be deemed to be an Event of Default hereunder, Landlord may, at its sole option and in addition to any other remedy of Landlord hereunder, cancel or discharge the same and upon Landlord's demand, Tenant shall promptly reimburse Landlord for all costs incurred in canceling or discharging such lien or liens plus fifteen percent (15%) for administrative cost recovery.

## **ARTICLE VI MAINTENANCE AND REPAIR, COMPLIANCE WITH LAW, AND SIGNS**

### **Section 6.1 Maintenance, Repair, Janitorial and Rules of the Building.**

(a) Tenant shall comply with and observe, and shall cause its agents, contractors, customers, employees, invitees, licensees, servants and visitors to comply with and observe, the rules and regulations of the Building set forth on Exhibit "D" and any additional reasonable rules and regulations reasonably established by Landlord from time to time for the safety, care or cleanliness of the Premises and the Building, or for preservation of good order therein (as same may be amended or modified from time to time pursuant hereto, the "Building Rules and Regulations"). Landlord may from time to time amend or modify the Building Rules and Regulations for the use, safety, cleanliness and care of the Premises and the Building and for the comfort, quiet enjoyment and convenience of all tenants and their employees, agents and customers. Amendments or modifications to the Building Rules and Regulations will be effective upon notice to Tenant from Landlord or Landlord's designee. In the event of any breach of the Building Rules and Regulations, or any amendments or modifications thereto, Landlord will have all remedies provided in the Lease, or at law or in equity, including the right to enjoin a breach of the Building Rules and Regulations. In the event of any conflict between the provisions of this Lease and the Building Rules and Regulations, the provisions of this Lease will control.

(b) The Landlord is responsible for maintenance, repair, and replacement of the Common Areas, roof, foundation, exterior walls, and building structure. Landlord shall conduct



any work with minimal disturbance to Tenant's business, employees, and/or clients. Landlord will, and with reasonable dispatch after being notified in writing by Tenant of the need thereof, maintain and make such repairs as required by this Lease, and as may be necessary to keep the same in a good condition and repair. Upon written receipt from Tenant of a notice indicating the name and contact information of Tenant's facility manager for the Premises, Landlord agrees to accept direction/work orders from Tenant's facility manager via telephone or email. The procedures for Tenant to make repair or maintenance requests are further described in the Building Rules and Regulations.

(c) During the Term, and any extension thereof, Landlord shall maintain HVAC units serving the Premises through a regular maintenance contract with a local service provider. Landlord shall provide the HVAC system to service the Premises which shall have an overall capacity of not less than one ton per 300 rentable square feet of the Premises.

(d) Landlord shall not be liable for, and Tenant shall not be entitled to, any abatement or reduction of Rent by reason of Landlord's failure to maintain temperature or electrical constancy levels or to furnish any of the foregoing services when such failure is caused by accident, breakage, repairs, strikes, lockouts or other labor disturbance or labor dispute of any character, governmental regulation, moratorium or other governmental action, the failure of any utility to supply its service, inability by exercise of reasonable diligence to obtain electricity, water or fuel, or by any other cause beyond Landlord's reasonable control, nor shall any such failure, stoppage or interruption of any such service be construed as an eviction of Tenant, or relieve Tenant from the obligation to perform any covenant or agreement herein, and in no event shall Landlord be liable for damage to persons or property, or in default hereunder, as a result of such failure, stoppage or interruption of any such service. In the event of any such failure, stoppage or interruption of any such service, however, Landlord shall use reasonable diligence to resume such service promptly. No representation is made by Landlord with respect to the adequacy or fitness of the Building's ventilating, air conditioning or other systems to maintain temperatures as may be required for the operation of any computer, data processing or other special equipment of Tenant.

(e) During the Term, and any extension thereof, Tenant will keep and maintain the Premises in good condition and repair. Tenant will not commit or allow any waste or damage to be committed on any portion of the Premises.

(f) Landlord shall provide daily janitorial services, except on weekends and holidays, in accordance with the specifications outlined in the Building Rules and Regulations.

(g) Tenant will surrender the Premises at the expiration of the Term or at such other time as Tenant may vacate the Premises in good condition and repair, broom-clean, excepting ordinary wear and tear, damage by fire or accident not occasioned by reason of Tenant's neglect or negligence, or act of God.

Section 6.2 Compliance with Law. Upon receipt of notice from any duly constituted public authorities, Tenant shall comply with their lawful requirements and hold Landlord harmless from penalties, fines, costs or damages resulting from Tenant's occupancy and use of the Premises.

Section 6.3 Signs. Tenant shall be permitted to install signage within or at the entrance to the Premises (“Tenant Signage”) at designated locations approved in writing by the Landlord, and in accordance with Landlord’s signage standards for the Building (“Signage Standard”) and the Building Rules and Regulations and subject to all applicable signage criteria and other requirements of the City of Houston and/or any other governmental entities or agencies having jurisdiction thereover. Tenant shall install Tenant Signage at Tenant’s sole cost and expense. Tenant shall be responsible for the removal costs of Tenant Signage upon the expiration or termination of this Lease.

## ARTICLE VII INSURANCE AND CASUALTY

### Section 7.1 Tenant’s Insurance.

(a) Throughout the Term, and any extension thereof, Tenant at its sole cost and expense shall keep or cause to be kept commercial general liability insurance with respect to the Premises, and the business operated by Tenant (and any subtenants of Tenant) in the Premises which insurance shall afford the following minimum limits of coverage:

Each Occurrence (Combined Single Limit	\$1,000,000
Bodily Injury or Property Damage)	
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury Liability	\$1,000,000
Fire Damage Legal Liability	\$ 50,000
Medical Payments	\$ 5,000

Tenant shall also maintain minimum excess coverage of not less than Five Million Dollars (\$5,000,000.00) per occurrence, provided Tenant shall carry such greater limits of coverage as Landlord may reasonably request from time to time. Landlord, any property manager, and any other parties that Landlord designates shall be named as additional insureds on all commercial general liability and excess liability policies. Tenant shall also carry workers’ compensation and employers’ liability insurance on its employees in accordance with applicable state laws. All policies required to be carried by Tenant hereunder shall be issued by and binding upon an insurance company licensed to do business in Texas with a rating of at least “A VIII” or better as set forth in the most current issue of Best’s Insurance reports, unless otherwise approved by Landlord. Tenant shall not do or permit anything to be done that would invalidate the insurance policies required.

(b) Tenant agrees to carry, at its expense, (i) “all-risk” property insurance against fire, vandalism, windstorm, explosion, smoke damage, malicious mischief, and such other perils as are from time to time included in a standard extended coverage endorsement, insuring Tenant’s merchandise, trade fixtures, furnishings, equipment and all other items of personal property of Tenant located on or within the Premises, in an amount equal to the actual replacement cost thereof and to furnish Landlord with a certificate evidencing such coverage, and (ii) by endorsement to Tenant’s all-risk property insurance or by separate policy, property insurance against damage to or destruction of Tenant’s merchandise, trade fixtures, furnishings, equipment and other personal

property, and to furnish Landlord with a certificate evidencing such coverage. If Tenant does not provide evidence of the herein described insurance, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord as additional rent upon delivery to Tenant of bills therefor with reasonable supporting documentation. Tenant's insurance shall be with an insurance carrier with a Bests Guide Rating of A-/VI or better.

(c) Liability insurance maintained by Tenant shall be primary coverage without right of contribution by any similar insurance that may be maintained by Landlord. All policies shall name the Landlord and/or Landlord's designees as additional insured (except for workers' compensation) and shall contain a provision by which the insurer agrees that such policy shall not be canceled, materially changed, terminated or not renewed with respect to the Premises except after at least fifteen (15) days advance written notice to Landlord and/or such designees.

(d) Tenant shall deliver certificates of insurance evidencing the required coverages hereunder to Landlord on or before the Commencement Date and at least annually thereafter during the Term.

(e) At all times that Tenant is undertaking improvement work in the Premises, the Tenant specifically agrees to carry, or cause its contractors to carry, builder's risk completed value insurance on the improvements, in an amount approved by Landlord, not to exceed One Million Dollars (\$1,000,000.00). Tenant shall deliver to Landlord, and obtain Landlord's written approval of, certificates of insurance showing Tenant's compliance with such insurance requirements and compliance with the additional insurance requirements set forth in subsection (f). Such approval will not be unreasonably withheld, delayed, or conditioned and shall be granted within five (5) days after Tenant's written request for approval. If Landlord fails to respond within such time period, Landlord's approval shall be deemed given.

(f) Tenant shall require any contractor of Tenant performing work on the Premises to take out and keep in force, at no expense to Landlord, (a) commercial general liability insurance (including contractor's liability coverage, contractual liability coverage, completed operations coverage, and broad form property damage endorsement) to afford protection to the limit, for each occurrence, of not less than Two Million Dollars (\$2,000,000.00) with respect to personal injury or death and One Million Dollars (\$1,000,000.00) with respect to property damage; and (b) worker's compensation coverage in the amount required by law which includes a waiver of subrogation clause in favor of Landlord and Landlord's designated property manager for the Building. Such policy shall name Landlord and/or Landlord's designees as additional insureds.

(g) If Tenant shall not comply with any covenant to maintain insurance as provided herein, then after the applicable notice and cure period, Landlord may, at its option, cause insurance as aforesaid to be issued and, in such event, Tenant shall promptly pay when due premiums for insurance as Additional Rent hereunder.

Section 7.2 Fire Insurance. Landlord agrees, during the Term, to carry "all-risk" property insurance against fire, vandalism, malicious mischief and such other perils as are from time to time included in a standard extended coverage endorsement and, at Landlord's option, special extended coverage endorsements insuring the improvements to the Premises in an amount

determined solely by Landlord, but not less than eighty percent (80%) of the full replacement cost, if available.

### Section 7.3 Damage or Destruction.

(a) In the event the Premises shall be partially or totally destroyed by fire or other casualty insured under the insurance carried by Landlord pursuant to Section 7.2 hereof, as to become partially or totally untenable, the damage to the Premises shall be promptly repaired by Landlord, unless Landlord shall elect not to rebuild as hereinafter provided, and a just and proportionate part of the Rent and all other charges shall be abated, until so repaired. The obligation of Landlord hereunder shall be limited to reconstructing the Premises in accordance with the initial plans and specifications for the construction of the Premises with all of Landlord's work complete (the "Restoration Condition"). In no event shall Landlord be required to repair or replace any alterations made by Tenant pursuant to Section 5.3 of this Lease, nor any of Tenant's merchandise, trade fixtures, furnishings or equipment, nor any portion of Tenant's Improvements that is not covered by Landlord's property insurance policy. If more than twenty-five percent (25%) of the Premises shall be damaged or destroyed by fire or other casualty then Landlord may elect either to repair or rebuild the Premises, as the case may be, or to terminate this Lease by giving written notice to Tenant of its election to so terminate, such notice to be given within one hundred twenty (120) days after the occurrence of such damage or destruction. If Landlord is required or elects to repair or rebuild the Premises as herein provided, Tenant shall repair or replace its merchandise, trade fixtures, furnishings and equipment in a manner and to at least a condition equal to that prior to its damage or destruction. If, for whatever reason, Landlord has not restored the Premises to the Restoration Condition within two hundred ten (210) days after the date of any casualty, Tenant shall have the right to terminate this Lease by giving irrevocable written notice of termination to Landlord any time prior to the date on which the Premises are restored to the Restoration Condition, but not thereafter.

(b) If the Premises or any other portion of the Building is damaged by fire or other casualty resulting from the fault or negligence of Tenant or its agents, contractors, customers, employees, invitees, licensees, servants or visitors, the Rent shall not abate as to the portion of the Premises rendered untenable, and Tenant shall be liable to Landlord for the cost of repair and restoration of the Building to the extent such costs are not covered by insurance proceeds.

## **ARTICLE VIII DEFAULTS AND REMEDIES**

Section 8.1 Tenant's Default. The occurrence of any one or more of the following events shall constitute an event of default ("Event of Default") under this Lease:

(a) the failure by Tenant to pay when due any sum of money to be paid by Tenant under this Lease, such failure continuing for a period of five (5) days after written notice thereof (provided that Landlord shall not be required to provide such notice and opportunity to cure with respect to more than one (1) such default in any one (1) calendar year period);

(b) the failure by Tenant to comply with or perform any of the other terms, provisions, covenants or conditions which Tenant is required to observe and to perform; or the vacation or abandonment by Tenant of the Premises or any part thereof during the Term or any renewals or extensions thereof; or, if Tenant is an entity, if Tenant ceases to exist in good standing in the state of its organization or is dissolved or otherwise liquidated; and any of the above-mentioned failures or actions continue for a period of twenty (20) days after notice thereof; provided, however, if the nature of the default is such that it cannot be cured with the exercise of Tenant's best efforts within the twenty (20)-day period, Tenant shall have up to ninety (90) days from the date of Landlord's notice to cure such default, provided Tenant undertakes such curative action within the twenty (20)-day period and diligently and continuously proceeds with such curative action using Tenant's best efforts (but notwithstanding the foregoing, Landlord shall not be required to provide such notice and opportunity to cure with respect to more than one (1) default of the same nature in any one (1) calendar year period);

(c) a general assignment by Tenant for the benefit of creditors;

(d) the filing of any voluntary petition in bankruptcy by Tenant or the filing of an involuntary petition by Tenant's creditors, which involuntary petition remains undischarged or unstayed for a period of sixty (60) days, provided, that in the event that under applicable law the trustee in bankruptcy or Tenant has the right to affirm this Lease and continue to perform the obligations of Tenant hereunder, such trustee or Tenant shall, in such time period as may be permitted by the bankruptcy court having jurisdiction, cure all defaults of Tenant hereunder outstanding as of the date of the affirmance of this Lease and provide to Landlord such adequate assurances as may be necessary to ensure Landlord of the continued performance of Tenant's obligations under this Lease;

(e) the admission by Tenant in writing of its inability to pay its debts as they become due, the filing by Tenant of a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, the filing by Tenant of an answer admitting or failing timely to contest a material allegation of a petition filed against Tenant in any such proceeding, or, if within sixty (60) days after the commencement of any proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceeding shall not have been dismissed;

(f) the attachment, execution or other judicial seizure of all or substantially all of Tenant's assets or the Premises, if such attachment or other seizure remains undismissed or undischarged for a period of ten (10) business days after the levy thereof;

(g) the employment of a receiver to take possession of substantially all of Tenant's assets or the Premises, if such receivership remains undissolved for a period of ten (10) business days after creation thereof; and

(h) the occurrence of any of the matters identified in clauses (c) through (g) as to any guarantor of Tenant's obligations under this Lease or the default under any guaranty of Tenant's obligations under this Lease.

Section 8.2 Landlord's Remedies. If an Event of Default occurs, as provided in Section 8.1 above, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

(a) Terminate this Lease in which event Tenant shall immediately surrender the Premises to Landlord and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which Landlord may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim of damages thereof;

(b) Enter upon and take possession of the Premises and expel and permanently exclude Tenant and any other person who may be occupying the Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages therefor with or without having terminated this Lease. Landlord may, if it so elects, relet the Premises on Landlord's terms and receive the rent therefor; and Tenant agrees to pay to Landlord, on demand, any deficiency that may arise by reason of such reletting for the remainder of the Term;

(c) Do whatever Tenant is obligated to do under the terms of this Lease (and enter upon the Premises in connection therewith if necessary) without being liable for prosecution or any claim for damages therefor, and Tenant agrees to reimburse Landlord upon demand for any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease, plus interest thereon at the lesser of the highest nonusurious rate permitted by law or eighteen percent (18%) per annum (the "Default Rate"), and Tenant further agrees that Landlord shall not be liable for any damages resulting to Tenant from such action; and

(d) Alter all locks and other security devices at the Premises with or without terminating this Lease. Landlord shall not be obligated to provide a key or other means of ingress to Tenant or Tenant's agents or to provide re-entry for any reason or under any circumstances whatsoever.

Section 8.3 No Acceptance of Surrender. Exercise by Landlord of any one or more remedies hereunder granted or otherwise available shall not be deemed to be an acceptance of surrender of the Premises by Tenant, whether by agreement or by operation of law, it being understood that such surrender can be effected only by the written agreement of Landlord and Tenant. No such alteration of locks or other security devices and no removal or other exercise of dominion by Landlord over the property of Tenant or others at the Premises shall be deemed unauthorized or constitute a conversion, Tenant hereby consenting, after any event of default, to the aforesaid exercise of dominion over Tenant's property within the Premises. All claims for damages by reason of such re-entry and or repossession and or alteration of locks or other security devices are hereby waived, as are all claims for damages by reason of any distress warrant, forcible detainer proceedings, sequestration proceedings or other legal process. Tenant agrees that any re-entry by Landlord may be pursuant to judgment obtained in forcible detainer proceedings or other legal proceedings or without the necessity for any legal proceedings, as Landlord may elect, and Landlord shall not be liable in trespass or otherwise.

Section 8.4 Landlord Termination. In the event Landlord elects to terminate this Lease by reason of an event of default, then notwithstanding such termination, Tenant shall be liable for and shall pay to Landlord at the address specified for notice to Landlord herein (i) the sum of all Rent and other amounts payable to Landlord pursuant to the terms of this Lease which have accrued to date of such termination, plus (ii) an amount equal to the present value, as of the date of such termination, of the total Rent and other amounts that would have been payable to Landlord hereunder for the remaining portion of the Term (had such Term not been terminated by Landlord prior to the stated date of expiration of this Lease), less the present value, as of the date of such termination, of any net amounts that Tenant proves Landlord can reasonably expect to recover by reletting the Premises, taking into consideration the availability of acceptable tenants and other market conditions (present values shall be calculated using a discount rate equal to the 90-day U.S. Treasury Bill Rate at the date of such termination), plus (iii) any other amounts reasonably necessary to compensate Landlord for all damages proximately caused by Tenant's default, including (without limitation) costs of reletting described in Section 8.6 below, plus (iv) interest thereon at the Default Rate.

Section 8.5 Landlord Repossession Without Termination. In the event that Landlord elects to repossess the Premises without terminating this Lease, then Tenant shall be liable for and shall pay to Landlord at the address specified for notice to Landlord herein all Rent and other amounts payable to Landlord pursuant to the terms of this Lease which have accrued to the date of such repossession, plus total Rent and other amounts required to be paid by Tenant to Landlord during the remainder of the Term until the stated date of expiration of the Term, diminished by any net sums thereafter received by Landlord through reletting the Premises during said period (after deducting expenses incurred by Landlord as provided in Section 8.6 hereof). In no event shall Tenant be entitled to any excess of any Rent obtained by reletting over and above the Rent herein reserved. Actions to collect amounts due by Tenant to Landlord as provided in this Section 8.5 may be brought from time to time, on one or more occasions, without the necessity of Landlord's waiting until expiration of the Lease Term.

Section 8.6 Costs of Reletting. In case of any event of default, Tenant shall also be liable for and shall pay to Landlord, in addition to any sum provided to be paid above, reasonable broker's fees incurred by Landlord in connection with reletting the whole or any part of the Premises; the reasonable costs of removing and storing Tenant's or other occupant's property; the reasonable costs of making any repairs that Tenant is responsible for under this Lease; and all reasonable costs, fees and expenses incurred by Landlord in enforcing or defending Landlord's rights and or remedies, including reasonable attorneys' fees.

Section 8.7 Reletting Premises. To the extent required by applicable law, Landlord shall be obligated to use commercially reasonable efforts to mitigate its damages arising out of an event of default by Tenant. Landlord and Tenant agree that Landlord shall have satisfied any duty to use "commercially reasonable efforts," to relet the Premises by doing the following: (i) posting a "For Lease" sign on the Premises, (ii) advising Landlord's leasing staff of the availability of the Premises; and (iii) advising at least one commercial brokerage entity familiar with the market in which the Premises are located of the availability of the Premises. Landlord shall not in any event be required to give any preference or priority to the showing or leasing of the Premises over any other space that Landlord may be leasing or have available and may place a suitable prospective tenant in any such available space regardless of when such alternative space becomes available;

provided, further, that Landlord shall not be required to observe any instruction given by Tenant about such reletting or accept any tenant offered by Tenant unless such offered tenant has a creditworthiness reasonably acceptable to Landlord, leases the entire Premises, and agrees to use the Premises for the Permitted Use, or for another use acceptable to Landlord, in its reasonable discretion. In any such case, Landlord may, but shall not be required to, make repairs, alterations and additions in or to the Premises and redecorate the same to the extent Landlord deems necessary or desirable.

Section 8.8 Waiver by Landlord. One or more waivers of any covenant or condition by Tenant shall not be construed as a waiver of a subsequent breach of the same covenant or condition, and the consent or approval by Landlord to or of any act by Tenant requiring such Landlord's consent or approval shall not be deemed to render unnecessary Landlord's consent or approval to or of any subsequent similar act by Tenant. No breach of a covenant or condition of this Lease by Tenant shall be deemed to have been waived by Landlord, unless such waiver be in writing by Landlord.

Section 8.9 Landlord's Default. If Landlord fails to perform any of its obligations hereunder within thirty (30) days after written notice from Tenant specifying such failure (provided Landlord shall be allowed such additional time as may be reasonably necessary so long as Landlord commences performance within such thirty (30) day period and thereafter diligently pursues such failure to completion), Tenant's exclusive remedy shall be an action for damages. Unless Landlord fails to cure any default after such notice and after expiration of such cure period, Tenant shall not have any remedy or cause of action by reason thereof. Liability of Landlord to Tenant for any default by Landlord shall be limited to actual, direct damages therefor and shall be recoverable only from the interest of Landlord in the Building and the land on which the Building is situated, and Landlord shall have no personal liability therefor. Under no circumstances shall Landlord ever be liable for punitive, consequential or special damages, including without limitation any damages as a result of interruption of Tenant's business or any loss of income therefrom. **TENANT HEREBY WAIVES ITS STATUTORY LIEN UNDER SECTION 91.004 OF THE TEXAS PROPERTY CODE.** Landlord's obligations under this Lease are independent of Tenant's obligations, and any default by Landlord not timely cured shall give Tenant no right to withhold, abate or set-off Rent, (but Tenant shall have such other rights and remedies as may be available to Tenant under applicable laws, subject to the other provisions of this Lease).

Section 8.10 Remedies Nonexclusive. The rights and remedies of either party herein stated shall be in addition to any and all other rights and remedies which either party has or may hereafter have at law or in equity; and each party stipulates and agrees that the rights herein granted to each party are commercially reasonable.

## ARTICLE IX NOTICES

Section 9.1 Notices. All notices required herein to be given by Tenant to the Landlord shall be given via overnight delivery by courier service, and shall be sent to Landlord at:



Midtown Redevelopment Authority  
 410 Pierce Street, Suite 355  
 Houston, TX 77002  
 Attention: Executive Director

or to such other person or place as shall be designated in writing by the Landlord; and all notices required herein to be given by Landlord to Tenant shall be sent to Tenant via overnight delivery by courier service at:

Honeycomb Clinic LLC  
 [\_\_\_\_\_]
   
[\_\_\_\_\_]
   
Attention: Latisha Rowe

or to such other person or place as shall be designated in writing by Tenant.

## ARTICLE X QUIET ENJOYMENT AND HOLDING OVER

Section 10.1 Quiet Enjoyment of Tenant. Tenant, upon paying the Rent and complying with the terms, covenants and conditions of this Lease, shall and may peaceably and quietly have, hold and enjoy the Premises for the Term.

Section 10.2 Holding Over. In the absence of a written agreement to the contrary, if Tenant should remain in occupancy of the Premises after the expiration of the Term, or any formal extension thereof, Tenant shall remain only as a Tenant from month-to-month, and all applicable provisions of this Lease shall also be applicable during such month-to-month tenancy, except that the monthly Base Rent shall be equal to 150% of the Base Rent payable in the last month of the Term, and no extension or renewal of this Lease shall be deemed to have occurred by such holding over. **IN THE EVENT OF ANY UNAUTHORIZED HOLDING OVER, TENANT SHALL INDEMNIFY LANDLORD (I) AGAINST ALL CLAIMS FOR DAMAGES BY ANY OTHER TENANT TO WHOM LANDLORD MAY HAVE LEASED ALL OR ANY PART OF THE PREMISES EFFECTIVE UPON THE TERMINATION OF THIS LEASE, AND (II) FOR ALL OTHER LOSSES, COSTS, AND EXPENSES, INCLUDING REASONABLE ATTORNEYS' FEES, INCURRED BY REASON OF SUCH HOLDING OVER.** Any holding over with the written consent of Landlord shall thereafter constitute an extension of this Lease on a month-to-month basis. The provisions of this Section 10.2 shall survive the expiration or termination of this Lease.

## ARTICLE XI EMINENT DOMAIN

Section 11.1 Total Condemnation. If the whole of the Premises shall be taken by any public authority under the power of eminent domain, then the Term shall cease as of the day possession shall be taken by such public authority and the Rent shall be paid up to that day with a proportionate refund by Landlord of such Rent as may have been paid in advance for a period subsequent to the date of the taking.

Section 11.2 Partial Condemnation. If only a part of the Premises shall be taken by any public authority under the power of eminent domain, then, except as otherwise provided in this Section 11.2 and Section 11.3, this Lease and the Term shall continue in full force and effect, but, from and after the date possession shall be taken by such public authority, the Rent shall be reduced in the proportion which the area or the part of the Premises so acquired bears to the total area of the Premises immediately prior to such condemnation. If, by reason of such condemnation, more than twenty-five percent (25%) of the combined area of the Building is taken or Tenant no longer has a reasonable means of access to the Premises, Landlord or Tenant shall have the right to terminate this Lease and declare the same null and void, by written notice of such termination to the other party within ten (10) days after such taking. In the event neither party exercises said rights of termination the Term shall cease only as to the part so taken as of the day possession shall be taken by such public authority and Tenant shall pay Rent up to that day, with an appropriate refund by Landlord of such Rent as may have been paid in advance for a period subsequent to the date of the taking, and thereafter all the terms herein provided shall continue in effect, except that the Rent shall be reduced in proportion to the amount of the Premises taken and Landlord shall, to the extent practicable, restore the Premises so that the remaining portion of the Premises shall be partitioned off from the portion so taken or condemned; however, Landlord shall be obligated to restore or rebuild the damaged property only to the extent that the net proceeds of such taking are available to Landlord for the purposes of rebuilding and restoration.

Section 11.3 Landlord's and Tenant's Damages. All damages awarded for any taking under the power of eminent domain, whether for the whole or a part of the Premises, shall belong to and be the property of Landlord, whether such damages shall be awarded as compensation for diminution in value to the leasehold or to the fee of the Premises; provided, however, that Landlord shall not be entitled to any award specifically made for depreciation to, and cost of removal of, Tenant's stock and trade fixtures, and unamortized improvements.

## ARTICLE XII LIABILITY AND WAIVER OF SUBROGATION

Section 12.1 Hold Harmless. **TENANT SHALL NOT BE LIABLE TO LANDLORD OR TO LANDLORD'S AGENTS, CONTRACTORS, CUSTOMERS, EMPLOYEES, INVITEES, LICENSEES, SERVANTS OR VISITORS FOR ANY DAMAGE TO PERSON OR PROPERTY CAUSED BY ANY ACT, OMISSION OR NEGLECT OF LANDLORD, ITS AGENTS, CONTRACTORS, CUSTOMERS, EMPLOYEES, INVITEES, LICENSEES, SERVANTS OR VISITORS AND, EXCEPT AS OTHERWISE PROVIDED HEREIN, AND SUBJECT TO THE PROVISIONS OF SECTION 12.2, LANDLORD AGREES TO INDEMNIFY AND HOLD TENANT HARMLESS FROM ALL CLAIMS FOR SUCH DAMAGE. NEITHER LANDLORD NOR ANY MORTGAGEE(S) SHALL BE LIABLE TO TENANT, ITS AGENTS, CONTRACTORS, CUSTOMERS, EMPLOYEES, INVITEES, LICENSEES, SERVANTS OR VISITORS FOR ANY DAMAGE TO PERSON OR PROPERTY CAUSED BY ANY ACT, OMISSION OR NEGLECT OF TENANT, ITS AGENTS, CONTRACTORS, CUSTOMERS, EMPLOYEES, INVITEES, LICENSEES, SERVANTS OR VISITORS, AND, EXCEPT AS OTHERWISE PROVIDED HEREIN, AND SUBJECT TO THE PROVISIONS OF SECTION 12.2, TENANT AGREES TO INDEMNIFY AND HOLD LANDLORD AND ANY MORTGAGEE(S) HARMLESS FROM ALL LIABILITY AND CLAIMS FOR ANY**

**SUCH DAMAGE.** Notwithstanding anything contained in this Lease to the contrary, the provisions of this Section 12.2 shall survive the expiration or termination of this Lease.

Section 12.2 Waiver of Subrogation. **ANYTHING IN THIS LEASE TO THE CONTRARY NOTWITHSTANDING, LANDLORD AND TENANT HEREBY WAIVE ANY AND ALL RIGHTS OF RECOVERY, CLAIM, ACTION OR CAUSE OF ACTION AGAINST THE OTHER, ITS AGENTS, EMPLOYEES, OFFICERS, MEMBERS, PARTNERS, SERVANTS OR SHAREHOLDERS FOR ANY LOSS OR DAMAGE THAT MAY OCCUR TO THE PREMISES OR THE BUILDING, OR ANY IMPROVEMENTS THERETO, OR ANY PERSONAL PROPERTY OF SUCH PARTY THEREIN, BY REASON OF FIRE, THE ELEMENTS OR ANY OTHER CAUSE WHICH IS OR IS REQUIRED TO BE INSURED AGAINST UNDER THE TERMS OF THE ALL RISKS PROPERTY POLICIES REQUIRED TO BE OBTAINED PURSUANT TO THIS LEASE, WHETHER OR NOT ACTUALLY INSURED, REGARDLESS OF CAUSE OR ORIGIN, INCLUDING NEGLIGENCE OF THE OTHER PARTY HERETO, ITS AGENTS, EMPLOYEES, OFFICERS, MEMBERS, PARTNERS, SERVANTS OR SHAREHOLDERS, AND EACH PARTY COVENANTS THAT NO INSURER SHALL HOLD ANY RIGHT OF SUBROGATION AGAINST SUCH OTHER PARTY.**

### **ARTICLE XIII SUBORDINATION**

Section 13.1 Subordination of Lease to Mortgage. Tenant agrees that this Lease shall, at the request of Landlord, be subordinate to any first mortgages or deeds of trust that may be placed upon the Premises and to any and all advances to be made thereunder, and to the interest thereon, and all renewals, replacements and extensions thereof, provided the mortgagee or trustee named in said mortgages or trust deeds shall agree to recognize the Lease in the event of foreclosure if Tenant is not then in default under this Lease beyond any applicable notice and opportunity to cure period, if any. Tenant also agrees that any mortgagee or trustee may elect to have this Lease constitute a prior lien to its mortgage or deed of trust, and in the event of such election and upon recording an instrument to that effect in the Official Public Records of Real Property of Harris County, Texas, in which the Premises are located, this Lease shall be deemed a prior lien to the said mortgage or deed of trust, whether this Lease is dated prior to or subsequent to the date of said mortgage or deed of trust. Tenant agrees that within fourteen (14) days after written request from Landlord, any mortgagee or any trustee, it shall execute any and all reasonable instruments which may be requested to carry out the intent of this Section.

### **ARTICLE XIV TENANT OPTIONS**

#### Section 14.1 Option to Renew.

(a) Tenant has the option (the “Renewal Option”) to renew and extend the Term of this Lease for one (1) additional period of five (5) years, at Tenant’s election (the “Renewal Term”). If Tenant desires to elect to exercise the Renewal Term, then Tenant shall do so by delivering written notice of the exercise thereof to Landlord no later than six (6) months prior to the Expiration Date (the “Extension Notice Date”); the Extension Notice Date shall be set forth in the

Commencement Date Agreement. If Tenant fails to give notice of exercise of the Renewal Option within such specified time period, the Renewal Option shall be deemed waived and of no further force and effect, and this Lease shall terminate upon the expiration of the initial Term.

(b) Tenant's right to extend this Lease as provided for herein can be exercised only if, at the time of Tenant's exercise of the Renewal Option and upon the commencement of the Renewal Term, (a) no Event of Default then exists under this Lease, and (b) Tenant is in occupancy of the entire Premises (unless Landlord, in its sole discretion, elects to waive such condition(s)). Occupancy by a sublessee or assignee (other than an assignee of Tenant's entire interest in this Lease permitted under Section 4.4 of this Lease) shall not constitute occupancy by Tenant. If either of such conditions are not satisfied or waived by Landlord, the Renewal Option shall be terminated and of no further force and effect, any purported exercise thereof shall be null and void, and this Lease shall terminate upon the expiration of the initial Term.

(c) If Tenant exercises the Renewal Option (in accordance with and subject to the provisions of this Section), all of the terms, covenants and conditions provided in this Lease shall continue to apply during the Renewal Term, except that (a) the rental rate used to calculate the Base Rent payable during the Renewal Term shall be the then-Market Base Rental Rate (defined below) for the Premises; provided, however, in no event shall the Base Rent during such Renewal Term be less than the Base Rent Tenant is obligated to pay under this Lease immediately prior to the commencement of the Renewal Term; (b) the Premises shall be provided in their then-existing condition (on an as-is basis) at the time the Renewal Term commences, without any obligation on the part of Landlord to furnish, install or modify any leasehold improvements or to provide any allowance or credit therefor; and (c) any terms, covenants and conditions that are expressly or by their nature inapplicable to the Renewal Term shall be deemed void and of no further force and effect.

(d) Within thirty (30) days after receipt of Tenant's notice of exercise of the Renewal Option, Landlord will notify Tenant in writing of its determination of the Market Base Rental Rate for the Premises for the Renewal Term ("Landlord's Determination"). If Tenant disagrees with Landlord's Determination, Tenant shall have a period of ten (10) days after receipt of Landlord's notice to withdraw its exercise of the Renewal Option by written notice to Landlord, in which event the Renewal Option shall be terminated and of no further force and effect and this Lease shall terminate upon the expiration of the then-current term. If Tenant does not so withdraw its exercise of the Renewal Option, Tenant shall be conclusively deemed to have accepted the Market Base Rental Rate set forth in Landlord's Determination as the Base Rent for the Renewal Term.

(e) Notwithstanding anything to the contrary contained in this Lease, Tenant shall not have the right to assign the Renewal Option to any subtenant or assignee, and no subtenant or assignee may exercise such option; provided that any assignee of Tenant's entire interest in this Lease permitted under Section 4.4 of this Lease shall have the same rights as Tenant to exercise the Renewal Option under this Section.

(f) "Market Base Rental Rate" means the annual amount per square foot of rentable square feet that a willing tenant would pay and a willing landlord would accept in arm's length, bona fide negotiations for the Premises or such other applicable space in the Building to be executed at the time of determination and, if applicable, to commence at the beginning of the

Renewal Term or other term, as determined by Landlord taking into account comparable lease transactions (i.e., new leases, renewals, and expansions) made in the Building and the rental rate then being charged in the market area for space comparable to the Premises or such other applicable space in the Building (taking into consideration use, location and/or floor level within the applicable building, definition of usable area, leasehold improvements provided (i.e., whether or not the space is delivered on an “as-is” basis)), quality, age, location and condition thereof and of the applicable building, rental concessions and allowances, if any, then being provided in the market area, and the time the particular rate under consideration became effective, the additional rent and other amounts then payable by Tenant under this Lease, whether or not any brokerage commissions are payable, parking rentals or concessions, creditworthiness of Tenant, term of lease, area of leased premises, and whether the lease is gross or net). Bona fide written offers to lease space in the Building, including the Premises or such other applicable space in the Building, made to Landlord by third parties (at arm’s length) may be used as an indication of Market Base Rental Rate.

## **ARTICLE XV GENERAL**

**Section 15.1 Security Deposit.** Upon receipt from Tenant of the sum of \$16,507.61, which sum is due and payable on or before the date of execution of this Lease (the “Security Deposit”), such sum shall be held by Landlord without interest as security for the performance by Tenant of Tenant’s covenants and obligations under this Lease, it being expressly understood that such security is not an advance payment of rent or a measure of Landlord’s damages in case of default by Tenant. If at any time during the Lease Term any of the Rent or additional charges herein reserved shall be overdue and unpaid, or any other sum payable by Tenant to Landlord hereunder shall be overdue and unpaid, then Landlord may at its option apply any portion of said Security Deposit to the payment of any such overdue Rent or other charges. In the event of the failure of Tenant to keep and perform any of the other terms, covenants and conditions of this Lease to be kept and performed by Tenant, then Landlord, at its option, may apply the Security Deposit, or so much thereof as may be necessary, to compensate Landlord for loss, cost or damage sustained, incurred or suffered by Landlord due to such breach on the part of Tenant. Should the Security Deposit or any portion thereof be applied by Landlord as herein provided, Tenant shall, upon written demand of Landlord, remit to Landlord a sufficient amount in cash to restore the Security Deposit to the original sum deposited, and Tenant’s failure to do so within five (5) days after receipt of such demand shall constitute an event of default by Tenant under this Lease. Any remaining balance of such Security Deposit shall be returned by Landlord to Tenant at such time after termination or expiration of this Lease that all of Tenant’s obligations under this Lease have been fulfilled.

**Section 15.2 Estoppel Certificates.** Within fifteen (15) business days following receipt of a written request from Landlord, Tenant shall execute, acknowledge and deliver to the Landlord a written statement certifying (i) that this Lease is in full force and effect and unmodified or, if modified, stating the nature of such modification, (ii) the date to which Rent has been paid, and (iii) that there are not, to the Tenant’s knowledge, any uncured defaults, or specifying such defaults, if any are claimed.

SECTION 15.3 Broker's Commission. Landlord and Tenant represent they have not had any dealings with any real estate broker other than Ryland Enterprise Inc., dba ARVO Realty Advisors, and Cushman & Wakefield of Texas Inc. ("Landlord's Brokers") and John H. Gross, Broker LLC (Tenant's Broker"). Landlord shall pay any commissions or fees that are payable to Landlord's Brokers and Tenant's Broker with respect to this Lease to Landlord's Brokers, provided that Landlord's Brokers shall split the commission with Tenant's Brokers in accordance with the provisions of that separate commission contract between Landlord and Landlord's Brokers. Each party represents and warrants to the other, that, to its knowledge, no other broker, agent or finder (a) negotiated or was instrumental in negotiating or consummating this Lease on its behalf, or/and (b) is or might be entitled to a commission or compensation in connection with this Lease. **LANDLORD AND TENANT SHALL EACH INDEMNIFY AND HOLD THE OTHER HARMLESS AGAINST ANY PARTY OTHER THAN BROKERS CLAIMING UNDER THE INDEMNIFYING PARTY FOR ANY SUCH FEES, INCLUDING WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND COURT COSTS.**

Section 15.4 Disclaimer of Representations and Warranties. It is understood and agreed by Tenant that Landlord and Landlord's agent have made no representations, promises or warranties with respect to the Premises or the making or entry into this Lease except as are expressly set forth in this Lease and that no claim or liability, or cause for termination, shall be asserted by Tenant against Landlord for, and Landlord shall not be liable by reason of, the breach of any representations, promises or warranties not expressly stated in this Lease. Landlord's duties and warranties are limited to those set forth in this Lease and shall not include any implied duties or warranties, all of which are hereby disclaimed by Landlord and waived by Tenant. **EXCEPT TO THE EXTENT EXPRESSLY SET OUT IN THIS LEASE, TO THE FULLEST EXTENT ALLOWED BY LAW, LANDLORD EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES OF TO TENANT OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION REPRESENTATIONS AS TO TITLE, HABITABILITY, CONDITION OF THE PREMISES (INCLUDING WITHOUT LIMITATION THE ENVIRONMENTAL CONDITION OF THE PREMISES OR ITS SUITABILITY FOR A PARTICULAR PURPOSE OR COMMERCIAL USE), AND PROVISION OF SERVICES. TENANT HAS HAD A FULL AND FAIR OPPORTUNITY TO INSPECT THE PREMISES AND TO HAVE QUALIFIED EXPERTS INSPECT THE PREMISES PRIOR TO THE EXECUTION OF THIS LEASE AND FINDS THAT THE PREMISES SUIT TENANT'S PURPOSES AND ACCEPTS THE PREMISES "AS IS, WHERE IS," AND WITH ALL DEFECTS, IF ANY.**

Section 15.5 Not a Joint Venture. Any intention to create a joint venture or partnership relation between the parties hereto is hereby expressly disclaimed.

Section 15.6 Applicable Law. This Lease shall be construed under the laws of the State of Texas, wherein it is made. In any action brought under this Lease, Tenant submits to the jurisdiction of the courts of the state of Texas and to venue in Harris County.

Section 15.7 Entire Agreement. This Lease, and any exhibits attached hereto and forming a part hereof, set forth all the promises, agreements, conditions and understandings between Landlord and Tenant relative to the Premises, and there are no other promises,

agreements, conditions or understandings, either oral or written, between them other than those herein set forth. No subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by both Landlord and Tenant.

Section 15.8 Successors, Assigns, Captions, etc. This Lease shall be binding upon the parties hereto, their personal representatives, successors and assigns (except as otherwise provided herein), and shall inure to their benefit. The use of one gender in this Lease shall include any gender and the singular shall include the plural or the plural the singular, as the context hereof may require. The various captions used in this Lease are for convenience of reference only and shall not in any way limit or amplify the terms hereof.

Section 15.9 Confidentiality. Tenant acknowledges that the terms and conditions of this Lease are to remain confidential for Landlord's benefit and may not be disclosed by Tenant to anyone (other than Tenant's attorneys, accountants, consultants or as required by law), by any manner or means, directly or indirectly, without Landlord's prior written consent. The consent by Landlord to any disclosures shall not be deemed to be a waiver on the part of Landlord of any prohibition against any future disclosure.

Section 15.10 Guaranty. As an inducement to Landlord to execute this Lease and as a condition to such execution by Landlord, Latisha Rowe (the "Guarantor") shall execute and deliver to Landlord a guarantee of the payment and performance of all liabilities, obligations and duties imposed upon Tenant by the terms of this Lease in the form of Exhibit "E" attached hereto and made a part hereof for all purposes.

Section 15.11 Waiver of Trial by Jury. Landlord and Tenant agree that, to the extent permitted by law, each shall and hereby does waive trial by jury in any action, proceeding or counterclaim brought by either against the other on any matter whatsoever arising out of or in any way connected with this Lease.

Section 15.12 Recordation. Neither this Lease nor any memorandum hereof shall be recorded in any public records without the prior written consent of Landlord.

Section 15.13 Counterparts. This Lease (and any subsequent amendments or consent provided in connection with the Lease) may be executed in one or more counterparts, which, when placed together, constitute a single binding document as if all signatures were on a single page. In addition, such documents may, once so executed, be delivered by each party hereunder to each other party by facsimile or electronic mail to the extent that a facsimile or electronic mail is included in any party's notice address (or otherwise provided in a writing designating such electronic mail address as a valid notice address) and provided that the delivering party shall have received written confirmation of receipt of such facsimile or electronic delivery. Any copies of such documents delivered as set forth in this Section shall have the full force and effect and shall be treated as if such documents bear original signatures.

*Signature Page to Follow*



IN TESTIMONY WHEREOF, the parties have executed this Lease on \_\_\_\_\_,  
2025.

**LANDLORD:**

MIDTOWN REDEVELOPMENT  
AUTHORITY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**TENANT:**

HONEYCOMB CLINIC, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit “A”****Premises**

*[to be inserted]*

**Exhibit "B"****Commencement Date Agreement**

An Agreement made this \_\_\_ day of \_\_\_\_\_, 20\_\_, by and between MIDTOWN REDEVELOPMENT AUTHORITY ("Landlord") and HONEYCOMB CLINIC LLC ("Tenant"). All terms not herein defined are defined in the Lease.

**W I T N E S S E T H:**

WHEREAS, on the \_\_\_ day of \_\_\_\_\_, 20\_\_, Landlord and Tenant entered into a Lease (the "Lease") relating to the Premises (as defined in the Lease) located at \_\_\_\_\_.

WHEREAS, on the \_\_\_ day of \_\_\_\_\_, 20\_\_, either (i) Landlord achieved Substantial Completion of the Tenant Improvements or (ii) Tenant commenced business in the Premises, and therefore, pursuant to Section 1.2 of the Lease, the term of the Lease ("Term") has commenced; and

WHEREAS, the parties desire to confirm the dates of commencement and expiration of the Term.

NOW THEREFORE, in consideration of the mutual covenants herein contained, Landlord and Tenant agree as follows:

- (1) The Term commenced on \_\_\_\_\_ ("Commencement Date").
- (2) Tenant's rental obligation under the Lease commenced on \_\_\_\_\_ ("Rent Commencement Date").
- (3) The initial Term shall expire on \_\_\_\_\_ ("Expiration Date").
- (4) On \_\_\_\_\_, Tenant opened for business at the Premises.
- (5) Premises address: \_\_\_\_\_.
- (6) The Extension Notice Date shall be as follows:  
Renewal Term \_\_\_\_\_
- (7) The execution of this Agreement shall not constitute the exercise by Tenant of any option it may have to extend the Term.
- (8) The Lease is in full force and effect and is hereby ratified and confirmed.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Agreement to be duly executed on the date first written above.

**LANDLORD:**

MIDTOWN REDEVELOPMENT  
AUTHORITY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**TENANT:**

HONEYCOMB CLINIC, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit “C”**

**Operating Expenses**

<b>EXPENSES</b>		<b>Cost/psf</b>
<b>Controllable</b>		
Payroll & Benefits		\$2.26
Repair & Maintenance		\$1.41
Garage Expenses		-
Contract Services		\$5.36
Janitorial Contract		\$0.93
General & Administrative		\$0.49
Management Fees		\$0.74
<b>Total Controllable</b>		<b>\$11.19</b>
<b>Non-Controllable</b>		
Electricity		\$2.10
Water		\$0.15
Taxes		-
Insurance		\$4.95
<b>Total Non-Controllable</b>		<b>\$7.20</b>
<b>Total Operating Expenses</b>		<b>\$18.39/psf</b>

**Exhibit "D"****3131 Emancipation Avenue****Building Rules and Regulations**

The following standards shall be observed by Tenant for the common safety, cleanliness and convenience of all occupants of the Building. These rules are subject to change from time to time, as specified in the Lease.

1. All tenants will refer all contractors' representatives and installation technicians who are to perform any work within the Building to Landlord for Landlord's approval before the performance of any such work. This provision shall apply to all work performed in the Building including, but not limited to, installations of telephones, computer equipment, electrical devices and attachments, and any and all installations of every nature affecting floors, walls, woodwork, trim, windows, ceilings, equipment and any other physical portion of the Building. Tenant shall not mark, paint, drill into, or in any way deface any part of the Building except with the prior written consent of the Landlord and as provided in Section 5.3 of the Lease.

2. The work of the janitorial or cleaning personnel shall not be hindered by Tenant after 5:30 p.m., and such work may be done at any time when the offices are vacant Monday through Friday. The windows, doors and fixtures may be cleaned at any time upon prior scheduling with Tenant. Tenant shall provide adequate waste and rubbish receptacles, cabinets, bookcases, map cases, etc., necessary to prevent unreasonable hardship to Landlord in discharging its obligations regarding cleaning service.

3. Movement of furniture or office equipment in or out of the Building, or dispatch or receipt by Tenant of any heavy equipment, bulky material or merchandise which requires use of elevators or stairways, or movement through the Building's service dock or lobby entrance shall be restricted to such reasonable hours as Landlord shall designate. All such movement shall be in a manner to be agreed upon between Tenant and Landlord in advance. Such prior arrangements shall be initiated by Tenant. The time, method and routing of movement and limitations for safety or other concern which may prohibit any article, equipment or other item from being brought into the Building shall be subject to Landlord's discretion and control. Any hand trucks, carryalls or similar appliances used for the delivery or receipt of merchandise or equipment shall be equipped with rubber tires, side guards and such other safeguards as the Building shall require. All damage done to the Building, including without limitation, any Building elevator, by the installation or removal of any property of Tenant from the Building shall be repaired by Landlord at Tenant's expense, Tenant hereby agreeing to pay Landlord for the cost of any such repair plus an administrative fee of five percent 5% as Rent, within ten (10) days of Tenant's receipt of an invoice therefor. Although Landlord or its personnel may participate in or assist in the supervision of such movement, Tenant assumes final responsibility for all risks as to damage to articles moved and injury to persons or property engaged in such movement, including equipment, property and personnel of Landlord if damaged or injured as a result of acts in connection with carrying out this service for Tenant, from the time of entering the property to completion of work. Landlord shall not be liable for the acts of any person engaged in, or any damage or loss to any of said property or persons resulting from any act in connection with such service performed for Tenant with

exception if it is due to Landlord. If Landlord or its personnel elects to participate or assist in the supervision of such movement, Tenant shall reimburse Landlord for the costs and expenses incurred by Landlord in connection therewith (including, without limitation, for any overtime pay), as Rent, within ten (10) days of Tenant's receipt of an invoice therefor.

4. No sign, advertisement or notice shall be displayed, painted or affixed by Tenant, its agents, servants or employees, in or on any part of the outside or inside of the Building or Premises without prior written consent of Landlord, as further provided in Section 6.3 of the Lease, and then only of such color, size, character, style and material and in such places as shall be approved and designated by Landlord. Signs on doors and entrances to the Premises shall be placed thereon by Landlord or a mutually agreed upon sign vendor.

5. Tenant shall not place, install or operate on the Premises or in any part of the Building any engine, stove or machinery (except for x-ray machinery or similar medical equipment), or conduct mechanical operations, or place or use in or about the Premises any inflammable, explosive, hazardous or odorous solvents or materials without the prior written consent of Landlord. No portion of the Premises shall at any time be used for cooking. Tenant may use coffee pots, refrigerators and microwaves in Premises.

6. Tenant shall not make or permit any loud or improper noises in the Building or otherwise interfere in any way with other tenants.

7. Landlord will not be responsible for any lost or stolen personal property or equipment from the Premises or Common Areas, regardless of whether such loss occurs when the area is locked against entry or not unless such loss is created by Landlord or Landlord's employees or contractors.

8. Tenant, and the employees, agents, servants, visitors or licensees of Tenant, shall not, at any time or place, leave or discard rubbish, paper, articles, plants or objects of any kind whatsoever outside the doors of the Premises or in the corridors or passageways of the Building or the Building's associated parking areas, including the Parking Garage. No animals, except for service animals, bicycles or vehicles of any description shall be brought into or kept in or about the Building.

9. No additional lock or locks shall be placed by Tenant on any door in the Building unless written consent of Landlord shall have first been obtained. Two (2) keys will be furnished by Landlord for the Premises, and any additional keys required will be obtained from Landlord at Tenant's expense via a list of the recipients of the key. A charge will be applied for each lost or replaced key furnished at Landlord's cost with no markup. All keys shall be surrendered to Landlord upon termination of tenancy.

10. None of the entries, passages, doors, hallways or stairways in the Building shall be blocked or obstructed.

11. Landlord and Tenant shall mutually have the right to determine and prescribe the weight and proper position of any unusually heavy equipment, including computers, safes, large files, etc., that are to be placed in the Building, and only those which in the exclusive judgment of the Landlord will not do damage to the floors, structure and/or elevators may be moved into the

Building. Any damage caused by installing, moving or removing such aforementioned articles in the Building shall be paid for by Tenant.

12. All Christmas and other decorations must be constructed of flame retardant materials. Live Christmas trees are not permitted in the Premises.

13. The standard business hours of operation for the Building are 7:00 a.m. to 6:00 p.m. Monday through Friday and 7:00 a.m. to 1:00 p.m. Saturday, excluding Holidays. Tenant shall provide Landlord with a list of all personnel authorized to enter the Building after hours (6:00 p.m. to 7:00 a.m. Monday through Friday, and 24 hours a day on Saturdays, Sundays and Holidays); provided, however, all such authorized personnel shall be required to have an access card in their possession to enter the Building after hours.

14. After-hours air conditioning/heating (6:00 p.m. to 7:00 a.m. Monday through Friday; 1:00 p.m. to 12:00 midnight Saturday; and 24 hours a day Sunday and Holidays) must be requested in writing to the Building Manager by noon of a regular work day prior to the day for which additional air conditioning is requested, or if Tenant so requires after hours air conditioning/heating on a regular basis during the Term, Tenant shall have the right to deliver to Landlord a written notice specifying the hours Tenant so requires such air conditioning/heating. Tenant shall be charged the prevailing hourly rate during such after-hours period.

15. The following dates shall constitute "Holidays" as said term is used in this Lease: New Year's Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Thanksgiving Day and the Friday following Thanksgiving Day and Christmas and any other holiday recognized and taken by tenants cumulatively occupying at least one-half of the net rentable area of office space of the Building.

16. Tenant shall notify Landlord of furniture or equipment to be removed from the Building after hours. Description and serial numbers shall be provided if requested by Landlord.

17. Landlord shall designate one elevator to be the freight elevator to be used to handle packages and shipments of all kinds. The freight elevator shall be available to handle such deliveries from 9:00 a.m. to 11:00 a.m. and 2:00 p.m. to 3:30 p.m. weekdays. Parcel Post, express, freight or merchants' deliveries can be made anytime within during regular business hours Monday through Friday. No furniture or freight shall be handled outside the above hours, except by previous arrangement.

18. Prior to the commencement of any construction in the Premises, Tenant shall deliver evidence of its contractor's and subcontractors' insurance, such insurance being with such companies, for such periods and in such amounts as Landlord may reasonably require, naming the Landlord and/or Landlord's designees as additional insured(s), and meeting the applicable requirements of Section 7.1 of the Lease.

19. Any additional services as are routinely provided to tenants, not required by the Lease to be performed by Landlord, which Tenant requests Landlord to perform, and which are performed by Landlord, shall be billed to Tenant at Landlord's cost plus five percent (5%).



20. All doors leading from public corridors to the Premises are to be kept closed when not in use.

21. Canvassing, soliciting or peddling in the Building is prohibited and Tenant shall cooperate to prevent same.

22. Tenant shall give immediate notice to the Building Manager in case of accidents in the Premises or in the Building or of defects therein or in any fixtures or equipment, or of any known emergency in the Building.

23. The requirements of Tenant will be attended to only upon application to the Building Manager. Employees of Landlord shall not perform non-typical maintenance or repairs to the Premises, unless under special instructions from the Building Manager.

24. No signs, picture advertisement, name or notice shall be inscribed, displayed or affixed on or to any part of the inside of the Building or the Premises without the prior written consent of Landlord and the Landlord shall have the right to remove any such item at the expense of Tenant. All approved signs or lettering on the doors and the building directory shall be printed, painted, affixed or inscribed at the expense of Tenant by a person approved by Landlord. Tenant shall not place anything near the glass of any window, door, partition or wall which may appear unsightly from outside the Premises; provided, however, that Tenant may furnish and install a window covering at all exterior windows. Tenant shall not, without written consent of Landlord, cover or otherwise sunscreen any window.

25. Tenant, or the employees, agents, servants, visitors or licensees of Tenant shall abide by the rules and regulations for the Parking Garage pursuant to a parking agreement to be provided to Tenant separately.

26. Landlord reserves the right to reasonably rescind any of these Rules and Regulations of the Building, and to make such other and further rules and regulations as in its judgment shall from time to time be needful for the safety, protection, care and cleanliness of the Building, the Premises and the Parking Garage, the operation thereof, the preservation of good order therein and the protection and comfort of the other tenants in the Building and their agents, employees and invitees, which rules and regulations, when made and written notice thereof is given to Tenant, shall be binding upon Tenant in like manner as if originally herein prescribed.

27. Tenant, and employees, agents, servants, visitors, invitees or licensees of Tenant, shall not smoke or permit to be smoked cigarettes, cigars or pipes within the Premises or Building. Smoking shall be confined to area(s) designated by Landlord but shall in no event be closer than twenty-five feet (25') to any entrance to the Building and fifty feet (50) from the main entrance of the Building or any entrance specifically designated for Tenant's use. Landlord shall assist Tenant for failure of another tenant, its employees, agents, servants, visitors, invitees or licensees to comply with this paragraph.

28. Tenant shall not attempt to adjust wall-mounted thermostats in the Common Areas of the Building. If there is any damage to wall-mounted thermostats due to attempts by Tenant to adjust thermostats, Landlord may repair such damage at the sole cost and expense of the Tenant.

29. The directory of the building will be provided exclusively for the display of the names and location of the Tenants only, and Landlord reserves the right to exclude any other names there from with the exception of subtenants approved by Landlord in accordance with the requirements of the Lease.

30. No additional locks or bolts of any kind shall be placed upon any of the doors or windows of the Premises or the Building by Tenant, nor shall any changes be made in existing locks or the mechanism thereof without the prior written consent of the Landlord. Tenant must upon the termination of its tenancy, return to Landlord all keys to the Premises. If Tenant fails to return any such key, Tenant shall pay to Landlord the cost of changing the locks to the Premises if Landlord deems it necessary to change such locks.

31. The toilet rooms, urinals, wash bowls and apparatus in the Premises or Building shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by Tenant.

32. Tenant shall not overload the floor of the Premises. No boring, cutting or stringing of wires shall be permitted except with the prior written consent of and as the Landlord may direct.

33. Tenant shall not employ any person or persons for the purpose of cleaning the Premises without the consent of Landlord, which consent shall not be unreasonably withheld. Janitorial service will not include the cleaning of carpets and rugs, other than vacuuming. If the Premises requires more than building standard janitorial service, such excess service shall be at Tenant's cost.

34. Tenant shall only be permitted to occupy the Premises for the Permitted Use as described in Section 4.3 of the Lease. No tenant shall occupy or permit any portion of the Premises to be occupied for lodging or sleeping or for any illegal purposes or permit any pet within the Premises or Building.

35. On Saturdays, Sundays and legal holidays and on any other days between the hours of 6:00 p.m. and 7:00 a.m., Landlord reserves the right to keep all doors to the Building locked, and access to the Building, or to the halls, corridors, elevator or stairways in the Building or to the Premise, may be refused unless the person seeking access is an employee of the Building or is properly identified as a tenant of the Building. In case of invasion, mob, riot, public excitement, or other commotion, the Landlord reserves the right to prevent access to the Building during the continuance of the same by closing the doors for the safety of the tenants and protection of property in the Building.

36. Access to the Building and the Parking Garage may be controlled by the use of electronic card key or by other method deemed necessary by Landlord. Tenant shall be issued card keys or other ingress/egress devices and in the event that Tenant shall damage or lose the card key(s) or device(s), a deposit for each card key or device shall be paid upon any necessary re-issuance of the card key or device.

37. Landlord reserves the right to require payment, in advance, for certain services not required of Landlord under this Lease. Such charges include, but are not limited to, processing

“bounced” checks, changing locks, providing after-hours HVAC rates, etc. and are subject to reasonably change at any time with prior written notice.

38. To ensure that the Building remains compliant with all applicable LEED certification requirements with respect to carbon dioxide (CO<sub>2</sub>) monitoring, Tenant shall monitor CO<sub>2</sub> concentrations within all densely occupied spaces within the Premises. For purposes of this requirement, a “densely occupied space” means an area with a design occupant density of 25 people or more per 1,000 square feet. CO<sub>2</sub> monitors must be between 3 and 6 feet above the floor and must have an audible or visual indicator or alert the Building automation system if the sensed CO<sub>2</sub> concentration exceeds the setpoint by more than 10%. The Tenant shall calculate appropriate CO<sub>2</sub> setpoints using methods in ASHRAE 62.1–2010, Appendix C.

39. To ensure that the Building remains compliant with all applicable LEED certification requirements with respect to daylight factors, Tenant shall provide manual or automatic (with manual override) glare-control devices for all regularly occupied spaces within the Premises. For purposes of this requirement, a “regularly occupied space” means an area where one or more individuals normally spend time (more than one hour per person per day on average) seated or standing as they work, study, or perform other focused activities inside a building. The one-hour timeframe is continuous and should be based on the time a typical occupant uses the space. For spaces that are not used daily, the one-hour timeframe should be based on the time a typical occupant spends in the space when it is in use.

40. With respect to construction in the Premises:

a. Any new plumbing fixtures shall meet the following requirements:

Toilet Flush Valve	≤1.28 gpf	WaterSense label required
Urinal Flush Valve	≤0.125 gpf	WaterSense label required
Public Lavatory Faucet	≤0.35 gpm	
Private Lavatory Faucet	≤1.5 gpm	WaterSense label required
Kitchen Faucet	≤1.75 gpm	
Showerhead	≤1.75 gpm	WaterSense label required
Prerinse Spray Valve	≤1.3 gpm	
Residential Dishwasher	ENERGY STAR or performance equivalent	
Commercial Dishwasher	CEE Tier 3A	
Residential Clothes Washer	ENERGY STAR or performance equivalent	
Commercial Clothes Washer	CEE Tier 3A	
Ice Machine	ENERGY STAR or performance equivalent and use either air-cooled or closed-loop cooling, such as chilled or condenser water system	

b. Tenant shall comply with the mandatory provisions of ANSI/ASHRAE/IESNA Standard 90.1–2010, with errata, and with the following requirements:

- i. Lighting density power – not to exceed the building average of 0.80 W/sf.
  - ii. Occupant sensors or timer switches for classrooms, lecture halls, conference rooms, meeting rooms, training rooms, employee lunch and break rooms, storage and supply rooms between 50 to 1,000 sq ft, copying and printing rooms, office spaces up to 250 sq ft, restrooms, dressing rooms, locker rooms, fitting rooms, and parking garages per Section 9.4.1.2b and 9.4.1.3b.
  - iii. Mandatory automatic daylighting controls for primary side lighted areas in enclosed spaces greater than 250 sq ft, and top lighted areas greater than 900 sq ft.
- c. Tenant shall comply with the following requirements related to improving indoor air quality:
  - i. Installation of permanent entryway systems at least 10 feet long in the primary direction of travel to capture dirt and particulates entering the Building at regularly used exterior entrances. Acceptable entryway systems include permanently installed grates, grilles, slotted systems that allow for cleaning underneath, rollout mats, and any other materials manufactured as entryway systems with equivalent or better performance. Tenant shall maintain all such entryway systems on a weekly basis. For purposes of this requirement, a “regularly used exterior entrance” means a frequently used means of gaining access to a building. Examples include the main building entrance, as well as any building entryways attached to parking structures, underground parking garages, underground pathways, or outside spaces. Atypical entrances, emergency exits, atriums, connections between concourses, and interior spaces are not included.
  - ii. Prevention of interior cross-contamination by ensuring that each space where hazardous gases or chemicals may be present or used is sufficiently exhausted (e.g., garages, housekeeping and laundry areas, copying and printing rooms), at a minimum of 0.50 cfm per square foot, to create negative pressure with respect to adjacent spaces when the doors to the room are closed. For each of these spaces, Tenant shall provide self-closing doors and deck-to-deck partitions or a hard-lid ceiling.
  - iii. Filtration of recirculated air by ensuring that each ventilation system that supplies outdoor air to occupied spaces has particle filters or air-cleaning devices that meet one of the following filtration media requirements:

1. Minimum efficiency reporting value (MERV) of 13 or higher, in accordance with ASHRAE Standard 52.2–2007; or
2. Class F7 or higher as defined by CEN Standard EN 779–2002, Particulate Air Filters for General Ventilation, Determination of the Filtration Performance.

All air filtration media must be replaced after completion of construction and before occupancy.

**Exhibit “E”****Guaranty**

The undersigned, Latisha Rowe (the “Guarantor”), in consideration of the leasing of the leased premises described in that certain Office Lease Agreement (hereinafter referred to as the “Lease”), dated \_\_\_\_\_, 2025, between Midtown Redevelopment Authority, as Landlord (hereinafter referred to as “Landlord”), and Honeycomb Clinic LLC, as Tenant (hereinafter referred to as “Tenant”), does hereby covenant and agree as follows:

- A. Guarantor does hereby guarantee the full, faithful and timely payment and performance by Tenant of all of the payments, covenants and other obligations of Tenant under or pursuant to the Lease. If Tenant shall default at any time in the payment of any rent or any other sums, costs or charges whatsoever including, without limitation, late charges, additional rent (however termed or defined), court costs and reasonable attorneys’ fees, or in the performance of all warranties, representations and any of the other covenants and obligations of Tenant, under or pursuant to the Lease, then Guarantor, at its expense, shall on demand of Landlord fully and promptly, and well and truly, pay all rent, sums, costs and charges to be paid by Tenant, and perform all the other covenants and obligations to be performed by Tenant, under or pursuant to the Lease, and in addition shall on Landlord’s demand pay to Landlord any and all sums due to Landlord, including (without limitation) all interest on past due obligations of Tenant at the Default Rate, costs advanced by Landlord, and damages and all reasonable expenses (including reasonable attorneys’ fees and litigation costs), that may arise in consequence of Tenant’s default. Guarantor hereby waives (a) notice of acceptance hereof (which acceptance is conclusively presumed by delivery to Landlord); (b) grace, demand, presentment and protest with respect to the obligations and liabilities guaranteed hereunder or to any instrument, agreement or document evidencing or creating same; (c) notice of grace, demand, presentment and protest; (d) notice of non-payment or other defaults, of intention to accelerate and of acceleration of the obligations and liabilities guaranteed hereunder; (e) notice of and/or any right to consent or object to the assignment of any interest in the Lease or the obligations and liabilities guaranteed hereunder; (f) the renewal, extension, amendment and/or modification of any of the terms and provisions of the Lease; (g) filing of suit and diligence by Landlord in collection or enforcement of the obligations and liabilities guaranteed hereunder; and (h) any other notice regarding the obligations and liabilities guaranteed hereunder. Guarantor specifically waives any requirements imposed by Chapter 34 of the Texas Business and Commerce Code.
- B. The obligations of Guarantor hereunder are independent of, and may exceed, the obligations of Tenant. A separate action or actions may, at Landlord’s option, be brought and prosecuted against Guarantor, whether or not any action is first or subsequently brought against Tenant or any other guarantor, or whether or not Tenant or any other guarantor is joined in any such action, and Guarantor may be joined in any action or proceeding commenced by Landlord against Tenant or any other guarantor arising out of, in connection with or based upon the Lease. Guarantor waives any right or claim to require

Landlord to proceed against Tenant or any other guarantor or pursue any other remedy in Landlord's power whatsoever, whether arising from any documents executed by Tenant, any common law, applicable statute or otherwise, any right to complain of delay in the enforcement of or refusal to enforce Landlord's rights under the Lease, any demand by Landlord and/or prior action by Landlord of any nature whatsoever against Tenant, or otherwise. Guarantor further agrees not to assert any defense (other than payment) available to Tenant against Landlord with regard to the obligations and liabilities guaranteed hereunder, any defense based upon an election of remedies of any type, any defense based on any duty of Landlord to disclose information of any type to Guarantor regarding Tenant or the obligations and liabilities guaranteed hereunder.

- C. Guarantor agrees that Landlord may at any time, and from time to time, at Landlord's discretion and with or without notice or consideration to or consent from any party: (a) release any party liable on the Lease, including without limitation, Tenant and any other guarantor; and (b) extend, renew, rearrange, modify or amend any of the terms and provisions of the Lease. Any of such actions may be taken without impairing or diminishing the obligations and liabilities of Guarantor hereunder. This Guaranty shall remain and continue in full force and effect and shall not be discharged in whole or in part notwithstanding (whether prior or subsequent to the execution hereof) any alteration, renewal, extension, modification, amendment or assignment of, or subletting, concession, franchising, licensing or permitting under, the Lease. Guarantor hereby waives notices of any of the foregoing, and agrees that the liability of Guarantor hereunder shall be based upon the obligations of Tenant set forth in the Lease as the same may be altered, renewed, extended, modified, amended or assigned. For the purpose of this Guaranty and the obligations and liabilities of Guarantor hereunder, "Tenant" shall be deemed to include any and all licensees, assignees, subtenants, permittees or others directly or indirectly operating or conducting a business in or from the Premises, as fully as if any of the same were the named Tenant under the Lease.
- D. The liability of Guarantor shall not be impaired, reduced or in any way affected by: (a) Landlord's failure, refusal, or neglect to collect or enforce the obligations and liabilities guaranteed hereunder, by way of, without limitation, any indulgence, forbearance, compromise, settlement or waiver of performance which may be extended to Tenant by Landlord or agreed upon by Landlord and Tenant; (b) any termination of the Lease to the extent that Tenant thereafter continues to be liable; (c) any sublease of the space covered by the Lease or any assignment of the Lease by any means or to any entity or person whatsoever regardless of whether Tenant thereafter continues to be liable; (d) loss or subordination of any other guaranty, if any, or by the existence of any indebtedness of Tenant to Landlord other than the indebtedness guaranteed hereby; (e) the taking of any security or any other guaranty for the obligations and liabilities guaranteed hereby in addition to the guaranty presently existing; or (f) the misapplication of collateral at any time given as security for Tenant's obligations (including other guaranties).
- E. The obligations of Guarantor hereunder shall not be reduced, impaired or in any way affected by: (a) receivership, insolvency, bankruptcy or other proceedings affecting the Tenant or any of the Tenant's assets; (b) receivership, insolvency, bankruptcy or other proceedings affecting Guarantor or any of Guarantor's assets; (c) death, insanity or other

disability of Guarantor; (d) any allegation of fraud, usury, failure of consideration, forgery, statute of limitations or other defense, whether or not known to Landlord (even though rendering all or any part of the obligations and liabilities guaranteed hereunder void or unenforceable or uncollectible as against Tenant or any other guarantor); or (e) the release or discharge of Tenant from the Lease or any other indebtedness of the Tenant to Landlord or from the performance of any obligation contained in the Lease or other instrument issued in connection with, evidencing or securing any indebtedness guaranteed by this instrument, whether occurring by reason of law or any other cause, whether similar or dissimilar to the foregoing. This Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the indebtedness guaranteed hereby is rescinded or must otherwise be returned by Landlord upon the insolvency, bankruptcy or reorganization of Tenant or otherwise.

- F. Guarantor hereby fully subordinates the payment of all indebtedness owing to Guarantor by Tenant (including principal and interest) to the prior payment of all indebtedness of Tenant to Landlord (including, without limitation, interest accruing on any such indebtedness after any insolvency or reorganization proceeding as to Tenant) and agrees not to accept any payment on the same until payment in full of the obligations and liabilities guaranteed hereunder, and not to attempt to set off or reduce any obligations hereunder because of such indebtedness. Until all of the obligations and liabilities guaranteed hereunder shall have been paid or performed in full, Guarantor shall have no right of subrogation or any other right to enforce any remedy which Landlord now has or may hereafter have against Tenant. Notwithstanding the foregoing, Landlord agrees that so long as no default by Tenant has occurred and is continuing under the Lease beyond notice and opportunity to cure period, Tenant may make payments to Guarantor, or either of them, in the ordinary course of business, that are salary, benefits, bonus, dividends and other similar payments.
- G. All payments to be made and obligations to be performed hereunder shall be payable or performable at the offices of Landlord in Harris County, Texas. If it becomes necessary for Landlord to enforce this Guaranty by legal action, Guarantor hereby waives the right to be sued in the county or state of Guarantor's residence and agrees to submit to the jurisdiction and venue of the appropriate federal, state or other governmental court in such county and state of Landlord's office. Guarantor unconditionally agrees to pay Landlord's collection expenses (including, without limitation, court costs and reasonable attorneys' fees) if enforcement hereof is placed in the hands of an attorney, including, but expressly not limited to, enforcement by suit or through probate, bankruptcy or any judicial proceedings.
- H. If Guarantor is or becomes liable for any indebtedness of Tenant to Landlord other than the obligations and liabilities guaranteed hereunder by any means other than under this Guaranty, such liability shall not be impaired, reduced or affected in any manner hereby but shall have all and the same force and effect it would have had if this Guaranty had not existed, and Guarantor's liability hereunder shall not be impaired, reduced or affected in any manner thereby.
- I. All rights of Landlord hereunder or otherwise arising under any documents executed in



connection with the obligations and liabilities guaranteed hereunder are separate and cumulative and may be pursued separately, successively or concurrently, or not pursued, without affecting or limiting any other right of Landlord and without affecting or impairing the liability of Guarantor.

- J. Notwithstanding any other provisions herein contained, no provision of this Guaranty shall require or permit the collection from Guarantor of interest in excess of the Default Rate.
- K. This Guaranty is intended for and shall inure to the benefit of Landlord and each and every person who shall from time to time be or become the owner or holder of all or any part of the Lease and/or the obligations and liabilities guaranteed hereunder, and each and every reference herein to "Landlord" shall include and refer to each and every successor or assignee of Landlord at any time holding or owning any part of or interest in any part of the Lease and/or the obligations and liabilities guaranteed hereunder. This Guaranty shall be assignable or transferable with the same force and effect, and to the same extent, that the Lease and/or the obligations and liabilities guaranteed hereunder are assignable or transferable, it being understood and stipulated that upon assignment or transfer by Landlord of the Lease and/or any of the obligations and liabilities guaranteed hereunder, the legal holder or owner thereof (or a part thereof or interest therein thus transferred or assigned) shall (except as otherwise stipulated by Landlord in its assignment) have and may exercise all of the rights granted to Landlord under this Guaranty to the extent of that part of or interest in the obligations and liabilities guaranteed hereunder thus assigned or transferred.
- L. Any notice or demand to Guarantor in connection herewith may be given and shall conclusively be deemed to have been given and received (1) two (2) business days after deposit thereof in writing, in the U.S. Mails via certified mail, return receipt requested, duly stamped and addressed to Guarantor at Guarantor's address set forth below, or (2) the first business day following the date of deposit with a nationally recognized overnight courier service. Guarantor shall have the right to designate from time to time another address for purposes of this instrument by written notice to Landlord sent by United States mail, certified mail, return receipt requested. Actual notice or demand, however given or received, shall always be effective. The provisions of this Paragraph L shall not be construed to affect or impair any waiver of notice or demand herein provided or to require giving of notice or demand to or upon Guarantor in any situation or for any reason.
- M. Landlord may apply any payments received from any source against that portion of the obligations and liabilities guaranteed hereunder in such priority and fashion as Landlord may deem appropriate.
- N. The payment by Guarantor of any amount pursuant to this Guaranty shall not, without Landlord's consent, entitle Guarantor (whether by way of subrogation or otherwise) to a right of possession of, or to any other right, title or interest in, the premises covered by the Lease.
- O. If this Guaranty is signed by more than one party, their obligations shall be joint and several, and the release of one of such Guarantors shall not release any other of such

Guarantors.

- P. Neuter terms should also refer, where applicable, to the feminine gender and the masculine gender; the singular reference shall also include the plural of any word if the context so requires.
- Q. This Guaranty shall be applicable to and binding upon the heirs, executors, administrators, representatives, successors and assigns of Guarantor.
- R. In the event that Landlord should institute any suit against Guarantor for violation of or to enforce any of the covenants or conditions of this Guaranty or to enforce any right of Landlord hereunder, or should Guarantor institute any suit against Landlord arising out of or in connection with this Guaranty, or should either party institute a suit against the other for a declaration of rights hereunder, or should either party intervene in any suit in which the other is a party to enforce or protect its interest or rights hereunder, the prevailing party in any such suit shall be entitled to the fees of its attorney(s) in the reasonable amount thereof, to be determined by the court and taxed as a part of the costs therein.
- S. The execution of this Guaranty prior to execution of the Lease shall not invalidate this Guaranty or lessen the obligations of Guarantor hereunder.
- T. This Guaranty is made pursuant to, and shall be interpreted and applied in accordance with, the laws of the State of Texas without reference to its conflicts of laws principles.

IN WITNESS WHEREOF, the undersigned has executed this Guaranty this \_\_\_\_ day of \_\_\_\_\_, 2025.

GUARANTOR:

Latisha Rowe

Guarantor's Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

THE STATE OF TEXAS     §  
                                      §  
COUNTY OF HARRIS     §

BEFORE ME, the undersigned, on this \_\_\_\_\_ day of \_\_\_\_\_, 2025, personally appeared Latisha Rowe, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for purposes and considerations therein expressed and in the capacity so stated.

\_\_\_\_\_  
Notary Public in and for the State of Texas



**midtown**  
H O U S T O N

**INDIUM SPECIALITY  
PHARMACY PLLC -  
OFFICE LEASE**

**LEASE**

between

**MIDTOWN REDEVELOPMENT AUTHORITY**  
("Landlord")

and

**IRIDIUM SPECIALTY PHARMACY, PLLC**  
("Tenant")

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## **LEASE**

**THIS LEASE** is made and entered by and between **MIDTOWN REDEVELOPMENT AUTHORITY**, a nonprofit local government corporation created and organized under the provisions of Chapter 431, Texas Transportation Code (hereinafter called “Landlord”), and **IRIDIUM SPECIALTY PHARMACY, PLLC**, a Texas professional limited liability company (hereinafter called “Tenant”).

## **W I T N E S S E T H:**

### **ARTICLE I GRANT AND TERM**

Section 1.1 Leased Premises. For and in consideration of the rents, covenants and agreements hereinafter reserved and contained, Landlord demises and leases to Tenant and Tenant leases from Landlord 1,821 rentable square feet of space (1,530 usable square feet) on the northeast corner of the third (3<sup>rd</sup>) floor (as further defined in subsection (a), the “Premises”) as depicted in Exhibit “A” (which exhibit may be supplemented on or before the Commencement Date (as defined in Section 1.2) to include an updated floor plan of the Premises), within the building commonly known as One Emancipation Center (the “Building”), located at 3131 Emancipation Avenue, Houston, Texas 77004.

Section 1.2 Commencement of Term. The Lease shall become effective on the date on which Landlord receives from Tenant the Security Deposit (as further described in Section 15.1 hereof) and the Lease has been executed by both parties hereto (“Effective Date”). The term of the Lease (“Term”) shall commence upon the earlier of (i) the date of Substantial Completion (as defined below) of the Tenant Improvements (as defined in Section 5.2 hereof); or (ii) the date that Tenant commences business in the Premises (the “Commencement Date”). “Substantial Completion” shall mean the day on which the Tenant Improvements have been completed in accordance with the Tenant Improvement Plans so that Tenant may receive the beneficial use of the Premises (i.e., when Tenant may use the Premises for its intended purpose), subject to a punch list of non-material items that can be completed within thirty (30) days, all as determined by Landlord in its reasonable judgment.

Section 1.3 Time of Rent Payments. All Rent (as that term is defined in Section 4.1 hereof) due under this Lease shall be payable in advance for any partial month of occupancy on a prorated basis and thereafter on the first day of each month in advance.

Section 1.4 Length of Term. The term of this Lease (“Term”) shall be for sixty-three (63) months, commencing upon the Commencement Date and ending at 11:59 p.m. on the last day of the sixty-third (63<sup>rd</sup>) full calendar month following the Commencement Date (“Expiration Date”), unless extended pursuant to Section 14.1 hereof.

## ARTICLE II RENT

Section 2.1 Rent. (a) Upon determination of the Commencement Date, Landlord and Tenant agree to execute, acknowledge and deliver a Commencement Date Agreement, the form of which is attached hereto as Exhibit “B”, confirming the Commencement Date and Expiration Date of this Lease; provided, however, Landlord’s or Tenant’s failure to execute, acknowledge and deliver such instrument shall not affect in any manner whatsoever the validity of the Commencement Date or the parties obligations under this Lease. Rent shall accrue in accordance with the Lease, but shall not be payable by Tenant to Landlord until the Commencement Date Agreement is signed by Landlord and Tenant.

(b) Tenant shall commence paying Rent upon the Commencement Date (the “Rent Commencement Date”). The “Base Rent” during the Term shall be as follows:

(i) Base Rent:

Months of Term	Rent Per RSF	Monthly Installment of Base Rent	Annual Base Rent
1-3	\$0.00	\$0.00	\$0.00
4-12	\$18.00	\$2,731.50	\$24,583.50
13-24	\$18.54	\$2,813.45	\$33,761.34
25-36	\$19.10	\$2,898.43	\$34,781.10
37-48	\$19.67	\$2,984.92	\$35,819.07
49-60	\$20.26	\$3,074.46	\$36,893.46
61-63	\$20.87	\$3,167.02	\$9,501.06

(ii) Rent shall be payable by Tenant without any diminution, abatement, set off or deduction whatsoever, except as provided herein. Landlord acknowledges and agrees that the monthly Base Rent and Additional Rent (as hereinafter defined) payments for the Premises shall be abated during the first three (3) months of the Term provided Tenant is not then in default under this Lease beyond any applicable notice and cure period.

Section 2.2 Non-Waiver of Conditions. Extension of time for payment of Rent or change by Landlord of the mode or time of payment of Rent upon any occasion shall not be construed as a waiver of the provisions of this Article or as requiring a similar extension or change by Landlord on any subsequent occasion. All recurring Rent shall be due and payable to Landlord as provided in Section 1.3 hereof without any penalty to Tenant. Any non-recurring Rent that is due and payable to Landlord shall be due within forty-five (45) days of receipt of notice and invoice from Landlord.

### ARTICLE III TAXES, UTILITIES, AND OPERATING COSTS

Section 3.1 Proportionate Share. As used herein and further described in Section 3.4, Tenant's proportionate share of the Building's operating costs ("Tenant's Proportionate Share") shall equal 3.2%, calculated based on dividing the rentable square footage of the Premises (1,821 rentable square feet) by the rentable square footage of the Building (57,381 rentable square feet). The term "Common Areas" as used herein shall mean areas of the Building for use in common by tenants of the Building, and shall include parking areas and facilities, sidewalks, stairways, service corridors, elevators, landscaped areas, and portions of the Building which are not reserved for the exclusive use of any Building tenants.

Section 3.2 Taxes. As further described in Section 3.4, Tenant shall pay as Additional Rent Tenant's Proportionate Share of Real Estate Taxes assessed against the Building. The term "Real Estate Taxes" shall mean the cost of all taxes, assessments, and governmental charges relating to the Building, whether directly paid by Landlord, whether federal, state, county, or municipal and whether imposed by taxing districts or authorities presently taxing the Building or by others subsequently created or otherwise, and any other taxes and assessments attributable to Building or its operation.

Section 3.3 Utilities. As further described in Section 3.4, Tenant shall pay Tenant's Proportionate Share of costs for heat, gas, water, sewer, electricity and other public utilities ("Utilities") used in the Common Areas ("Utility Expenses"). Landlord will be responsible for providing terminating utility trunk lines and service mains at the Premises, the cost of separately metering each utility (including installation of meter), and the cost of all impact fees and initial connection fees, excluding deposits, associated with Utilities to the Premises. Landlord shall provide, for the Term defined herein, and any extension thereof, all utilities and services (including but not limited to electric, water and sewer) serving the Building and Premises reasonably sufficient for the operation of the Building and the Premises. Landlord shall be responsible for repair and maintenance of the main sewer line servicing the Premises at Landlord's sole cost and expense.

Section 3.4 Operating Expenses. (a) Tenant shall pay as Additional Rent Tenant's Proportionate Share of the Building's operating costs, including Real Estate Taxes, insurance, Utility Expenses, and CAM Expenses, as hereinafter defined (collectively "Operating Expenses"). Operating Expenses are initially estimated to be Eighteen and 39/100 Dollars (\$18.39) per rentable square foot per year as further detailed in Exhibit "C" attached hereto.

(b) Tenant shall reimburse Landlord for costs and expenses paid or incurred by or on behalf of Landlord relating to the repair, maintenance and operation of the Building and Common Areas of the Building for which Landlord shall have a repair or maintenance obligation ("CAM Expenses"). CAM Expenses shall be determined on an accrual basis in accordance with generally accepted accounting principles consistently applied. Without limiting the generality of the foregoing, CAM Expenses shall include the cost of: (i) normal and customary replacement (excluding capital replacement) and repairing any facilities of the Building and Common Areas, (ii) policing and protecting the Building and Common Areas, (iii) cleaning, painting, and landscaping of the Building and Common Areas, (iv) premiums for worker's compensation and

employer's liability insurance for on-site employees at the Building, and (v) casualty and commercial general liability insurance that Landlord is obligated or deems necessary to carry covering the Building.

(c) Notwithstanding anything set forth above to the contrary, CAM Expenses shall not include costs or expenses which properly constitute capital expenditures under generally accepted accounting principles. Additionally, CAM Expenses shall not include the following: (i) the cost of any work which Landlord performs solely for any other tenants and the costs of any services rendered or costs reimbursed to a tenant which are not generally rendered or reimbursed to other tenants; (ii) the cost of repairs or maintenance costs necessitated by the negligence of Landlord, or its agents, contractors or employees; (iii) legal and other fees, leasing commissions, advertising expenses and other costs incurred in connection with development or leasing of the Building; (iv) any amounts for which Landlord is reimbursed by insurance or otherwise compensated, including direct reimbursement by any tenant (provided, however, that CAM Expenses shall include commercially reasonable deductibles paid by Landlord); (v) replacement or repairs covered by and reimbursed under construction contracts or contractor's warranties; (vi) expenses relating to vacant or vacated space; (vii) the costs, including without limitation any fees, taxes or costs, for furnishing water, sewer, gas, fuel, electricity, janitor or trash removal service or other utilities or services to those portions of the Building which are leased to other tenants and which are separately metered or billed; (viii) any bad debt or rental loss and any reserves or insurance for such losses; (ix) the cost of Landlord's federal, state or local income taxes; (x) interest or principal payments on any mortgage or deed of trust or any ground lease payments; (xi) reserves for anticipated future expenses; and (xii) with respect to any personnel costs included by Landlord in CAM Expenses, if such personnel do not work exclusively for the Building, the portion of such costs equivalent to the percentage of time spent by such personnel on matters other than the Building. Except for the management fee specified in Exhibit "C", no additional administration or management fees shall be charged. Landlord will provide an annual cap on increases to Controllable Operating Expenses at 5% of the prior year's expenses. "Controllable Operating Expenses" shall mean those expenses that are reasonably controllable by Landlord, and specifically excludes Real Estate Taxes, insurance, Utility Expenses, and snow/ice removal. Annual amortization amounts for expenses, capital or operational, related to equipment intended to increase the energy efficiency of the Property shall not exceed annual savings related to such expenditures.

(d) Tenant agrees to pay one-twelfth (1/12th) of Landlord's estimate of Additional Rent in advance upon the first day of each calendar month (each a "CAM Payment" and collectively, the "CAM Payments") at the same time as monthly Base Rent. Within ninety (90) days of the end of each calendar year, Landlord will submit to Tenant a reasonably detailed statement with support documents, including but not limited to, a general ledger of expenses, property tax invoices, and insurance invoices, showing CAM Expenses for the preceding calendar year along with a reconciliation to Tenant's actual CAM Payment for such calendar year ("CAM Statement"). All charges under the Lease shall be billed by Landlord within one hundred eighty (180) days from the end of the calendar year in which the charges were incurred; any charges beyond such period shall not be billed by Landlord, and shall not be payable by Tenant, except that nothing in this paragraph shall terminate Landlord's obligation to credit Tenant for any over-payments of Tenant's Proportionate Share in the preceding year. Within sixty (60) days after receipt of a CAM Statement, Tenant shall pay Landlord any additional amounts owed as shown on the CAM

Statement. If Tenant's total CAM Payments paid to Landlord during the previous calendar year exceed Tenant's Proportionate Share of the actual CAM Expenses, then Landlord shall credit the difference to Tenant against the next-due Rent or refund such amount to Tenant if the Term has expired. Any CAM Payments shall be prorated for any partial calendar year. Tenant's obligation to pay any amounts due under this Section shall survive the Expiration Date or earlier termination of this Lease.

(e) Information Technology/Telecommunication Services. Landlord will be responsible for providing fiber optic connectivity to the Building. Tenant shall be required to use the third party provider with whom Landlord has contracted to provide internet services to the Building. Tenant shall electronically submit technology/telecommunications services providers' entry permission documents and/or plans for running transmission lines for the Premises ("IT Provider Plans") to Landlord for review and approval (which approval shall not be unreasonably withheld, conditioned or delayed), together with a written notice specifying that Landlord shall have ten (10) business days from Tenant's submission within which to review and provide comments regarding the IT Provider Plans ("IT Provider Plans Review Period"), which notice shall specify the due date for Landlord's response. The IT Provider Plans Review Period may be extended for a reasonable amount of time by Landlord's provision of written notice to Tenant prior to the expiration of the IT Provider Plans Period indicating that Landlord requires additional time to review the IT Provider Plans and specifying a new due date by which Landlord will provide its response to Tenant.

## ARTICLE IV TENANT'S COVENANTS

Section 4.1 Payment of Rent. Tenant shall pay to Landlord, its successors and assigns or to Landlord's agent, the specified Rent at the times and in the manner above provided. The term "Rent" as used in this Lease shall mean the Base Rent, Additional Rent, and any other monies due Landlord under the terms of this Lease.

Section 4.2 Landlord's Right of Entry. Landlord and persons authorized by Landlord shall at any and all reasonable times have the right to enter and inspect the Premises, to supply janitorial service or any other service to be provided by Landlord to Tenant hereunder or to show the Premises to current or prospective lenders, purchasers or tenants or to make repairs, improvements or alterations to the Premises, all without being deemed guilty of an eviction of Tenant and without abatement of Rent. During the pendency of any such entry, Landlord shall use good faith efforts to minimize any interference with the conduct of Tenant's business. Tenant hereby waives any claim for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises and any other loss occasioned thereby.

Section 4.3 Use of Premises. (a) Tenant shall have the right to use the Premises for the purpose of operating a specialty retail pharmacy and infusion practice, and ancillary administrative operations therefor, including, without limitation, storing and selling oral chemotherapy (the "Permitted Use"), so long as such use complies with lawful business and commercial purposes.

(b) During the Term, and any extension thereof, Tenant shall have the exclusive right to provide a pharmacy that specializes in infusion services (an “Infusion Services-Focused Pharmacy”) in the Building, and Landlord may not lease any portion of the Building or adjacent buildings that it owns to a tenant that would be in competition with Tenant in the provision of an Infusion Services-Focused Pharmacy. Notwithstanding the foregoing provision, Landlord may lease any portion of the Building or adjacent buildings that it owns to one or more providers of a pharmacy-related service (each, an “Other Pharmacy Service Provider”), so long as the Other Pharmacy Service Provider is not an Infusion Services-Focused Pharmacy. Tenant’s exclusive right to provide an Infusion Services-Focused Pharmacy in the Building shall survive the assignment or sublet of the Premises by Tenant. If Landlord lease any portion of the Building to a tenant in violation of this provision, Tenant shall pay one-half (1/2) monthly Base Rent and one-half (1/2) Additional Rent beginning thirty (30) days after providing written notice of the violation (“Notice Date”) and continuing until the violation is cured. However, if the violation has not been cured within six (6) months after the Notice Date, Tenant shall have the option to terminate the Lease. If Tenant does not elect to terminate the Lease, Tenant will continue to pay one-half (1/2) Base Rent and one-half (1/2) Additional Rent throughout the remainder of the Term and any extension thereof until the violation is cured. If Tenant does elect to terminate the Lease, Landlord shall reimburse Tenant within ninety (90) days of Landlord’s receipt of written notice for the unamortized value (using a straight-line amortization schedule over the initial Term) of the Tenant Improvements (as defined in Section 5.2). Additionally, Tenant shall be relieved of any further obligations to the Landlord hereunder.

(c) Tenant shall comply with, and Tenant shall cause its agents, contractors, customers, employees, invitees, licensees, servants and visitors to comply with, all laws, ordinances, orders, rules and regulations (state, federal, municipal and other agencies or bodies having any jurisdiction thereof) relating to the use, condition, occupancy, maintenance or alteration of the Premises or the conduct of Tenant’s business therein including, without limitation, the Americans With Disabilities Act of 1990 and the Texas Accessibility Standards (together, the “ADA” and collectively with all such laws, the “Laws”) and shall cause the Premises to comply with all Laws, all at Tenant’s sole cost and expense.

(d) Tenant shall use and occupy the Premises only for the Permitted Use. Tenant may not use or permit the use of the Premises for (i) the sale of food, (ii) the placement, storage, release, discharge, manufacture, treatment or use of any Hazardous Materials (as hereinafter defined), the manufacture, storage, transport or disposal of which is regulated, governed, restricted or prohibited by any federal, state or local agency or authority, or under any federal, state or local law, ordinance, rule or regulation related to the environment, health or safety (collectively, the “Environmental Laws”), except as necessary and appropriate for the Permitted Use, including but not limited to, medical waste, office and cleaning supplies, and materials used in the ordinary course of Tenant’s business, in which case the use, storage and disposal of such Hazardous Substances shall be performed in compliance with Environmental Laws, or (iii) any purpose which is illegal, or deemed to be hazardous on account of fire or other hazards, creates obnoxious odors (including tobacco smoke), noises or vibrations, is dangerous to persons or property, would reasonably be expected to increase Landlord’s insurance costs, or which would reasonably be expected to unreasonably disturb any other tenants of the Building or interfere with the operation or maintenance of the Property or any work by Landlord or its contractors in the Premises “Hazardous Materials” means any substance, material, or waste which is now or hereafter

classified or considered to be hazardous, toxic, radioactive or dangerous under any law relating to pollution or the protection or regulation of human health, natural resources or the environment, or poses or threatens to pose a hazard to the health or safety of persons on the Premises or in the Building, including but not limited to oil, gasoline, petroleum, petroleum by-products, mold and asbestos or asbestos-containing materials.

Section 4.4 Assignment and Subletting. (a) Except for Permitted Transfers (as defined in Section 4.4(b) below), Tenant agrees not to assign, mortgage, encumber or in any manner transfer, in whole or in part, this Lease or any estate or interest therein, and not to sublet the Premises or any part or parts thereof or allow anyone to come in with, through or under it without Landlord's prior written consent, which shall not be unreasonably withheld, conditioned, denied, or delayed. Any transfer, assignment or subletting in violation of this Section 4.4 shall be void. Consent by Landlord to one or more assignments of this Lease or to one or more subletting of the Premises shall not operate to exhaust Landlord's rights under this Section 4.4. In the event that Tenant, with or without the previous consent of Landlord, does assign or in any manner transfer this Lease or any estate or interest therein, Tenant shall in no way be released from any of its obligations under this Lease. The sale, issuance, or transfer of any voting capital stock of Tenant (if Tenant be a nonpublic corporation), which results in a change in the voting control of Tenant, shall be deemed to be an assignment of this Lease within the meaning of this Section 4.4(a).

(b) Notwithstanding anything to the contrary contained in this Lease, and provided there is no change in the Permitted Use of the Premises, Tenant shall have the right, without the consent of Landlord (but with written notice given to Landlord at least five (5) business days prior to the effective date of such transfer, to be accompanied by true and complete copies of the documents that will evidence the transfer) to make the following "Permitted Transfers": any assignment of this Lease, or any transfer of this Lease by operation of law, or any subletting of the entirety of the Premises (or any portion thereof) for the remaining Term, to any entity (each, a "Permitted Transferee"): (A) which controls Tenant (Tenant's parent entity), or is controlled by Tenant (a subsidiary entity of Tenant), or is under common control with Tenant (Tenant's "Affiliate"); (B) into or with which Tenant is merged or consolidated by merger, consolidation or other business reorganization; or (C) to which all or substantially all of Tenant's assets, voting stock, partnership interests, membership interests or other equitable ownership interests are transferred. As used in this Section 4.4(b), "control" and all variations thereof used herein shall mean and require both the direct ownership, or indirect ownership through no more than one intermediary, of more than 50% of the voting stock or other beneficial ownership interest of the controlled entity and the ability to direct the day-to-day business operations of the controlled entity. All Permitted Transfers are otherwise subject to and upon all of the terms, provisions and covenants of this Lease, and shall not in any way relieve Tenant of liability as to any term or condition of this Lease without the express written approval of Landlord (which may be granted, withheld, delayed or conditioned in Landlord's sole and absolute discretion) granted at the time of and in connection with such Permitted Transfer. Notwithstanding any term or provision to the contrary contained herein, Tenant may not engage in a series of one or more Permitted Transfers under this Section 4.4(b) to "spin off" this Lease to an independent third party. As an example of the foregoing (but without limiting the foregoing), Tenant may not assign this Lease to a wholly owned subsidiary entity whose assets consist solely of this Lease and the rights granted under this Lease and thereafter sell the stock or other beneficial ownership interest of such entity to an independent third party.

(c) Landlord shall have the right to transfer and assign, in whole or in part, all of its rights and obligations hereunder and in the Building and all other property referred to herein, and in such event and upon such transfer (any such transferee to have the benefit of, and be subject to, the provisions of Section 10.1 and subsection (d) of this Section 4.4). Landlord shall be released from any further obligations hereunder that arise after the date of such transfer and no further liability or obligation shall thereafter accrue against Landlord hereunder.

(d) Tenant shall look solely to Landlord's interest in the Project for the recovery of any judgment against Landlord, it being agreed that neither Landlord (and its members, partners, officers, directors and shareholders) nor any mortgagee shall ever be personally liable for any such judgment. In addition, Tenant also agrees that Tenant shall not be entitled to recover from Landlord nor any of its agents, employees, officers, members, partners, servants or shareholders any indirect, special or consequential damages Tenant may incur as a result of a default under this Lease or other action by Landlord, its agents, employees, officers, members, partners, servants or shareholders. In no event whatsoever shall recourse be had or liability asserted against any of Landlord's partners, members, shareholders, employees, agents, directors, officers or other owners of Landlord or their respective constituent members, partners, shareholders, employees, agents, directors, officers or other owners. Landlord's direct and indirect shareholders, partners, members, beneficiaries and owners and their respective trustees, officers, directors, employees, agents and security holders, assume no personal liability for any obligations entered into on behalf of Landlord under this Lease.

Section 4.5 Parking. During the standard business hours of operation for the Building, as set forth in Exhibit "D" attached hereto ("Business Hours"), Tenant, its employees and customers, shall have the non-exclusive right to use all common area parking in the parking garage associated with the Building (the "Parking Garage"). Landlord agrees for the Term, and any extension thereof, to provide a parking ratio to Tenant of not less than three parking spaces per one thousand rentable square feet at no cost to Tenant, during Business Hours, excluding the monthly payment for reserved parking spaces ("Reserved Spaces") and for unreserved parking spaces ("Unreserved Spaces"), which shall not be subject to reduction or restriction by Landlord. During the Term, for the use of Reserved Spaces and Unreserved Spaces during Business Hours, Tenant shall pay Landlord \$50.00 per space per month for the Reserved Spaces and \$35.00 per space per month for Unreserved Spaces.

## **ARTICLE V DELIVERY, CONSTRUCTION, ALTERATIONS AND LIENS**

Section 5.1 Condition of Premises. On or prior to the Effective Date, Tenant has made a complete inspection of the Premises and agrees it will accept the Premises "as-is" and without recourse to Landlord; provided that the Tenant Improvements (as defined in Section 5.2) will be completed in accordance with Section 5.2. Tenant acknowledges that no representations as to the condition or repair of the Premises or the Building, nor promises to alter, remodel or improve the Premises or the Building, have been made by Landlord, except as are expressly set forth in this Lease.



## Section 5.2 Tenant Improvements.

(a) *Tenant Improvements.* Tenant shall perform all work for Tenant's initial occupancy of the Premises ("Tenant Improvements") in accordance with plans (as further defined in subsection (b) hereof, "Tenant Improvement Plans") submitted by Tenant and approved by the Landlord. Tenant Improvements shall be constructed in a good and workmanlike manner in keeping with applicable statutes, laws, codes and other government requirements, including ADA rules and regulations.

(b) *Tenant Improvement Plans.* Prior to commencing construction of Tenant Improvements, Tenant shall electronically submit a full and detailed architectural and engineering plan and construction drawings for the Tenant Improvements ("Tenant Improvement Plans") to Landlord for review and approval (which approval shall not be unreasonably withheld, conditioned or delayed), together with a written notice specifying that Landlord shall have ten (10) business days from Tenant's submission within which to review and provide comments regarding the Tenant Improvement Plans ("Tenant Improvement Plans Review Period"), which notice shall specify the due date for Landlord's response. The Tenant Improvement Plans Review Period may be extended for a reasonable amount of time by Landlord's provision of written notice to Tenant prior to the expiration of the Tenant Improvement Plans Review Period indicating that Landlord requires additional time to review the Tenant Improvement Plans and specifying a new due date by which Landlord will provide its response to Tenant.

(c) *Tenant Improvement Commencement.* Tenant may not commence construction of Tenant Improvements until (i) Tenant Improvement Plans have been submitted to and approved by Landlord as provided in Section 5.2(b), (ii) Tenant has procured all necessary building permits, and (iii) Tenant has obtained the insurance coverage required pursuant to Section 7.1.

(d) *Tenant Allowance.* Landlord shall be responsible for certain costs and expenses incurred in connection with the construction of the Tenant Improvements in an amount equal to Seventy Dollars (\$70.00) multiplied by the number of rentable square feet contained in the Premises ("Tenant Allowance"). The Tenant Allowance may be used to reimburse Tenant for actual hard costs of the Tenant Improvements; provided, however, that (i) the Tenant Allowance may not be used to reimburse Tenant for furniture, removable trade fixtures, equipment or decorative items or for soft costs of the Tenant Improvements, including but not limited to design, planning, architectural and project management fees, all of which shall be at the Tenant's sole cost and expense, (ii) if the total cost of constructing the Tenant Improvements exceeds the amount of the Tenant Allowance, all of such excess costs (including hard costs) shall be at Tenant's sole cost and expense, and (iii) in addition to the foregoing, all costs associated with the installation of telecommunication, data wiring, or IT equipment for the Premises shall be at Tenant's sole cost and expense ("IT Work"). The Tenant Allowance shall be due and payable to Tenant in one payment within thirty (30) days after Tenant has satisfied all of the following conditions:

(i) Tenant has obtained a final certificate of occupancy for the Premises from the City of Houston and has delivered a copy of the final certificate of occupancy to the Landlord;

(ii) Tenant has delivered to Landlord a copy of the Texas State Board of Pharmacy certificate applicable to the Premises;

(iii) The Commencement Date has occurred and Tenant has commenced business in the Premises;

(iv) Tenant has delivered to Landlord the certificates of insurance required pursuant to Section 7.1 and has paid the first installment of Rent required pursuant to Section 4.1;

(v) Tenant has submitted to Landlord a written draw request setting forth the total amount for which Tenant is requesting reimbursement from the Tenant Allowance, together with the following items:

(A) An itemized list of the labor and materials and other hard costs of the Tenant Improvements for which Tenant is requesting reimbursement from the Tenant Allowance;

(B) Copies of paid invoices and/or receipts for the labor and materials and other hard costs of the Tenant Improvements for which Tenant is requesting reimbursement from the Tenant Allowance and a certification from Tenant that Tenant's general contractor(s), architect and all contractors, subcontractors, laborers, materialmen, architects, engineers and all other parties who have performed work on or furnished material for the Tenant Improvements have been paid in full; and

(C) Final, unconditional lien releases or affidavits from Tenant's general contractor(s), architect and all other contractors, subcontractors, laborers, materialmen, engineers and other parties who have performed work on or furnished material for the Tenant Improvements; and

(vi) Tenant is not then in default under any of the terms of this Lease.

Provided, further, that in the event that the foregoing conditions are not fully satisfied within one hundred eighty (180) days from the Effective Date, Tenant shall be deemed to forfeit the Tenant Allowance and the Landlord shall have no further obligation to pay the Tenant Allowance.

(e) *Construction Coordination.* On or after the day that is forty-five (45) days prior to Substantial Completion of the Tenant Improvements, Tenant may enter onto the Premises at no cost to Tenant, subject to the terms and conditions of this Lease, for the purpose of undertaking the IT Work and furniture installation ("Tenant's Additional Work"). Tenant and Landlord shall reasonably coordinate the Tenant Improvements and Tenant's Additional Work so as to avoid any delay in the completion of the Tenant Improvements and any other material or unreasonable interference with work or other activities being performed or conducted in the Premises.

(f) *Tenant Contractor's Insurance.* Prior to undertaking any construction work on the Premises, including the Tenant Improvements and Tenant's Additional Work, Tenant shall cause its contractor(s) to secure and maintain insurance policies for the construction work undertaken on the Premises, including but not limited to workers compensation, general liability, and builder's

risk insurance, in accordance with the requirements of Section 7.1, and both Landlord and Tenant shall be listed as additional insured.

(g) *Supplemental HVAC.* Tenant, at Tenant's sole cost and expense, shall be permitted to install one (1) supplemental, separately-metered HVAC system reasonably necessary for Tenant's business operations serving the Premises ("Supplemental HVAC") at a location reasonably approved by Landlord, and in accordance with plans and specifications approved in writing by Landlord (using the same process described in Section 5.2(b) for Landlord review and approval of Tenant Improvement Plans), subject to each and all of the following terms and conditions: (a) the requirements of all applicable federal, state and local laws, statutes, codes, ordinances, regulations, orders and directives affecting the Building or the installation of HVAC thereon; and (b) if the Supplemental HVAC is installed on the roof: (i) the right of Landlord to require that Landlord's roofing contractor perform any required roof penetrations and/or to supervise any required roof penetrations; (ii) compliance with the conditions of any roof bond or roof warranty maintained by Landlord on the Building; and (iii) Landlord's right to require that Supplemental HVAC be screened in a manner reasonably approved by Landlord so that such Supplemental HVAC is not visible from the surface of the real property on which the Building is situated. Tenant shall be responsible for the repair of any damage to any portion of the Building caused by Tenant's installation, servicing, repairing, use or removal of the Supplemental HVAC, and Tenant shall restore the area on which the Supplemental HVAC was located to its condition as of the Delivery Date (including, without limitation, the sealing of any roof penetrations related thereto, if the Supplemental HVAC is located on the roof of the Building). Tenant's policy of liability insurance shall cover all operations of Tenant related to the Supplemental HVAC. **TENANT COVENANTS AND AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD LANDLORD HARMLESS FROM AND AGAINST ANY AND ALL ACTIONS, CLAIMS, DAMAGES, LIABILITIES, COSTS OR EXPENSES OF EVERY KIND AND NATURE (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES) IMPOSED UPON OR INCURRED BY OR ASSERTED AGAINST LANDLORD ARISING OUT OF TENANT'S INSTALLATION, REPAIR, MAINTENANCE, USE OR REMOVAL OF THE SUPPLEMENTAL HVAC.** Tenant shall be responsible for repairing and maintaining the Supplemental HVAC during the Term. Landlord shall provide, at Landlord's sole cost and expense, condenser water and appropriate tie-in accessible to Tenant. Tenant shall pay for the cost to purchase and install electrical submeter equipment and wiring for, or otherwise related to, the Supplemental HVAC, and thereafter Tenant shall pay to Landlord the monthly electrical submeter charges for the Supplemental HVAC throughout the Term.

The Supplemental HVAC shall remain the property of Tenant, and Tenant shall have the right to remove same at any time during the Term, so long as Tenant is not in default under this Lease (after any required notice and beyond any applicable grace or cure period). Prior to the end of the Term or, if earlier, within five (5) days after this Lease or Tenant's right to possess the Premises has been terminated or Tenant has vacated the Premises, Tenant shall, at its risk and expense, remove the Supplemental HVAC. If Tenant fails to do so, Landlord may remove the Supplemental HVAC and store or dispose of it in any manner Landlord deems appropriate without liability to Tenant; Tenant shall reimburse Landlord for all costs incurred by Landlord in connection therewith within thirty days after Landlord's request therefor. Alternatively, at Landlord's election, Tenant shall deliver to Landlord the Supplemental HVAC in good repair and condition, normal wear and tear excepted, and deliver to Landlord a bill of sale for the

Supplemental HVAC and all operating manuals, keys and similar items with respect to the Supplemental HVAC System, and thereafter the Supplemental HVAC System shall be Landlord's property.

Section 5.3 Construction and Alterations. Tenant shall not make or allow to be made (except as otherwise provided in this Lease) any alterations or physical additions (including fixtures) in or to the Premises or place safes, vaults, filing cabinets, libraries or other heavy furniture or equipment within the Premises without first obtaining the written consent of Landlord. Tenant's alterations or physical additions in or to the Premises subsequent to the construction of the Tenant Improvements shall be undertaken in accordance with the terms and conditions of Section 5.2 with respect to construction of the Tenant Improvements. Notwithstanding the foregoing, Tenant may, without Landlord's consent, make interior nonstructural alterations in and to the Premises which are consistent in quality, color and décor to the Tenant Improvement Plans previously approved by Landlord, provided that the alterations do not involve the front-facing areas of the Premises or the electrical, plumbing and HVAC system.

Section 5.4 Liens. **TENANT SHALL INDEMNIFY AND HOLD HARMLESS LANDLORD FROM AND AGAINST ALL COSTS (INCLUDING REASONABLE ATTORNEY'S FEES AND COSTS OF SUIT), LOSSES, LIABILITIES, OR CAUSES OF ACTION ARISING OUT OF OR RELATING TO ANY ALTERATIONS, MADE BY TENANT OR ITS CONTRACTORS AS OTHERWISE PERMITTED PURSUANT TO THE TERMS AND CONDITIONS OF THIS LEASE, INCLUDING BUT NOT LIMITED TO ANY MECHANICS' OR MATERIALMEN'S LIENS ASSERTED IN CONNECTION THEREWITH.** Should any mechanics' or other liens be filed against the Premises or any portion of the Building or the land on which the Building is situated or any interest therein by reason of Tenant's acts or omissions or because of a claim against Tenant or its contractors, Tenant shall cause the same to be cancelled or discharged of record by bond or otherwise within ten (10) days after notice of such lien by Landlord or otherwise. If Tenant shall fail to cancel or discharge said lien or liens within said ten (10)-day period, which failure shall be deemed to be an Event of Default hereunder, Landlord may, at its sole option and in addition to any other remedy of Landlord hereunder, cancel or discharge the same and upon Landlord's demand, Tenant shall promptly reimburse Landlord for all costs incurred in canceling or discharging such lien or liens plus fifteen percent (15%) for administrative cost recovery.

## **ARTICLE VI MAINTENANCE AND REPAIR, COMPLIANCE WITH LAW, AND SIGNS**

### **Section 6.1 Maintenance, Repair, Janitorial and Rules of the Building**

(a) Tenant shall comply with and observe, and shall cause its agents, contractors, customers, employees, invitees, licensees, servants and visitors to comply with and observe, the rules and regulations of the Building set forth on Exhibit "D" and any additional reasonable rules and regulations reasonably established by Landlord from time to time for the safety, care or cleanliness of the Premises and the Building, or for preservation of good order therein (as same may be amended or modified from time to time pursuant hereto, the "Building Rules and Regulations") . Landlord may from time to time amend or modify the Building Rules and Regulations for the use, safety, cleanliness and care of the Premises and the Building and for the

comfort, quiet enjoyment and convenience of all tenants and their employees, agents and customers. Amendments or modifications to the Building Rules and Regulations will be effective upon notice to Tenant from Landlord or Landlord's designee. In the event of any breach of the Building Rules and Regulations, or any amendments or modifications thereto, Landlord will have all remedies provided in the Lease, or at law or in equity, including the right to enjoin a breach of the Building Rules and Regulations. In the event of any conflict between the provisions of this Lease and the Building Rules and Regulations, the provisions of this Lease will control.

(b) The Landlord is responsible for maintenance, repair, and replacement of the Common Areas, roof, foundation, exterior walls, and building structure. Landlord shall conduct any work with minimal disturbance to Tenant's business, employees, and/or clients. Landlord will, and with reasonable dispatch after being notified in writing by Tenant of the need thereof, maintain and make such repairs as required by this Lease, and as may be necessary to keep the same in a good condition and repair. Upon written receipt from Tenant of a notice indicating the name and contact information of Tenant's facility manager for the Premises, Landlord agrees to accept direction/work orders from Tenant's facility manager via telephone or email. The procedures for Tenant to make repair or maintenance requests are further described in the Building Rules and Regulations.

(c) During the Term, and any extension thereof, Landlord shall maintain HVAC units serving the Premises through a regular maintenance contract with a local service provider. Landlord shall provide the HVAC system to service the Premises which shall have an overall capacity of not less than one ton per 300 rentable square feet of the Premises. Provided, however, the Supplemental HVAC is excepted from the obligations outlined herein.

(d) Landlord shall not be liable for, and Tenant shall not be entitled to, any abatement or reduction of Rent by reason of Landlord's failure to maintain temperature or electrical constancy levels or to furnish any of the foregoing services when such failure is caused by accident, breakage, repairs, strikes, lockouts or other labor disturbance or labor dispute of any character, governmental regulation, moratorium or other governmental action, the failure of any utility to supply its service, inability by exercise of reasonable diligence to obtain electricity, water or fuel, or by any other cause beyond Landlord's reasonable control, nor shall any such failure, stoppage or interruption of any such service be construed as an eviction of Tenant, or relieve Tenant from the obligation to perform any covenant or agreement herein, and in no event shall Landlord be liable for damage to persons or property, or in default hereunder, as a result of such failure, stoppage or interruption of any such service. In the event of any such failure, stoppage or interruption of any such service, however, Landlord shall use reasonable diligence to resume such service promptly. No representation is made by Landlord with respect to the adequacy or fitness of the Building's ventilating, air conditioning or other systems to maintain temperatures as may be required for the operation of any computer, data processing or other special equipment of Tenant.

(e) During the Term, and any extension thereof, Tenant will keep and maintain the Premises in good condition and repair. Tenant will not commit or allow any waste or damage to be committed on any portion of the Premises.

(f) Landlord shall provide daily janitorial services, except on weekends and holidays, in accordance with the specifications outlined in the Building Rules and Regulations.

(g) Tenant will surrender the Premises at the expiration of the Term or at such other time as Tenant may vacate the Premises in good condition and repair, broom-clean, excepting ordinary wear and tear, damage by fire or accident not occasioned by reason of Tenant's neglect or negligence, or act of God.

Section 6.2 Compliance with Law. Upon receipt of notice from any duly constituted public authorities, Tenant shall comply with their lawful requirements and hold Landlord harmless from penalties, fines, costs or damages resulting from Tenant's occupancy and use of the Premises.

Section 6.3 Signs. Tenant shall be permitted to install signage within or at the entrance to the Premises ("Tenant Signage") at designated locations approved in writing by the Landlord, and in accordance with Landlord's signage standards for the Building ("Signage Standard") and the Building Rules and Regulations and subject to all applicable signage criteria and other requirements of the City of Houston and/or any other governmental entities or agencies having jurisdiction thereover. Tenant shall install Tenant Signage at Tenant's sole cost and expense. Tenant shall be responsible for the removal costs of Tenant Signage upon the expiration or termination of this Lease.

## ARTICLE VII INSURANCE AND CASUALTY

### Section 7.1 Tenant's Insurance.

(a) Throughout the Term, and any extension thereof, Tenant at its sole cost and expense shall keep or cause to be kept commercial general liability insurance with respect to the Premises, and the business operated by Tenant (and any subtenants of Tenant) in the Premises which insurance shall afford the following minimum limits of coverage:

Each Occurrence (Combined Single Limit Bodily Injury or Property Damage)	\$1,000,000
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury Liability	\$1,000,000
Fire Damage Legal Liability	\$ 50,000
Medical Payments	\$ 5,000

Tenant shall also maintain minimum excess coverage of not less than Five Million Dollars (\$5,000,000.00) per occurrence, provided Tenant shall carry such greater limits of coverage as Landlord may reasonably request from time to time. Landlord, any property manager, and any other parties that Landlord designates shall be named as additional insureds on all commercial general liability and excess liability policies. Tenant shall also carry workers' compensation and employers' liability insurance on its employees in accordance with applicable state laws. All policies required to be carried by Tenant hereunder shall be issued by and binding upon an insurance company licensed to do business in Texas with a rating of at least "A VIII" or better as set forth in the most current issue of Best's Insurance reports, unless otherwise approved by Landlord. Tenant shall not do or permit anything to be done that would invalidate the insurance policies required.

(b) Tenant agrees to carry, at its expense, (i) “all-risk” property insurance against fire, vandalism, windstorm, explosion, smoke damage, malicious mischief, and such other perils as are from time to time included in a standard extended coverage endorsement, insuring Tenant’s merchandise, trade fixtures, furnishings, equipment and all other items of personal property of Tenant located on or within the Premises, in an amount equal to the actual replacement cost thereof and to furnish Landlord with a certificate evidencing such coverage, and (ii) by endorsement to Tenant’s all-risk property insurance or by separate policy, property insurance against damage to or destruction of Tenant’s merchandise, trade fixtures, furnishings, equipment and other personal property, and to furnish Landlord with a certificate evidencing such coverage. If Tenant does not provide evidence of the herein described insurance, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord as additional rent upon delivery to Tenant of bills therefor with reasonable supporting documentation. Tenant’s insurance shall be with an insurance carrier with a Bests Guide Rating of A-/VI or better.

(c) Liability insurance maintained by Tenant shall be primary coverage without right of contribution by any similar insurance that may be maintained by Landlord. All policies shall name the Landlord and/or Landlord’s designees as additional insured (except for workers’ compensation) and shall contain a provision by which the insurer agrees that such policy shall not be canceled, materially changed, terminated or not renewed with respect to the Premises except after at least fifteen (15) days advance written notice to Landlord and/or such designees.

(d) Tenant shall deliver certificates of insurance evidencing the required coverages hereunder to Landlord on or before the Commencement Date and at least annually thereafter during the Term.

(e) At all times that Tenant is undertaking improvement work in the Premises, the Tenant specifically agrees to carry, or cause its contractors to carry, builder’s risk completed value insurance on the improvements, in an amount approved by Landlord, not to exceed One Million Dollars (\$1,000,000.00). Tenant shall deliver to Landlord, and obtain Landlord’s written approval of, certificates of insurance showing Tenant’s compliance with such insurance requirements and compliance with the additional insurance requirements set forth in subsection (f). Such approval will not be unreasonably withheld, delayed, or conditioned and shall be granted within five (5) days after Tenant’s written request for approval. If Landlord fails to respond within such time period, Landlord’s approval shall be deemed given.

(f) Tenant shall require any contractor of Tenant performing work on the Premises to take out and keep in force, at no expense to Landlord, (a) commercial general liability insurance (including contractor’s liability coverage, contractual liability coverage, completed operations coverage, and broad form property damage endorsement) to afford protection to the limit, for each occurrence, of not less than Two Million Dollars (\$2,000,000.00) with respect to personal injury or death and One Million Dollars (\$1,000,000.00) with respect to property damage; and (b) worker’s compensation coverage in the amount required by law which includes a waiver of subrogation clause in favor of Landlord and Landlord’s designated property manager for the Building. Such policy shall name Landlord and/or Landlord’s designees as additional insureds.

(g) If Tenant shall not comply with any covenant to maintain insurance as provided herein, then after the applicable notice and cure period, Landlord may, at its option, cause

insurance as aforesaid to be issued and, in such event, Tenant shall promptly pay when due premiums for insurance as Additional Rent hereunder.

Section 7.2 Fire Insurance. Landlord agrees, during the Term, to carry “all-risk” property insurance against fire, vandalism, malicious mischief and such other perils as are from time to time included in a standard extended coverage endorsement and, at Landlord’s option, special extended coverage endorsements insuring the improvements to the Premises in an amount determined solely by Landlord, but not less than eighty percent (80%) of the full replacement cost, if available.

Section 7.3 Damage or Destruction.

(a) In the event the Premises shall be partially or totally destroyed by fire or other casualty insured under the insurance carried by Landlord pursuant to Section 7.2 hereof, as to become partially or totally untenable, the damage to the Premises shall be promptly repaired by Landlord, unless Landlord shall elect not to rebuild as hereinafter provided, and a just and proportionate part of the Rent and all other charges shall be abated, until so repaired. The obligation of Landlord hereunder shall be limited to reconstructing the Premises in accordance with the initial plans and specifications for the construction of the Premises with all of Landlord’s work complete (the “Restoration Condition”). In no event shall Landlord be required to repair or replace any alterations made by Tenant pursuant to Section 5.3 of this Lease, nor any of Tenant’s merchandise, trade fixtures, furnishings or equipment, nor any portion of Tenant’s Improvements that is not covered by Landlord’s property insurance policy. If more than twenty-five percent (25%) of the Premises shall be damaged or destroyed by fire or other casualty then Landlord may elect either to repair or rebuild the Premises, as the case may be, or to terminate this Lease by giving written notice to Tenant of its election to so terminate, such notice to be given within one hundred twenty (120) days after the occurrence of such damage or destruction. If Landlord is required or elects to repair or rebuild the Premises as herein provided, Tenant shall repair or replace its merchandise, trade fixtures, furnishings and equipment in a manner and to at least a condition equal to that prior to its damage or destruction. If, for whatever reason, Landlord has not restored the Premises to the Restoration Condition within two hundred ten (210) days after the date of any casualty, Tenant shall have the right to terminate this Lease by giving irrevocable written notice of termination to Landlord any time prior to the date on which the Premises are restored to the Restoration Condition, but not thereafter.

(b) If the Premises or any other portion of the Building is damaged by fire or other casualty resulting from the fault or negligence of Tenant or its agents, contractors, customers, employees, invitees, licensees, servants or visitors, the Rent shall not abate as to the portion of the Premises rendered untenable, and Tenant shall be liable to Landlord for the cost of repair and restoration of the Building to the extent such costs are not covered by insurance proceeds.



## ARTICLE VIII DEFAULTS AND REMEDIES

Section 8.1 Tenant's Default. The occurrence of any one or more of the following events shall constitute an event of default ("Event of Default") under this Lease:

(a) the failure by Tenant to pay when due any sum of money to be paid by Tenant under this Lease, such failure continuing for a period of five (5) days after written notice thereof (provided that Landlord shall not be required to provide such notice and opportunity to cure with respect to more than one (1) such default in any one (1) calendar year period);

(b) the failure by Tenant to comply with or perform any of the other terms, provisions, covenants or conditions which Tenant is required to observe and to perform; or the vacation or abandonment by Tenant of the Premises or any part thereof during the Term or any renewals or extensions thereof; or, if Tenant is an entity, if Tenant ceases to exist in good standing in the state of its organization or is dissolved or otherwise liquidated; and any of the above-mentioned failures or actions continue for a period of twenty (20) days after notice thereof; provided, however, if the nature of the default is such that it cannot be cured with the exercise of Tenant's best efforts within the twenty (20)-day period, Tenant shall have up to ninety (90) days from the date of Landlord's notice to cure such default, provided Tenant undertakes such curative action within the twenty (20)-day period and diligently and continuously proceeds with such curative action using Tenant's best efforts (but notwithstanding the foregoing, Landlord shall not be required to provide such notice and opportunity to cure with respect to more than one (1) default of the same nature in any one (1) calendar year period);

(c) a general assignment by Tenant for the benefit of creditors;

(d) the filing of any voluntary petition in bankruptcy by Tenant or the filing of an involuntary petition by Tenant's creditors, which involuntary petition remains undischarged or unstayed for a period of sixty (60) days, provided, that in the event that under applicable law the trustee in bankruptcy or Tenant has the right to affirm this Lease and continue to perform the obligations of Tenant hereunder, such trustee or Tenant shall, in such time period as may be permitted by the bankruptcy court having jurisdiction, cure all defaults of Tenant hereunder outstanding as of the date of the affirmance of this Lease and provide to Landlord such adequate assurances as may be necessary to ensure Landlord of the continued performance of Tenant's obligations under this Lease;

(e) the admission by Tenant in writing of its inability to pay its debts as they become due, the filing by Tenant of a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, the filing by Tenant of an answer admitting or failing timely to contest a material allegation of a petition filed against Tenant in any such proceeding, or, if within sixty (60) days after the commencement of any proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceeding shall not have been dismissed;

(f) the attachment, execution or other judicial seizure of all or substantially all of Tenant's assets or the Premises, if such attachment or other seizure remains undismissed or undischarged for a period of ten (10) business days after the levy thereof;

(g) the employment of a receiver to take possession of substantially all of Tenant's assets or the Premises, if such receivership remains undissolved for a period of ten (10) business days after creation thereof; and

(h) the occurrence of any of the matters identified in clauses (c) through (g) as to any guarantor of Tenant's obligations under this Lease or the default under any guaranty of Tenant's obligations under this Lease.

Section 8.2 Landlord's Remedies. If an Event of Default occurs, as provided in Section 8.1 above, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

(a) Terminate this Lease in which event Tenant shall immediately surrender the Premises to Landlord and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which Landlord may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim of damages thereof;

(b) Enter upon and take possession of the Premises and expel and permanently exclude Tenant and any other person who may be occupying the Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages therefor with or without having terminated this Lease. Landlord may, if it so elects, relet the Premises on Landlord's terms and receive the rent therefor; and Tenant agrees to pay to Landlord, on demand, any deficiency that may arise by reason of such reletting for the remainder of the Term;

(c) Do whatever Tenant is obligated to do under the terms of this Lease (and enter upon the Premises in connection therewith if necessary) without being liable for prosecution or any claim for damages therefor, and Tenant agrees to reimburse Landlord upon demand for any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease, plus interest thereon at the lesser of the highest nonusurious rate permitted by law or eighteen percent (18%) per annum (the "Default Rate"), and Tenant further agrees that Landlord shall not be liable for any damages resulting to Tenant from such action; and

(d) Alter all locks and other security devices at the Premises with or without terminating this Lease. Landlord shall not be obligated to provide a key or other means of ingress to Tenant or Tenant's agents or to provide re-entry for any reason or under any circumstances whatsoever.

Section 8.3 No Acceptance of Surrender. Exercise by Landlord of any one or more remedies hereunder granted or otherwise available shall not be deemed to be an acceptance of surrender of the Premises by Tenant, whether by agreement or by operation of law, it being understood that such surrender can be effected only by the written agreement of Landlord and Tenant. No such alteration of locks or other security devices and no removal or other exercise of

dominion by Landlord over the property of Tenant or others at the Premises shall be deemed unauthorized or constitute a conversion, Tenant hereby consenting, after any event of default, to the aforesaid exercise of dominion over Tenant's property within the Premises. All claims for damages by reason of such re-entry and or repossession and or alteration of locks or other security devices are hereby waived, as are all claims for damages by reason of any distress warrant, forcible detainer proceedings, sequestration proceedings or other legal process. Tenant agrees that any re-entry by Landlord may be pursuant to judgment obtained in forcible detainer proceedings or other legal proceedings or without the necessity for any legal proceedings, as Landlord may elect, and Landlord shall not be liable in trespass or otherwise.

Section 8.4 Landlord Termination. In the event Landlord elects to terminate this Lease by reason of an event of default, then notwithstanding such termination, Tenant shall be liable for and shall pay to Landlord at the address specified for notice to Landlord herein (i) the sum of all Rent and other amounts payable to Landlord pursuant to the terms of this Lease which have accrued to date of such termination, plus (ii) an amount equal to the present value, as of the date of such termination, of the total Rent and other amounts that would have been payable to Landlord hereunder for the remaining portion of the Term (had such Term not been terminated by Landlord prior to the stated date of expiration of this Lease), less the present value, as of the date of such termination, of any net amounts that Tenant proves Landlord can reasonably expect to recover by reletting the Premises, taking into consideration the availability of acceptable tenants and other market conditions (present values shall be calculated using a discount rate equal to the 90-day U.S. Treasury Bill Rate at the date of such termination), plus (iii) any other amounts reasonably necessary to compensate Landlord for all damages proximately caused by Tenant's default, including (without limitation) costs of reletting described in Section 8.6 below, plus (iv) interest thereon at the Default Rate.

Section 8.5 Landlord Repossession Without Termination. In the event that Landlord elects to repossess the Premises without terminating this Lease, then Tenant shall be liable for and shall pay to Landlord at the address specified for notice to Landlord herein all Rent and other amounts payable to Landlord pursuant to the terms of this Lease which have accrued to the date of such repossession, plus total Rent and other amounts required to be paid by Tenant to Landlord during the remainder of the Term until the stated date of expiration of the Term, diminished by any net sums thereafter received by Landlord through reletting the Premises during said period (after deducting expenses incurred by Landlord as provided in Section 8.6 hereof). In no event shall Tenant be entitled to any excess of any Rent obtained by reletting over and above the Rent herein reserved. Actions to collect amounts due by Tenant to Landlord as provided in this Section 8.5 may be brought from time to time, on one or more occasions, without the necessity of Landlord's waiting until expiration of the Lease Term.

Section 8.6 Costs of Reletting. In case of any event of default, Tenant shall also be liable for and shall pay to Landlord, in addition to any sum provided to be paid above, reasonable broker's fees incurred by Landlord in connection with reletting the whole or any part of the Premises; the reasonable costs of removing and storing Tenant's or other occupant's property; the reasonable costs of making any repairs that Tenant is responsible for under this Lease; and all reasonable costs, fees and expenses incurred by Landlord in enforcing or defending Landlord's rights and or remedies, including reasonable attorneys' fees.

Section 8.7 Reletting Premises. To the extent required by applicable law, Landlord shall be obligated to use commercially reasonable efforts to mitigate its damages arising out of an event of default by Tenant. Landlord and Tenant agree that Landlord shall have satisfied any duty to use “commercially reasonable efforts,” to relet the Premises by doing the following: (i) posting a “For Lease” sign on the Premises, (ii) advising Landlord’s leasing staff of the availability of the Premises; and (iii) advising at least one commercial brokerage entity familiar with the market in which the Premises are located of the availability of the Premises. Landlord shall not in any event be required to give any preference or priority to the showing or leasing of the Premises over any other space that Landlord may be leasing or have available and may place a suitable prospective tenant in any such available space regardless of when such alternative space becomes available; provided, further, that Landlord shall not be required to observe any instruction given by Tenant about such reletting or accept any tenant offered by Tenant unless such offered tenant has a creditworthiness reasonably acceptable to Landlord, leases the entire Premises, and agrees to use the Premises for the Permitted Use, or for another use acceptable to Landlord, in its reasonable discretion. In any such case, Landlord may, but shall not be required to, make repairs, alterations and additions in or to the Premises and redecorate the same to the extent Landlord deems necessary or desirable.

Section 8.8 Waiver by Landlord. One or more waivers of any covenant or condition by Tenant shall not be construed as a waiver of a subsequent breach of the same covenant or condition, and the consent or approval by Landlord to or of any act by Tenant requiring such Landlord’s consent or approval shall not be deemed to render unnecessary Landlord’s consent or approval to or of any subsequent similar act by Tenant. No breach of a covenant or condition of this Lease by Tenant shall be deemed to have been waived by Landlord, unless such waiver be in writing by Landlord.

Section 8.9 Landlord’s Default. If Landlord fails to perform any of its obligations hereunder within thirty (30) days after written notice from Tenant specifying such failure (provided Landlord shall be allowed such additional time as may be reasonably necessary so long as Landlord commences performance within such thirty (30) day period and thereafter diligently pursues such failure to completion), Tenant’s exclusive remedy shall be an action for damages. Unless Landlord fails to cure any default after such notice and after expiration of such cure period, Tenant shall not have any remedy or cause of action by reason thereof. Liability of Landlord to Tenant for any default by Landlord shall be limited to actual, direct damages therefor and shall be recoverable only from the interest of Landlord in the Building and the land on which the Building is situated, and Landlord shall have no personal liability therefor. Under no circumstances shall Landlord ever be liable for punitive, consequential or special damages, including without limitation any damages as a result of interruption of Tenant’s business or any loss of income therefrom. **TENANT HEREBY WAIVES ITS STATUTORY LIEN UNDER SECTION 91.004 OF THE TEXAS PROPERTY CODE.** Landlord’s obligations under this Lease are independent of Tenant’s obligations, and any default by Landlord not timely cured shall give Tenant no right to withhold, abate or set-off Rent, (but Tenant shall have such other rights and remedies as may be available to Tenant under applicable laws, subject to the other provisions of this Lease).

Section 8.10 Remedies Nonexclusive. The rights and remedies of either party herein stated shall be in addition to any and all other rights and remedies which either party has or may

hereafter have at law or in equity; and each party stipulates and agrees that the rights herein granted to each party are commercially reasonable.

## ARTICLE IX NOTICES

Section 9.1 Notices. All notices required herein to be given by Tenant to the Landlord shall be given via overnight delivery by courier service, and shall be sent to Landlord at:

Midtown Redevelopment Authority  
410 Pierce Street, Suite 355  
Houston, TX 77002

or to such other person or place as shall be designated in writing by the Landlord; and all notices required herein to be given by Landlord to Tenant shall be sent to Tenant via overnight delivery by courier service at:

Iridium Specialty Pharmacy, PLLC

or to such other person or place as shall be designated in writing by Tenant.

## ARTICLE X QUIET ENJOYMENT AND HOLDING OVER

Section 10.1 Quiet Enjoyment of Tenant. Tenant, upon paying the Rent and complying with the terms, covenants and conditions of this Lease, shall and may peaceably and quietly have, hold and enjoy the Premises for the Term.

Section 10.2 Holding Over. In the absence of a written agreement to the contrary, if Tenant should remain in occupancy of the Premises after the expiration of the Term, or any formal extension thereof, Tenant shall remain only as a Tenant from month-to-month, and all applicable provisions of this Lease shall also be applicable during such month-to-month tenancy, except that the monthly Base Rent shall be equal to 150% of the Base Rent payable in the last month of the Term, and no extension or renewal of this Lease shall be deemed to have occurred by such holding over. **IN THE EVENT OF ANY UNAUTHORIZED HOLDING OVER, TENANT SHALL INDEMNIFY LANDLORD (I) AGAINST ALL CLAIMS FOR DAMAGES BY ANY OTHER TENANT TO WHOM LANDLORD MAY HAVE LEASED ALL OR ANY PART OF THE PREMISES EFFECTIVE UPON THE TERMINATION OF THIS LEASE, AND (II) FOR ALL OTHER LOSSES, COSTS, AND EXPENSES, INCLUDING REASONABLE ATTORNEYS' FEES, INCURRED BY REASON OF SUCH HOLDING OVER.** Any holding over with the written consent of Landlord shall thereafter constitute an extension of this Lease on a month-to-month basis. The provisions of this Section 10.2 shall survive the expiration or termination of this Lease.

## ARTICLE XI EMINENT DOMAIN

Section 11.1 Total Condemnation. If the whole of the Premises shall be taken by any public authority under the power of eminent domain, then the Term shall cease as of the day possession shall be taken by such public authority and the Rent shall be paid up to that day with a proportionate refund by Landlord of such Rent as may have been paid in advance for a period subsequent to the date of the taking.

Section 11.2 Partial Condemnation. If only a part of the Premises shall be taken by any public authority under the power of eminent domain, then, except as otherwise provided in this Section 11.2 and Section 11.3, this Lease and the Term shall continue in full force and effect, but, from and after the date possession shall be taken by such public authority, the Rent shall be reduced in the proportion which the area or the part of the Premises so acquired bears to the total area of the Premises immediately prior to such condemnation. If, by reason of such condemnation, more than twenty-five percent (25%) of the combined area of the Building is taken or Tenant no longer has a reasonable means of access to the Premises, Landlord or Tenant shall have the right to terminate this Lease and declare the same null and void, by written notice of such termination to the other party within ten (10) days after such taking. In the event neither party exercises said rights of termination the Term shall cease only as to the part so taken as of the day possession shall be taken by such public authority and Tenant shall pay Rent up to that day, with an appropriate refund by Landlord of such Rent as may have been paid in advance for a period subsequent to the date of the taking, and thereafter all the terms herein provided shall continue in effect, except that the Rent shall be reduced in proportion to the amount of the Premises taken and Landlord shall, to the extent practicable, restore the Premises so that the remaining portion of the Premises shall be partitioned off from the portion so taken or condemned; however, Landlord shall be obligated to restore or rebuild the damaged property only to the extent that the net proceeds of such taking are available to Landlord for the purposes of rebuilding and restoration.

Section 11.3 Landlord's and Tenant's Damages. All damages awarded for any taking under the power of eminent domain, whether for the whole or a part of the Premises, shall belong to and be the property of Landlord, whether such damages shall be awarded as compensation for diminution in value to the leasehold or to the fee of the Premises; provided, however, that Landlord shall not be entitled to any award specifically made for depreciation to, and cost of removal of, Tenant's stock and trade fixtures, and unamortized improvements.

## ARTICLE XII LIABILITY AND WAIVER OF SUBROGATION

Section 12.1 Hold Harmless. **TENANT SHALL NOT BE LIABLE TO LANDLORD OR TO LANDLORD'S AGENTS, CONTRACTORS, CUSTOMERS, EMPLOYEES, INVITEES, LICENSEES, SERVANTS OR VISITORS FOR ANY DAMAGE TO PERSON OR PROPERTY CAUSED BY ANY ACT, OMISSION OR NEGLECT OF LANDLORD, ITS AGENTS, CONTRACTORS, CUSTOMERS, EMPLOYEES, INVITEES, LICENSEES, SERVANTS OR VISITORS AND, EXCEPT AS OTHERWISE PROVIDED HEREIN, AND SUBJECT TO THE PROVISIONS OF SECTION 12.2, TO THE EXTENT PERMITTED BY APPLICABLE LAW, LANDLORD AGREES TO INDEMNIFY AND**

**HOLD TENANT HARMLESS FROM ALL CLAIMS FOR SUCH DAMAGE. NEITHER LANDLORD NOR ANY MORTGAGEE(S) SHALL BE LIABLE TO TENANT, ITS AGENTS, CONTRACTORS, CUSTOMERS, EMPLOYEES, INVITEES, LICENSEES, SERVANTS OR VISITORS FOR ANY DAMAGE TO PERSON OR PROPERTY CAUSED BY ANY ACT, OMISSION OR NEGLECT OF TENANT, ITS AGENTS, CONTRACTORS, CUSTOMERS, EMPLOYEES, INVITEES, LICENSEES, SERVANTS OR VISITORS, AND, EXCEPT AS OTHERWISE PROVIDED HEREIN, AND SUBJECT TO THE PROVISIONS OF SECTION 12.2, TENANT AGREES TO INDEMNIFY AND HOLD LANDLORD AND ANY MORTGAGEE(S) HARMLESS FROM ALL LIABILITY AND CLAIMS FOR ANY SUCH DAMAGE.** Notwithstanding anything contained in this Lease to the contrary, the provisions of this Section 12.2 shall survive the expiration or termination of this Lease.

Section 12.2 Waiver of Subrogation. **ANYTHING IN THIS LEASE TO THE CONTRARY NOTWITHSTANDING, LANDLORD AND TENANT HEREBY WAIVE ANY AND ALL RIGHTS OF RECOVERY, CLAIM, ACTION OR CAUSE OF ACTION AGAINST THE OTHER, ITS AGENTS, EMPLOYEES, OFFICERS, MEMBERS, PARTNERS, SERVANTS OR SHAREHOLDERS FOR ANY LOSS OR DAMAGE THAT MAY OCCUR TO THE PREMISES OR THE BUILDING, OR ANY IMPROVEMENTS THERETO, OR ANY PERSONAL PROPERTY OF SUCH PARTY THEREIN, BY REASON OF FIRE, THE ELEMENTS OR ANY OTHER CAUSE WHICH IS OR IS REQUIRED TO BE INSURED AGAINST UNDER THE TERMS OF THE ALL RISKS PROPERTY POLICIES REQUIRED TO BE OBTAINED PURSUANT TO THIS LEASE, WHETHER OR NOT ACTUALLY INSURED, REGARDLESS OF CAUSE OR ORIGIN, INCLUDING NEGLIGENCE OF THE OTHER PARTY HERETO, ITS AGENTS, EMPLOYEES, OFFICERS, MEMBERS, PARTNERS, SERVANTS OR SHAREHOLDERS, AND EACH PARTY COVENANTS THAT NO INSURER SHALL HOLD ANY RIGHT OF SUBROGATION AGAINST SUCH OTHER PARTY.**

### **ARTICLE XIII SUBORDINATION**

Section 13.1 Subordination of Lease to Mortgage. Tenant agrees that this Lease shall, at the request of Landlord, be subordinate to any first mortgages or deeds of trust that may be placed upon the Premises and to any and all advances to be made thereunder, and to the interest thereon, and all renewals, replacements and extensions thereof, provided the mortgagee or trustee named in said mortgages or trust deeds shall agree to recognize the Lease in the event of foreclosure if Tenant is not then in default under this Lease beyond any applicable notice and opportunity to cure period, if any. Tenant also agrees that any mortgagee or trustee may elect to have this Lease constitute a prior lien to its mortgage or deed of trust, and in the event of such election and upon recording an instrument to that effect in the Official Public Records of Real Property of Harris County, Texas, in which the Premises are located, this Lease shall be deemed a prior lien to the said mortgage or deed of trust, whether this Lease is dated prior to or subsequent to the date of said mortgage or deed of trust. Tenant agrees that within fourteen (14) days after written request from Landlord, any mortgagee or any trustee, it shall execute any and all reasonable instruments which may be requested to carry out the intent of this Section.

## ARTICLE XIV TENANT OPTIONS

### Section 14.1 Option to Renew.

(a) Tenant has the option (the “Renewal Option”) to renew and extend the Term of this Lease for one (1) additional period of five (5) years, at Tenant’s election (the “Renewal Term”). If Tenant desires to elect to exercise the Renewal Term, then Tenant shall do so by delivering written notice of the exercise thereof to Landlord no later than six (6) months prior to the Expiration Date (the “Extension Notice Date”); the Extension Notice Date shall be set forth in the Commencement Date Agreement. If Tenant fails to give notice of exercise of the Renewal Option within such specified time period, the Renewal Option shall be deemed waived and of no further force and effect, and this Lease shall terminate upon the expiration of the initial Term.

(b) Tenant’s right to extend this Lease as provided for herein can be exercised only if, at the time of Tenant’s exercise of the Renewal Option and upon the commencement of the Renewal Term, (a) no Event of Default then exists under this Lease, and (b) Tenant is in occupancy of the entire Premises (unless Landlord, in its sole discretion, elects to waive such condition(s)). Occupancy by a sublessee or assignee (other than an assignee of Tenant’s entire interest in this Lease permitted under Section 4.4 of this Lease) shall not constitute occupancy by Tenant. If either of such conditions are not satisfied or waived by Landlord, the Renewal Option shall be terminated and of no further force and effect, any purported exercise thereof shall be null and void, and this Lease shall terminate upon the expiration of the initial Term.

(c) If Tenant exercises the Renewal Option (in accordance with and subject to the provisions of this Section), all of the terms, covenants and conditions provided in this Lease shall continue to apply during the Renewal Term, except that (a) the rental rate used to calculate the Base Rent payable during the Renewal Term shall be the then-Market Base Rental Rate (defined below) for the Premises; provided, however, in no event shall the Base Rent during such Renewal Term be less than the Base Rent Tenant is obligated to pay under this Lease immediately prior to the commencement of the Renewal Term; (b) the Premises shall be provided in their then-existing condition (on an as-is basis) at the time the Renewal Term commences, without any obligation on the part of Landlord to furnish, install or modify any leasehold improvements or to provide any allowance or credit therefor; and (c) any terms, covenants and conditions that are expressly or by their nature inapplicable to the Renewal Term shall be deemed void and of no further force and effect.

(d) Within thirty (30) days after receipt of Tenant’s notice of exercise of the Renewal Option, Landlord will notify Tenant in writing of its determination of the Market Base Rental Rate for the Premises for the Renewal Term (“Landlord’s Determination”). If Tenant disagrees with Landlord’s Determination, Tenant shall have a period of ten (10) days after receipt of Landlord’s notice to withdraw its exercise of the Renewal Option by written notice to Landlord, in which event the Renewal Option shall be terminated and of no further force and effect and this Lease shall terminate upon the expiration of the then-current term. If Tenant does not so withdraw its exercise of the Renewal Option, Tenant shall be conclusively deemed to have accepted the Market Base Rental Rate set forth in Landlord’s Determination as the Base Rent for the Renewal Term.



(e) Notwithstanding anything to the contrary contained in this Lease, Tenant shall not have the right to assign the Renewal Option to any subtenant or assignee, and no subtenant or assignee may exercise such option; provided that any assignee of Tenant's entire interest in this Lease permitted under Section 4.4 of this Lease shall have the same rights as Tenant to exercise the Renewal Option under this Section.

(f) "Market Base Rental Rate" means the annual amount per square foot of rentable square feet that a willing tenant would pay and a willing landlord would accept in arm's length, bona fide negotiations for the Premises or such other applicable space in the Building to be executed at the time of determination and, if applicable, to commence at the beginning of the Renewal Term or other term, as determined by Landlord taking into account comparable lease transactions (i.e., new leases, renewals, and expansions) made in the Building and the rental rate then being charged in the market area for space comparable to the Premises or such other applicable space in the Building (taking into consideration use, location and/or floor level within the applicable building, definition of usable area, leasehold improvements provided (i.e., whether or not the space is delivered on an "as-is" basis)), quality, age, location and condition thereof and of the applicable building, rental concessions and allowances, if any, then being provided in the market area, and the time the particular rate under consideration became effective, the additional rent and other amounts then payable by Tenant under this Lease, whether or not any brokerage commissions are payable, parking rentals or concessions, creditworthiness of Tenant, term of lease, area of leased premises, and whether the lease is gross or net). Bona fide written offers to lease space in the Building, including the Premises or such other applicable space in the Building, made to Landlord by third parties (at arm's length) may be used as an indication of Market Base Rental Rate.

## ARTICLE XV GENERAL

Section 15.1 Security Deposit. Upon receipt from Tenant of the sum of \$3,104.41, which sum is due and payable on or before the date of execution of this Lease (the "Security Deposit"), such sum shall be held by Landlord without interest as security for the performance by Tenant of Tenant's covenants and obligations under this Lease, it being expressly understood that such security is not an advance payment of rent or a measure of Landlord's damages in case of default by Tenant. If at any time during the Lease Term any of the Rent or additional charges herein reserved shall be overdue and unpaid, or any other sum payable by Tenant to Landlord hereunder shall be overdue and unpaid, then Landlord may at its option apply any portion of said Security Deposit to the payment of any such overdue Rent or other charges. In the event of the failure of Tenant to keep and perform any of the other terms, covenants and conditions of this Lease to be kept and performed by Tenant, then Landlord, at its option, may apply the Security Deposit, or so much thereof as may be necessary, to compensate Landlord for loss, cost or damage sustained, incurred or suffered by Landlord due to such breach on the part of Tenant. Should the Security Deposit or any portion thereof be applied by Landlord as herein provided, Tenant shall, upon written demand of Landlord, remit to Landlord a sufficient amount in cash to restore the Security Deposit to the original sum deposited, and Tenant's failure to do so within five (5) days after receipt of such demand shall constitute an event of default by Tenant under this Lease. Any remaining balance of such Security Deposit shall be returned by Landlord to Tenant at such time

after termination or expiration of this Lease that all of Tenant's obligations under this Lease have been fulfilled.

Section 15.2 Estoppel Certificates. Within fifteen (15) business days following receipt of a written request from Landlord, Tenant shall execute, acknowledge and deliver to the Landlord a written statement certifying (i) that this Lease is in full force and effect and unmodified or, if modified, stating the nature of such modification, (ii) the date to which Rent has been paid, and (iii) that there are not, to the Tenant's knowledge, any uncured defaults, or specifying such defaults, if any are claimed.

SECTION 15.3 Broker's Commission. Landlord and Tenant represent they have not had any dealings with any real estate broker other than Ryland Enterprise Inc., dba ARVO Realty Advisors, and Cushman & Wakefield of Texas Inc. ("Landlord's Brokers"). Landlord shall pay to Landlord's Brokers any commissions or fees that are due to Landlord's Brokers with respect to this Lease. Each party represents and warrants to the other, that, to its knowledge, no other broker, agent or finder (a) negotiated or was instrumental in negotiating or consummating this Lease on its behalf, or/and (b) is or might be entitled to a commission or compensation in connection with this Lease. **LANDLORD AND TENANT SHALL EACH INDEMNIFY AND HOLD THE OTHER HARMLESS AGAINST ANY PARTY OTHER THAN BROKERS CLAIMING UNDER THE INDEMNIFYING PARTY FOR ANY SUCH FEES, INCLUDING WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND COURT COSTS.**

Section 15.4 Disclaimer of Representations and Warranties. It is understood and agreed by Tenant that Landlord and Landlord's agent have made no representations, promises or warranties with respect to the Premises or the making or entry into this Lease except as are expressly set forth in this Lease and that no claim or liability, or cause for termination, shall be asserted by Tenant against Landlord for, and Landlord shall not be liable by reason of, the breach of any representations, promises or warranties not expressly stated in this Lease. Landlord's duties and warranties are limited to those set forth in this Lease and shall not include any implied duties or warranties, all of which are hereby disclaimed by Landlord and waived by Tenant. **EXCEPT TO THE EXTENT EXPRESSLY SET OUT IN THIS LEASE, TO THE FULLEST EXTENT ALLOWED BY LAW, LANDLORD EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES OF TO TENANT OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION REPRESENTATIONS AS TO TITLE, HABITABILITY, CONDITION OF THE PREMISES (INCLUDING WITHOUT LIMITATION THE ENVIRONMENTAL CONDITION OF THE PREMISES OR ITS SUITABILITY FOR A PARTICULAR PURPOSE OR COMMERCIAL USE), AND PROVISION OF SERVICES. TENANT HAS HAD A FULL AND FAIR OPPORTUNITY TO INSPECT THE PREMISES AND TO HAVE QUALIFIED EXPERTS INSPECT THE PREMISES PRIOR TO THE EXECUTION OF THIS LEASE AND FINDS THAT THE PREMISES SUIT TENANT'S PURPOSES AND ACCEPTS THE PREMISES "AS IS, WHERE IS," AND WITH ALL DEFECTS, IF ANY.**

Section 15.5 Not a Joint Venture. Any intention to create a joint venture or partnership relation between the parties hereto is hereby expressly disclaimed.

Section 15.6 Applicable Law. This Lease shall be construed under the laws of the State of Texas, wherein it is made. In any action brought under this Lease, Tenant submits to the jurisdiction of the courts of the state of Texas and to venue in Harris County.

Section 15.7 Entire Agreement. This Lease, and any exhibits attached hereto and forming a part hereof, set forth all the promises, agreements, conditions and understandings between Landlord and Tenant relative to the Premises, and there are no other promises, agreements, conditions or understandings, either oral or written, between them other than those herein set forth. No subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by both Landlord and Tenant.

Section 15.8 Successors, Assigns, Captions, etc. This Lease shall be binding upon the parties hereto, their personal representatives, successors and assigns (except as otherwise provided herein), and shall inure to their benefit. The use of one gender in this Lease shall include any gender and the singular shall include the plural or the plural the singular, as the context hereof may require. The various captions used in this Lease are for convenience of reference only and shall not in any way limit or amplify the terms hereof.

Section 15.9 Confidentiality. Tenant acknowledges that the terms and conditions of this Lease are to remain confidential for Landlord's benefit and may not be disclosed by Tenant to anyone (other than Tenant's attorneys, accountants, consultants or as required by law), by any manner or means, directly or indirectly, without Landlord's prior written consent. The consent by Landlord to any disclosures shall not be deemed to be a waiver on the part of Landlord of any prohibition against any future disclosure.

Section 15.10 Guaranty. As an inducement to Landlord to execute this Lease and as a condition to such execution by Landlord, Del Ingram and LaShonda Rush (jointly and severally, the "Guarantor") shall execute and deliver to Landlord a guarantee of the payment and performance of all liabilities, obligations and duties imposed upon Tenant by the terms of this Lease in the form of Exhibit "E" attached hereto and made a part hereof for all purposes.

Section 15.11 Waiver of Trial by Jury. Landlord and Tenant agree that, to the extent permitted by law, each shall and hereby does waive trial by jury in any action, proceeding or counterclaim brought by either against the other on any matter whatsoever arising out of or in any way connected with this Lease.

Section 15.12 Recordation. Neither this Lease nor any memorandum hereof shall be recorded in any public records without the prior written consent of Landlord.

Section 15.13 Counterparts. This Lease (and any subsequent amendments or consent provided in connection with the Lease) may be executed in one or more counterparts, which, when placed together, constitute a single binding document as if all signatures were on a single page. In addition, such documents may, once so executed, be delivered by each party hereunder to each other party by facsimile or electronic mail to the extent that a facsimile or electronic mail is included in any party's notice address (or otherwise provided in a writing designating such electronic mail address as a valid notice address) and provided that the delivering party shall have

received written confirmation of receipt of such facsimile or electronic delivery. Any copies of such documents delivered as set forth in this Section shall have the full force and effect and shall be treated as if such documents bear original signatures.

*Signature Page to Follow*

IN TESTIMONY WHEREOF, the parties have executed this Lease on \_\_\_\_\_,  
2025.

**LANDLORD:**

MIDTOWN REDEVELOPMENT  
AUTHORITY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**TENANT:**

IRIDIUM SPECIALTY PHARMACY, PLLC

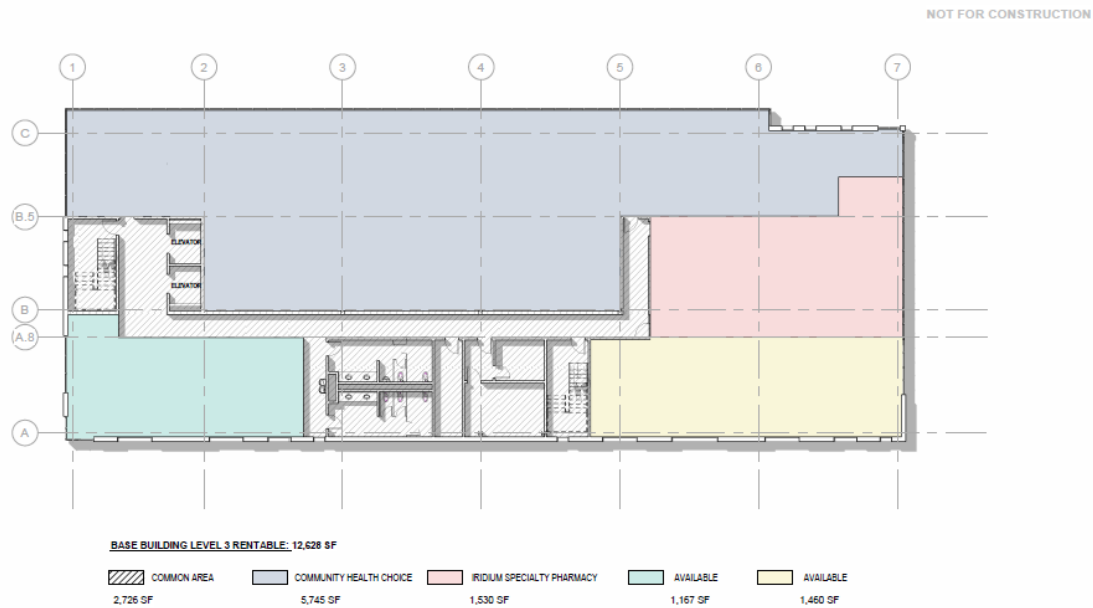
By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Exhibit “A”  
Premises



08/22/24

AREA PLAN - LEVEL 3

SCALE: 1/16" = 1'-0"



IRIDIUM SPECIALTY PHARMACY

SMITH&COMPANY  
ARCHITECTS

3131 Emancipation St  
Houston, TX 77004

SD1.2

**Exhibit "B"****Commencement Date Agreement**

An Agreement made this \_\_\_ day of \_\_\_\_\_, 20\_\_, by and between MIDTOWN REDEVELOPMENT AUTHORITY ("Landlord") and IRIDIUM SPECIALTY PHARMACY, PLLC ("Tenant"). All terms not herein defined are defined in the Lease.

**W I T N E S S E T H:**

WHEREAS, on the \_\_\_ day of \_\_\_\_\_, 20\_\_, Landlord and Tenant entered into a Lease (the "Lease") relating to the Premises (as defined in the Lease) located at \_\_\_\_\_.

WHEREAS, on the \_\_\_ day of \_\_\_\_\_, 20\_\_, either (i) Landlord achieved Substantial Completion of the Tenant Improvements or (ii) Tenant commenced business in the Premises, and therefore, pursuant to Section 1.2 of the Lease, the term of the Lease ("Term") has commenced; and

WHEREAS, the parties desire to confirm the dates of commencement and expiration of the Term.

NOW THEREFORE, in consideration of the mutual covenants herein contained, Landlord and Tenant agree as follows:

- (1) The Term commenced on \_\_\_\_\_ ("Commencement Date").
- (2) Tenant's rental obligation under the Lease commenced on \_\_\_\_\_ ("Rent Commencement Date").
- (3) The initial Term shall expire on \_\_\_\_\_ ("Expiration Date").
- (4) On \_\_\_\_\_, Tenant opened for business at the Premises.
- (5) Premises address: \_\_\_\_\_.
- (6) The Extension Notice Date shall be as follows:  
Renewal Term \_\_\_\_\_
- (7) The execution of this Agreement shall not constitute the exercise by Tenant of any option it may have to extend the Term.
- (8) The Lease is in full force and effect and is hereby ratified and confirmed.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Agreement to be duly executed on the date first written above.

**LANDLORD:**

MIDTOWN REDEVELOPMENT  
AUTHORITY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**TENANT:**

IRIDIUM SPECIALTY PHARMACY, PLLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## Exhibit “C”

## Operating Expenses

<b>EXPENSES</b>		<b>Cost/psf</b>
<b>Controllable</b>		
Payroll & Benefits		\$2.26
Repair & Maintenance		\$1.41
Garage Expenses		-
Contract Services		\$5.36
Janitorial Contract		\$0.93
General & Administrative		\$0.49
Management Fees		\$0.74
<b>Total Controllable</b>		\$11.19
<b>Non-Controllable</b>		
Electricity		\$2.10
Water		\$0.15
Taxes		-
Insurance		\$4.95
<b>Total Non-Controllable</b>		\$7.20
<b>Total Operating Expenses</b>		\$18.39/psf

**Exhibit "D"****3131 Emancipation Avenue****Building Rules and Regulations**

The following standards shall be observed by Tenant for the common safety, cleanliness and convenience of all occupants of the Building. These rules are subject to change from time to time, as specified in the Lease.

1. All tenants will refer all contractors' representatives and installation technicians who are to perform any work within the Building to Landlord for Landlord's approval before the performance of any such work. This provision shall apply to all work performed in the Building including, but not limited to, installations of telephones, computer equipment, electrical devices and attachments, and any and all installations of every nature affecting floors, walls, woodwork, trim, windows, ceilings, equipment and any other physical portion of the Building. Tenant shall not mark, paint, drill into, or in any way deface any part of the Building except with the prior written consent of the Landlord and as provided in Section 5.3 of the Lease.

2. The work of the janitorial or cleaning personnel shall not be hindered by Tenant after 5:30 p.m., and such work may be done at any time when the offices are vacant Monday through Friday. The windows, doors and fixtures may be cleaned at any time upon prior scheduling with Tenant. Tenant shall provide adequate waste and rubbish receptacles, cabinets, bookcases, map cases, etc., necessary to prevent unreasonable hardship to Landlord in discharging its obligations regarding cleaning service.

3. Movement of furniture or office equipment in or out of the Building, or dispatch or receipt by Tenant of any heavy equipment, bulky material or merchandise which requires use of elevators or stairways, or movement through the Building's service dock or lobby entrance shall be restricted to such reasonable hours as Landlord shall designate. All such movement shall be in a manner to be agreed upon between Tenant and Landlord in advance. Such prior arrangements shall be initiated by Tenant. The time, method and routing of movement and limitations for safety or other concern which may prohibit any article, equipment or other item from being brought into the Building shall be subject to Landlord's discretion and control. Any hand trucks, carryalls or similar appliances used for the delivery or receipt of merchandise or equipment shall be equipped with rubber tires, side guards and such other safeguards as the Building shall require. All damage done to the Building, including without limitation, any Building elevator, by the installation or removal of any property of Tenant from the Building shall be repaired by Landlord at Tenant's expense, Tenant hereby agreeing to pay Landlord for the cost of any such repair plus an administrative fee of five percent 5% as Rent, within ten (10) days of Tenant's receipt of an invoice therefor. Although Landlord or its personnel may participate in or assist in the supervision of such movement, Tenant assumes final responsibility for all risks as to damage to articles moved and injury to persons or property engaged in such movement, including equipment, property and personnel of Landlord if damaged or injured as a result of acts in connection with carrying out this service for Tenant, from the time of entering the property to completion of work. Landlord shall not be liable for the acts of any person engaged in, or any damage or loss to any of said property or persons resulting from any act in connection with such service performed for Tenant with

exception if it is due to Landlord. If Landlord or its personnel elects to participate or assist in the supervision of such movement, Tenant shall reimburse Landlord for the costs and expenses incurred by Landlord in connection therewith (including, without limitation, for any overtime pay), as Rent, within ten (10) days of Tenant's receipt of an invoice therefor.

4. No sign, advertisement or notice shall be displayed, painted or affixed by Tenant, its agents, servants or employees, in or on any part of the outside or inside of the Building or Premises without prior written consent of Landlord, as further provided in Section 6.3 of the Lease, and then only of such color, size, character, style and material and in such places as shall be approved and designated by Landlord. Signs on doors and entrances to the Premises shall be placed thereon by Landlord or a mutually agreed upon sign vendor.

5. Tenant shall not place, install or operate on the Premises or in any part of the Building any engine, stove or machinery (except for x-ray machinery or similar medical equipment), or conduct mechanical operations, or place or use in or about the Premises any inflammable, explosive, hazardous or odorous solvents or materials without the prior written consent of Landlord. No portion of the Premises shall at any time be used for cooking. Tenant may use coffee pots, refrigerators and microwaves in Premises.

6. Tenant shall not make or permit any loud or improper noises in the Building or otherwise interfere in any way with other tenants.

7. Landlord will not be responsible for any lost or stolen personal property or equipment from the Premises or Common Areas, regardless of whether such loss occurs when the area is locked against entry or not unless such loss is created by Landlord or Landlord's employees or contractors.

8. Tenant, and the employees, agents, servants, visitors or licensees of Tenant, shall not, at any time or place, leave or discard rubbish, paper, articles, plants or objects of any kind whatsoever outside the doors of the Premises or in the corridors or passageways of the Building or the Building's associated parking areas, including the Parking Garage. No animals, except for service animals, bicycles or vehicles of any description shall be brought into or kept in or about the Building.

9. No additional lock or locks shall be placed by Tenant on any door in the Building unless written consent of Landlord shall have first been obtained. Two (2) keys will be furnished by Landlord for the Premises, and any additional keys required will be obtained from Landlord at Tenant's expense via a list of the recipients of the key. A charge will be applied for each lost or replaced key furnished at Landlord's cost with no markup. All keys shall be surrendered to Landlord upon termination of tenancy.

10. None of the entries, passages, doors, hallways or stairways in the Building shall be blocked or obstructed.

11. Landlord and Tenant shall mutually have the right to determine and prescribe the weight and proper position of any unusually heavy equipment, including computers, safes, large files, etc., that are to be placed in the Building, and only those which in the exclusive judgment of the Landlord will not do damage to the floors, structure and/or elevators may be moved into the

Building. Any damage caused by installing, moving or removing such aforementioned articles in the Building shall be paid for by Tenant.

12. All Christmas and other decorations must be constructed of flame retardant materials. Live Christmas trees are not permitted in the Premises.

13. The standard business hours of operation for the Building are 7:00 a.m. to 6:00 p.m. Monday through Friday and 7:00 a.m. to 1:00 p.m. Saturday, excluding Holidays. Tenant shall provide Landlord with a list of all personnel authorized to enter the Building after hours (6:00 p.m. to 7:00 a.m. Monday through Friday, and 24 hours a day on Saturdays, Sundays and Holidays); provided, however, all such authorized personnel shall be required to have an access card in their possession to enter the Building after hours.

14. After-hours air conditioning/heating (6:00 p.m. to 7:00 a.m. Monday through Friday; 1:00 p.m. to 12:00 midnight Saturday; and 24 hours a day Sunday and Holidays) must be requested in writing to the Building Manager by noon of a regular work day prior to the day for which additional air conditioning is requested, or if Tenant so requires after hours air conditioning/heating on a regular basis during the Term, Tenant shall have the right to deliver to Landlord a written notice specifying the hours Tenant so requires such air conditioning/heating. Tenant shall be charged the prevailing hourly rate during such after-hours period.

15. The following dates shall constitute "Holidays" as said term is used in this Lease: New Year's Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Thanksgiving Day and the Friday following Thanksgiving Day and Christmas and any other holiday recognized and taken by tenants cumulatively occupying at least one-half of the net rentable area of office space of the Building.

16. Tenant shall notify Landlord of furniture or equipment to be removed from the Building after hours. Description and serial numbers shall be provided if requested by Landlord.

17. Landlord shall designate one elevator to be the freight elevator to be used to handle packages and shipments of all kinds. The freight elevator shall be available to handle such deliveries from 9:00 a.m. to 11:00 a.m. and 2:00 p.m. to 3:30 p.m. weekdays. Parcel Post, express, freight or merchants' deliveries can be made anytime within during regular business hours Monday through Friday. No furniture or freight shall be handled outside the above hours, except by previous arrangement.

18. Prior to the commencement of any construction in the Premises, Tenant shall deliver evidence of its contractor's and subcontractors' insurance, such insurance being with such companies, for such periods and in such amounts as Landlord may reasonably require, naming the Landlord and/or Landlord's designees as additional insured(s), and meeting the applicable requirements of Section 7.1 of the Lease.

19. Any additional services as are routinely provided to tenants, not required by the Lease to be performed by Landlord, which Tenant requests Landlord to perform, and which are performed by Landlord, shall be billed to Tenant at Landlord's cost plus five percent (5%).

20. All doors leading from public corridors to the Premises are to be kept closed when not in use.

21. Canvassing, soliciting or peddling in the Building is prohibited and Tenant shall cooperate to prevent same.

22. Tenant shall give immediate notice to the Building Manager in case of accidents in the Premises or in the Building or of defects therein or in any fixtures or equipment, or of any known emergency in the Building.

23. The requirements of Tenant will be attended to only upon application to the Building Manager. Employees of Landlord shall not perform non-typical maintenance or repairs to the Premises, unless under special instructions from the Building Manager.

24. No signs, picture advertisement, name or notice shall be inscribed, displayed or affixed on or to any part of the inside of the Building or the Premises without the prior written consent of Landlord and the Landlord shall have the right to remove any such item at the expense of Tenant. All approved signs or lettering on the doors and the building directory shall be printed, painted, affixed or inscribed at the expense of Tenant by a person approved by Landlord. Tenant shall not place anything near the glass of any window, door, partition or wall which may appear unsightly from outside the Premises; provided, however, that Tenant may furnish and install a window covering at all exterior windows. Tenant shall not, without written consent of Landlord, cover or otherwise sunscreen any window.

25. Tenant, or the employees, agents, servants, visitors or licensees of Tenant shall abide by the rules and regulations for the Parking Garage pursuant to a parking agreement to be provided to Tenant separately.

26. Landlord reserves the right to reasonably rescind any of these Rules and Regulations of the Building, and to make such other and further rules and regulations as in its judgment shall from time to time be needful for the safety, protection, care and cleanliness of the Building, the Premises and the Parking Garage, the operation thereof, the preservation of good order therein and the protection and comfort of the other tenants in the Building and their agents, employees and invitees, which rules and regulations, when made and written notice thereof is given to Tenant, shall be binding upon Tenant in like manner as if originally herein prescribed.

27. Tenant, and employees, agents, servants, visitors, invitees or licensees of Tenant, shall not smoke or permit to be smoked cigarettes, cigars or pipes within the Premises or Building. Smoking shall be confined to area(s) designated by Landlord but shall in no event be closer than twenty-five feet (25') to any entrance to the Building and fifty feet (50) from the main entrance of the Building or any entrance specifically designated for Tenant's use. Landlord shall assist Tenant for failure of another tenant, its employees, agents, servants, visitors, invitees or licensees to comply with this paragraph.

28. Tenant shall not attempt to adjust wall-mounted thermostats in the Common Areas of the Building. If there is any damage to wall-mounted thermostats due to attempts by Tenant to adjust thermostats, Landlord may repair such damage at the sole cost and expense of the Tenant.

29. The directory of the building will be provided exclusively for the display of the names and location of the Tenants only, and Landlord reserves the right to exclude any other names there from with the exception of subtenants approved by Landlord in accordance with the requirements of the Lease.

30. No additional locks or bolts of any kind shall be placed upon any of the doors or windows of the Premises or the Building by Tenant, nor shall any changes be made in existing locks or the mechanism thereof without the prior written consent of the Landlord. Tenant must upon the termination of its tenancy, return to Landlord all keys to the Premises. If Tenant fails to return any such key, Tenant shall pay to Landlord the cost of changing the locks to the Premises if Landlord deems it necessary to change such locks.

31. The toilet rooms, urinals, wash bowls and apparatus in the Premises or Building shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by Tenant.

32. Tenant shall not overload the floor of the Premises. No boring, cutting or stringing of wires shall be permitted except with the prior written consent of and as the Landlord may direct.

33. Tenant shall not employ any person or persons for the purpose of cleaning the Premises without the consent of Landlord, which consent shall not be unreasonably withheld. Janitorial service will not include the cleaning of carpets and rugs, other than vacuuming. If the Premises requires more than building standard janitorial service, such excess service shall be at Tenant's cost.

34. Tenant shall only be permitted to occupy the Premises for the Permitted Use as described in Section 4.3 of the Lease. No tenant shall occupy or permit any portion of the Premises to be occupied for lodging or sleeping or for any illegal purposes or permit any pet within the Premises or Building.

35. On Saturdays, Sundays and legal holidays and on any other days between the hours of 6:00 p.m. and 7:00 a.m., Landlord reserves the right to keep all doors to the Building locked, and access to the Building, or to the halls, corridors, elevator or stairways in the Building or to the Premise, may be refused unless the person seeking access is an employee of the Building or is properly identified as a tenant of the Building. In case of invasion, mob, riot, public excitement, or other commotion, the Landlord reserves the right to prevent access to the Building during the continuance of the same by closing the doors for the safety of the tenants and protection of property in the Building.

36. Access to the Building and the Parking Garage may be controlled by the use of electronic card key or by other method deemed necessary by Landlord. Tenant shall be issued card keys or other ingress/egress devices and in the event that Tenant shall damage or lose the card key(s) or device(s), a deposit for each card key or device shall be paid upon any necessary re-issuance of the card key or device.

37. Landlord reserves the right to require payment, in advance, for certain services not required of Landlord under this Lease. Such charges include, but are not limited to, processing

“bounced” checks, changing locks, providing after-hours HVAC rates, etc. and are subject to reasonably change at any time with prior written notice.

38. To ensure that the Building remains compliant with all applicable LEED certification requirements with respect to carbon dioxide (CO<sub>2</sub>) monitoring, Tenant shall monitor CO<sub>2</sub> concentrations within all densely occupied spaces within the Premises. For purposes of this requirement, a “densely occupied space” means an area with a design occupant density of 25 people or more per 1,000 square feet. CO<sub>2</sub> monitors must be between 3 and 6 feet above the floor and must have an audible or visual indicator or alert the Building automation system if the sensed CO<sub>2</sub> concentration exceeds the setpoint by more than 10%. The Tenant shall calculate appropriate CO<sub>2</sub> setpoints using methods in ASHRAE 62.1–2010, Appendix C.

39. To ensure that the Building remains compliant with all applicable LEED certification requirements with respect to daylight factors, Tenant shall provide manual or automatic (with manual override) glare-control devices for all regularly occupied spaces within the Premises. For purposes of this requirement, a “regularly occupied space” means an area where one or more individuals normally spend time (more than one hour per person per day on average) seated or standing as they work, study, or perform other focused activities inside a building. The one-hour timeframe is continuous and should be based on the time a typical occupant uses the space. For spaces that are not used daily, the one-hour timeframe should be based on the time a typical occupant spends in the space when it is in use.

40. With respect to construction in the Premises:

a. Any new plumbing fixtures shall meet the following requirements:

Toilet Flush Valve	≤1.28 gpf	WaterSense label required
Urinal Flush Valve	≤0.125 gpf	WaterSense label required
Public Lavatory Faucet	≤0.35 gpm	
Private Lavatory Faucet	≤1.5 gpm	WaterSense label required
Kitchen Faucet	≤1.75 gpm	
Showerhead	≤1.75 gpm	WaterSense label required
Prerinse Spray Valve	≤1.3 gpm	
Residential Dishwasher	ENERGY STAR or performance equivalent	
Commercial Dishwasher	CEE Tier 3A	
Residential Clothes Washer	ENERGY STAR or performance equivalent	
Commercial Clothes Washer	CEE Tier 3A	
Ice Machine	ENERGY STAR or performance equivalent and use either air-cooled or closed-loop cooling, such as chilled or condenser water system	

b. Tenant shall comply with the mandatory provisions of ANSI/ASHRAE/IESNA Standard 90.1–2010, with errata, and with the following requirements:

- i. Lighting density power – not to exceed the building average of 0.80 W/sf.
  - ii. Occupant sensors or timer switches for classrooms, lecture halls, conference rooms, meeting rooms, training rooms, employee lunch and break rooms, storage and supply rooms between 50 to 1,000 sq ft, copying and printing rooms, office spaces up to 250 sq ft, restrooms, dressing rooms, locker rooms, fitting rooms, and parking garages per Section 9.4.1.2b and 9.4.1.3b.
  - iii. Mandatory automatic daylighting controls for primary side lighted areas in enclosed spaces greater than 250 sq ft, and top lighted areas greater than 900 sq ft.
- c. Tenant shall comply with the following requirements related to improving indoor air quality:
  - i. Installation of permanent entryway systems at least 10 feet long in the primary direction of travel to capture dirt and particulates entering the Building at regularly used exterior entrances. Acceptable entryway systems include permanently installed grates, grilles, slotted systems that allow for cleaning underneath, rollout mats, and any other materials manufactured as entryway systems with equivalent or better performance. Tenant shall maintain all such entryway systems on a weekly basis. For purposes of this requirement, a “regularly used exterior entrance” means a frequently used means of gaining access to a building. Examples include the main building entrance, as well as any building entryways attached to parking structures, underground parking garages, underground pathways, or outside spaces. Atypical entrances, emergency exits, atriums, connections between concourses, and interior spaces are not included.
  - ii. Prevention of interior cross-contamination by ensuring that each space where hazardous gases or chemicals may be present or used is sufficiently exhausted (e.g., garages, housekeeping and laundry areas, copying and printing rooms), at a minimum of 0.50 cfm per square foot, to create negative pressure with respect to adjacent spaces when the doors to the room are closed. For each of these spaces, Tenant shall provide self-closing doors and deck-to-deck partitions or a hard-lid ceiling.
  - iii. Filtration of recirculated air by ensuring that each ventilation system that supplies outdoor air to occupied spaces has particle filters or air-cleaning devices that meet one of the following filtration media requirements:



1. Minimum efficiency reporting value (MERV) of 13 or higher, in accordance with ASHRAE Standard 52.2–2007; or
2. Class F7 or higher as defined by CEN Standard EN 779–2002, Particulate Air Filters for General Ventilation, Determination of the Filtration Performance.

All air filtration media must be replaced after completion of construction and before occupancy.

## **Exhibit “E”**

### **Guaranty**

The undersigned, Del Ingram and LaShonda Rush (jointly and severally, the “Guarantor”), in consideration of the leasing of the leased premises described in that certain Office Lease Agreement (hereinafter referred to as the “Lease”), dated \_\_\_\_\_, 2025, between Midtown Redevelopment Authority, as Landlord (hereinafter referred to as “Landlord”), and Iridium Specialty Pharmacy, PLLC, as Tenant (hereinafter referred to as “Tenant”), does hereby covenant and agree as follows:

- A. Guarantor does hereby guarantee the full, faithful and timely payment and performance by Tenant of all of the payments, covenants and other obligations of Tenant under or pursuant to the Lease. If Tenant shall default at any time in the payment of any rent or any other sums, costs or charges whatsoever including, without limitation, late charges, additional rent (however termed or defined), court costs and reasonable attorneys’ fees, or in the performance of all warranties, representations and any of the other covenants and obligations of Tenant, under or pursuant to the Lease, then Guarantor, at its expense, shall on demand of Landlord fully and promptly, and well and truly, pay all rent, sums, costs and charges to be paid by Tenant, and perform all the other covenants and obligations to be performed by Tenant, under or pursuant to the Lease, and in addition shall on Landlord’s demand pay to Landlord any and all sums due to Landlord, including (without limitation) all interest on past due obligations of Tenant at the Default Rate, costs advanced by Landlord, and damages and all reasonable expenses (including reasonable attorneys’ fees and litigation costs), that may arise in consequence of Tenant’s default. Guarantor hereby waives (a) notice of acceptance hereof (which acceptance is conclusively presumed by delivery to Landlord); (b) grace, demand, presentment and protest with respect to the obligations and liabilities guaranteed hereunder or to any instrument, agreement or document evidencing or creating same; (c) notice of grace, demand, presentment and protest; (d) notice of non-payment or other defaults, of intention to accelerate and of acceleration of the obligations and liabilities guaranteed hereunder; (e) notice of and/or any right to consent or object to the assignment of any interest in the Lease or the obligations and liabilities guaranteed hereunder; (f) the renewal, extension, amendment and/or modification of any of the terms and provisions of the Lease; (g) filing of suit and diligence by Landlord in collection or enforcement of the obligations and liabilities guaranteed hereunder; and (h) any other notice regarding the obligations and liabilities guaranteed hereunder. Guarantor specifically waives any requirements imposed by Chapter 34 of the Texas Business and Commerce Code.
- B. The obligations of Guarantor hereunder are independent of, and may exceed, the obligations of Tenant. A separate action or actions may, at Landlord’s option, be brought and prosecuted against Guarantor, whether or not any action is first or subsequently brought against Tenant or any other guarantor, or whether or not Tenant or any other guarantor is joined in any such action, and Guarantor may be joined in any action or proceeding commenced by Landlord against Tenant or any other guarantor arising out of,

in connection with or based upon the Lease. Guarantor waives any right or claim to require Landlord to proceed against Tenant or any other guarantor or pursue any other remedy in Landlord's power whatsoever, whether arising from any documents executed by Tenant, any common law, applicable statute or otherwise, any right to complain of delay in the enforcement of or refusal to enforce Landlord's rights under the Lease, any demand by Landlord and/or prior action by Landlord of any nature whatsoever against Tenant, or otherwise. Guarantor further agrees not to assert any defense (other than payment) available to Tenant against Landlord with regard to the obligations and liabilities guaranteed hereunder, any defense based upon an election of remedies of any type, any defense based on any duty of Landlord to disclose information of any type to Guarantor regarding Tenant or the obligations and liabilities guaranteed hereunder.

- C. Guarantor agrees that Landlord may at any time, and from time to time, at Landlord's discretion and with or without notice or consideration to or consent from any party: (a) release any party liable on the Lease, including without limitation, Tenant and any other guarantor; and (b) extend, renew, rearrange, modify or amend any of the terms and provisions of the Lease. Any of such actions may be taken without impairing or diminishing the obligations and liabilities of Guarantor hereunder. This Guaranty shall remain and continue in full force and effect and shall not be discharged in whole or in part notwithstanding (whether prior or subsequent to the execution hereof) any alteration, renewal, extension, modification, amendment or assignment of, or subletting, concession, franchising, licensing or permitting under, the Lease. Guarantor hereby waives notices of any of the foregoing, and agrees that the liability of Guarantor hereunder shall be based upon the obligations of Tenant set forth in the Lease as the same may be altered, renewed, extended, modified, amended or assigned. For the purpose of this Guaranty and the obligations and liabilities of Guarantor hereunder, "Tenant" shall be deemed to include any and all licensees, assignees, subtenants, permittees or others directly or indirectly operating or conducting a business in or from the Premises, as fully as if any of the same were the named Tenant under the Lease.
- D. The liability of Guarantor shall not be impaired, reduced or in any way affected by: (a) Landlord's failure, refusal, or neglect to collect or enforce the obligations and liabilities guaranteed hereunder, by way of, without limitation, any indulgence, forbearance, compromise, settlement or waiver of performance which may be extended to Tenant by Landlord or agreed upon by Landlord and Tenant; (b) any termination of the Lease to the extent that Tenant thereafter continues to be liable; (c) any sublease of the space covered by the Lease or any assignment of the Lease by any means or to any entity or person whatsoever regardless of whether Tenant thereafter continues to be liable; (d) loss or subordination of any other guaranty, if any, or by the existence of any indebtedness of Tenant to Landlord other than the indebtedness guaranteed hereby; (e) the taking of any security or any other guaranty for the obligations and liabilities guaranteed hereby in addition to the guaranty presently existing; or (f) the misapplication of collateral at any time given as security for Tenant's obligations (including other guaranties).
- E. The obligations of Guarantor hereunder shall not be reduced, impaired or in any way affected by: (a) receivership, insolvency, bankruptcy or other proceedings affecting the Tenant or any of the Tenant's assets; (b) receivership, insolvency, bankruptcy or other

proceedings affecting Guarantor or any of Guarantor's assets; (c) death, insanity or other disability of Guarantor; (d) any allegation of fraud, usury, failure of consideration, forgery, statute of limitations or other defense, whether or not known to Landlord (even though rendering all or any part of the obligations and liabilities guaranteed hereunder void or unenforceable or uncollectible as against Tenant or any other guarantor); or (e) the release or discharge of Tenant from the Lease or any other indebtedness of the Tenant to Landlord or from the performance of any obligation contained in the Lease or other instrument issued in connection with, evidencing or securing any indebtedness guaranteed by this instrument, whether occurring by reason of law or any other cause, whether similar or dissimilar to the foregoing. This Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the indebtedness guaranteed hereby is rescinded or must otherwise be returned by Landlord upon the insolvency, bankruptcy or reorganization of Tenant or otherwise.

- F. Guarantor hereby fully subordinates the payment of all indebtedness owing to Guarantor by Tenant (including principal and interest) to the prior payment of all indebtedness of Tenant to Landlord (including, without limitation, interest accruing on any such indebtedness after any insolvency or reorganization proceeding as to Tenant) and agrees not to accept any payment on the same until payment in full of the obligations and liabilities guaranteed hereunder, and not to attempt to set off or reduce any obligations hereunder because of such indebtedness. Until all of the obligations and liabilities guaranteed hereunder shall have been paid or performed in full, Guarantor shall have no right of subrogation or any other right to enforce any remedy which Landlord now has or may hereafter have against Tenant. Notwithstanding the foregoing, Landlord agrees that so long as no default by Tenant has occurred and is continuing under the Lease beyond notice and opportunity to cure period, Tenant may make payments to Guarantor, or either of them, in the ordinary course of business, that are salary, benefits, bonus, dividends and other similar payments.
- G. All payments to be made and obligations to be performed hereunder shall be payable or performable at the offices of Landlord in Harris County, Texas. If it becomes necessary for Landlord to enforce this Guaranty by legal action, Guarantor hereby waives the right to be sued in the county or state of such guarantor's residence and agrees to submit to the jurisdiction and venue of the appropriate federal, state or other governmental court in such county and state of Landlord's office. Guarantor unconditionally agrees to pay Landlord's collection expenses (including, without limitation, court costs and reasonable attorneys' fees) if enforcement hereof is placed in the hands of an attorney, including, but expressly not limited to, enforcement by suit or through probate, bankruptcy or any judicial proceedings.
- H. If Guarantor is or becomes liable for any indebtedness of Tenant to Landlord other than the obligations and liabilities guaranteed hereunder by any means other than under this Guaranty, such liability shall not be impaired, reduced or affected in any manner hereby but shall have all and the same force and effect it would have had if this Guaranty had not existed, and Guarantor's liability hereunder shall not be impaired, reduced or affected in any manner thereby.

- I. All rights of Landlord hereunder or otherwise arising under any documents executed in connection with the obligations and liabilities guaranteed hereunder are separate and cumulative and may be pursued separately, successively or concurrently, or not pursued, without affecting or limiting any other right of Landlord and without affecting or impairing the liability of Guarantor.
- J. Notwithstanding any other provisions herein contained, no provision of this Guaranty shall require or permit the collection from Guarantor of interest in excess of the Default Rate.
- K. This Guaranty is intended for and shall inure to the benefit of Landlord and each and every person who shall from time to time be or become the owner or holder of all or any part of the Lease and/or the obligations and liabilities guaranteed hereunder, and each and every reference herein to "Landlord" shall include and refer to each and every successor or assignee of Landlord at any time holding or owning any part of or interest in any part of the Lease and/or the obligations and liabilities guaranteed hereunder. This Guaranty shall be assignable or transferable with the same force and effect, and to the same extent, that the Lease and/or the obligations and liabilities guaranteed hereunder are assignable or transferable, it being understood and stipulated that upon assignment or transfer by Landlord of the Lease and/or any of the obligations and liabilities guaranteed hereunder, the legal holder or owner thereof (or a part thereof or interest therein thus transferred or assigned) shall (except as otherwise stipulated by Landlord in its assignment) have and may exercise all of the rights granted to Landlord under this Guaranty to the extent of that part of or interest in the obligations and liabilities guaranteed hereunder thus assigned or transferred.
- L. Any notice or demand to Guarantor in connection herewith may be given and shall conclusively be deemed to have been given and received (1) two (2) business days after deposit thereof in writing, in the U.S. Mails via certified mail, return receipt requested, duly stamped and addressed to Guarantor at Guarantor's address set forth below, or (2) the first business day following the date of deposit with a nationally recognized overnight courier service. Guarantor shall have the right to designate from time to time another address for purposes of this instrument by written notice to Landlord sent by United States mail, certified mail, return receipt requested. Actual notice or demand, however given or received, shall always be effective. The provisions of this Paragraph L shall not be construed to affect or impair any waiver of notice or demand herein provided or to require giving of notice or demand to or upon Guarantor in any situation or for any reason.
- M. Landlord may apply any payments received from any source against that portion of the obligations and liabilities guaranteed hereunder in such priority and fashion as Landlord may deem appropriate.
- N. The payment by Guarantor of any amount pursuant to this Guaranty shall not, without Landlord's consent, entitle Guarantor (whether by way of subrogation or otherwise) to a right of possession of, or to any other right, title or interest in, the premises covered by the Lease.
- O. If this Guaranty is signed by more than one party, their obligations shall be joint and

several, and the release of one of such Guarantors shall not release any other of such Guarantors.

- P. Neuter terms should also refer, where applicable, to the feminine gender and the masculine gender; the singular reference shall also include the plural of any word if the context so requires.
- Q. This Guaranty shall be applicable to and binding upon the heirs, executors, administrators, representatives, successors and assigns of Guarantor.
- R. In the event that Landlord should institute any suit against Guarantor for violation of or to enforce any of the covenants or conditions of this Guaranty or to enforce any right of Landlord hereunder, or should Guarantor institute any suit against Landlord arising out of or in connection with this Guaranty, or should either party institute a suit against the other for a declaration of rights hereunder, or should either party intervene in any suit in which the other is a party to enforce or protect its interest or rights hereunder, the prevailing party in any such suit shall be entitled to the fees of its attorney(s) in the reasonable amount thereof, to be determined by the court and taxed as a part of the costs therein.
- S. The execution of this Guaranty prior to execution of the Lease shall not invalidate this Guaranty or lessen the obligations of Guarantor hereunder.
- T. This Guaranty is made pursuant to, and shall be interpreted and applied in accordance with, the laws of the State of Texas without reference to its conflicts of laws principles.

IN WITNESS WHEREOF, the undersigned has executed this Guaranty this \_\_\_\_ day of \_\_\_\_\_, 2025.

GUARANTOR:

DEL INGRAM

Guarantor's Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

THE STATE OF TEXAS     §  
                                      §  
COUNTY OF HARRIS     §

BEFORE ME, the undersigned, on this \_\_\_\_\_ day of \_\_\_\_\_, 2025, personally appeared DEL INGRAM, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for purposes and considerations therein expressed and in the capacity so stated.

\_\_\_\_\_  
Notary Public in and for the State of Texas

GUARANTOR:  
  
LASHONDA RUSH

Guarantor’s Address:

THE STATE OF TEXAS     §  
  §  
COUNTY OF HARRIS     §

BEFORE ME, the undersigned, on this \_\_\_\_\_ day of \_\_\_\_\_, 2025, personally appeared LASHONDA RUSH, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for purposes and considerations therein expressed and in the capacity so stated.

Notary Public in and for the State of Texas





**midtown**  
H O U S T O N

**PURCHASE & SALES  
AGREEMENT WITH CITY OF  
HOUSTON ON OLD SPANISH  
TRAIL**

## **PURCHASE AND SALE AGREEMENT**

This Purchase and Sale Agreement (this “Agreement”) is entered into among **Midtown Redevelopment Authority**, a Texas public nonprofit local government corporation (“Authority” or “Seller”), and the **City of Houston, Texas**, a Texas municipal corporation situated in Harris, Fort Bend, and Montgomery Counties, Texas (“City” or “Purchaser”). Seller and Purchaser may also be referred to singularly as “Party” or collectively as “Parties.”

### **RECITALS**

**WHEREAS**, the Authority, which was created by the City to administer Reinvestment Zone Number Two, City of Houston, Texas, owns a vacant tract of land consisting of approximately 2.334 acres (101,978 square feet) located on the south side of Old Spanish Trail between Blythewood Street and Calhoun Road (as further defined below, the “Property”); and

**WHEREAS**, the Authority acquired the Property in 2014 for a purchase price of \$495,000 for affordable housing purposes, and during its ownership of the Property, has expended approximately \$330,000 to maintain the Property and approximately \$[ ] to insure the Property; and

**WHEREAS**, the City desires to acquire the Property from the Authority for use as the future site of Fire Station #40 (the “Fire Station”); and

**WHEREAS**, the current Fire Station is located within the floodplain at 5830 Old Spanish Trail, consists of two bays, and has limited resources and living accommodations for firefighters, affecting its ability to serve the community’s needs; and

**WHEREAS**, the City has identified the Property as an ideal location for its planned construction of a new four-bay Fire Station with the capacity to provide additional resources for the growing population and high emergency call volume within this service area;

**WHEREAS**, the Authority recognizes the importance of developing the necessary public safety infrastructure to support a community in which affordable housing development is leading to a growing population; and

**WHEREAS**, in consideration of the benefits that the City’s public safety infrastructure improvements will provide to this service area, and the City as a whole, through an expanded Fire Station, the Authority desires to sell the Property to the City for the Purchase Price (as defined below);

**NOW, THEREFORE**, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Seller and Purchaser hereby agree as follows:

### **AGREEMENT**

1. **Sale and Purchase.** Seller agrees to sell, convey, and assign to Purchaser, and Purchaser agrees to purchase and accept from Seller, for the Purchase Price (as defined below), and subject to terms and conditions of this Agreement:

Approximately 2.334 acres (101,978 square feet) being a tract or parcel of land out of a 10 acre tract described in Deed to Mary Richter and husband, Zeno Richter, dated March 3, 1917 and recorded in Volume 379, Page 185 of the Deed Records of Harris County, Texas, and being out of the LUKE MOORE SURVEY, ABSTRACT NO. 51, Harris County, Texas, and being more particularly described on **Exhibit A** attached hereto and incorporated herein;

together with all improvements thereon, all rights and interests appurtenant thereto, including all of Seller's right, title, and interest, if any, in and to adjacent streets, alleys, rights-of-way, easements, any adjacent strips or gores of land, any awards for damage to such tracts or parcels or any part by reason of casualty (collectively, the "Land"), and all improvements of every kind and description located in, on, over, and under the Land (collectively, the "Improvements"). The Land and the Improvements are collectively called the "Property." All of the Property shall be conveyed, assigned, and transferred to Purchaser at Closing (as defined below) free and clear of all liens, claims, easements and encumbrances whatsoever, except for the Permitted Encumbrances (as hereinafter defined).

2. **Purchase Price.** The price ("Purchase Price") for which Seller agrees to sell and convey the Property to Purchaser, and which Purchaser agrees to pay to Seller, subject to the terms hereof, is [\$\_\_\_\_\_].00.

Purchaser shall pay the Purchase Price to Seller in good funds on the Closing Date (as hereinafter defined), subject to any adjustments provided for in this Agreement.

3. **Seller's Representations, Warranties and Covenants.** Seller hereby represents and warrants to, and covenants with Purchaser that:

a. Seller will have as of the Closing Date good and indefeasible title in fee simple to the Land, subject only to the Permitted Encumbrances, and free and clear of all liens;

b. As of the Closing Date, there are no, nor will there be, any actions, suits, claims, assessments, or proceedings pending or, to the actual knowledge of Seller, threatened, that could materially adversely affect the ownership, operation, or maintenance of the Property or Seller's ability to perform hereunder;

c. Seller shall use good faith efforts to promptly notify Purchaser of any material change with respect to the Property or with respect to any information furnished at any time by Seller to Purchaser respecting the Property;

d. From the Effective Date until the Closing Date, Seller shall:

(i) maintain and operate the Property in a good and business-like manner in accordance with good and prudent business practices, and not commit or consent to be committed any waste to the Property;

(ii) not enter into any agreement or instrument or take any action that would constitute an encumbrance of the Property, that would bind Purchaser or the Property after the Closing Date, or that would be outside the normal scope of maintaining and operating the Property, without the prior written consent of Purchaser; and

(iii) afford Purchaser and its representatives the continuing right to inspect and perform non-invasive tests on the Property at reasonable hours and upon reasonable written notice, and inspect all books, records, contracts, and other documents or data pertaining to the ownership, insurance, operation, or maintenance of the Property;

e. All bills and other payments due from Seller with respect to the ownership, operation, and maintenance of the Property have been (or by the Closing Date will be) paid by Seller and no liens or other claims for the same have been (or by the Closing Date will be) filed or asserted against any part of the Property;

f. Seller has full right, power and authority to execute, deliver, and perform this Agreement without obtaining any consents or approvals from, or the taking of any other actions with respect to, any third parties, and this Agreement, when executed and delivered by Seller and Purchaser, will constitute the valid and binding agreement of Seller, enforceable against Seller in accordance with its terms;

g. Seller is not a "foreign person" (as defined in Internal Revenue Code Section 1445(f)(3) and the regulations issued thereunder); and

h. Seller (i) is not in receivership or dissolution, (ii) has not made any assignment for the benefit of creditors, (iii) has not admitted in writing its inability to pay its debts as they mature, (iv) has not been adjudicated a bankrupt, (v) has not filed a petition in voluntary bankruptcy, a petition or answer seeking reorganization, or an arrangement with creditors under the federal bankruptcy law, or any other similar law or statute of the United States or any state, or (vi) does not have any such petition described in (v) filed against Seller.

**4. Purchaser's Representations, Warranties, and Covenants.** Purchaser hereby represents and warrants to, and covenants with, Seller that Purchaser has full right, power, and authority to execute, deliver, and perform this Agreement, subject to approval of this Agreement by the City Council, the signature of the Mayor and the countersignature of the City Controller. This Agreement, when executed and delivered by Seller and Purchaser, in the manner and subject to the approvals described above, will constitute the valid and binding agreement of Purchaser, enforceable against Purchaser in accordance with its terms.

#### **5. Feasibility Period; Title Report and Survey.**

a. Within ten (10) days following the date that this Agreement is countersigned by the City Controller (the "Effective Date"), Purchaser shall deposit **\$100.00** (the "Option to

Purchase Consideration”), in escrow with [\_\_\_\_\_]¹ (the “Title Company”). At Closing, the Option to Purchase Consideration shall be applied to the Purchase Price. In the event the Closing does not occur, for any reason, the Option to Purchase Consideration shall be nonrefundable to Purchaser.

b. Within fifteen (15) days following the Effective Date, Seller shall provide to Purchaser the following items relating to the Property in any way, if any of the items are in Seller’s possession: (1) copies of all documents indicating compliance or noncompliance with any governmental entity with jurisdiction over the Property; (2) any soil, engineering and environmental reports, provided that after Purchaser’s review of the reports, Purchaser may require additional independent third party testing; (3) all contracts and agreements that are not cancelable upon thirty (30) days’ notice; and (4) copies of all tax bills and government assessments.

c. Commencing on the Effective Date and ending at the expiration of up to 60 days thereafter (which time period may be shortened by Purchaser at its option), Purchaser shall have a period (the “Feasibility Period”) during which Purchaser may examine the Property and conduct any and all such tests and studies as Purchaser may desire, including but not limited to environmental and asbestos testing, in order to determine if the Property is suitable for Purchaser’s purposes. During such period, Purchaser may obtain an additional survey at Purchaser’s expense (the “Survey”), title commitment (the “Title Commitment”), and Phase I and Phase II environmental site assessments of the Property. If any environmental issues arise, Purchaser shall have the option to extend the Feasibility Period for an additional 30 days. At the end of the Feasibility Period, Purchaser shall notify Seller in writing if Purchaser desires to terminate this Agreement. If Purchaser does not notify Seller, Purchaser shall be deemed to have elected to proceed to Closing, subject to the terms hereof. Purchaser has the right to terminate this Agreement at any time within the Feasibility Period.

d. In the event that Purchaser’s environmental testing reveals the presence of any environmental contamination in levels requiring remediation, Purchaser shall notify Seller. Thereupon, either Seller or Purchaser may terminate this Agreement, whereupon all moneys deposited by Purchaser except the Independent Consideration shall be refunded to Purchaser.

e. Purchaser shall have until the end of the Feasibility Period to examine the items delivered pursuant to Sections 5(b), a Title Commitment and a current Survey, provided by Seller at Seller’s sole cost and expense, and to specify to Seller those items affecting the Property that Purchaser finds objectionable (the “Encumbrances”). Items shown in the Title Commitment or Survey and not objected to by Purchaser in its written objections within such period shall be deemed items for which Purchaser will accept title (the “Permitted Encumbrances”). Notwithstanding anything to the contrary contained in this Agreement, Seller shall have no obligation to bring any action or proceeding or otherwise to incur any expense whatsoever to eliminate, cure, remove or modify Purchaser’s title or survey objections, except for exceptions voluntarily caused or created by Seller after the Effective Date. The Title Company shall deliver on the Closing Date an amended Title Commitment reflecting the cure of the Encumbrances. Any liens affecting the Property shall be Encumbrances, whether or not so specified in any notice by Purchaser, and Seller shall cause the liens to be released at or prior to Closing.

¹ City to insert name of selected title company.

f. If Seller fails or is unwilling to cause all of the Encumbrances to be removed or cured by the Closing Date, or if the Title Commitment or Survey indicates that Seller does not own indefeasible fee simple title to the Land, Purchaser shall have the following rights, as its sole and exclusive remedies:

(i) to terminate this Agreement by giving Seller written notice, in which event the Earnest Money (as hereinafter defined), save and except the Independent Consideration, shall be returned to Purchaser, and neither party shall have any further rights, duties, or obligations hereunder; or

(ii) to elect to waive the Encumbrances not so removed or cured and close the purchase and sale contemplated by this Agreement without any reduction in the Purchase Price in accordance with the remaining terms and provisions, whereupon the Encumbrances not so removed or cured shall become Permitted Encumbrances, to be treated in the manner provided herein for Permitted Encumbrances.

**6. As-Is, Where-Is.** Purchaser and its representatives, prior to the date of Closing, will have been afforded the opportunity to make such inspections of the Property and matters related thereto as Purchaser and its representatives desire. Purchaser acknowledges and agrees that the Property is to be sold and accepted by Purchaser in an "as-is" condition, with all faults except for (a) Seller's representations, warranties and covenants set forth in Section 3, and (b) the warranty of title in the Deed referred to in Section 8(b)(i).

**7. Earnest Money.** Upon the expiration of the Feasibility Period, Purchaser shall deposit in escrow with the Title Company the amount of \$[ ] (the "Earnest Money"), which shall be held by the Title Company in an interest-bearing account as earnest money to bind the transaction contemplated hereby. Unless otherwise delivered to Seller or Purchaser pursuant to the terms hereof, the Earnest Money, together with all interest thereon, shall be credited to the Purchase Price at the Closing. The Title Company shall acknowledge receipt of the Earnest Money in writing.

**8. Closing.** The consummation by the parties of the transaction contemplated by this Agreement is herein called the "Closing." Closing shall take place on or before the expiration of thirty (30) days after expiration of the Feasibility Period, with the exact time and date (the "Closing Date") of Closing to be specified in a written notice from Purchaser to Seller at least seven (7) days in advance of such date. The time, date or location of Closing may be modified by agreement of the parties.

At the Closing, the following (which are mutually concurrent conditions) shall occur:

a. Purchaser, at its sole cost and expense, shall deliver or cause to be delivered to Seller, through the Title Company:

(i) The balance due for the Purchase Price, adjusted as provided for herein, such amount to be paid in good funds;

(ii) Evidence satisfactory to Seller and the Title Company that the person executing the Closing documents on behalf of Purchaser has full right, power, and authority to do so; and

(iii) Any other instruments duly executed by Purchaser as are customarily executed in Harris County, Texas to effectuate the conveyance of property similar to the Property, as may be reasonably required by the Title Company.

b. Seller, at its sole cost and expense, shall deliver or cause to be delivered to Purchaser, through the Title Company, the following:

(i) A Special Warranty Deed in form and substance substantially equivalent to the form shown on **Exhibit B** attached hereto and incorporated herein, fully executed and acknowledged by Seller, conveying to Purchaser good and indefeasible fee simple title in and to the Land and any Improvements thereon, subject only to the Permitted Encumbrances as provided for in Section 5(e);

(ii) Evidence satisfactory to Purchaser and the Title Company that the person executing the Closing documents on behalf of Seller has full right, power, and authority to do so;

(iii) An executed and acknowledged affidavit that Seller is not a "foreign person" as described in Section 3.i. herein;

(iv) A certificate, executed and sworn to by Seller, confirming that there are no unpaid bills, claims, debts, or liens relating to the Property arising through or under Seller as of the Closing Date except with respect to specified bills, claims, debts, or liens;

(v) Such other instruments duly executed by Seller as are customarily executed in Harris County, Texas to effectuate the conveyance of property similar to the Property, as may be reasonably required by the Title Company with the effect that, after the Closing, Purchaser will have succeeded to all of the rights, titles and interests of Seller related to the Property and Seller will no longer have any rights, titles or interests in and to the Property.

c. Seller shall pay, in addition to any other costs to be paid by Seller as provided elsewhere herein, (i) the basic title insurance premium for the title insurance policy on the Property acquired by Purchaser, (ii) the cost to record and file any releases of Encumbrances, (iii) Seller's own attorneys' fees.

d. Purchaser shall pay any costs of Purchaser's inspection or evaluation of the Property, Purchaser's own attorneys' fees, costs to prepare and record the deed, additional title premiums for any title endorsements required by Purchaser, and any other costs to be paid by Purchaser as provided elsewhere herein.

e. Any escrow fees and delivery fees charged by the Title Company, and any other routine closing fees, shall be allocated as is customary in Harris County, Texas. All normal and customarily proratable items, including but not limited to real estate and personal property taxes, rents, and utility bills, if any, shall be prorated as of the Closing Date, Seller being charged and credited for all of the same up to such date and Purchaser being charged and credited for all

of same on and after such date. If the actual amounts to be prorated are not known at the Closing Date, the prorations shall be made on the basis of the best evidence available, and thereafter, when actual figures are received, a cash settlement will be made between Seller and Purchaser. Seller hereby acknowledges that Seller is not subject to ad valorem taxes. Seller's prorated taxes, if any, shall be dispersed to the appropriate tax collector by the Title Company at closing. If this sale or Purchaser's use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Purchaser. This paragraph survives closing.

f. On or before the Closing Date, Seller and its agents, employees, tenants and occupants, shall vacate the Property and deliver to Purchaser possession of the Property with all parts of the Property in the same condition as of the Effective Date, excepting normal wear and tear.

**9. Notices.** Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same with the United States Postal Service, addressed to the party to be notified, postage prepaid and in registered or certified form, with return receipt requested, or by deposit with Federal Express for overnight delivery, or other reputable overnight courier or email (with retained receipt). Notice given as aforesaid shall be effective on the date actually received at the address to which such notice was sent, or if delivery is refused or not accepted, such notice shall be effective on the date of such refusal or failure to accept delivery. Notice given in any other manner shall be effective only upon receipt by the party to whom it is addressed. For purposes of notice, the addresses of the parties shall be as follows:

If to Seller, to: Midtown Redevelopment Authority  
Attention: Matt Thibodeaux, Executive Director  
410 Pierce Street, Suite 355  
Houston, Texas 77002  
mthibodeaux@midtownhouston.com

If to Purchaser, to: City of Houston, Texas  
Attention: Richard Vella  
General Services Department  
900 Bagby Street, 2<sup>nd</sup> Floor  
Houston, TX 77002  
richard.vella@houstontx.gov

Either party may change its address to another location in the continental United States, upon five (5) days' prior written notice to the other given in the manner provided above.

**10. Brokerage.** The Parties warrant to one another that they have not dealt with any other finder, broker or Realtor in connection with this Agreement. **IF ANY PERSON SHALL ASSERT A CLAIM TO A FINDER'S FEE OR BROKERAGE COMMISSION ON ACCOUNT OF ALLEGED EMPLOYMENT AS A FINDER OR BROKER IN CONNECTION WITH THIS AGREEMENT, THE PARTY UNDER WHOM SUCH PERSON IS CLAIMING SHALL (BUT ONLY TO THE EXTENT PERMITTED BY LAW) INDEMNIFY AND HOLD THE OTHER PARTY HARMLESS FROM AND AGAINST ANY SUCH CLAIM AND ALL COSTS, EXPENSES AND LIABILITIES INCURRED IN CONNECTION WITH SUCH CLAIM OR ANY ACTION OR**



**PROCEEDING BROUGHT ON SUCH CLAIM, INCLUDING, BUT NOT LIMITED TO, COUNSEL AND WITNESS FEES AND COURT COSTS IN DEFENDING AGAINST SUCH CLAIM.** The indemnification provisions of this Section shall survive termination of this Agreement or the Closing.

**11. Assignment.** Purchaser shall have the right to assign this Agreement, or any right or interest hereunder, after providing Seller written notice. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding on the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

**12. Governing Law; Enforcement.**

a. This Agreement shall be governed and construed in accordance with the laws of the State of Texas and is further subject to all terms and provisions of the Charter and Code of Ordinances of the City of Houston, Texas. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in Houston, Harris County, Texas.

b. Should any provision of this Agreement require judicial interpretation, Seller and Purchaser hereby agree and stipulate that the court so interpreting or considering 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 it, it being agreed that all parties hereto have participated in the preparation of this Agreement and that each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.

c. The City Attorney or his or her designee shall have the right to enforce all legal rights and obligations under this Agreement without further authorization from other City officials, and Seller covenants to provide the City Attorney with all documents and records that the City Attorney reasonably deems necessary to assist in determining Seller's compliance with this Agreement, with the exception of those documents made confidential by federal or State law or regulation.

**13. Remedies.**

a. If Purchaser fails or is unable to perform its obligations pursuant to this Agreement for any reason other than Purchaser's termination hereof pursuant to a right granted to Purchaser in this Agreement to do so, or breach by Seller of its representations, warranties or agreements hereunder, then Seller, as its sole and exclusive remedy, shall have the right to terminate this Agreement by giving Purchaser written notice thereof, in which event neither party hereto shall have any further rights, duties, or obligations hereunder, and the Title Company shall deliver the Earnest Money and interest thereon to Seller as liquidated damages (and not as penalty) for the breach by Purchaser (Seller and Purchaser hereby acknowledging that the amount of damages resulting from a breach of this Agreement by Purchaser would be difficult or impossible to accurately ascertain).

b. If Seller fails or is unable to perform any of its obligations or agreements hereunder, either prior to or at Closing, or if any of Seller's representations or warranties made

hereunder, or any of the information furnished by Seller pursuant hereto, should be either false or misleading in any material respect, Purchaser shall have the right and option, as its sole and exclusive remedies, to:

(i) terminate this Agreement by giving Seller written notice thereof, in which event neither party hereto shall have any further rights, duties, or obligations hereunder, and the Title Company shall deliver the Earnest Money and all interest thereon, save and except the Independent Consideration to be delivered to Seller, to Purchaser; or

(ii) enforce specific performance of the obligations of Seller to convey and assign the Property to Purchaser pursuant to the terms hereof and to perform its other obligations hereunder, provided that, in the event that Purchaser seeks specific performance, an action seeking such remedy must be filed within six (6) months of Seller's default or alleged default, or the same shall be deemed barred and Purchaser's sole remedy shall be as set forth in (i) above.

**14. Damage or Taking Prior to Closing.** Prior to Closing, risk of loss with regard to the Property shall be borne by Seller. If, prior to Closing, the Property, or any portion thereof, is materially damaged or becomes subject to a taking (other than by the Purchaser) by virtue of eminent domain, Purchaser shall have the option, which must be exercised by it within fifteen (15) business days (and the Closing will be automatically extended, if necessary, to provide Purchaser with such fifteen (15) business day period) after its receipt of written notice from Seller advising of such damage or taking (which Seller hereby agrees to give), to terminate this Agreement or to proceed with the Closing. If Purchaser elects to terminate this Agreement, all rights, duties, obligations and liabilities created hereunder shall cease, and the Earnest Money and any interest thereon, save and except the Independent Consideration to be delivered to Seller, shall be returned to Purchaser. If Purchaser elects to proceed with the Closing, all rights, duties, obligations and liabilities created hereunder shall continue, and (a) Purchaser shall be entitled to any and all insurance proceeds or condemnation awards payable as a result of such damage or taking, and (b) Seller shall assign to Purchaser at Closing all of Seller's rights to such proceeds or awards.

**15. Entire Agreement.** This Agreement is the entire agreement between Seller and Purchaser concerning the sale of the Property and no modification thereof or subsequent agreement relative to the subject matter hereof shall be binding on either party unless in writing and signed by the party to be bound.

**16. Exhibits.** Attached hereto and incorporated herein for all purposes are the following exhibits:

**Exhibit A**                      LEGAL DESCRIPTION OF PROPERTY

**Exhibit B**                      SPECIAL WARRANTY DEED

**17. Confidentiality.** Seller and Purchaser agree to use their best efforts to keep confidential price, terms, conditions, and all other information that is a part of this transaction. Seller and Purchaser agree that they will disclose such matters only to such third parties as may

be necessary to carry out usual and customary activities related to the transaction. Seller has the right to discuss with others any offer or agreement regarding the City's acquisition of the subject property, or may (but is not required to) keep the offer or agreement confidential from others. Notwithstanding the foregoing, the Parties acknowledge that the terms of this transaction may become known to the public when the matter is considered by the board of directors of the Authority, by the City Council, or pursuant to a request under the Texas Public Information Act.

**18. Miscellaneous.**

a. The captions used herein are for convenience only and do not limit or amplify the provisions hereof.

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

c. The obligations of the Agreement that cannot be performed before termination of this Agreement or before Closing will survive termination of this Agreement or Closing, and the legal doctrine of merger will not apply to these matters. However, if there is any express conflict between the closing documents provided pursuant to Section 8 hereinabove and this Agreement, the closing documents will control.

d. Time is of the essence in this Agreement.

e. Following the execution of this Agreement by Purchaser through its Mayor, the Assistant Director – Asset Management and Strategic Planning Division, General Services Department for the City shall have the authority to act on the behalf of Purchaser in making extensions to the Closing Date or to make other modifications to this Agreement for the purposes of enabling the achievement of the Purchaser's objectives to acquire the Property from Seller.

f. Each Party may sign and deliver this Agreement electronically or by electronic means and an electronic transmittal of a signature, including but not limited to, a scanned signature page, will be as good, binding, and effective as an original signature.

***[Execution pages follow]***

**EXECUTED IN MULTIPLE ORIGINAL COUNTERPARTS**, each of which shall be an original, which together shall constitute but one and the same instrument, to become effective on the Effective Date.

SELLER:

**MIDTOWN REDEVELOPMENT AUTHORITY**,  
a Texas public nonprofit local government  
corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

PURCHASER:

**CITY OF HOUSTON, TEXAS**

ATTEST:

\_\_\_\_\_  
Troy Lemon  
Interim City Secretary

\_\_\_\_\_  
John Whitmire  
Mayor of the City of Houston

COUNTERSIGNED:

\_\_\_\_\_  
Chris Hollins  
Controller

Countersignature Date:

APPROVED AND RECOMMENDED:

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

\_\_\_\_\_  
Richard Vella  
Assistant Director  
General Services Department

\_\_\_\_\_  
Thomas Munoz  
Chief  
Houston Fire Department

APPROVED AS TO FORM:

\_\_\_\_\_  
Mark Swaim  
Senior Assistant City Attorney  
L.D. No. [\_\_\_\_\_]

**TITLE COMPANY ACKNOWLEDGMENT**

The undersigned Title Company acknowledges its receipt of an executed copy of this Agreement as of the date set forth below, agrees that it is the “reporting person” for purposes of Section 6045(e) of the Internal Revenue Code of 1986, as amended, and agrees to comply with the terms of this Agreement applicable to Title Company, including the obligation to hold and disburse the Earnest Money, if any, in accordance herewith.

[ \_\_\_\_\_ ]<sup>2</sup>

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_, 2025

[ \_\_\_\_\_ ]  
[ \_\_\_\_\_ ]  
Attn: [ \_\_\_\_\_ ]  
Email: [ \_\_\_\_\_ ]

<sup>2</sup> City to insert title company name and address, name and contact information for closing officer.

**EXHIBIT A****LEGAL DESCRIPTION OF PROPERTY**

A tract or parcel of land out of a 10 acre tract described in Deed to Mary Richter and husband, Zeno Richter, dated March 3, 1917 and recorded in Volume 379, Page 185 of the Deed Records of Harris County, Texas, and being out of the LUKE MOORE SURVEY, ABSTRACT NO. 51, Harris County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1 inch iron rod found for the most Southerly corner of the said 10.00 acre tract in the Northwest line of Calhoun Road;

THENCE North 66 deg. 25 min. 06 sec. West, a distance of 535.95 feet to a 1 inch iron pipe found in the Southeast line of Old Spanish Trail (US Highway 90A) for corner;

THENCE North 70 deg. 00 min. 00 sec. East, along the Southerly line of said Old Spanish Trail, a distance of 438.41 feet to a 1/2 inch iron rod found for corner;

THENCE South 19 deg. 32 min. 55 sec. East (called South 19 deg. 10 min. 55 sec. East), along a 6 foot high wooden fence a distance of 129.74 to a 2 inch steel fence post for corner;

THENCE South 80 deg. 20 min. 12 sec. East, a distance of 27.26 feet to a 1/2 inch iron rod found for an angle corner;

THENCE North 23 deg. 00 min. 12 sec. East, a distance of 18.95 feet to a 2 inch steel fence post for corner;

THENCE North 69 deg. 56 min. 47 sec. East, a distance of 31.00 feet to a 2 inch steel fence post for corner;

THENCE 66 deg. 18 min. 34 sec. East, a distance of 80.60 feet to a 1/2 inch iron pipe found in the Northerly line of Calhoun Road for corner;

THENCE South 23 deg. 30 min. 07 sec. West, along the Northerly line of Calhoun Road, a distance of 252.87 feet to the POINT OF BEGINNING and containing 101,978 square feet or 2.3411 acres of land, more or less.

**EXHIBIT B****SPECIAL WARRANTY DEED**

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

**STATE OF TEXAS**       §  
                                      §  
**COUNTY OF HARRIS**   §

**GRANTOR:**

**Midtown Redevelopment Authority**, a Texas public nonprofit local government corporation

**GRANTOR'S MAILING ADDRESS:**

410 Pierce Street, Suite 355  
 Houston, Texas 77002

**GRANTEE:**

**The City of Houston, Texas**, a Texas municipal corporation situated in Harris, Fort Bend and Montgomery Counties, Texas

**GRANTEE'S MAILING ADDRESS:**

P. O. Box 1562  
 Houston, Texas 77251

**CONSIDERATION:**

Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration

**PROPERTY:**

A tract or parcel of land out of a 10 acre tract described in Deed to Mary Richter and husband, Zeno Richter, dated March 3, 1917 and recorded in Volume 379, Page 185 of the Deed Records of Harris County, Texas, and being out of the LUKE MOORE SURVEY, ABSTRACT NO. 51, Harris County, Texas, and being more particularly described on Exhibit A attached hereto.



**RESERVATIONS FROM AND EXCEPTIONS TO CONVEYANCE AND WARRANTY:**

This conveyance is made by Grantor and accepted by Grantee subject to all matters of record with the County Clerk of Harris County, Texas, affecting the Property and all matters affecting the Property that are visible on the ground or that would be shown on a current survey of the Property, but only to the extent the same are valid, enforceable against municipalities, and relate to the Property.

Grantor, for the consideration, and subject to the reservations from and exceptions to conveyance and warranty set forth above, grants, sells and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto and improvements thereon in anywise belonging, to have and to hold it to Grantee and Grantee's successors and assigns forever. Grantor binds Grantor and Grantor's successors and assigns to warrant and forever defend all and singular the Property to Grantee and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty set forth above, when such claim is by, through or under Grantor, but not otherwise.

***[Signature pages follow]***

**IN WITNESS WHEREOF**, these presents have been executed by Grantor this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**GRANTOR:**

Midtown Redevelopment Authority,  
a Texas public nonprofit local government  
corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**STATE OF TEXAS**       §  
                                  §  
**COUNTY OF HARRIS**   §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, the \_\_\_\_\_ of the Midtown Redevelopment Authority, a Texas public nonprofit local government corporation, on behalf of said local government corporation.

\_\_\_\_\_  
Notary Public, State of Texas

Accepted:

**GRANTEE:**

**THE CITY OF HOUSTON, TEXAS**

ATTEST:

\_\_\_\_\_  
Troy Lemon  
Interim City Secretary

\_\_\_\_\_  
John Whitmire  
Mayor of the City of Houston

**STATE OF TEXAS       §**  
                                  **§**  
**COUNTY OF HARRIS   §**

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by John Whitmire, Mayor of **THE CITY OF HOUSTON, TEXAS**, a Texas municipal corporation located in Harris, Fort Bend and Montgomery Counties, Texas, on behalf of said municipal corporation.

\_\_\_\_\_  
Notary Public, State of Texas

Approved as to Form:

\_\_\_\_\_  
Mark Swaim  
Senior Assistant City Attorney  
LD# [\_\_\_\_\_]

**Exhibit A****Legal Description of Property**

*[to be inserted]*



**midtown**  
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**CONVEYANCE OF  
PROPERTY TO  
HEART OF  
HOUSTON CDC**

## MEMORANDUM

**To:** Matt Thibodeaux, Executive Director  
Midtown Redevelopment Authority

**From:** Affordable Housing Consultant Advisory Group (AHCAG)

**cc:** *Mary Buzak, Bracewell LLP*  
*Kandi Schramm, Midtown Redevelopment Authority*

**Date:** May 22, 2025

**Subject:** Request for Conveyance of 11 Midtown Redevelopment Authority-owned properties to the Heart of Houston CDC-CHDO

The City of Houston Housing and Community Development Department (HCDD) is seeking a collaboration that features the conveyance of eleven tracts of land to the Heart of Houston Community Housing Development Organization (CHDO), with which it has a successful relationship.

In accord with its mission, the City of Houston Housing and Community Development Department (HCDD) administers the CHDO Single Family Home Development Organization program. This program enhances and expands the availability of affordable homes in Houston's neighborhoods. Its focus is to enable low to moderate-income households whose income does not exceed 80% of the Area Median Income (AMI) to become homeowners.

According to the City of Houston HCDD, the CHDO Single-Family Home Development Program serves several vital purposes.

- It aims to develop and promote high-quality, sustainable Energy Star-certified affordable single-family homes.
- It strives to maximize available resources by collaborating with community developers to offer a broader range of affordable housing options.
- The program provides homebuyer assistance through CHDOs and extends homeownership opportunities to families earning less than 80% of the Area Median Income (AMI).

The City of Houston HCDD has asked that eleven 5,000 square foot tracts of land from the Midtown Redevelopment Authority inventory be conveyed to the Heart of Houston CDC-CHDO, a Community Housing Development Department to facilitate the development of eleven single family detached for-sale housing units. If the MRA board acts in the affirmative, this land will be conveyed in two phases. Six tracts of land are to be conveyed in a first phase and five tracts of land will be conveyed in a second phase.

**Exhibit A** displays a list of the eleven tracts of land, along with Harris Central Appraisal District (HCAD) numbers and sales prices. These tracts of land are located within the boundary of the Houston Housing Authority's Cuney Homes Choice Neighborhoods initiative, which features a partnership between the

Houston Housing Authority and the City of Houston. Conveyance of these tracts of land to Heart of Houston CDC- CHDO will help the partners meet a goal of employing a \$50 million Choice Neighborhoods implementation grant to leverage \$610.7 million and kickstart the community-driven Transformation Plan completed for the Third Ward-Cuney Homes community. Heart of Houston's commitment for the Choice Neighborhoods Cuney Homes project is approximately \$2.75m for development. This is part of the City's commitment of \$16m to the Third Ward-Cuney Homes Choice Neighborhoods corridor.

The conveyance of five tracts as part of Phase II will be conditioned on sufficient progress being made toward construction of the housing units to be built on the six tracts conveyed for Phase I. The City of Houston HCDD will assume responsibility for monitoring progress and ensuring that the City of Houston's HCDD Minimum Construction Standards are met. Also, the City of Houston HCDD will qualify each individual homebuyer and report these additional homes to HUD as part of its HOME Partnership Grant. Moreover, the grant agreement between Heart of Houston CDC-CHDO and the Midtown Redevelopment Authority will contain reversionary language to that effect.

In addition:

- The City of Houston HCDD will pay for environmental studies and land surveys.
- The City of Houston HCDD "Minimum Construction Standards for Rehabilitation, Reconstruction and New Construction" will be applied.
- Down payment assistance may be provided to homebuyers.
- The average square footage of livable space will be 1,970 square feet.
- Bedrooms/Bathrooms sizes will be 3/2 or 4/2.5.
- Garages will typically be built to hold two cars.

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This request is duly submitted for consideration by the Midtown Redevelopment Authority Board.

**EXHIBIT A  
REQUESTED TRACTS OF LAND**

PHASE I		
Address	HCAD Number	Sales Price
3038 Bremond St.	0372270000001	\$ 250,000.00
3101 Bremond St.	0372190000006	\$ 250,000.00
3102 Bremond St.	0372260000005	\$ 250,000.00
3103 Bremond St.	0372190000007	\$ 250,000.00
3106 Bremond St.	0372260000004	\$ 250,000.00
3106 McIlhenny St.	0372190000004	\$ 250,000.00
PHASE II		
3310 Dennis St.	0372350000002	\$ 250,000.00
3316 Dennis St.	0372350000001	\$ 250,000.00
3320 Dennis St.	0372550000007	\$ 250,000.00
3324 Dennis St.	0372550000006	\$ 250,000.00
3414 Dennis St.	0372560000005	\$ 250,000.00





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H O U S T O N

# **RESERVATION OF LAND FOR COH HOUSING & COMMUNITY DEVELOPMENT**

## MEMORANDUM

**To:** Matt Thibodeaux, Executive Director  
Midtown Redevelopment Authority

**From:** Affordable Housing Consultant Advisory Group (AHCAG)

**cc:** *Mary Buzak, Bracewell LLP*  
*Kandi Schramm, Midtown Redevelopment Authority*

**Date:** May 22, 2025

**Subject:** Request for Approval to Reserve Six Tracts of Midtown Redevelopment Authority-owned land tracts for the MRA-owned Land for the City of Houston New Home Development Program

The City of Houston Housing and Community Development Department (HCDD) is seeking a collaboration that features the conveyance of six tracts of land to HCDD for its New Home Development Program (NHDP).

This program features the construction of new single-family homes on tracts of land in the Acres Homes, Settegast, Sunnyside, Denver Harbor, Fifth Ward, **Third Ward**, and Independence Heights communities. To be eligible for the NHDP, the household income of homebuyers may not exceed 80% of Area Median Income.

The City of Houston HCDD has asked that six tracts of land from the Midtown Redevelopment Authority (MRA) inventory be reserved for incorporation into the NHDP. These land tracts are suitable for single family detached housing construction, as they are in the 5,000 square foot range. Sales prices of the homes to be built on the land tracts will not exceed \$250,000.

**Exhibit A** displays a list of the six tracts of land, along with Harris Central Appraisal District (HCAD) numbers, and the square footage of each tract of land. These tracts of land are located in Third Ward, within the boundary of the Houston Housing Authority's Cuney Homes Choice Neighborhoods initiative. This initiative is a partnership between the Houston Housing Authority and the City of Houston. Subordination of these tracts of land to HCDD will help the partners meet a goal of employing a \$50 million Choice Neighborhoods implementation grant to leverage over \$610 million and kickstart the community-driven **Transformation Plan** completed for the Third Ward-Cuney Homes community. The NHDP investment is approximately \$1.5m into the Third Ward-Cuney Homes corridor, as well as a commitment to provide more affordable housing in the city of Houston.

To select Contractors to build the homes, the City of Houston HCDD may use either: (1) the standard bid award method (as used exclusively prior to the effective date of these Guidelines in which the City of Houston HCDD sends the Scope of Work to the Contractors to bid on and selects the Contractor with the lowest, most responsible, and responsive bid) in which NHDP Contractors bid on a NHDP Project, or (2) the Contractor assignment method to assign NHDP Contractors to Projects without requiring a separate bidding process for each home.

In addition:

- There will be a tri-party agreement among the City of Houston HCDD, the Midtown Redevelopment Authority, and the designated Contractor for funding and construction of homes developed through the Program.
- The City of Houston HCDD will coordinate the development of properties and will cover all eligible costs associated with the development and construction of new single-family homes, including installation of security features, fencing, alarm-ready systems and motion sensor lights to all new homes constructed (this additional scope of work will deter vandalism and theft of new homes).
- The City of Houston HCDD will pay for environmental studies and land surveys.
- The City of Houston HCDD “Minimum Construction Standards for Rehabilitation, Reconstruction and New Construction” will be applied.
- Up to \$50,000 in subsidy is provided through this program, based on the homebuyer’s financial need.
- The homes will contain an average square footage of livable space between 1500 and 1645 square feet.
- Bedroom/Bathroom sizes will be 3/2 or 4/2.5.
- Garages will typically be built to hold two cars, with exceptions for lot size.
- Sales prices will not exceed \$250,000.

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This request is duly submitted for consideration by the Midtown Redevelopment Authority Board.

**EXHIBIT A**

**TRACTS OF LAND REQUESTED BY CITY OF HOUSTON HCDD  
TO BE RESERVED FOR THE  
NEW HOME DEVELOPMENT PROGRAM**

<b>HCAD #</b>	<b>ADDRESS</b>	<b>LAND TRACT SQ FT</b>
0372520000004	3418 Tuam Street	5,000
0372520000006	3408 Tuam Street	5,000
0372530000010	3317 Tuam Street	5,300
0372540000014	3421 Tuam Street	5,000
0572120000016	3027 Webster Street	4,800
0372130000006	3123 McIlhenny Street	5,000



**midtown**  
H O U S T O N

# **Houston Habitat for Humanity**

TO: Matt Thibodeaux, Executive Director  
Midtown Redevelopment Authority

FROM: Affordable Housing Consultant Advisory Group (AHCAG)

CC: Mary Buzak, Bracewell LLP  
Kandi Schramm, Midtown Redevelopment Authority

DATE: June 16, 2025

SUBJECT: Request for Approval to Increase the Houston Habitat for Humanity Home Sales  
Prices for Four Lots Located on Grace and Ventura Streets

The Midtown Redevelopment Authority is a party to a Development Agreement with Houston Habitat for Humanity (HHfH) for development of four single family homes located on Grace and Ventura Streets. Due to the rise in construction and material costs HHfH requested increased sales prices as follows:

5818 Grace	\$248,730
5051 Ventura	\$248,730
5820 Grace	\$251,865.50
5049 Ventura	\$251,865.50

The request and the supporting documents were reviewed by the AHCAG and submitted to the City of Houston for Approval. The City approved the Sales Price Increases and such price increases are hereby submitted for consideration by the Midtown Redevelopment Authority Board.



**midtown**  
H O U S T O N

**Change Happens**

TO: Matt Thibodeaux, Executive Director  
Midtown Redevelopment Authority

FROM: Affordable Housing Consultant Advisory Group (AHCAG)

CC: Mary Buzak, Bracewell LLP  
Kandi Schramm, Midtown Redevelopment Authority

DATE: June 16, 2025

SUBJECT: Request for Approval for Change Happens to Utilize Two Midtown Redevelopment Authority Conveyed Lots in its City of Houston HCDO Project

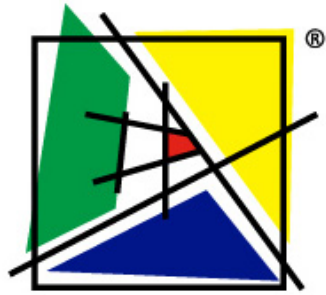
Based on authorization provided by the MRA Board at its November 30, 2023 meeting, a development agreement was entered into with Change Happens for the development of twelve (12) Lots for 3 Bedroom/ 2.5 baths/2car garage priced at \$220,965.

Change Happens, as a CHDO, is also a party to an agreement with the City of Houston to develop and sell ten (10) homes on lots conveyed by the Houston Land Bank. The completed homes are sold to homebuyer at or below 80% AMI and down payment assistance is provided by the City resulting in a lower monthly mortgage payment.

Change Happens has completed eight of the homes in the CoH CHDO project. Due to delays associated with acquiring the last two lots from the Houston Land Bank, Change Happens requested the City of Houston to approve the use of two lots in the Development Agreement with MRA for the CoH CHDO Program. Such approval by the CoH was granted on April 23, 2025. The sales price for these homes will be \$240,000.

Given the benefit of the down payment assistance to the homebuyers, the larger square footage and the ability to reach homebuyers at or below 80% AMI, the AHCAG recommends approval for Change Happens to utilize 3317 Beulah and 3325 Beulah in the City of Houston CHDO Project.





**midtown**  
H O U S T O N

**Daggett Homes**

TO: Matt Thibodeaux, Executive Director  
Midtown Redevelopment Authority

FROM: Affordable Housing Consultant Advisory Group (AHCAG)

CC: Mary Buzak, Bracewell LLP  
Kandi Schram, Midtown Redevelopment Authority

Date: June 23, 2025

RE: Request for Consideration - Daggett Development LLC – Infrastructure  
Reimbursement for 34 Single-Family Affordable Home Development at 5635 MLK  
Boulevard- Modern Palms Development

Based on authorization provided by the MRA Board, a Development and Purchase Agreement (Agreement) was entered into with Daggett Development LLC d/b/a Daggett Jones (Daggett) for the conveyance of the 3.5-acre Midtown Redevelopment Authority (MRA) A tract of land located at 5635 Martin Luther King Jr. Boulevard and the subsequent construction of thirty-four (34) single family homes on the site. The agreement provided project specifications for all homes that were to be sold as affordable housing for families whose annual income did not exceed 120% of Area Median Income.

Pursuant to this Agreement, the tract was conveyed to Daggett as of February 4, 2023, at the appraised price of \$231,624, paid by Daggett at closing. MRA legal counsel and Affordable Housing Consultant Advisory Group (AHDAG) members have held meetings with Daggett owners, contractors and representatives as part of project vetting. Discussion at these meetings primarily focused on Daggett's need for infrastructure dollars to make the project feasible for low-moderate income homebuyers.

The final date for plan approval by the City of Houston for the Modern Palms plat is reflected in the COHH stamps as of September 30, 2024. The principal partners of Daggett changed on two occasions as the project received plan approval. By mail of December 17, 2024, JMP Construction Partners, represented by Jermaine Potter, submitted documents showing evidence of changes in the Daggett leadership as relates to Mr. Potter's role in the project. Moreover, Mr. Potter made a public comment before the MRA Board at its April 2025 meeting to explain the project.

By email of March 2, 2025, Mr. Potter advised that Daggett was 85% complete with clearing the site and confirmed the need for a modification of its arrangement with MRA due to having been unable to receive infrastructure funding required to proceed with construction of the homes. He has also advised that Daggett has unsuccessfully sought infrastructure funding from two local governmental entities.

Upon request, Daggett has provided the attached Cost Worksheet with details of the projected amount necessary to provide infrastructure at the Modern Palms site. The requested amount is \$ 1,550,291.40 and would be reimbursed by MRA upon evidence of appropriate expenditures. Such evidence would entail proof of approval of the installation of infrastructure components, following established City of

Houston requirements. In addition, documentation of expenditures that reflect the detail included in the attached Cost Worksheet must be submitted to MRA prior to reimbursement of MRA dollars.

**Request for Consideration**

In sum, this is a Request for Consideration by the MRA Board for the authorization of a Reimbursement Agreement that would provide for Daggett to be reimbursed for the costs of the infrastructure of the Modern Palms development in the amount not to exceed \$1,550,291.40. This infrastructure support would allow this high-profile project to proceed.

## Modern Palms Infrastructure

					ESTIMATE	
Item No.	Spec. No.	Item Description	Unit Measure	QUANTITY USED	UNIT PRICE	TOTAL AMOUNT
<b>BASE UNIT PRICES FOR:</b>						
		<b>GENERAL ITEMS</b>				
1		Mobilization	LS	1	\$55,000.00	\$55,000.00
2		Inlet Protection Barrier for Stage I & II	LF	10	\$4.50	\$45.00
3		Reinforced filter fabric barrier	LF	2000	\$4.25	\$8,500.00
4		Trench safety system for sewer/manhole trench excavations (5 Ft -10 Ft)	LF	1,903	\$2.25	\$4,281.75
		<b>Total Base Unit Prices- General Items</b>				<b>\$67,826.75</b>
		<b>PAVING ITEMS</b>				
5		6-inch reinforced concrete Pavement	SY	3,350	\$48.25	\$161,637.50
6		Lime stabilized sub-grade, 6-inch	SY	3,350	\$4.50	\$15,075.00
7		Lime for Lime Stabilized Subgrade (6%)	Ton	42	\$195.00	\$8,190.00
8		6-inch concrete driveway, Including Excavation	SF	1,150	\$10.00	\$11,500.00
9		6-inch Concrete Curb	LF	2,120	\$4.25	\$9,010.00
10		Concrete Wheelchair Ramp (All types)	EA	0	\$8.00	\$0.00
11		Concrete sidewalk	SF	1125	\$15.00	\$16,875.00
		<b>Total Base Unit Prices- Paving Items</b>				<b>\$222,287.50</b>
		<b>STORM SEWER ITEMS</b>				
12		Type C manhole for 42-inch diameter and smaller sewers	EA	2	\$4,400.00	\$8800.00
13		24-inch diameter HDPE Storm Sewer by open cut	LF	80	\$80.00	\$6400.00
14		24-inch diameter RCP Storm Sewer by open cut	LF	0	\$125.00	\$0.00
15		Storm Water Quality Strucutre	LF	1	\$13000.00	\$13000.00
15		Underground Detention System	CF	40225	\$18.75	\$754218.75
16		Type "A" inlet frame and grate	EA	10	\$3000.00	\$30000.00
		<b>Total Base Unit Prices - Storm Sewer Items</b>				<b>\$812,418.75</b>
		<b>SANITARY SEWER ITEMS</b>				
17		4-foot Dia Precast Concrete Manhole	EA	7	\$7,500.00	\$52500.00
18		8-inch Diameter sanitary sewer, by open-cut	LF	1,000	\$115.00	\$115000.00
19		6" Sanitary Service Leads, Open Cut Complete in Place	LF	243	\$115.00	\$27945.00
20		Install 6" Clean-out & Box at end of Service Leads, Complete in Place	EA	17	\$375.00	\$6375.00
		<b>Total Base Unit Prices - Sanitary Sewer Items</b>				<b>\$201,820.00</b>
		<b>WATER LINE ITEMS</b>				
21		8-inch Diameter Water Line (Open Cut)	LF	1,100	\$70.00	\$77,000.00
22		Fire hydrant assembly, all depths, including 6-inch diameter gate valve and box	EA	2	\$4,800.00	\$9,600.00
23		6-inch diameter fire hydrant branch by open-cut	LF	20	\$59.00	\$1,180.00
24		1-inch diameter copper service line with meter box	EA	34	\$840.00	\$28,560.00
25		Master Water Meter Unit and Vault	EA	1	\$15,000.00	\$15,000.00
		<b>Total Base Unit Prices - Water Items</b>				<b>\$131,340.00</b>
		<b>EXTRA UNIT PRICES FOR:</b>				
34		Remove and Dispose of miscellaneous concrete, brick, and/or masonry	CY	10	\$12.50	\$125.00
35		Excavation Around Obstructions	CY	10	\$35.00	\$350.00
36		Extra Hand Excavation	CY	10	\$40.00	\$400.00
37		Extra Machine Excavation	CY	10	\$30.00	\$300.00
38		Extra Placement of Backfill Material	CY	10	\$20.00	\$200.00
39		Borrow/ Embankment	CY	10	\$20.00	\$200.00
40		Extra Cement Stabilized Sand	CY	40	\$42.50	\$1700.00
41		Extra Class "A" Concrete Pavement	CY	100	\$325.00	\$32500.00
		<b>Total Extra Unit Prices</b>				<b>\$35,775.00</b>
		<b>CASH ALLOWANCE TABLE</b>				
42		Street Cut Permit Fee	C.A.	10	\$500.00	\$5000.00
		<b>Total Cash Allowance Prices</b>				<b>\$5000.00</b>
<b>CONSTRUCTION COST ESTIMATE</b>						<b>\$1,476,468.00</b>
<b>5% Contingency</b>						<b>\$73,823.40</b>
<b>TOTAL CONSTRUCTION COST ESTIMATE</b>						<b>\$1,550,291.40</b>



# **Interlocal Agreement with The Harris Center for Mental Health and IDD**

Contract ID No. 2025-1067

**INTERLOCAL AGREEMENT  
BETWEEN  
MIDTOWN REDEVELOPMENT AUTHORITY AND  
THE HARRIS CENTER OF MENTAL HEALTH AND IDD**

This Interlocal Agreement (this “Agreement”) is made and entered into and effective as of \_\_\_\_\_, 2025 (the “Effective Date”), by and between the **MIDTOWN REDEVELOPMENT AUTHORITY** (“MRA”), a Texas nonprofit local government corporation created and organized under the provisions of Chapter 431 of the Texas Transportation Code, and **THE HARRIS CENTER FOR MENTAL HEALTH AND IDD** (the “Provider” or “The Harris Center”), a community center and agency of the State of Texas created and organized under the provisions of Chapter 534 of the Texas Health and Safety Code, as amended. The Harris Center and MRA may each be referred to individually as a “Party” or collectively as the “Parties.”

**RECITALS**

**WHEREAS**, Chapter 791 of the Texas Government Code, as amended, the Interlocal Cooperation Act, authorizes governmental entities to contract with one another for the performance of governmental functions and services; and

**WHEREAS**, The Harris Center is a designated local mental health authority, the local intellectual and development disability authority for Harris County, Texas, and a community behavioral health clinic certified by the Texas Health and Human Services Commission; and

**WHEREAS**, by Resolution No. 95-96, adopted by the City Council of the City of Houston, Texas (the “City”), on June 28, 1995, the City authorized the creation of MRA to aid, assist and act on behalf of the City in the performance of the City’s governmental and proprietary functions with respect to the common good and general welfare of Reinvestment Zone Number Two, City of Houston, Texas (the “Zone”); and

**WHEREAS**, MRA is responsible for implementation of the project plan and reinvestment zone for the Zone (as same may be amended from time to time, the “Project Plan”), which focuses, *inter alia*, on creating pedestrian-oriented and walkable complete streets; utilities and infrastructure; parks and plaza spaces; and overall safety and comfort in the public domain to assist in making the Zone a destination for development; and

**WHEREAS**, the Project Plan provides for the maintenance and operation of projects undertaken by MRA within the Zone, including parks and public spaces; and

**WHEREAS**, MRA recognizes the importance of ensuring that the public infrastructure and facilities developed within the Zone are safe and accessible to all residents of and visitors to the Zone; and

**WHEREAS,** The Harris Center will implement a twelve (12) month pilot program to deliver behavioral health support, clinical engagement, case management, and care coordination services to unhoused individuals within the Zone for the purpose of connecting participants to essential healthcare and housing services, supporting long-term stability and recovery through the Chronic Consumer Assistance Program – Midtown (“CCAP – Midtown”), a targeted initiative designed to identify and support unhoused individuals within the Zone who have unmet behavioral health and/or substance use needs, in collaboration with MRA, Harris County Constable’s Office Precinct 7 (“Precinct 7”), and SEARCH Homeless Services (“SEARCH”) and supported by a team consisting of personnel from The Harris Center and Precinct 7; and

**WHEREAS,** MRA desires to participate in the funding of the CCAP-Midtown, which will facilitate the provision of essential services to unhoused individuals and enhance public safety, thereby providing a benefit to the Zone;

**NOW THEREFORE,** for and in consideration of the premises and mutual covenants and agreements herein contained, the Parties agree as follows:

### **SECTION 1: OBLIGATIONS OF THE PARTIES; PAYMENT TERMS**

**1.1 PROVIDER OBLIGATIONS:** The Provider agrees to provide the services described in the scope of work attached hereto as Exhibit A (the “Scope of Work”).

**1.2 MRA OBLIGATIONS:** MRA will pay the Harris Center an amount not to exceed **Two Hundred Thirteen Thousand Thirty-Seven Dollars and 60/100 (\$213,037.60)** for the services described in the Scope of Work.

**1.3 INVOICES AND PAYMENT:** The Provider shall submit an invoice to MRA on a monthly basis for services pursuant to the Scope of Work rendered each month. All invoices must be sent to MRA at its address for notices specified hereunder and received on or before the fifth (5th) day of the month. MRA will remit payment to The Harris Center within thirty (30) days of receipt of an acceptable and properly documented invoice.

### **SECTION 2 - TERM OF AGREEMENT**

**2.1 TERM:** This Agreement shall remain in effect until May 31, 2026, unless earlier terminated by either Party pursuant to Section 3.

### **SECTION 3 - TERMINATION OF AGREEMENT**

**3.1 TERMINATION BY MRA:** This Agreement may be terminated by MRA without cause upon thirty (30) days written notice to Provider. This Agreement may be terminated by MRA with cause if, within thirty (30) days’ written notice to Provider specifying a failure of Provider to substantially perform in accordance with the terms of this Agreement, Provider does not cure such failure, by providing a notice of termination to The Harris Center specifying the effective date of

such termination, which shall be not less than thirty (30) days from the date of the notice of termination.

**3.2 TERMINATION BY PROVIDER:** Provider may terminate this Agreement with cause if, within thirty (30) days written notice to MRA specifying a failure of MRA to substantially perform in accordance with the terms of this Agreement, MRA does not cure such failure, by providing a notice of termination to MRA specifying the effective date of such termination, which shall be not less than thirty (30) days from the date of the notice of termination.

**3.3 TERMINATION PROCESS:** Upon receipt of a notice of termination and prior to the effective date of the termination, the Provider shall, unless the notice otherwise directs, immediately begin to phase out and discontinue all services in connection with the performance of this Agreement and shall proceed to promptly cancel all existing orders and contracts funded pursuant to this Agreement.

**3.4 FINAL PAYMENT:** Within thirty (30) days after the termination or expiration date of this Agreement, the Provider shall submit to MRA a final invoice for services performed under this Agreement prior to the termination or expiration date, which MRA shall pay within thirty (30) days of receipt. **The foregoing provision shall survive expiration or termination of this Agreement.**

#### **SECTION 4 - INSURANCE**

**4.1 INSURANCE:** The Provider shall maintain in effect certain insurance coverage and shall furnish certificates of insurance, in duplicate form, before beginning its performance under this Agreement. All policies except Worker's Compensation and Professional Liability Insurance must name MRA, the City and the Zone (and their respective directors, officers, employees and agents) as additional insureds. All liability policies must be issued by a Company with a certificate of authority from the Texas Department of Insurance to conduct insurance business in Texas. The Provider shall maintain the following insurance coverages in the following amounts:

1. Commercial General Liability insurance including Contractual Liability insurance:
  - i. \$1,000,000 per occurrence; \$2,000,000 aggregate
2. Workers' Compensation including Broad Form All States endorsement:
  - i. Statutory amount
3. Employer's Liability coverage with a limit of not less than \$500,000 per employee for Occupational Disease; \$500,000 policy limit for Occupational Disease; and Employer's Liability of \$500,000 per accident.
4. Automobile Liability insurance:
  - i. \$1,000,000 combined single limit per occurrence
5. Professional Liability insurance.



- i. \$1,000,000 each claim/annual aggregate

Aggregate limits are per twelve (12) month policy period unless otherwise indicated.

**4.2 WAIVER OF SUBROGATION:** Except for Workers' Compensation and Professional Liability coverage, all insurance policies must require on their face, or by endorsement, that the insurance carrier waives any rights of subrogation against MRA, the City and the Zone and that it shall give prior written notice to MRA before they may be canceled, materially changed, or non-renewed per standard ISO Acord form wording and the policy provisions. Within the 30-day period, the Provider shall provide other suitable policies in lieu of those about to be canceled, materially changed, or non-renewed so as to maintain in effect the required coverage. If the Provider does not comply with this requirement, MRA, at its own sole discretion, may:

- (1) immediately suspend the Provider from any further performance under this Agreement and begin procedures to terminate for or default, or
- (2) purchase the required insurance with its own funds and deduct the cost of the premiums from amounts due to the Provider under this Agreement.

## **SECTION 5 - MISCELLANEOUS**

**5.1 GOVERNING LAW:** This Agreement shall be construed, performed and enforced in accordance with the laws of the State of Texas without regard to otherwise applicable choice-of-law rules or principles. The Provider and MRA hereby submit to the jurisdiction of the state and federal courts in the State of Texas and to venue in such courts sitting in Harris County, Texas, and Provider hereby designates the Secretary of State for the State of Texas as an authorized agent to accept service of any and all process on behalf of Provider in the State of Texas and in connection with this Agreement. Notwithstanding the foregoing sentence, the Parties agree that service of process for Provider shall first be attempted by serving its registered agent of record, and secondly by serving Provider as its duly authorized corporate representative. This Agreement is to be performed in Harris County, Texas.

**5.2 APPLICABLE LAW:** In performing its obligations under this Agreement, the Provider at all times shall observe and comply with all applicable federal and state laws, local laws, ordinances, orders, and regulations of the federal, state, county, or city governments. The federal, state, and local laws, ordinances, and regulations which affect those engaged or employed in providing such services, or the equipment used in the providing of such services, or which in any way affects the conduct of such services, shall be at all times in effect, and no pleas of misunderstanding will be considered on account of ignorance thereof. The Provider shall likewise impose the same obligations contained in this Article upon all of its subcontractors and agents.

**5.3 NOTICES:** All notices, demands, or requests from one Party to another shall be in writing and shall be personally delivered, sent by mail, certified, registered, express or overnight, postage prepaid, to the addresses stated in this Section, or to such other address as the Party may request in writing, and are deemed to have been given at the time of delivery:

If to The Harris Center:  
 Chief Executive Officer  
 The Harris Center for MH and IDD  
 9401 Southwest Freeway  
 Houston, Texas 77074

With a copy to:  
 Assistant General Counsel, Contract Services  
 The Harris Center for MH and IDD  
 9401 Southwest Freeway  
 Houston, Texas 77074

If to MRA:  
 Executive Director  
 Midtown Redevelopment Authority  
 410 Pierce Street, Suite 355  
 Houston, Texas 77002

With a copy to:  
 Barron F. Wallace  
 Bracewell LLP  
 711 Louisiana Street, Suite 2300  
 Houston, Texas 77002

**5.4 NONDISCRIMINATION:** Each Party to this Agreement agrees that no person, on the basis of race, color, national origin, religion, sex, age, handicap, or political affiliation, will be excluded from participation, be denied the benefits of, or be subject to discrimination in the provision of any services hereunder. The Parties hereto agree to comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Age Discrimination Act of 1975, Title IX of the Education Amendments of 1972, the Americans with Disabilities Act of 1990 and the Civil Rights Act of 1991 and all amendments to each and all requirements imposed by the regulations issued pursuant to these acts.

**5.5 REMEDIES:** All rights, powers, and remedies granted either Party by any particular term of this Agreement are in addition to, and not in limitation of, any rights, powers, or remedies which it has under any other term of this Agreement, at common law, in equity, by statute, or otherwise, and all such rights, powers, and remedies may be exercised separately or concurrently, in such order and as often as may be deemed expedient by either Party. No delay or omission by either Party to exercise any right, power, or remedy shall impair such right, power, or remedy or be construed to be a waiver of any breach or default or an acquiescence therein. A waiver by either Party of any breach or default thereunder shall not constitute a waiver of any subsequent breach or default.

**5.8 AMENDMENTS AND WAIVERS:** Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is signed by MRA and The Harris Center.

**5.9 SEVERABILITY:** The invalidity or unenforceability of any term or provision hereof shall not affect the validity or enforceability of any other term (s) or provision (s).

**5.10 DISPUTE RESOLUTION:** In the event a dispute arises between the Parties involving the provisions or interpretation of any term or condition of the Agreement, and if both Parties desire to attempt to resolve the dispute prior to termination or expiration of the Agreement, or withholding payments, then the Parties may refer the issue to a mutually agreeable dispute resolution process in accordance with Texas Government Code Section 2260.004, as amended.

**5.11 FORCE MAJEURE:** Neither Party shall be liable nor deemed to be in default for any delay or failure in performance under the Agreement or other interruption of service deemed resulting,

directly or indirectly, from acts of God, epidemic, pandemic, governmental authority, order, requisition or necessity of the government, or specific cause beyond the reasonable control and not attributable to the Party's neglect or nonfeasance, acts of public enemy, war, accidents, fires, explosions, hurricanes, floods, failure of transportation, strikes, or other work interruptions by either Party's employees, or any similar cause beyond the reasonable control of either Party.

**5.12 SUCCESSORS AND ASSIGNS:** MRA and the Provider, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other Party to this Agreement and to the partners, successors, assigns and legal representatives of such other Party with respect to all covenants of this Agreement. Neither Party may assign or transfer this Agreement to a third party without the prior written consent of the other Party.

**5.13 EXHIBITS:** All Exhibits attached hereto are incorporated herein by reference as if fully set out.

**5.14 ELECTRONIC SIGNATURES AND DUPLICATE ORIGINALS:** This Agreement may be executed in duplicate counterparts, each of which shall be deemed an original. Each Party may sign and deliver this Agreement electronically or by electronic means and an electronic transmittal of a signature, including but not limited to, a scanned signature page, will be as good, binding, and effective as an original signature.

**5.15 ENTIRE AGREEMENT:** This Agreement constitutes the sole and only agreement of the Parties hereto and supersedes any prior understandings, written or oral agreements between the Parties respecting the subject matter herein.

*[execution page follows]*

**MIDTOWN REDEVELOPMENT  
AUTHORITY**

---

Matt Thibodeaux  
Executive Director

Date: \_\_\_\_\_

**THE HARRIS CENTER FOR MENTAL  
HEALTH AND IDD**

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Wayne Young, MBA, LPC, FACHE  
Chief Executive Officer

Date: \_\_\_\_\_

**APPROVED BY FORM:**

---

Kendra Thomas, JD, LPC  
General Counsel

Date: \_\_\_\_\_

## **Exhibit A**

### **Scope of Work<sup>1</sup>**

#### **A. Scope of Work**

The Harris Center and MRA will collaborate in a process to identify and engage adults with a mental illness who are experiencing homelessness, in behavioral health supportive services through the provision of intensive crisis intervention and clinical and care coordination services. This partnership includes the implementation and management of a Master Level Clinician (“MLC”) who will provide intensive home and community-based clinical and care coordination services to adults with a mental illness. The MLC will utilize a wraparound model to engage individuals to assist with identification of mental health symptoms, treatment compliance and human services delivery. The wraparound model will assist the individual with reintegration into the community, with particular attention on mental wellness and the acquisition of housing.

Additional objectives of this service include, but are not limited to:

- Connecting consumers to outpatient behavioral health services
- Continued attempts at engagement
- Assisting consumers with obtaining valid ID
- Assisting consumers with obtaining and maintaining housing by working collectively with SEARCH
- Transporting and accompanying clients to healthcare and social service-related appointments
- Assisting consumers with accessing community resources such as SNAP, food pantries, Social Security, etc.
- Connecting consumers to primary healthcare, substance abuse treatment, and specialty care as needed.

#### **B. Target Population, Referral Process & Eligibility Criteria**

The target population for this initiative includes adults experiencing homelessness who also have a mental illness and/or substance use disorder. Individuals are identified and referred to The Harris Center by MRA and/or Precinct 7, based on the frequency and duration of their homelessness and an apparent need for behavioral health services.

In addition to referrals, Harris Center staff will actively identify and engage individuals in the community, initiating support and outreach at the point of contact to begin building trust and connecting them to appropriate services.

#### **C. Staffing and Caseloads**

The program will consist of one full-time MLC who can maintain a case load of twenty (20) consumers with the assistance of a full time Care Coordinator.

<sup>1</sup> Capitalized terms used in this Exhibit A shall have the meanings provided for in the Agreement.

**D. Supervision**

Clinical supervision and direction will be provided by The Harris Center's Comprehensive Psychiatric Emergency Program Division. A clinical team leader, a licensed clinician in the State of Texas, will oversee supervision. Program oversight will be managed by a program director.

**E. Documentation and Data**

Medical documentation will be maintained in The Harris Center's electronic health records.

**F. Reporting**

The Harris Center will generate a monthly report to include number of referrals, total number of people served, number of services provided, number of people referred to SEARCH for housing services, and number of people connected to outpatient mental health services.

**G. Delivery**

All services will be delivered in the community and may include co-response with other agencies Monday through Friday, from 8 a.m. to 4 p.m.

Additional Harris Center Crisis Services, including but not limited to Mobile Crisis Outreach Team, Rapid Response, and Crisis Intervention Response Team services, are available 24/7, 365 days a year. These services can be accessed by calling the Crisis Line at 713-970-7000 or by calling 911.

**H. Outcome Measures and Key Point Indicators (KPIs)**

Program outcomes will be measured utilizing the following data:

**Number of Successful Admissions:** The program will successfully admit twenty-five (25) consumers during the term of the Agreement. (Admission to the program requires the person to voluntarily sign consent to services.)

**Number Served:** The program will serve seventy-five (75) unduplicated people during the term of the Agreement.

**Housing Referrals:** 100% of consumers admitted to the program will be referred to SEARCH for housing assessment if they are not already connected to housing.

**Business and Community Engagement:** The CCAP-Midtown team will engage with a minimum of 12 local businesses, agencies and/or churches within the Zone during the term of the Agreement to provide education and support.

The following scores will be used to measure the success of the program:

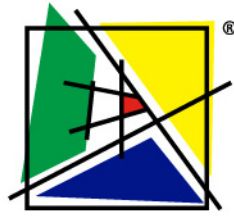
The Activities of Daily Living (DLA-20) score will improve at 6 months post program admission and again at discharge.

Client Retention Rates: Clients will remain in service for at least 6 months.

Client Satisfaction: Visit Satisfaction Surveys (VSS-2) will be offered to consumers at each encounter.

A minimum of 20 surveys will be completed each month and scores will remain above 90% satisfactory.

Community Satisfaction: A satisfaction survey will be collaboratively developed by MRA, The Harris Center, and Precinct 7. The survey will be distributed to local businesses, organizations, and/or churches that have been engaged by the program team. Its purpose is to measure community satisfaction with the program's impact and engagement efforts. The survey will be administered at the end of the term of the Agreement, with a target satisfaction score of at least 90%.



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# **MIDTOWN CAPITAL IMPROVEMENTS PROGRAM**



## **Capital Improvements Program**

### **Street Overlay and Sidewalk Program**

- Projects will include comprehensive mill and asphalt overlay to improve the road surface condition and sidewalks constructed to generally 5 feet width on local streets and 6 feet width on major thoroughfares.
- Based on the City's Pavement Condition Index (PCI) ratings and Midtown Sidewalk Conditions Assessment, the next phase of projects will include improvements to sections of Cleburne Street and Caroline Street.
- City of Houston Public Works Design Concept Report (DCR) Review Committee has completed its review of Caroline Street and Cleburne Street Safety Improvements conceptual plan and determined that the project may proceed to the next phase of design.
- Project scope will include sidewalk rehabilitation, crosswalk improvements, and pavement marking improvements along Cleburne Street (Main Street to LaBranch Street) and Caroline Street (Wheeler Avenue to Hermann Drive); Cleburne Street will also include a mill and overlay.
- Funding for the project includes \$1,562,000 Federal Transit Administration (FTA) Grant and \$179,000 Council District Service Funds from District D Councilmember Evans-Shabazz.

## **Capital Improvements Program**

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- City of Houston Public Works Design Concept Report (DCR) Review Committee has completed its review of Caroline Street and Cleburne Street Safety Improvements conceptual plan and determined that the project may proceed to the next phase of design.
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- Funding for the project includes \$1,562,000 Federal Transit Administration (FTA) Grant and \$179,000 Council District Service Funds from District D Councilmember Evans-Shabazz.



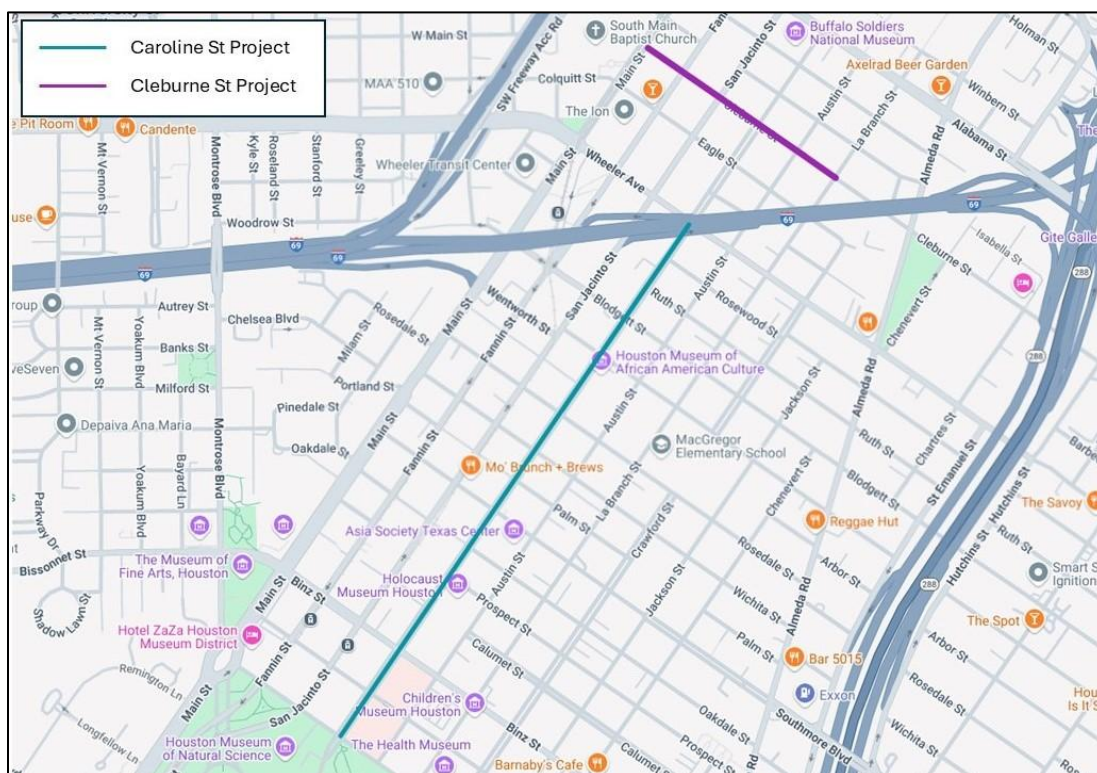
# **Street Overlay and Sidewalk Program Design Phase Work Order**

## Design Services for Caroline Street and Cleburne Street Safety Improvements Projects for Midtown Redevelopment Authority (MRA)

May 2025

The Goodman Corporation (TGC) is pleased to submit this proposal to provide design engineering and consulting services for the Caroline Street and Cleburne Street Safety Improvements Projects associated with the Federal Transit Administration (FTA) Grant of \$1,562,000 (federal and local) awarded to MRA. This grant has been executed, and the funds are available for use. The project will be let by the Midtown Redevelopment Authority and permitted through City of Houston as a review agency.

The Project will include sidewalk rehabilitation, crosswalk improvements, and pavement marking improvements along Cleburne Street and Caroline Street. Cleburne Street will also include a mill and overlay. The improvements in Caroline Street extend from Wheeler Avenue to Hermann Drive and Cleburne Street extend from Main Street to La Branch Street. This project was reviewed by the City of Houston through the DCR intake form process and received a "No Full DCR Needed" letter on March 19, 2025. The project location is shown on the map below in Figure 1.

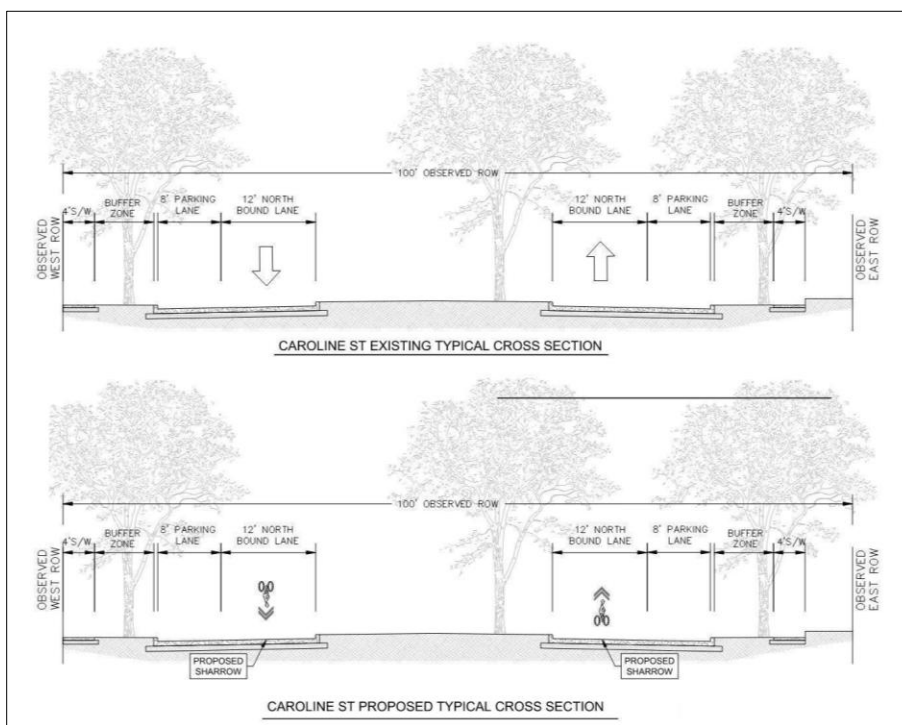


**Figure 1: Caroline & Cleburne Street Safety Improvements Project Location**

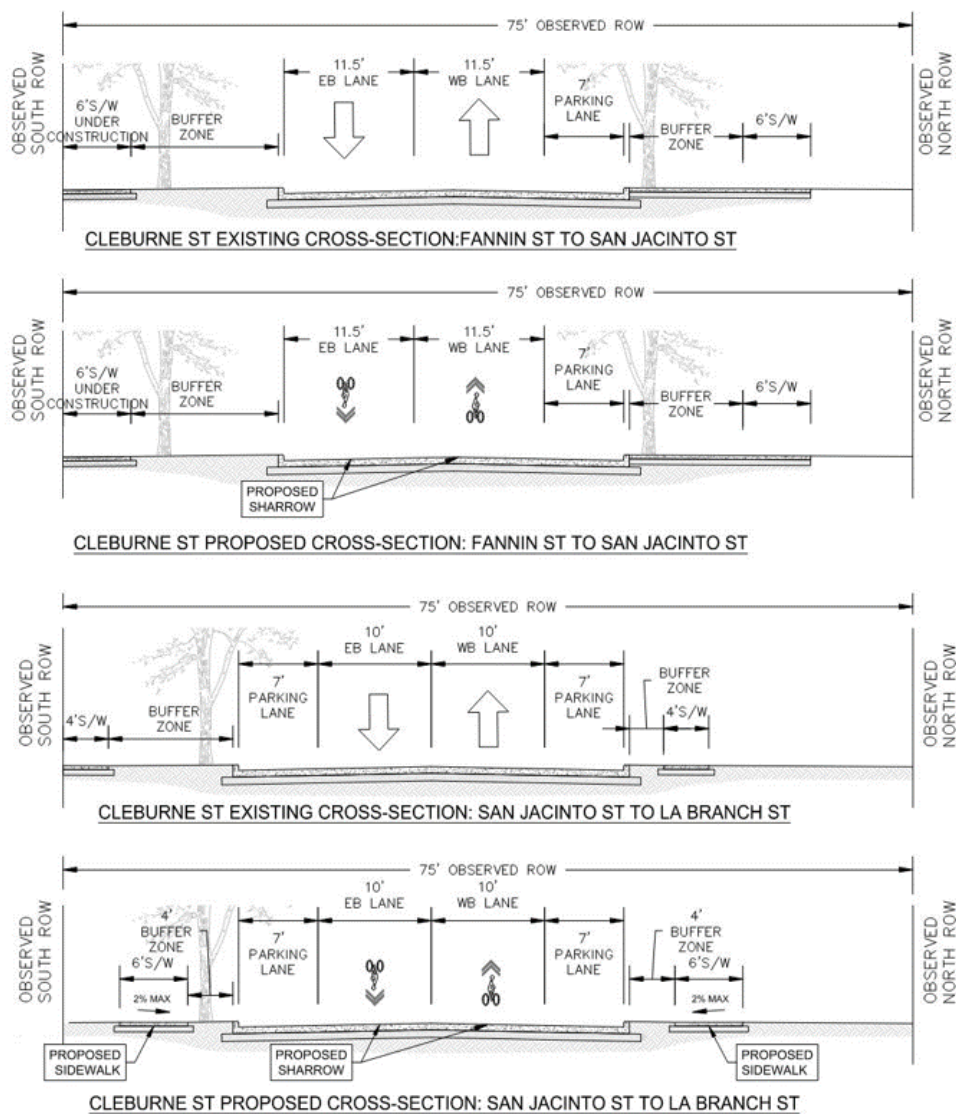
A detailed project scope is listed below:

1. Both projects will include upgrades to pavement markings between existing curb lines to delineate travel lanes with bike sharrows and parking aisles on each side of the street for parallel parking, including no parking zones near intersections for pedestrian safety and visibility.
2. Crosswalks and stop bars will be upgraded with new pavement markings where needed along both corridors.
3. Along both streets, improvements will include upgrading or repairing sidewalks to meet City of Houston standards and upgrading ramps as needed to comply with ADA requirements.
4. On Cleburne Street, between Main Street and Fannin Street, additional pavement markings may be included for provisions of bike lanes where extra width exists along this block.
5. On Cleburne Street, a mill and overlay will be completed.

Proposed Typical Sections for each project are shown in Figure 2 and Figure 3 below. Cleburne Street's typical section between Main Street and Fannin Street will be determined at the beginning of the project, but will not include moving of existing curb lines.



**Figure 2: Caroline Street Safety Improvements Project Typical Section**



**Figure 3: Cleburne Street Safety Improvements Project Typical Section (Fannin to La Branch)**

It is anticipated that electrical design services, acquisition of additional right-of-way, and use of easements are not required for this Project.

The design for the proposed improvements will follow City of Houston design standards.

It is anticipated that TGC, on behalf of MRA, will conduct the project letting and construction administration. TGC will provide engineering support and document preparation to support the bid phase and construction phase of the project. TGC will provide responses to RFIs, participate in construction progress meetings, compliance to funding requirements and payment approval services. Day-to-day construction supervision, inspection and material testing will be performed by separate consultants for MRA.

**Task 1: Plan Preparation**

- Obtain topographic survey
- Complete geotechnical borings and analysis to provide recommendations for mill and overlay
- Set up plans according to COH standards including cover sheet, and title blocks
- Site visit to clarify/confirm existing site conditions with basemap
- Prepare plans and progress through the design development process
- Site visit to verify conflict and/or resolve conflict through alternate design
- Prepare and submit plans for 30%, 60%, 95%, and 100% review and final plans for approval
- The plans will include cover sheet, note sheet, demolition & removal sheets, layout plans, streetlight location identification and coordination to be designed by Centerpoint Energy, ideally with Midtown standard, details, traffic control plans, SWPPP plans, and summary of quantities sheets.
- Perform quantity takeoff for each plan review submittal
- Engineer's Opinion of Probable Construction Cost at 60%, 95% and 100% design based on TxDOT Average Low Bid Tabs or other recent construction project bids available
- Prepare technical specifications

**Task 2: Project Management**

- Coordinate with project sponsor and other stakeholders (biweekly)
- Internal coordination with team members
- Manage project scope, schedule, quantity, and budget
- Submit monthly invoices
- Private utility coordination (CenterPoint Energy, AT&T, etc.), and approval
- Coordinate with client, the COH through plan submittal and design review process for 60%, 95%, 100%, and plan approval
- Prepare Project Manual in coordination with the City project manager, including front-end documents, COH standard details, and standard specifications
- Complete the TDLR Project Registration and plan review
- Complete a Drainage Impact Study for the project areas for the increased impervious cover for expanded sidewalk footprints
- Obtain utility signatures on final plans
- Support the City by providing required documentation and design files (in AutoCAD format for City) etc., as required
- Quality Assurance/ Quality Control (QA/QC) of all deliverables
- TGC will complete one public meeting, at the 30% or 60% design phase, to communicate the project scope, timeline, and other information to the community.

Quality Assurance/ Quality Control (QA/QC)

All TGC deliverables follow a thorough Quality Assurance/ Quality Control (QA/QC) plan to ensure design conformance with established codes and client specific standards, overall project



constructability, and cost-estimate accuracy. The plans and specifications for this project will undergo various stages of internal review and follow up actions to meet the company's QA/QC policy.

#### Environmental Documentation

TGC will complete documentation for submittal to FTA of a request for a Categorical Exclusion. This is needed for FTA purposes. The categories of information and analysis included in this document are:

- Project description
- Reason for proposed project
- Scope of work
- Project location map
- Basic construction site plan
- Land use and zoning
- Traffic
- Noise
- Vibration
- Environmental justice (including statistics on minority and low-income populations)
- Cultural resources (historic and archeological, including Google Earth photographs of properties)
- Section 4(f) resources (parkland and recreation areas, historic)
- Biological resources (species and habitat)
- Wetlands
- Floodplains
- Water quality
- Air quality
- Hazardous materials (including review of any existing Phase I Environmental Assessments or similar documentation)
- Prime and unique farmland
- Property acquisitions or relocations
- Safety/security
- Construction impacts
- Mitigation measures

Maps of any resources will be included.

Submitted with documentation for the CE will be a completed FTA Categorical Exclusion Worksheet and follow-up coordination with FTA environmental staff, as needed.

#### Deliverables:

- i. Plan submittal (30%, 60%, 95%, and 100%) for COH approval
- ii. Engineer's Opinion of Probable Construction Cost (at 60%, 95%, & 100%)



- iii. Project manual and technical specifications
- iv. Development of CE checklist and full CE package for FTA review.

#### Tasks not included in the current scope of work:

- Right-of-way Survey
- Sub-surface Utility Exploration (any level A and B SUE) survey
- A comprehensive DCC and DCR review process
- Drainage improvement and/or flood mitigation other than adjustments of manhole and inlet covers within the area disturbed by the project
- Water line improvements
- Traffic signal design
- Traffic count and warrant analysis

### Task 3: Bid Phase Services

TGC will prepare the bid documents for the construction of the projects, advertise, conduct a pre-bid meeting, respond to bidder's question, collect bids, evaluate proposals, and recommend the lowest responsive and responsible bidder for award to the client. The bid advertisements and the follow-up processes will utilize the online tool, CivCast. The advertisements will also be published in the local newspaper for two days on two subsequent weeks.

#### Deliverables:

- i. Bid documents
- ii. Bid tabs
- iii. Recommendation for award

### Task 4: Construction Phase Design Services

TGC will manage the project during the construction phase. TGC will provide the following services.

- Provide responses to technical RFIs
- Shop drawing review (assumed up to 8)
- Attend pre-construction meeting and progress meetings (assumed monthly up to 4)
- Monitor compliance with federal funding requirements (Buy America/Build America, Davis-Bacon, etc.)
- Site visits as required (assumed up to 4 visits)
- TDLR inspection coordination
- Collecting redlined/marked-up plans from contractor and preparation of as-built/ conformed to construction plans
- Complete project financial close-out audit; coordinate with sponsor

The frequency of the services provided in this phase is an estimate. TGC will work with Midtown to deliver the project within the parameters provided here. If, at no fault of TGC, additional work is required which exceeds the frequency of the services prescribed we reserve the right to request additional compensation through a change request.

#### Deliverables:

- i. Pre-Construction Meeting
- ii. Responses to design-related questions / request for Information (RFIs)
- iii. Formal reviews of shop drawings
- iv. Meeting minutes for the meeting attended
- v. Project closeout documentation

#### Tasks not included in the current scope of work:

- As-built survey
- Day to day construction management
- Construction phase materials testing

### Project Schedule

A tentative project schedule is shown below.

PROJECT SCHEDULE																		
TASKS	DESCRIPTION	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	M13	M14	M15	M16	M17
T1 & T2	Data Collection & Base Map																	
T1 & T2	Design & Plan Preparation																	
T1 & T2	Plan Approval																	
T3	Bid Phase																	
T4	Construction Phase Services																	

### Project Budget

Progress payments will be made based on the percentage of completion of each task. Monthly invoices, including progress reports, will be provided commensurate with the percentage of the project completed each month. The costs within this scope are inclusive of all direct and indirect costs as provided in the tables below.

Task	Description	Cost
1	Plan Preparation	\$225,752
2	Project Management	\$63,763
3	Bid Phase Services	\$23,809
4	Construction Phase Design Services	\$34,153
	<b>Total Authorized</b>	<b>\$347,477</b>



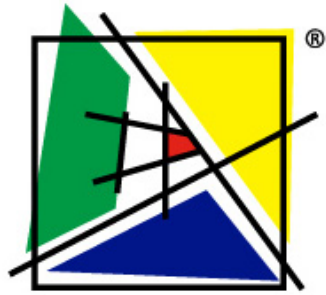
Connecting Capital to Communities Since 1980  
TBPE NO. F-19990

## PROJECT SCOPE

Houston + Austin, TX  
www.thegoodmancorp.com  
Phone: (713) 951-7951

### Level of Effort

MID - Caroline and Cleburne Street Safety Improvements Project							
Category	Category Rate	Task 1 Plan Preparation	Task 2 Project Management	Task 3 Bid Phase Services	Task 4 Construction Phase Services	General ODC	Totals
Admin I	\$98.18		12	12	16		\$3,960
Associate I	\$106.36						
Associate II	\$119.16		8				\$953
Associate III	\$147.31						
Senior Associate I	\$158.88						
Senior Associate II	\$180.01	80					\$14,401
Senior Associate III	\$200.53	120	107	16	8		\$50,333
Principal I	\$215.96						
Principal II	\$254.52	40	38	16	12		\$26,979
Principal III	\$301.88		24	8	16		\$14,490
Engineer Associate I	\$106.36						
Engineer Associate II	\$122.71	300	12		16		\$40,249
Engineer Associate III	\$151.40	160	40				\$30,280
Engineer Senior Associate I	\$167.75						
Engineer Senior Associate II	\$184.10						
Engineer Senior Associate III	\$204.54		30	40	60		\$26,590
Engineer Principal I	\$220.89						
Engineer Principal II	\$261.85	100	34	12	20		\$43,492
Engineer Principal III	\$319.15						
Staff Hours By Task		800	305	104	148	1357	\$251,728
<b>Other Direct Expenses</b>							
TDLR Registration			\$225				\$225
TDLR Plan Review			\$450				\$450
TDLR Inspection & Approval					\$500		\$500
Mileage & Printing & Publication		\$400		\$1,600	\$300		\$2,300
<b>Sub-Contractors</b>							
Topographic Survey (+10%)		\$65,325					\$65,325
Geotechnical (+10%)		\$24,145			\$2,805		\$26,950
<b>Subtotals</b>							
Subtotal: Staff Expense		\$135,882	\$63,088	\$22,209	\$30,548		\$251,728
Subtotal: Other Direct Expenses		\$400	\$675	\$1,600	\$800		\$3,475
Subtotal: Sub-Contractor		\$89,470			\$2,805		\$92,275
<b>Totals</b>		<b>\$225,752</b>	<b>\$63,763</b>	<b>\$23,809</b>	<b>\$34,153</b>		<b>\$347,477</b>



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# URBAN REDEVELOPMENT PLAN