

BUILDING LEASE

THIS BUILDING LEASE (this "Lease") is made and entered into as of the "Lease Date" (as defined below), by and between CCI-BURLESON I, LP., a Texas limited partnership ("Landlord"), and CAPITAL AREA COUNCIL OF GOVERNMENTS, a regional planning commission and political subdivision of the State of Texas ("Tenant").

1. BASIC LEASE INFORMATION.

The words and phrases defined below are hereby incorporated into and made a part of this Lease and are hereinafter referred to as the "Basic Lease Information".

- (a) "Lease Date": The date upon which this Lease is mutually executed by Landlord and Tenant as indicated on the signature page hereof; provided that if executed on different dates, the latter of such dates shall be the Lease Date.
- (b) "Building": The building, having a total rentable area of approximately 274,231 square feet, located at 6800 Burleson Road, #310, Austin, Texas 78744.
- (c) "Premises": Suite 165 consisting of approximately 34,287 square feet of rentable area in the Building and Suite 155 consisting of approximately 17,481 square feet of rentable area in the Building as outlined on the schematic floor plan attached hereto as Exhibit A.
- (d) "Permitted Use": General office use and including (i) emergency communications and public safety training in the Premises and on certain Common Areas (as that term is defined below) and in Tenant's trailer which is permitted to be located in the Parking Areas adjacent to the Premises, (ii) the operation of Tenant's agencies, the Area Agency of Aging and Aging and Disability Resources Center in the Premises, (iii) use of the Premises as a Public Safety Answering Point ("PSAP") on a 24 hour/7 day a week basis and, in the event so activated, the use of the PSAP as an emergency 911 call center and for no other use or purpose without the prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion; provided that pursuant to Section 6.6 hereof, such Permitted Use of the Premises shall be subject to the "Rules and Regulations" as set forth in Exhibit B
- (e) "Office Pool": The Office Pool consists of the tenants, space and/or premises in the Building more specifically described on Exhibit C.
- (f) "Tenant's Proportionate Share of the Office Pool": The ratio between the rentable area of the Premises and the total rentable area of the office areas in the Building, expressed as a percentage.
- (g) "Office Pool Projected Monthly Operating Expenses": Landlord's estimated projection of the monthly installment of Tenant's Proportionate Share of the "Operating Expenses" (as hereinafter defined) for the 310 Building for the calendar year of the Commencement Date, which is the sum of \$38,955.42, based on an estimated annualized factor of \$9.03 per square foot of rentable area of the Premises.
- (h) "Lease Term": The period commencing on the later of (i) April 1, 2017 or (ii) the substantial completion of the Tenant Improvements for Suite 155 (the "Commencement Date") and expiring on the last day of the one hundred and twentieth (120th) full month following the Commencement Date (the "Expiration Date"). If substantial completion of the Tenant Improvements for Suite 155 takes place before April 1, 2017, Tenant may take possession of the Premises prior to the Commencement Date subject to all provisions of this Lease other than the obligations to pay Base Rent and Tenant's Proportionate Share of Operating Expenses, payment of which shall commence on the Commencement Date.
- (i) "Security Deposit": The sum of \$78,730.50 of which \$43,198.17 is currently held by Landlord under the Tenant's prior Office Lease, as amended, between Tenant and SM Brell II, L.P., Landlord's predecessor in interest (the "Prior Lease") and of which \$35,532.33 shall be deposited by Tenant with

Landlord within three (3) days of the Lease Date. The Security Deposit shall be held by Landlord in accordance with Section 4 hereof.

(j) **"Base Rent"**: The total sum to be paid to Landlord by Tenant in monthly installments at the annual rate set forth in the schedule below and pursuant to Section 3 hereof.

<u>Monthly Period</u>	<u>Annual Rate</u>	<u>Monthly Installment</u>
Month 1 - Month 12	\$ 13.75 / RSF	\$59,317.50
Month 13 - Month 24	\$ 14.25 / RSF	\$ 61,474.50
Month 25 - Month 36	\$ 14.75 / RSF	\$ 63,631.50
Month 37 - Month 48	\$ 15.25 / RSF	\$ 65,788.50
Month 49 - Month 60	\$ 15.75 / RSF	\$67,945.50
Month 61 - Month 72	\$ 16.25 / RSF	\$ 70,102.50
Month 73 - Month 84	\$ 16.75 / RSF	\$72,259.50
Month 85 - Month 96	\$ 17.25 / RSF	\$ 74,416.50
Month 97 - Month 108	\$ 17.75 / RSF	\$76,573.50
Month 109 - Month 120	\$ 18.25 / RSF	\$78,730.50

(k) **Landlord's Address:** CCI-Burleson I, LP
c/o Capital Commercial Investments, Inc.
Attn: Andrew S. Doughtie
800 Brazos, Suite 600
Austin, Texas 78701

(l) **Tenant's Address:** Capital Area Council of Governments
6800 Burleson Road, Bldg. 310, Suite 165
Austin, Texas 78744
Attention: Executive Director

(m) **"Brokers":** **"Landlord's Broker":** Endeavor
"Tenant's Broker": Carr Development

(n) **"Parking Spaces"**: A total of two hundred and fifty-seven (257) parking spaces located in the parking areas appurtenant to the Building (the **"Parking Areas"** of which two hundred and forty-nine (249) are non-reserved spaces and eight are reserved and exclusive spaces"). The unreserved Parking Spaces to be available for use by Tenant, its employees and invitees, during the Lease Term pursuant Section 2.5 of this Lease. The reserved parking spaces (the **"Reserved Spaces"**) are located on the southwest side of the Building and two (2) spaces are designated as "CAPCOG ADMINISTRATION" and six (6) are designated as "CAPCOG VISITOR." The reserved parking spaces shall only be used by CAPCOG, its visitors and invitees.

(o) **"Extension Option"**: Tenant shall also have the option to extend the Lease Term for two (2) additional period of sixty (60) full calendar months pursuant to the provisions of **Exhibit D** attached to and made part hereof.

(p) **"Tenant Improvements"**: The leasehold improvements to be constructed and installed in the Premises by Landlord at Tenant's expense pursuant to the Work Letters attached hereto as **Exhibits E and F**; provided that Landlord shall provide Tenant with an allowance of \$830,351.00 (**"Tenant Improvement Allowance"**) to be used for either Suite 155 or Suite 165 in Tenant's discretion.

(q) **"Expansion Option"**: Tenant shall have a right to expand into Suite 100 pursuant to the provisions of **Exhibit G** attached to and made part hereof.

2. PREMISES: TERM.

2.1 Grant of Lease. Landlord, in consideration of the Base Rent and any Additional Rent to be paid and the other covenants and agreements to be performed by Tenant pursuant to the provisions hereof, does hereby lease, demise and let unto Tenant the Premises, commencing as of the Commencement Date and ending on the Expiration Date, unless sooner terminated as herein provided. It is further understood and agreed that any delay in Landlord's delivery of the Premises shall have no effect on the duration of the Lease Term as specified in the Basic Lease Information. Upon Landlord's written request, Tenant agrees to execute a Memorandum of Lease Commencement, certifying that Tenant has accepted delivery of the Premises and that the condition of the Premises complies with Landlord's obligations hereunder and confirming the Commencement Date and Expiration Date.

2.2 Condition of Premises. Subject to the completion of the Tenant Improvements pursuant to the Work Letter attached as Exhibit E, Tenant hereby agrees to accept possession of the Premises in "as-is" condition and agrees that the Premises is suitable for the Permitted Use and satisfactory to Tenant in all respects. Other than as may be expressly provided in this Lease, Landlord has made no representations or warranties to Tenant regarding the physical condition of the Premises and hereby expressly disclaims all representations and warranties, express, implied or statutory, with respect to the Premises and any and all leasehold improvements and fixtures contained therein. Tenant further acknowledges and agrees that, except for the Tenant Improvements described in the Work Letter attached as Exhibit E, Landlord has no obligation to install or construct any leasehold improvements or to make any alterations or modifications to the Premises.

2.3 Building Common Areas and Service Areas. As long as this Lease remains in effect and Tenant is not in default hereunder, Tenant shall have the non-exclusive right, in common with the Landlord, other Building tenants, subtenants and invitees, to use the common areas of the Building (the "Common Areas"), which consist of the Building parking areas, walkways, and driveways, provided that Landlord shall have the right at any time and from time to time, at Landlord's discretion, to limit access to such Common Areas as Landlord may determine, so long as Tenant's access to and use of the Premises is not unreasonably limited or denied. As part of Tenant's Permitted Use, Tenant may access certain areas of the Common Areas for public safety training events. Tenant shall provide Landlord prior written notice of the date, location and use of the Common Areas. Without prior written consent from Landlord, which shall not be unreasonably withheld, Tenant shall not have access to the floor area of all janitorial closets, electric rooms, mechanical rooms, and other Building areas used or useful in the operation of the Building that are accessible only to Landlord and its agents (the "Service Areas").

2.4 Floor Area Computation. The floor areas of the Building and the Premises shall be determined based on measurements made in accordance with standards established for office buildings by Building Owners and Managers Association ("BOMA"). Landlord hereby reserves the right to re-measure the rentable area of the Building and the Premises from time to time in accordance with this Section. Any Base Rent or Additional Rent due under this Lease shall be recalculated based on the re-measurement, provided that Landlord shall not re-measure the Premises more than once every five calendar years.

2.5 Parking. So long as this Lease is in effect and except for Tenant's Reserved Spaces, Tenant shall have the use of the Parking Spaces located in the surface parking lot appurtenant to the Building (the "Parking Lot"), on a non-reserved, first-come-first-served basis. Tenant's use of the Parking Spaces shall be subject to the terms and conditions of this Lease, including any Rules and Regulations pertaining to such use.

3. RENT.

3.1 Base Rent. The Base Rent installment due for the period of April 1, 2017 to April 30, 2017, shall be payable by Tenant to Landlord in advance within three (3) business days following the Lease Date. If the Commencement Date is other than the first day of a calendar month, then the per diem Base Rent amount due for such partial month of the Term shall be due and payable as of the Commencement Date. The per diem Base Rent amount shall be calculated by dividing the Base Rent due for the first calendar month of the Lease Term by the number of days in the month containing the Commencement Date. The Base Rent amount due for any fractional portion of the month of the Commencement Date, if any, shall be due and payable as of the Commencement Date. The remaining monthly installments of Base Rent shall be due and payable without demand on the first day each succeeding calendar month during the Lease Term.

3.2 Additional Rent. Both Tenant and Landlord expressly understand and agree that all other sums, other than Base Rent, which may from time to time become due under this Lease, shall be deemed "Additional Rent". Additional Rent shall include, but not be limited to, late payment charges, interest, Tenant's Proportionate Share of the Operating Expenses as described in Section 5, attorneys' fees, and any other payments or charges to be paid by Tenant hereunder. Tenant's obligation to make payments of Additional Rent hereunder shall be deemed to be an independent covenant of this Lease.

3.3 Rental Payments. All sums paid by Tenant hereunder shall be first credited to any late payment charges or penalties, interest, Base Rent due and then to any Additional Rent due (and allocated among any different items of Additional Rent as Landlord may determine). All payments of Base Rent and Additional Rent (collectively referred to herein as "Rent") shall be in lawful money of the United States of America, shall be paid without any deduction, offset or abatement, and shall be payable to Landlord at the address stated in the Basic Lease Information or to such other persons or at such other places as Landlord may designate in writing. No acceptance by Landlord of a lesser sum than the Rent then due shall be deemed to be other than on account of the earliest amount of such Rent due (unless Landlord elects otherwise). No endorsement or statement on any check or any letter accompanying any check or payment as Rent shall be deemed an accord and satisfaction or compromise and settlement, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such payments due or to pursue any other remedy as provided in this Lease.

3.4 Late Payment Charge. Tenant hereby acknowledges that the late payment by Tenant of Rent and other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting costs and fees, and late charges which may be imposed on Landlord by the terms of any mortgage or trust deed covering the Premises. Accordingly, if any installment of Base Rent, Additional Rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within ten (10) days after the due date, then Tenant shall immediately pay Landlord a late payment charge equal to the greater of either (i) five percent (5%) of such overdue amount or (ii) the sum of Two Hundred Fifty Dollars (\$250.00). The parties hereby agree that such late payment charge represents a fair and reasonable estimate of the cost Landlord will incur by reason of late payment by Tenant and that such charge is in addition to any interest due on the overdue payment as otherwise provided in this Lease. Acceptance of such late payment charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount or prevent Landlord from exercising any of the other rights and remedies granted hereunder. Notwithstanding the foregoing, if Tenant is unable to access the Premises due to an event of Force Majeure and is unable to pay Rent due to that inaccessibility, the late fees shall not accrue until Tenant can reasonably access the Premises.

4. SECURITY DEPOSIT.

Landlord acknowledges it is in possession of \$43,198.17 of the Security Deposit. The remaining \$35,532.33 of the Security Deposit shall be payable by Tenant to Landlord within three (3) business days following the Lease Date. Landlord shall not be required to keep the Security Deposit separate from its general funds. The Security Deposit shall be held by Landlord without liability for interest and as security for performance of Tenant's covenants and obligations under this Lease, it being expressly understood that the Security Deposit shall not be considered an advance payment of Rent or a measure of Landlord's damages in case of default by Tenant. Landlord may, from time to time, without prejudice to any other remedy, use the Security Deposit to the extent necessary to make good any arrearages of Rent or other amounts due based on a Tenant Default. Following any such application of the Security Deposit, Tenant shall pay to Landlord on demand the amount so applied in order to restore the Security Deposit to its original amount. If Tenant is not then in default hereunder, any remaining balance of the Security Deposit shall be returned by Landlord to Tenant within thirty (30) days after the expiration of this Lease. If Landlord transfers its interest in the Premises during the Lease Term, Landlord will assign the Security Deposit to the transferee and, thereafter, shall have no further liability for the return of such Security Deposit.

5. OPERATING EXPENSES.

5.1 Additional Rent. Beginning on April 1, 2017 and continuing throughout the Lease Term, Tenant shall be obligated to pay Landlord, as Additional Rent, Tenant's Proportionate Share of the "Office Pool Operating Expenses" (as hereinafter defined), such amount to be paid in equal monthly installments as hereinafter set forth;

provided that Tenant's Proportionate Share of the Office Pool Operating Expenses for the first full calendar month of the Lease Term shall be paid in advance as set forth above. The payment of Tenant's Proportionate Share of the Office Pool Operating Expenses for the calendar year of the Commencement Date shall be based on the Projected Monthly Office Pool Operating Expenses as set forth above. The obligation of Tenant to pay Tenant's Proportionate Share of the Office Pool Operating Expenses shall survive the expiration or any earlier termination of the Lease Term for amounts actually incurred or accrued during Tenant's occupancy. The Building is currently divided between a Warehouse Pool and an Office Pool. Landlord may allocate operating expenses between the two pools, may assign space within the Building between the two pools, and may create new pools based on Landlord's business judgment that any of the measures listed above are fair and equitable in light of the expenses which are subject to such pools.

5.2 Definition. "Office Pool Operating Expenses" shall mean Landlord's determination of the portion of all operating expenses of any kind or nature which are necessary, ordinary or customarily incurred with respect to the operation and maintenance of the Building that should be paid by tenants occupying the office areas of the Building. Tenant shall only be liable for the following Office Pool Operating Expenses if such expenses are accrued or incurred in association with the operation or maintenance of the Premises and the Building and to the extent such expenses are not covered by insurance payments. Office Pool Operating Expenses include but are not limited to, the following:

(a) Costs of supplies, including but not limited to the cost of "re-lamping" all light fixtures, as the same may be required from time to time;

(b) Costs incurred in connection with obtaining and providing energy for the Building, including but not limited to costs of natural gas, steam, electricity, and fuel oil or any other energy sources, as well as costs for heating, ventilation, and air conditioning ("HVAC") services;

(c) Costs of water and sanitary and storm drainage services;

(d) Costs of janitorial, window cleaning and security services;

(e) Costs of general maintenance and repairs, including costs under HVAC and other mechanical maintenance contracts, and repairs and replacements of equipment used in connection with such maintenance and repair work;

(f) Costs of maintenance of the Common Areas and any plazas and other areas used by tenants of the Building, including replacement of plants and landscaping;

(g) Costs of maintenance, repair, striping and repaving of parking areas;

(h) Costs of trash and snow removal;

(i) Any fees, costs or assessments imposed by any property owners association;

(j) Insurance premiums, including fire and all-risk coverage, together with loss of rent endorsement, public liability insurance, and any other insurance carried by Landlord on the warehouse areas of the Building or any component parts thereof;

(k) Labor costs, including wages and other payments, costs to Landlord of workmen's compensation and disability insurance, payroll taxes;

(l) Professional building management fees actually incurred for the operation of the Premises not to exceed market rates for comparable buildings in the greater Austin market;

(m) Legal, accounting, inspection and other consultation fees (including, without limitation, fees charged by consultants retained by Landlord for services that are designed to produce a reduction in the Office Pool Operating Expenses or reasonably to improve the operation, maintenance or state of repair of the Building) incurred for the normal, prudent operation of the Building;

(n) The costs of any machinery or equipment installed in the office areas of the Building or other structural repairs, replacements or capital improvements made in or to the office areas of the Building in order to comply with changes in any applicable laws, ordinances, rules, regulations or orders of any governmental or quasi-governmental authority having jurisdiction over the Building promulgated after the Commencement Date (referred to herein as "Required Capital Improvements"), the costs of any capital improvements and structural repairs and replacements designed primarily to reduce Operating Expenses (referred to herein as "Cost Savings Improvements"), and a reasonable annual reserve for all other capital improvements and structural repairs and replacements reasonably necessary to permit Landlord to maintain the office portions of the Building as a first class office building (not to exceed three percent (3%) of the total Operating Expenses for the Office Operating Pool); provided that the expenditures for Required Capital Improvements and Cost Savings Improvements shall be amortized over the useful life of such capital improvement or structural repair or replacement (as determined by Landlord's accountants), and provided that the amortized amount of any Cost Savings Improvement shall be limited in any year to the reduction in Operating Expenses as a result thereof; and

(o) "Real Estate Taxes", including all real property taxes and assessments levied against the Building by any governmental or quasi-governmental authority, including any taxes, assessments, surcharges, or service or other fees of a nature not presently in effect which shall hereafter be levied on the Building as a result of the use, ownership or operation of the Building or for any other reason, whether in lieu of or in addition to any current real estate taxes and assessments; provided, however, that any taxes which shall be levied on the rentals of the Building shall be determined as if the Building were Landlord's only property; and "Assessments", including any and all so-called special assessments, license tax, business license fee, business license tax, commercial rental tax, levy, charge or tax imposed by any authority having the direct power to tax, including any city, county, state or federal government, or any school, agricultural, lighting, water, drainage or other improvement or special district thereof, against the Premises, the Building or against any legal or equitable interest of Landlord therein; provided further, that in no event shall the terms Real Estate Taxes or Assessments, as used herein, include any federal, state or local income taxes levied or assessed on Landlord, unless such taxes are a specific substitute for real property taxes; such terms shall, however, include the so-called Texas "Margin Tax" to the extent imposed on rentals and any other gross taxes imposed on rentals and also any expenses incurred by Landlord for tax consultants employed to assist in contesting the amount or validity of any such Real Estate Taxes or Assessments (all of the foregoing being collectively referred to herein as "Taxes"); and

(p) Any other expense which under generally accepted accounting principles would be considered a normal maintenance or operating expense of the Building.

5.3. Exclusions to Office Pool Operating Expenses. Notwithstanding any provision to the contrary, the following shall be excluded from the Office Pool Operating Expenses:

(a) Leasing commissions, attorney's fees, costs and disbursements and other expenses incurred in connection with leasing, renovating or improving vacant space for space in the Building;

(b) Costs (including permit, license and inspection fees) incurred in renovating or otherwise improving or decorating, painting or redecorating space for tenants or vacant space;

(c) Landlord's cost of any services sold to other tenants of the Building for which Landlord is entitled to be reimbursed by tenants as an additional charge or rental over that tenant's chares for operating costs:

(d) Any depreciation or amortization of the Building except as expressly permitted herein;

(e) Cost incurred due to a violation of any applicable law, regulation or ordinance applicable to Landlord or the Building;

(f) Interest on debt or amortization payments on any mortgagees or deeds of trust or other debt for borrowed money;

(g) All items and services for which Tenant and other Tenants reimburse Landlord outside of Additional Rent;

(h) Repairs or other work occasioned by fire, windstorm or other work paid for through insurance or condemnation proceeds;

(i) Repairs resulting from any defect in the original design or construction of the Building;

(j) Landlord's cost of electricity and other services sold or provided to tenants in the Building and for which Landlord is reimbursed by such tenants or Tenant as a separate additional charge;

(k) All items and services which Tenant or any other tenant reimburses Landlord for or with respect to which Landlord provides without reimbursement selectively to one or more tenants or occupants of the Building other than Tenant as separate additional charge and above the rent or additional rent payments payable under the Lease with such tenant;

(l) Costs (limited to adjudicated penalties or fines and associate legal expenses) incurred due to violation by Landlord of the terms and conditions of any lease or rental arrangement covering space in the Building;

(m) Payment of principal and/or interest on debt or amortization payments of any mortgage or mortgages executed by Landlord covering the Building and any rental payments under any ground or underlying lease or leases;

(n) Landlord's general corporate overhead and all general administrative overhead expenses for services not specifically performed for the Building;

(o) Advertising and promotional expenditures except for (i) the Building directory and interior signs identifying tenants and signage for various equipment room and common areas, and (ii) costs of signs in, on or outside the Building identifying the owner or any tenant of the Building;

(p) Salaries and other compensation paid to employees of Landlord above the grade of asset manager and the salary of the asset manager shall be prorated over the portfolio of buildings in the greater Austin Metropolitan area being managed by an asset manager;

(q) The costs incurred in connection with correcting defects in the initial construction of the building (except the conditions resulting from the ordinary wear and tear) to the extent such defects are covered by warrant and occur during the six (6) months prior to the given year in which the cost is being charged; and

(r) Interest and penalties due to late payment of taxes and utility bills so long as such penalties or interest do not result from a Tenant Default.

5.4 Landlord's Statement. Each calendar year following the year in which the Commencement Date occurs, Landlord shall send Tenant a statement ("Landlord's Statement"), setting forth: (i) the actual amount of the Operating Expenses incurred during the preceding calendar year, or portion thereof; the proportion of such expenses included in the Office Pool Operating Expenses; and Tenant's Proportionate Share of such actual Office Pool Operating Expenses; (ii) the total amount of any payments of Tenant's Proportionate Share of Office Pool Operating Expenses received by Landlord during the preceding calendar year, or portion thereof, based on Landlord's estimate (or the Projected Monthly Office Pool Operating Expenses); (iii) any overpayment or underpayment of Tenant's Proportionate Share of Office Pool Operating Expenses for the preceding calendar year, or portion thereof; and (iv) Landlord's estimate of the amount of the Office Pool Operating Expenses and the monthly installment of Tenant's Proportionate Share thereof for the calendar year in which the Landlord's Statement is given. Landlord shall make a good faith effort to deliver Landlord's Statement to Tenant by not later than April 1st of each calendar year; provided that any delay in delivery or Landlord's failure to render Landlord's Statement with respect to any period shall not eliminate or reduce Tenant's obligation to pay Tenant's Proportionate Share of the Office Pool Operating Expenses and shall not prejudice Landlord's right to render Landlord's Statement with respect to any subsequent period provided, however, if Landlord fails to furnish Tenant with Landlord's Statement within twelve (12) months after the end of the previous calendar year, Landlord waives its right to collect any underpayment for such previous calendar year. In the event that less than ninety-five percent (95%) of the total rentable office area of the Building is occupied by tenants during any calendar year of the Lease Tenn, Landlord shall make the necessary adjustments to all Office Pool Operating Expense items that vary based on Building occupancy so that the actual Office Pool Operating Expenses

used in determining Tenant's Proportionate Share are "grossed up" to reflect a 95% Building occupancy rate. Notwithstanding any provision of this Lease to the contrary however, Landlord shall, in computing Tenant's Proportionate Share of the any Excess Office Pool Operating Expenses, limit the annual rate of increase in the dollar amount of "Controllable Operating Expenses" (as hereinafter defined) included in Office Pool Operating Expenses over the Lease Term to five percent (5%), computed on a cumulative, compounded basis; provided that the term "Controllable Operating Expenses" shall mean all Operating Expenses other than Taxes, Insurance Costs, and the cost of any utilities.

5.5 Tenant's Payments. Until Tenant receives Landlord's Statement pursuant to the provisions hereof, Tenant shall continue to pay the monthly installment of Tenant's Proportionate Share of the Office Pool Operating Expenses then in effect. Within fifteen (15) days following delivery of Landlord's Statement, Tenant shall pay to Landlord the entire remaining balance due of Tenant's Proportionate Share of the Office Pool Operating Expenses for the prior calendar year, if any; provided that in the event that Tenant has overpaid, Landlord shall credit any such overpayment against the next payment of Rent due and owing by Tenant, or, if no further Rent payments are due, refund such overpayment directly to Tenant within fifteen (15) days of determination. Notwithstanding the foregoing, if Tenant's Proportionate Share of the Office Pool Operating Expenses still owed to Landlord for the prior calendar year is in excess of ten percent (10%) of the already paid amount, Tenant shall have three (3) months to pay the entire amount; provided that Tenant shall pay interest at a rate of 10% per annum on such amount outstanding for more than 15 days. For each month following delivery of Landlord's Statement, Tenant shall pay the estimated monthly installment of Tenant's Proportionate Share of the Office Pool Operating Expenses as set forth therein, subject to any credit due with respect to overpayment in the prior calendar year. Notwithstanding the foregoing, if Tenant is unable to access the Premises due to an event of Force Majeure and is unable to pay Rent (including Operating Expenses) due to that inaccessibility, the late fees shall not accrue until Tenant can reasonably access the Premises.

5.6 Tenant Review and Audit Rights. After Tenant receives Landlord's Statement, upon reasonable notice and at reasonable times, Tenant, or Tenant's attorney or accountant, shall have the right to inspect Landlord's accounting records at Landlord's offices. If, after such inspection, Tenant still disputes its share of the Office Pool Operating Expenses, then upon not less than fifteen (15) days prior written notice to Landlord, and not more frequently than once per calendar year, Tenant shall have the right, at its expense (except as stated below), to cause an audit to be made of Landlord's computation of the Office Pool Operating Expenses. If such audit shows that Landlord's calculation of the Office Pool Operating Expenses for any calendar year was overstated by more than five percent (5%), then Landlord shall reimburse Tenant for the reasonable cost of such audit as actually paid by Tenant to third parties. Tenant shall not be entitled to withhold or deduct any portion of the Base Rent or Additional Rent during the pendency of any such audit. Any errors disclosed by such audit shall be promptly corrected by Landlord's refund of any overpayment or Tenant's payment of any deficiency, as the case may be; provided that Landlord shall have the right, within thirty (30) days of Tenant's delivery of the audit results to Landlord, to cause another independent audit to be made of such computations, and in the event of a disagreement between the auditors, the auditors shall designate a third auditor, the cost of such third auditor to be borne equally by Landlord and Tenant, and the average of the two (2) closest determinations shall be conclusively deemed to be correct.

6. USE AND OCCUPANCY OF PREMISES.

6.1 Permitted Use. The Premises shall be used and occupied only for the Permitted Use, provided that the foregoing shall not be construed as a representation or guarantee by Landlord that any such business may lawfully be conducted on the Premises. Tenant shall not conduct any auction, liquidation sale, or going out of business sale in, on or about the Premises.

6.2 Compliance With Law. Tenant shall not use the Premises nor permit anything to be done in or about the Premises or Building which will in any way violate or conflict with any law, statute, ordinance, protective covenants or governmental or quasi-governmental rules or regulations now in force or which may hereafter be enacted or promulgated which affect the Building. Within two (2) days following Tenant's receipt of any notice of the violation of any law or requirement of any public authority with respect to the Premises or the use or occupation thereof, Tenant shall give written notice thereof to Landlord. Landlord shall give prompt notice to Tenant of any notice Landlord receives relative to the violation by Tenant of any law or requirement of any public authority with respect to the Premises or the use or occupation thereof.

6.3 Signs. To the extent not already installed pursuant to the Prior Lease, Landlord shall, at its expense, install the Building standard signage for Tenant and for its agencies; Area Agency of Aging and Aging and Disability Resource Center, on the existing monument sign and on the Building at the front entrance. Landlord shall install and maintain the signs in accordance with all applicable laws, ordinances and covenants affecting the Building.

6.4 Waste and Nuisance. Tenant shall not commit, suffer or permit any waste, damage, disfiguration or injury to the Premises, the Common Areas, or any other portion of the Building or the fixtures and equipment located therein or thereon. Tenant shall not permit or suffer any overloading of the Building floors and shall not place therein any heavy business machinery, safes, computers, data processing machines, or other items heavier than customarily used for general office purposes without first obtaining the written consent of Landlord. Tenant shall not use or permit to be used any part of the Building for any dangerous, noxious or offensive trade or business, and shall not cause or permit any nuisance, noise, or odors in, at or emanating from the Premises that disturbs other Building tenants.

6.5 Insurance Cancellation. Tenant shall not do or permit any use to be made of the Premises or Building which will invalidate or cause the cancellation of any insurance policy covering the Premises or the Building; and if Tenant's use of the Premises causes an increase in the premiums due with respect to any such insurance, Tenant shall pay any such increase or reimburse Landlord for such payments as Additional Rent, together with interest on any amount that may be paid by Landlord, all of which shall be payable by Tenant on demand.

6.6 Landlord's Rules and Regulations. Tenant shall faithfully observe and comply with the reasonable rules and regulations that Landlord shall from time to time promulgate and provide to Tenant in writing with respect to the occupancy and use of the Building (the "Rules and Regulations"), including without limitation the Rules and Regulations attached as Exhibit B to this Lease, which are hereby incorporated herein by this reference. Landlord reserves the right from time to time to make all reasonable, non-discriminatory modifications to said Rules and Regulations. The additions and modification to the Rules and Regulations shall be binding upon Tenant upon Landlord giving written notice thereof to Tenant. Landlord shall enforce the Rules and Regulations in a non-discriminatory fashion; however, Landlord shall not be responsible to Tenant for the non-performance of any of the Rules and Regulations by any other Building tenants or occupants.

6.7 Landlord's Access. Landlord and Landlord's agents, representatives and designees shall have the right, upon twenty-four (24) hours written notice to Tenant, to enter the Premises as reasonably necessary or desirable to Landlord for the purpose of inspecting the same, showing the same to prospective purchasers, tenants, lenders or other transferees, making such alterations, repairs, improvements or additions to the Premises or to the Building as Landlord may deem necessary or desirable, or for any other reasonable purpose as Landlord may determine; provided that the exercise of such right of entry does not unreasonably interfere with Tenant's use of or access to the Premises. Notwithstanding the foregoing however, Landlord shall have the right to enter the Premises without prior notice at any time necessary to make any emergency repairs that may be necessary to prevent any personal injury or protect the Building or the property of Tenant or any other tenant or occupant of the Building; provided that Landlord shall give Tenant notice of any such emergency entry as soon as reasonably possible. Notwithstanding the foregoing, Landlord acknowledges that some areas of the Premises and its operations may be subject to federal regulations, including but not limited to Criminal Justice Information Systems and regulations associated with Tenant, as a political subdivision of the State of Texas and being a PSAP. Landlord may not enter these areas, even in an emergency situation without prior notice to Tenant and must be accompanied by a CAPCOG representative before entering those areas. Tenant will provide Landlord a list of the areas that require prior written notice before entering and accompaniment by a CAPCOG representative.

7. LANDLORD'S SERVICES; TENANT OWNED IMPROVEMENTS.

7.1 Basic Services. Subject to any law, rule or governmental order or regulation, and further subject to any circumstance described as "Force Majeure" in Section 22.21, Landlord shall furnish the following services:

(a) Automatic elevator facilities on Monday through Friday from 7:00 AM. to 6:00 P.M. and Saturday from 8:00 AM. to 1:00 P.M. except New Year's Day, Martin Luther King's Birthday, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the following Friday (the "Business Hours"), and provide one (1) automatic elevator at all other times.

(b) During Business Hours (and at other times for an additional, reasonable charge to be fixed by Landlord) heating, ventilation and air conditioning (HVAC), in the amounts and at such temperatures as Landlord reasonably considers standard for the comfortable occupancy of the Premises but at least to the standards of the American Society of Heating, Refrigerating and Air Conditioning Engineers. Notwithstanding the foregoing, Landlord agrees that Tenant shall have control of the thermostat for the conference rooms and the room housing the PSAP operation.

(c) During the Business Hours, electric current for routine lighting and the operation of general office machines such as coffee makers, desktop microwave ovens, refrigerators, computers, servers, copiers, PSAP equipment, and typewriters and the like, which use 110 volt electric power, not to exceed the reasonable capacity of Building standard office lighting and receptacles, and not in excess of limits imposed or recommended by governmental authority.

(d) Janitorial services to the Premises Monday through Friday (except state and federal holidays), provided the same are used exclusively for the uses permitted under this Lease, and are kept reasonably in order by Tenant.

(e) Hot and cold running water for drinking, lavatory and toilet purposes through fixtures installed by Landlord, or by Tenant with Landlord's prior written consent, in a manner and to the standards typically provided by other similar buildings in Austin, Texas.

(t) Replacement of ballasts and fluorescent lamps in Building-standard ceiling-mounted fixtures in the Premises and bulb replacement in all public areas in the Building and Common Areas in a manner and to the standards typically provided by other similar Buildings located in Austin, Texas.

(g) Landscaping services.

(h) Window washing with reasonable frequency in a manner and to the standards typically provided by other similar buildings located in Austin, Texas.

7.2 Interruption of Services. Upon Tenant's prior approval, which shall not be unreasonably withheld, Landlord may, from time to time to interrupt Building services as necessary to install, use, maintain, repair, replace and relocate utility service to the Premises and other parts of the Building, and to alter or relocate any other facility in the Building; provided that the exercise of such right shall not unreasonably interfere with Tenant's use of or access to the Premises. In addition, and notwithstanding any provision hereof to the contrary, Tenant shall not be entitled to any claim against Landlord or to any abatement of Rent, nor shall the same constitute constructive or partial eviction, if Building services are interrupted or curtailed as the result of any actions by Landlord under the preceding sentence, provided that if the services are interrupted for more than five (5) consecutive business days, Rent shall be abated until the services are restored. Notwithstanding any provision hereof to the contrary, Tenant shall not be entitled to any claim against Landlord or to any abatement of Rent, nor shall the same constitute constructive or partial eviction, if Building services are interrupted or curtailed by any circumstance described as "Force Majeure" in Section 22.21 hereof.

7.3 Tenant Owned Improvements. Notwithstanding anything to the contrary contained in this Lease, Landlord agrees that Tenant's Permitted Use under this Lease shall allow Tenant to operate the Tenant Owned Improvements that were installed pursuant to the Prior Lease. As used herein, the term "Tenant Owned Improvements" shall mean the tenant owned and operated HVAC systems (for the public safety back-up center) and the Satellite Dish and Antenna System (as those terms are defined and discussed in Section 22 of this Lease) which support the PSAP function. Tenant shall also be allowed to operate, repair and maintain the emergency generator (the "Generator") which is owned by the City of Austin and was installed to provide an emergency power supply to the certain portions of the Premises on a 24 hour, 7-day per week basis for its PSAP function. Tenant shall have the right to repair, replace, maintain and operate the Tenant Owned Improvements and the Generator subject to the following terms and conditions:

(a) Tenant, at its sole cost and expense, shall install, maintain, repair, replace and operate the Tenant Owned Improvements in good working condition and in a first class manner.

- (b) Tenant must obtain and maintain all necessary approvals, permits and licenses from all governmental authorities having jurisdiction over the Tenant Owned Improvements and the Generator. Tenant shall use, operate, maintain and repair the Tenant Owned Improvements and the Generator in accordance with all applicable local, state and federal laws, rules and regulations (including any environmental laws, rules or regulations).
- (c) Tenant shall use the Tenant Owned Improvements and Generator so as not to cause any noise, odor or violation or any other disturbance which may interfere with the operations of other tenants in the Building. Tenant shall, at Tenant's sole cost and expense, screen the Generator from view in a manner reasonably acceptable to Landlord.
- (d) Tenant is and shall continue to separately meter the electrical consumption of the Generator and its HVAC systems and shall pay the actual cost of the electrical service provided in connection with the Generator and Tenant's HVAC systems. Tenant agrees that the Tenant Owned Improvements and the Generator shall be used, maintained, repaired or replaced in a manner so as not to interfere with the operation of the building systems located in the Building.
- (e) In the event that the presence of the Tenant Owned Improvements or the Generator causes an increase in Landlord's insurance costs, Tenant agrees to pay such increase in costs to Landlord as additional rent.
- (f) Tenant hereby agrees to indemnify, protect, defend and hold harmless Landlord for, from and against all liabilities, claims, fines, penalties, costs, damages or injuries to persons, damages to property, losses, liens, causes of action, suites, judgments and expenses (including court costs, reasonable attorneys' fees and cost of investigation) of any nature, kind or description of any person or entity, directly or indirectly arising out of, caused by or resulting from Tenant's use, repair or replacement of the Tenant Owned Improvements or the Generator
- (g) Tenant shall disconnect and remove the Satellite Dish and Antenna System at the termination or expiration of this Lease. Unless Landlord notifies Tenant that the Generator may stay at the termination or expiration of the Lease and the City of Austin, as owner of the Generator agrees, Tenant shall cause the Generator to be removed by the City of Austin in accordance with the terms of the applicable operating agreement between Tenant and the City of Austin. Tenant shall restore the area or cause the area to be restored where any portion of the Satellite Dish and Antenna System or the Generator was installed to its original condition, reasonable wear and tear excepted. The tenant owned and operated HVAC systems shall become the property of Landlord upon the expiration of the Lease.

8. MAINTENANCE, REPAIRS AND ALTERATIONS.

8.1 Landlord's Obligations. Subject to the provisions of Sections 6.2, 12 and 13 hereof, Landlord shall cause the foundation, roof, exterior walls and other structural portions of the Building and the mechanical, electrical, HVAC, plumbing and fire/life safety systems serving the Building to be maintained in a first class manner and in good order, condition and repair; provided that Tenant shall be required to repair, at its sole expense, any damage to the Premises or Building caused by any negligent or intentional act or omission of Tenant, Tenant's agents, employees, representatives, customers or invitees. Other than as specifically provided in this Lease, Landlord shall not be obligated to make any repairs or improvements of any kind, in, upon, about, or to the Premises or the Building.

8.2 Tenant's Obligations. Subject to the provisions of Sections 6.2, 12 and 13, Tenant, at Tenant's expense, shall keep the interior of the Premises in good order, condition and repair, including, without limitation, all interior walls and interior surfaces of exterior walls, ceilings, windows, doors, and plate glass located within the Premises provided that Landlord shall be required to repair, at its sole expense, any damage to the Premises or Building (which, for the avoidance of doubt, shall include water damage, mold or other damages not caused by Tenant) caused by any negligent or intentional act or omission of parties other than Tenant, Tenant's agents, employees, representatives, customers or invitees. All repairs made by Tenant shall be at least of the same quality, design and

class as that of the original work. Tenant agrees that it will abide by, keep and observe all reasonable Rules and Regulations which Landlord may make from time to time for the management, safety, care and cleanliness of the Building and Common Areas, the parking of vehicles and the preservation of good order therein as well as for the convenience of other occupants and tenants of the Building. All damage or injury to the Building or to the Premises, fixtures, appurtenances and/or equipment caused by the Tenant in moving property in or out of the Building or the Premises or by Tenant's installation or removal of furniture, fixtures, or other property, or from any other cause of any kind or nature whatsoever due to carelessness, omission, neglect, improper conduct, or other cause of Tenant, its agents, employees, invitees, contractors or subcontractors shall be repaired, restored, or replaced promptly by Tenant at its sole cost and expense to the reasonable satisfaction of Landlord. In the event that Tenant fails to keep the Premises in good order, condition and repair while this Lease remains in effect, then as soon as possible after written demand (which written demand shall not be required in the case of an emergency), Landlord may restore the Premises to such good order and condition and make such repairs without liability to Tenant for any loss or damage that may accrue to Tenant's property or business by reason thereof; and upon completion of such repairs, Tenant shall reimburse Landlord upon demand and as Additional Rent the cost of restoring the Premises to such good order and condition, together with interest thereon from the date such costs were incurred by Landlord.

8.3 Alterations and Additions.

8.3.1 Other than the Tenant Owned Improvements, Tenant shall not, without Landlord's prior written consent, construct or install any alterations, improvements or additions (referred to collectively herein as "Alterations") in, on or about the Premises, such consent to be granted in Landlord's sole discretion; provided that Landlord shall not unreasonably withhold, condition or delay consent to any Alterations that (i) do not affect any structural element of the Building or any electrical, mechanical or other system serving any portion of the Building other than the Premises and (ii) are not visible from outside the Premises. It is understood and agreed, however, that Alterations shall not include the installation of or any office furnishings and equipment, installation of data cabling, installation of equipment required for a call center, installation of equipment required for the PSAP, or pictures and other similar decorative items. As a condition to the approval of any Alterations proposed by Tenant, Landlord may require that Tenant remove any or all of said Alterations at the expiration of the Lease Term, or such other time at which Tenant ceases to possess the Premises, and restore the Premises to their prior condition. Should Tenant make any Alterations without the prior written approval of the Landlord, Landlord may require that Tenant immediately remove any or all of such items and/or Landlord may declare a default by Tenant under this Lease. Except in connection with normal interior decorating of the Premises, Tenant shall not place any holes in any part of the Premises, and in no event shall Tenant place any exterior or interior signs or interior drapes, blinds, or similar items visible from the outside of the Premises without the prior written approval of Landlord, which approval shall not be unreasonably withheld or delayed.

8.3.2 If an Alteration requires Landlord's approval, the Alterations that Tenant shall desire to make shall be presented to Landlord in written form with proposed detailed plans and specifications. If Landlord shall give its consent, the consent shall be deemed conditioned upon: (i) Tenant acquiring any required permit(s) to do the work from appropriate governmental agencies and furnishing a copy thereof to Landlord prior to the commencement of the work; and (ii) Tenant's compliance with all conditions of any such permit(s) and with all specifications in the Landlord-approved plans in a prompt and expeditious manner. Tenant shall not permit any of the work to be performed by persons not currently licensed and insured under any applicable licensing laws or regulations pertaining to the types of work to be performed. Landlord shall not be deemed unreasonable in the exercise of its discretion for withholding approval of any Alterations which involve or might affect any structural or exterior element of the Building, any area or element outside of the Premises, or any Building system or facility serving any area of the Building outside of the Premises, or which will require unusual expense to re-adapt the Premises to normal office use on the termination or expiration of the Lease. Landlord may require Tenant, at Tenant's sole cost and expense, to obtain and provide to Landlord a lien and completion bond (or such other applicable bond as determined by Landlord) in an amount equal to one and one-half (1-1/2) times the estimated cost of any approved Alterations, to insure Landlord against liability, including but not limited to liability for mechanic's and material men's liens and to insure completion of the work.

8.3.3 Tenant shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Tenant at or for use in the Premises, which claims are or may be secured by any mechanic's or material men's lien against the Premises or the Building. Tenant shall give Landlord not less than ten (10) days' notice prior to the commencement of any work in, on or about the Premises, and Landlord shall have the right to post

notices of non-responsibility in, on or about the Premises as provided by law. Tenant shall have no power or authority to do any act or make any contract which may create or be the basis for any lien upon the interest of the Landlord, the Premises or the Building, or any portion thereof. If any mechanics or other lien or any notice of intention to file a lien shall be filed or delivered with respect to the Premises or the Building, based upon any act of the Tenant or of anyone claiming through the Tenant, or based upon work performed or materials supplied allegedly for the Tenant, Tenant shall cause the same to be canceled and discharged of record within thirty (30) days after the filing or delivery thereof. If Tenant has not so canceled the lien within thirty (30) days as required herein, Landlord may, but shall not be required to, pay such amount, and the amount so paid, together with interest thereon from the date of payment and all legal costs and charges, including attorneys' fees, incurred by Landlord in connection with said payment and cancellation of the lien or notice of intent, shall be Additional Rent and shall be due and payable on demand. Landlord may, at its option and without waiving any of its rights set forth in the immediately preceding sentence, permit Tenant to contest the validity of any such lien or claim; provided that in such event, Tenant shall at its expense defend itself and Landlord against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof against Landlord, the Premises or the Building. Notwithstanding the foregoing, Landlord may at any time require Tenant to promptly deposit with the court exercising jurisdiction over such disputed lien such amount as may be necessary under applicable statutes to cause the release and discharge of the lien; and if Tenant shall fail to do so, Landlord may deposit such amount, in which event such amount, together with interest thereon from the date of payment and all legal costs and charges, including attorneys' fees, incurred by Landlord in connection therewith shall be deemed Additional Rent and shall be payable on demand. Nothing herein contained shall be construed as a consent on the part of Landlord to subject the interest and estate of Landlord to liability under any lien law of the state in which the Premises are situated, for any reason or purpose whatsoever, it being expressly understood that Landlord's interest and estate shall not be subject to such liability and that no person shall have any right to assert any such lien.

8.3.4 Unless Landlord requires removal of any Alterations as set forth in this Section, all Alterations which may be made on the Premises shall, at the expiration of the Lease Term or such other time at which Tenant ceases to possess the Premises, become the property of Landlord and remain upon and be surrendered with the Premises. Notwithstanding the provisions of this Section, Tenant's furniture, machinery, equipment (Satellite Dish and Antennae System) and any trade fixtures, other than fixtures that cannot be removed without material, irreparable damage to the Premises, shall remain the property of Tenant and may be removed by Tenant subject to the provisions of this Section; provided that Tenant is not in default under this Lease at the time Tenant ceases to possess the Premises. Tenant shall, at its sole expense, repair any damage to the Premises resulting from the removal of any of Tenant's machinery, equipment and trade fixtures pursuant to this Section or shall reimburse Landlord for the cost of any such repairs within thirty (30) days of Landlord's demand for payment.

8.4 Americans with Disabilities Act of 1990. Landlord shall deliver the Premises to Tenant on the Commencement Date in compliance with the Americans with Disabilities Act of 1990 (the "ADA"). Thereafter, Tenant shall be responsible for, and shall bear all costs and expenses associated with, any and all improvements to the Premises which may be required by the ADA, for the accommodation of disabled individuals who may be employed from time to time by Tenant, or any disabled customers, clients, guests, or invitees or sublessees. Tenant shall indemnify and hold Landlord harmless from and against any and all liability incurred arising from the failure of the Premises to conform with the ADA as a result of any Alteration or Tenant's specific use of the Premises, including the cost of making any alterations, renovations or accommodations required by the ADA, or any government enforcement agency, or any courts, any and all fines, civil penalties, and damages awarded against Landlord (or those awarded against Tenant which could become a lien upon the Property) resulting from a violation or violations of the **ADA** as a result of any Alteration or Tenant's specific use of the Premises, and all reasonable legal expenses and court costs incurred **in** defending claims made under the ADA, including without limitation reasonable consultants', attorneys' and paralegals' fees, expenses and court costs.

9. TENANT'S USE OF COMMON AREAS.

Tenant's non-exclusive use of the Common Areas shall be subject to such the Rules and Regulations set forth in Exhibit B hereto, subject to any changes made by Landlord pursuant to this Lease. Tenant agrees to repair at its cost any damages to the Common Areas occasioned by its negligence or intentional misconduct or that of its officers, agents, representatives, customers, employees or invitees. Landlord acknowledges that Tenant's operations include certain training events for public safety officer which will take place on portions of the Common Areas. Prior to any such event, Tenant shall notify Landlord in writing of the type of training, the date and time of the training and the

proposed number of attendees. Tenant shall take all necessary action to minimize any interruption of access to any Common Areas needed by other tenants of the Building and shall repair, at its cost, any damages to the Common Areas caused by the training activity; provided that if Tenant has not made said any require repairs within seven (7) days of the date the Common Areas were damaged Landlord may make such repairs and Tenant shall reimburse Landlord upon demand and as Additional Rent the cost of making such repairs. Notwithstanding the foregoing, Landlord acknowledges and agrees that (i) Tenant's trainees, as invitees to the Premises, may use the Common Areas on a daily basis for exercise activities; and (ii) Tenant may operate and conduct training activities in its trailer which is located adjacent to the Building and permitted to be there by Landlord.

10. PERSONAL PROPERTY TAXES.

10.1 Payment. Tenant shall pay prior to delinquency all taxes assessed against and levied upon all fixtures, furnishings, equipment and all other personal property of Tenant contained in the Premises or elsewhere, including without limitation any leasehold improvements to the Premises that may be classified as personal property (collectively referred to as "Personal Property"). If Tenant's Personal Property, or any part thereof, is assessed as part of Landlord's real property, Tenant shall pay Landlord the taxes attributable to Tenant Personal Property within (10) days after receipt of a written notice from Landlord setting forth the amount of such taxes, and if Tenant fails to do so, Landlord may make such payment and the amount so paid, together with interest thereon from the date paid, shall be Additional Rent and shall be due and payable to Landlord on demand.

10.2 Evidence of Payment. Tenant shall promptly deliver to Landlord, upon Landlord's written request, receipts for payments of all taxes, charges, rates, dues, assessments and licenses in respect of all of Tenant's Personal Property.

11. INSURANCE AND INDEMNITY.

11.1 Liability Insurance. At all times during the Lease Term, Tenant shall, at Tenant's expense, obtain and keep in force: (i) commercial general liability damage insurance, insuring Tenant against any liability for bodily injury and property damage claims arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto, with combined single limit general liability coverage in an amount not less than \$3,000,000 bodily injury and property damage, with an aggregate limit of \$3,000,000 per occurrence; (ii) workers compensation insurance at statutory levels; (iii) employers liability insurance, with minimum liability limits of \$1,000,000 bodily injury by accident for each accident, \$1,000,000 bodily injury by disease policy limit, and \$1,000,000 bodily injury each employee; and (iv) commercial hired/non-hired automobile liability coverage with a combined single limit of not less than \$1,000,000 for each accident. The foregoing insurance coverage amounts are understood to be minimum requirements and are not intended to in any way limit any liability of Tenant under this Lease. If in the reasonable opinion of Landlord the amount of liability insurance required hereunder is not adequate, then not more frequently than once during each year of the Lease Term and any extension or renewal term, if any, Tenant shall increase said insurance coverage as reasonably required by Landlord.

11.2 Property Insurance.

11.2.1 Landlord shall obtain and keep in force during the Lease Term "all risk" or "special form" insurance coverage on the Building (including all Building standard leasehold improvements) in the amount of the full replacement cost (without regard to depreciation) of the Building. Landlord may also, but shall not be required to, procure any other insurance policies respecting the Premises or Building which Landlord deems necessary

11.2.2 Tenant shall also obtain and keep in force during the Lease Term, at Tenant's expense, "all risk" or "special form" coverage insurance upon the property of every description and kind owned by Tenant and located in the Building or for which Tenant is legally liable or installed by or on behalf of Tenant, including without limitation, furniture, fittings, installations, Alterations, additions, partitions, fixtures and anything in the nature of leasehold improvements that are not covered as part of the Building standard leasehold improvements, such insurance to cover the full replacement cost thereof (without regard to depreciation). Such insurance shall insure Tenant and Landlord, and in the event that there shall be a dispute as to the amount which comprises the full replacement cost, the determination thereof by Landlord shall be conclusive. If Tenant shall fail to procure and maintain the insurance required hereunder, Landlord may, but shall not be required to, procure and maintain the same, and any amount so

paid by Landlord for such insurance shall be Additional Rent which, together with interest thereon from the date paid, shall be due and payable by Tenant on demand.

11.3 Insurance Policies. Landlord acknowledges that Tenant is a political subdivision that is self-insured through the Texas Municipal League Intergovernmental Risk Pool ("TMLIRP") which is available to political subdivisions. As Landlord is not a political subdivision, neither Landlord nor its managers can be named as additional insureds. Notwithstanding the foregoing, Tenant shall cause TMLIRP to issue, as part of the insurance, the Endorsement EL217-Indemnification Under Contract, which will cover the liability assumed by Tenant under this Lease. Prior to taking possession of the Premises, Tenant shall deliver to Landlord copies of policies of such insurance or certificates (together with applicable endorsements) evidencing the existence and amounts of such insurance with loss payable and additional insured clauses reasonably satisfactory to Landlord. No such policy shall be cancelable or subject to reduction of coverage or other modification except after ten (10) days' prior written notice to Landlord. Tenant shall, within ten (10) days prior to the expiration of such policies, furnish Landlord with renewals thereof; and in the event Tenant fails to timely provide Landlord with evidence of renewal, Landlord may, but shall not be required to, order such insurance and charge the cost thereof to Tenant, which amount, together with interest thereon, shall be Additional Rent and shall be payable by Tenant on demand.

11.4 Waiver of Subrogation. Landlord and Tenant each waives any and all rights of recovery against the other and its officers, employees, agents and representatives for loss or damage to the property of the waiving party or the property of others under its control, where such loss or damage is insured against under any insurance policy in force at the time of such loss or damage. Upon obtaining the property insurance policies as required in this Lease, both Tenant and Landlord shall (i) give notice to their respective insurance carriers that the foregoing mutual waiver of subrogation is contained in this Lease and (ii) insure that their respective insurance policies include a waiver by the insurance carrier of all rights of subrogation against Landlord or Tenant in connection with any insured loss or damage.

11.5 Indemnification and Hold Harmless.

11.5.1 Subject to the waiver of subrogation set forth in this Section, Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, liabilities, damages and costs, including attorneys' fees, incurred by Landlord which arise from Tenant's use of the Premises or the Building or from the conduct of its business or from any activity, work or things which may be permitted or suffered by Tenant in, on or about the Premises or the Building. Tenant shall further indemnify, defend and hold Landlord harmless from and against any and all claims, liabilities, damages and costs, including reasonable and actually incurred attorneys' fees, incurred by Landlord which arise from any breach or default in the performance of any obligation on Tenant's part to be performed under any provision of this Lease or which arise from any negligence of Tenant or any of its contractors, agents, representatives, customers, employees or invitees.

11.5.2 Subject to the waiver of subrogation set forth in this Section and any other express exemptions from liability as provided in this Lease, Landlord shall indemnify, defend and hold Tenant harmless from any and all claims, liabilities, damages and costs, including reasonable and actually incurred attorneys' fees, incurred by Tenant which arise from any breach or default in the performance of any obligation on Landlord's part to be performed under any provision of this Lease or which arise from any gross negligence or willful misconduct of Landlord or any of its contractors, agents, representatives, customers, employees or invitees.

11.6 Exemption of Landlord from Liability. Tenant hereby agrees that Landlord shall not be liable for and waives any claim in connection with any injury to Tenant's business or any loss of income, or for damage to the goods, wares, merchandise or other property of Tenant, Tenant's employees, representatives, agents, invitees, customers or any other person in, on or about the Premises or Building; nor shall Landlord be liable for injury to the person of Tenant, Tenant's employees, representatives, agents, customers, or invitees, whether any such damage or injury is caused by or results from fire, steam, electricity, gas, water, rain, wind storm, tornado or hurricane or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting or other electrical fixtures, or from any other cause, and whether the said damage or injury results from conditions arising upon the Premises or any other cause, and whether the said damage or injury results from conditions arising upon the Premises or Building or from other sources or places, and regardless of whether the cause of such injury or the means of repairing the same is inaccessible to Landlord or Tenant, unless such injury, loss of income or

damage is caused by the Landlord's negligence or intentional acts or omissions. Landlord shall not be liable for any damages arising from any act, omission or neglect of any other tenant or occupant of the Building. Tenant hereby assumes all risk of damage to property or injury to persons in, on or about the Premises or the Building from any cause, and Tenant hereby waives all claims in respect thereof against Landlord, excepting where said damage arises out of the negligence or intentional acts or omissions of Landlord.

12. DAMAGE OR DESTRUCTION.

12.1 Option to Terminate Lease. If either (i) more than sixty percent (60%) of the rentable area of the Premises shall be substantially damaged by fire or other casualty or (ii) the Premises or any substantial part thereof shall be damaged or destroyed by fire or other casualty to the extent that the repairs and restoration thereof can be reasonably anticipated to take longer than one hundred eighty (180) days, then, in either such instance, Landlord or Tenant may, at its option, elect to terminate this Lease by giving notice to the other within thirty (30) days after Landlord receives actual notice of such fire or other casualty; provided however that Tenant shall have no option to terminate this Lease if such damage or destruction is caused by the Tenant or Tenant's contractors, agents, representatives, employees, customers or invitees. In the event that either party gives the other timely notice of termination, the Lease Term shall expire by lapse of time upon the tenth (10th) day after such termination notice is given. Should neither party give the other timely notice of termination, then the provisions of this Lease pertaining to repair and restoration of the Building and the Premises shall apply.

12.2 Obligation to Repair or Restore. If and only if all of the following conditions are met with respect to any casualty damage to or destruction of the Premises, Landlord or Tenant may not elect to terminate the Lease as provided in this Section, but rather Landlord must repair or restore the Premises:

(a) There is no fault or neglect on the part of the Tenant, Tenant's contractors, agents, representatives, employees, customers or invitees which contributed to the damage or destruction;

(b) The damage or destruction to the Building and the Premises is less than fifty percent (50%) of the replacement cost thereof as reasonably determined by Landlord;

(c) The Landlord is either fully insured or insurance is required hereunder that would cover the casualty that caused the damage or destruction, the insurance claim has been paid, and the insurance proceeds have been made available to Landlord by the holder or holders of any mortgages or deeds of trust covering the Premises;

(d) The date of the damage or destruction is more than two (2) years prior to the Expiration Date or the expiration of any renewal or extension term; and

(e) Less than sixty percent (60%) of the total rentable area of the Building is so damaged or destroyed, as determined by Landlord, regardless of the percentage of rentable area of the Premises which may be damaged or destroyed.

12.3 Restoration. Should either (i) the termination option as provided above in this Section not apply or, if applicable, should neither party elect to timely exercise such option, or (ii) should Landlord otherwise be required to repair and restore the Premises as provided herein, then Landlord shall repair or restore the Premises to substantially the same condition as existed before such damage or destruction. Upon electing to repair or restore or being required to repair or restore pursuant to this Section, Landlord may proceed with reasonable dispatch to perform the necessary work, and the Base Rent and the Additional Rent attributable to Tenant's Proportionate Share of the Operating Expenses due for the period following the casualty shall be abated in proportion to the unusable Premises for a period commencing as of the date of the casualty damage until the repairs and restoration of the Premises are substantially complete. Landlord shall not be liable to Tenant for any delay which arises by reason of any Force Majeure as described in Section 22.21 or any other cause beyond Landlord's control, and in no event shall Landlord be liable for any loss of profits or income experienced by Tenant as a result of such casualty damage or repair and restoration work. If such repair or restoration is not substantially complete within one hundred eighty (180) days after the date it is determined that Landlord is obligated to make such repairs, then Tenant may terminate this Lease by delivering written notice to Landlord of its election to terminate at any time after the expiration of said one hundred eighty (180) day

period and before Landlord's substantial completion of such repair or restoration; provided that if Tenant delivers said notice in a timely manner, this Lease shall terminate as of the date of the fire or other casualty.

12.4 Fault of Tenant. Landlord may exercise its option to repair or restore the Premises as described in this Section even if such damage or destruction is due to the fault or neglect of Tenant, Tenant's agents, representatives, employees, customers or invitees. However, in such event, (i) Landlord's election to repair or restore shall be without prejudice to any other rights and remedies of Landlord under this Lease, (ii) there shall be no apportionment or abatement of any Rent of any kind, and (iii) Landlord shall not be liable for any other loss to Tenant of any nature whatsoever. Furthermore, notwithstanding any provision hereof to the contrary, Tenant shall have no option to terminate and there shall be no abatement, apportionment or reduction in the Rent obligations of Tenant if the damage or destruction is caused by the Tenant or Tenant's contractors, agents, representatives, employees, customers or invitees.

12.5 Obligations of Tenant. Except as may otherwise be provided in this Section 12, Tenant's obligations under this Lease shall not be affected by any damage to or destruction of the Premises resulting from any cause whatsoever.

13. CONDEMNATION.

If the Premises are taken under any public or private power of eminent domain, or sold by Landlord under the threat of the exercise of said power (all of which is herein referred to as "condemnation"), or if any portion of the Building is so condemned so that it would not be practical, in Landlord's judgment, to continue to maintain the Building, this Lease shall terminate as of the date of the condemning authority takes title or possession, whichever occurs first. If more than ten percent (10%) of the rentable area of the Premises is so condemned, both Landlord and Tenant shall have the right to terminate this Lease as of the date the condemning authority takes title or possession, whichever occurs first, by giving written notice of such termination to the other not later than thirty (30) days after said date; provided that should neither Landlord nor Tenant elect to so terminate this Lease in a timely manner, then the Lease shall remain in full force and effect as to the portion of the Premises not so taken, Tenant's Base Rent and Tenant's Proportionate Share shall be reduced proportionately to reflect the reduction in the rentable area of the Premises (such reduction, if any, to take effect as of the date which is thirty (30) days after the date of which the condemning authority takes title or possession, whichever first occurs), and if repairs or restorations to that portion of the Premises not taken are deemed necessary by Landlord to render such portion reasonably suitable for the purposes for which is was leased, Landlord shall perform such work at its own cost and expense. Notwithstanding any obligation to restore the Premises however, Landlord shall not be required to expend any amount greater than the amount actually received by Landlord as compensation for the portion of the Premises taken by the condemning authority. All awards for any taking of any part of the Premises or any payment made under the threat of the exercise of power of eminent domain shall be the property of Landlord, whether made as compensation for diminution of value of the leasehold or for the taking of the fee or as severance damages. No award for any partial or entire taking shall be apportioned, and Tenant hereby assigns to Landlord any award which may be made in such taking or condemnation, together with any and all rights of Tenant now or hereafter arising in or to the same or any part thereof, except that any award or other compensation made for any taking is subject to the rights of the first mortgagee up to the amount of its lien and of any junior mortgagee, as may be permitted by the first mortgagee, up to the full amount of such junior lien; provided, however, that Tenant shall be entitled to any portion of the award allocated to loss of or damage to Tenant's trade fixtures and removable personal property and/or for the interruption of or damage to Tenant's business.

14. ASSIGNMENT AND SUBLETTING.

14.1 Landlord's Consent Required.

14.1.1 Tenant shall not voluntarily, or by operation of law, assign, transfer, mortgage, sublet or otherwise transfer or encumber all or any part of Tenant's interest in this Lease or in the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Any attempted assignment, transfer, mortgage, encumbrance or subletting without such consent shall be void and shall constitute a breach of the Lease. Any transfer of Tenant's interest in this Lease or in the Premises from Tenant by merger, consolidation or liquidation, or by any subsequent change in the ownership of fifty percent (50%) or more of the capital stock of Tenant shall be deemed to be an assignment within the meaning of this Section and therefore subject

to the provisions of Section 14.1.2 hereof. Notwithstanding the foregoing, Landlord acknowledges and agrees that the prohibition against assignment shall not be triggered under this Lease (i) if Tenant is reformed or renamed by actions of the Texas Legislature, (ii) by Tenant's operation of the Area Agency of Aging and/or the Aging and Disability Resources Center, or (iii) Tenant's sharing portions of the Premises with other governmental or quasi-governmental organizations.

14.1.2 As a condition of obtaining Landlord's consent, Tenant shall submit to Landlord the name of the proposed assignee or subtenant, the terms and provisions of the proposed transaction, and such information as to the nature of the proposed assignee's or subtenant's business and its financial responsibility and credit-worthiness as Landlord may reasonably require, together with the effective date of the proposed transfer, which date shall be at least fifteen (15) days after the date of submission of such information to Landlord. Landlord shall have up to thirty (30) days from the date Tenant has submitted all such information in accordance with the proposed assignee or subtenant, to review information provided. Landlord's failure to consent to any proposed transfer under this Section shall not be deemed unreasonably withheld if: (i) the occupancy resulting from such transfer will not be consistent with Permitted Use or the general character of the business carried on by the tenants of the Building or violates any rights or options held by any other tenant of the Building; or (ii) any proposed assignee of this Lease does not, in Landlord's reasonable opinion, have the financial strength and stability to pay the Rent due or otherwise perform the obligations of this Lease; or (iii) Tenant fails to provide satisfactory guaranties from one or more owners or affiliates of the proposed assignee as reasonably requested by Landlord to provide reasonable assurance to secure the performance of the financial obligations under this Lease; or (iv) any proposed sublease does not incorporate this Lease in its entirety so as to be subject and subordinate to the terms of this Lease; or (v) any proposed sublease does not require the sublessee to attom to Landlord at Landlord's option in the event of a default by Tenant under this Lease; or (vi) Tenant does not agree to pay to Landlord, as Additional Rent, fifty percent (50%) of all moneys or other consideration received by Tenant from its transferee in excess of the amounts owed by Tenant to Landlord under this Lease, net of any commissions, legal fees and any other transaction costs.

14.1.3 Notwithstanding anything in this Lease to the contrary, Landlord shall have no obligation to grant consent to any transfer as defined in this Section if Tenant is in default under this Lease at the time the request for consent is made or at any time thereafter through the effective date of the transfer.

14.2 Landlord's Right to Terminate. In the event that Tenant proposes to assign this Lease or to sublet all or substantially all of the Premises, all of Suite 165, or all of Suite 155 by submitting the information required by Section 13.1.2 of this Lease to Landlord, Landlord shall have the right, exercisable by notice in writing after receipt of the request by Tenant, to terminate this Lease as to the portion of the Premises Tenant proposed to assign or sublet; provided that Landlord shall not have any such termination right if Tenant withdraws its request to enter into such assignment or sublease within ten (10) days after being notified by Landlord that it has elected to exercise said termination right.

14.3 No Release of Tenant. Regardless of Landlord's consent, no subletting or assignment or other transfer described in Section shall release Tenant from any of the obligations under this Lease or alter the primary liability of Tenant to pay the rent and to perform all other obligations to be performed by Tenant hereunder. Consent to one assignment, subletting or other transfer shall not be deemed consent to any subsequent transfer. In the event of default by any assignee of Tenant or any successor of Tenant in the performance of any of the provisions hereof, Landlord may proceed directly against Tenant without the necessity of exhausting remedies against said assignee or successor. Landlord may consent to subsequent assignments, subletting, or transfers of this Lease or amendments or modifications to this Lease with assignees or successors of Tenant without notifying Tenant and without obtaining its consent thereto, and no such action by Landlord shall relieve Tenant of liability under this Lease.

14.4 Attorneys' Fees and Administrative Fees. In the event Tenant shall request the consent of Landlord to any assignment, subletting or transfer or if Tenant shall request the consent of Landlord for any other act which Tenant proposes to do under any other provision of this Lease, then Tenant shall pay Landlord's attorneys' fees incurred in connection with the consideration or evaluation of such request. In addition, in the event that Landlord shall consent to a sublease, assignment or transfer under Section, Tenant shall pay Landlord a fee of Five Hundred Dollars (\$500.00) to defray Landlord's administrative costs incurred in connection with such transfer.

14.5 Right to Collect Rent. The acceptance of rent by Landlord from any person other than Tenant shall not be deemed to be a waiver by Landlord of any provision of this Lease. If the Premises are sublet or occupied by anyone other than Tenant and Tenant is in default hereunder, or this Lease is assigned by Tenant, then, in any such event, Landlord may collect rent from the assignee, subtenant or occupant and apply the net amount collected to the rent reserved in this Lease, but no such collection shall be deemed a waiver of the covenant in this Lease against assignment and subletting or the acceptance of such assignee, subtenant or occupant as tenant, or a release of Tenant from further performance of the covenants contained in this Lease.

15. DEFAULTS; REMEDIES.

15.1 Tenant's Default. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant ("Tenant Default"):

(a) The failure by Tenant to make any payment of Base Rent, Additional Rent or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of five (5) business days after written notice thereof from Landlord; or

(b) The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, other than a failure to pay Rent, where such failure shall continue after a period of ten (10) days following written notice thereof from Landlord to Tenant; provided, however, that if the nature of Tenant's default as determined by Landlord is such that more than ten (10) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure as soon as possible within said ten (10) day period and thereafter diligently prosecutes such cure to completion; or

(c) Either: (i) the insolvency of the Tenant or the execution by the Tenant of an assignment for the benefit of creditors, or the convening by Tenant of a meeting of its creditors, or any class thereof, for the purposes of effecting a moratorium upon or extension or composition of its debts; or the failure of the Tenant to generally pay its debts as they mature; or (ii) the filing by or for reorganization or arrangement under any law relating to bankruptcy (unless in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); or (iii) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days.

15.2 Landlord's Remedies.

15.2.1 In the event of a Tenant Default, Landlord shall have the right at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may otherwise have, either to terminate this Lease or to re-enter without terminating this Lease and remove all persons and property from the Premises and, at its option, to attempt to re-let the Premises or any portion thereof, using any force as may reasonably be necessary to accomplish said purposes, all without service of notice or resort to legal process and without being deemed guilty of trespass or forcible entry or becoming liable for any loss or damage which may be occasioned thereby. Notwithstanding the foregoing, Landlord acknowledges the 9-1-1 calltaking and dispatching equipment shall remain the property of Tenant or its governmental successor.

15.2.2 In order to regain possession of the Premises and to deny Tenant access thereto, Landlord or its agent may, at the expense and liability of Tenant, alter or change any or all locks or other security devices controlling access to the Premises without posting or giving notice of any kind to Tenant, and thereafter, Landlord shall have no obligation to provide Tenant a key to any new locks installed in the Premises or grant Tenant access to the Premises. Landlord may take the actions described in this Section without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer and without incurring any liability for any damage resulting from such actions.

15.2.3 If Tenant shall fail to remove any property which it is entitled to remove from the Premises upon the termination of this Lease, or any extension or renewal hereof, or upon a re-entry by Landlord for any cause whatsoever, or upon Tenant's ceasing to possess the Premises for any reason, then Landlord, at its option, may: (i)

remove such property and store or dispose of same without liability for loss or damage thereto, and Tenant agrees to pay to Landlord on demand any and all expenses incurred in such removal, including court costs, attorneys' fees, storage and insurance charges on such property for any length of time the same shall be in Landlord's possession; or (ii) Landlord may, without notice, sell such property, or any part thereof, at private or public sale and without legal process, for such price or consideration as the Landlord may obtain, and apply the proceeds of such sale to the payment of any amounts due under this Lease and to the expenses incidental to the removal and sale of such property, cleaning the Premises, and any other expense, rendering the surplus, if any, to the Tenant, provided that, in the event the proceeds of any such sale or sales are insufficient to reimburse the Landlord, Tenant shall pay such deficiency upon demand. Tenant acknowledges and agrees that any such disposition of Tenant's property in the above-described manner by Landlord shall be deemed to be commercially reasonable and that no bailment shall be created by Landlord's exercise of any of its rights under this Section. Notwithstanding the foregoing, Landlord acknowledges the 9-1-1 calltaking and dispatching equipment shall remain the property of Tenant or its governmental successor.

15.2.4 Should Landlord elect to re-enter, as herein provided, or should it take possession pursuant to legal proceedings, or pursuant to any notice provided for by law, Landlord may make such alterations, additions, improvements and repairs as may be necessary in order to re-let the Premises, shall, attempt to re-let the Premises or any part thereof for such term or terms (which may be for a term extending beyond the Lease Term) and at such rental or rentals and upon such other terms and conditions as Landlord may determine to be advisable. To the extent Landlord is required by applicable law to mitigate damages, or is required by applicable law to use efforts to do so, Landlord shall use reasonable efforts to mitigate Landlord's damages, and Tenant shall be entitled to submit proof of such failure to mitigate as a defense to Landlord's claims for damages after any such termination of possession. Upon each such re-letting, all rentals received by the Landlord shall be applied as follows: (i) first to the payment of any costs and expenses of such re-letting, including brokerage fees and attorney's fees and the cost of such alterations, additions, improvements and repairs; (ii) second, to the payment of Base Rent due and unpaid hereunder; and (iii) third, the residue, if any, shall be held by Landlord and applied in payment of future Rent as the same may become due and payable hereunder, provided that Tenant shall have no right to claim any interest in all or any portion of said residue. If the rent and other charges paid or to be paid to Landlord by any new tenant pursuant to any re-letting exceed the monetary obligations of Tenant, Tenant shall have no right to claim any interest in all or any portion of said excess. If such Rent received from such re-letting during any month be less than that to be paid during the month by Tenant hereunder, Tenant shall pay any such deficiency to Landlord on the date on which the Rent would have been payable hereunder if possession had not been retaken. Landlord shall in no event be liable in any way whatsoever for failure to re-let the Premises for any reason, or in the event the Premises are re-let, for failure to collect the rent thereof under such re-letting. No such re-entry or taking possession of the Premises by Landlord or any acts pursuant thereto shall be construed as an election by Landlord to terminate this Lease unless a written notice of such termination is given to Tenant by Landlord. No notice from Landlord under this Lease or under any applicable forcible entry and detainer or eviction statute or similar law shall constitute an election by Landlord to terminate this Lease unless such notice specifically so states. Notwithstanding any such re-letting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach.

15.2.5 If Landlord shall at any time terminate this Lease due to a Tenant Default, then, in addition to any other remedies, Landlord may recover from Tenant all damages incurred by reason thereof, including the cost of recovering the Premises, reasonable attorneys' fees, and an amount equal to the full amount of the Rent and such other charges as are required to be paid by Tenant under the terms of this Lease for the remainder of the stated Lease Term less the then reasonable market rental value of the Premises for the remainder of the stated Lease Term, all of which amounts shall be immediately due and payable from Tenant to Landlord; provided, however, that if the then reasonable market rental value of the Premises exceeds the value of the Rent and other charges required to be paid by Tenant under this Lease as aforesaid, Tenant shall have no right to claim any interest in all or any portion of such excess value.

15.2.6 Each of Landlord's remedies set forth in this Section shall not be exclusive, but rather shall be considered cumulative with any other legal or equitable remedy now or hereafter available to Landlord under the laws or judicial decisions of the state in which the Premises are located. To the extent such waiver is permitted by law, the parties waive trial by jury in any action or proceeding brought in connection with this Lease. Suit or suits for the recovery of the amount of damages set forth hereinabove may be brought by Landlord, from time to time, at Landlord's election, and no provision of this Lease shall be deemed to require Landlord to await the date whereon this Lease or the Lease Term hereof would have expired had there been no event of default. Nothing contained in this

Lease shall limit or prejudice the right of Landlord to prove and obtain as liquidated damages in any bankruptcy, insolvency, receivership, reorganization or dissolution proceeding an amount equal to the maximum allowed by any statute or rule of law governing such proceeding and in effect at the time when such damages are to be proved, whether or not such amount be greater, equal to or less than the amounts recoverable, either as damages or rent, referred to in any of the preceding provisions of this Section.

15.3 Default by Landlord. Landlord shall not be in default hereunder unless Landlord fails to perform any obligation required of Landlord within thirty (30) days after written notice by Tenant to Landlord and to the holder of any first mortgage or deed of trust covering the Premises, specifying the manner in which Landlord has failed to perform such obligation; provided however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance as determined by Landlord, then Landlord shall not be in default if Landlord commences performance within such thirty-day period and thereafter diligently prosecutes the same to completion; and provided further that Landlord's obligation to perform any act under this Lease shall be excused for any period of time during which Landlord is prevented from performing because of any circumstance beyond Landlord's control. Subject to the provisions of this Lease, Tenant shall have any legal and equitable right and remedy under applicable law should Landlord be in default hereunder; provided that Tenant's remedies upon Landlord's default are further limited as set forth in Sections 16 and 22.3 below.

15.4 Interest on Past Due Obligations. Except as may expressly be provided in this Lease to the contrary, any amount due to Landlord not paid when due shall bear interest at the lesser of either: (i) a rate equal to the sum of the prime rate as published by The Wall Street Journal, as the same may fluctuate from and after the date on which the payment was first due through the date on which the payment is paid in full, plus four percent (4%) per annum; or (ii) the highest rate allowed under applicable law. Payment of such interest shall not excuse or cure any default by Tenant under this Lease, provided, however, that interest shall not be payable on late charges incurred by Tenant.

16. RIGHTS OF MORTGAGEES.

16.1 Definitions. As used throughout this Section, the term "mortgage" shall refer to any mortgage, deed of trust or ground lease affecting the Premises, and the term "mortgagee" shall refer to the holder of any such mortgage, deed of trust, or ground lease.

16.2 Subordination and Non-Disturbance. This Lease and the rights of Tenant hereunder shall be and are hereby made subject and subordinate to the provisions of any mortgage affecting the Premises, to each advance made or hereafter to be made under the same, and to all renewals, modifications, consolidations and extensions thereof and all substitutions therefor. This Section shall be self-operative and no further instrument of subordination shall be required. However, in confirmation of the provisions of this Section, Tenant shall execute and deliver promptly any reasonable certification or instrument that Landlord or any mortgagee may request, and should Tenant fail to do so within fifteen (15) days after written demand, then such certification or instrument shall be deemed given. If any mortgagee shall elect to subordinate the lien of its mortgage to Tenant's interest under this Lease and shall give written notice of such election to Tenant, then, regardless of whether this Lease is dated prior or subsequent to the date of said mortgage or the date of recording thereof, this Lease shall be deemed a prior interest to such mortgage. Notwithstanding the foregoing, Tenant's agreement that this Lease is subject and subordinate to the provisions of any mortgage affecting the Premises is subject to and conditioned upon the Landlord and/or any mortgagees agreement that Tenant's use, possession and enjoyment of the Premises shall not be disturbed and that this Lease shall continue in full force and effect so long as Tenant is not in default of this Lease.

16.3 Attornment. Tenant shall and does hereby agree to attorn to any mortgagee or successor in title and to recognize such mortgagee or successor as Landlord hereunder in the event any such person or entity succeeds to the interest of Landlord. Notwithstanding any other provision of this Lease, in the event that any mortgagee or its respective successor in title shall succeed to the interest of Landlord hereunder, the liability of such mortgagee or successor shall exist only so long as it is the owner of the Building or any interest therein or is the lessee under any ground lease. Each such party shall however, upon demand of the other, execute instruments in confirmation of the foregoing provisions reasonably satisfactory to the requesting party acknowledging such subordination, non-disturbance and attornment and setting forth the terms and conditions hereof.

16.5 Mortgagee's Right to Cure. No act or failure to act on the part of Landlord which would entitle Tenant under the terms of this Lease, or by law, to be relieved of Tenant's obligations hereunder or to terminate this Lease, shall result in a release or termination of such obligations or termination of this Lease unless: (i) Tenant shall have first given written notice of Landlord's act of failure to act to Landlord's mortgagee(s) of record whose identity and address have been provided to Tenant, if any, specifying the act or failure to act on the part of Landlord which could or would give basis to Tenant's rights; and (ii) such mortgagee(s), after receipt of such notice, have failed or refused to correct or cure the condition complained of within a reasonable time thereafter, provided that nothing contained in this Section shall be deemed to impose any obligation on any such mortgagee() to correct or cure any such condition. As used herein, a "reasonable time" includes a reasonable time to obtain title to the mortgaged premises if the mortgagee elects to do so and a reasonable time to correct or cure the condition if such condition is determined to exist, but in no event less than ninety (90) days from the date of the mortgagees' receipt of the above described notice.

17. NOTICES.

Except as may be otherwise expressly provided in this Lease to the contrary, whenever demand is made for any notice or declaration of any kind, or where it is deemed desirable or necessary by either party to give or serve any such notice, demand or declaration to the other party, such notice, demand or declaration shall be in writing and served either personally or sent either by certified United States mail, return receipt requested, postage prepaid; or by a nationally recognized overnight courier service, and, in either case, addressed either to the address set forth in this Lease or to such other address as may be given by a party to the other by proper notice hereunder; provided however that once Tenant has accepted possession of the Premises, any such notice, demand or declaration directed to Tenant may be addressed to the Premises. The effective date of any notice hereunder shall be deemed to be the date of personal delivery (as evidenced by written proof of service) or the date three (3) days following the date on which the certified mail is deposited with the United States Postal Service.

18. OFAC PROVISIONS.

18.1 Tenant's Representations and Warranties. Tenant hereby represents, warrants and certifies that neither Tenant nor any of its affiliates or their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, legal representatives or agents:

(a) is a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the United States Department of the Treasury, including without limitation any person or entity named on OFAC's "Specially Designated and Blocked Persons List" ("SDN List") or under any other statute or governmental executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental regulations, orders or directives (any such person or entity being referred to herein as a "Blocked Person");

(b) is acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any governmental executive order or the United States Treasury Department as a terrorist, a Blocked Person, or any other prohibited or banned person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by OFAC;

(c) is facilitating or executing this Lease, directly or indirectly, on behalf of any person, group, entity or nation that is among the individuals, groups, entities or nations named on any list compiled pursuant to Executive Order 13224 for the purpose of identifying suspected terrorists.

18.2 Indemnity. Tenant hereby agrees to defend, indemnify and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

18.3 Release. Tenant hereby acknowledges that Landlord is legally (i) prohibited from doing business with any Blocked Person and (ii) obligated to freeze any assets of any Blocked Person which may come into

Landlord's possession; and therefore, Tenant releases Landlord from any liability to Tenant for any such actions taken by Landlord in a good faith effort to comply with such legal obligations.

19. QUIET POSSESSION: SURRENDER: HOLDOVER.

19.1 Quiet Possession. Upon Tenant paying the sums due hereunder and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire Lease Term hereof and any renewal and extension thereof, subject to all of the provisions of this Lease.

19.2 Surrender. On the Expiration Date or on any sooner termination date on which Tenant ceases to possess the Premises, Tenant shall surrender the Premises to Landlord in good and clean condition, ordinary wear and tear excepted and subject to the provisions of Sections 12 and 13. Prior to such surrender, Tenant shall repair any damage to the Premises occasioned by the removal of trade fixtures, furnishings and equipment, which repair shall include the patching and filling of holes and repair of structural damage. Tenant agrees to indemnify Landlord and hold Landlord harmless from and against any liability (including reasonable attorneys' fees) of Landlord to third parties resulting from Tenant's failure to timely comply with the provisions of this Section.

19.3 Holdover. Should Tenant, or any of its successors in interest, hold over in possession of the Premises or any part thereof after the expiration of the Lease Term, then unless otherwise agreed in writing by Landlord, such holding over shall constitute and be construed as a tenancy-at-will only, at a daily rental equal to one hundred and fifty percent (150%) of the daily Rent payable during the last month of the Lease Term; provided that Landlord's acceptance of such rental payments shall not be construed as Landlord's consent for Tenant to hold over. In addition to the payment of rent during any holdover period, Tenant shall also indemnify Landlord against all damages, costs, liabilities and expenses, including reasonable attorneys' fees and costs, which Landlord incurs on account of Tenant's failure to vacate the Premises on a timely basis as required under this Lease.

20. Intentionally Omitted

21. HAZARDOUS MATERIALS.

The term "Hazardous Substance", as used in this Lease shall mean pollutants, contaminants, toxic or hazardous wastes, or any other substances, the use, storage and/or the removal of which is required, restricted, prohibited or penalized by any federal, state or local law, ordinance or other statute of a governmental or quasi-governmental authority relating to pollution or protection of the environment (collectively, "Environmental Laws"). Tenant hereby agrees that: (i) unless previously permitted and insured, including but not limited to the use of the Tenant Owned Improvements, no activity will be conducted on the Premises that will produce any Hazardous Substance; (ii) the Premises will not be used in any manner for the storage of any Hazardous Substances, except for the storage of such materials that are used in the ordinary course of Tenant's business ("Permitted Materials") as approved in writing by Landlord and provided such Permitted Materials are properly stored in a manner and location so as not to result in a violation of any Environmental Laws; (iii) Tenant will not install any underground tanks of any type; (iv) Tenant will not allow any surface or subsurface conditions to exist or come into existence as a result of Tenant's actions or the conduct of Tenant's business on the Premises that constitute or with the passage of time may constitute a violation of any Environmental Laws. Landlord or Landlord's representative shall have the right, but not the obligation, to enter the Premises for the purposes of inspecting the storage, use and disposal of any Permitted Materials to ensure compliance with all Environmental Laws. Should it be determined, in Landlord's sole opinion, that any Permitted Materials are being improperly stored, used, or disposed of, then Tenant shall immediately take the appropriate corrective action within twenty-four (24) hours; and should Tenant fail to do so, Landlord shall have the right, but not the obligation, to take the appropriate corrective action and require Tenant to promptly reimburse Landlord for any and all costs associated therewith. Tenant agrees to indemnify Landlord against and save and hold Landlord harmless from any and all claims, demands, actions, liabilities, costs, expenses, damages and obligations of any nature arising from or as a result of Tenant's use of the Premises in any manner that constitutes a violation of any Environmental Laws. The obligations of Tenant pursuant to this Section, including the indemnification of Landlord, shall survive the termination or expiration of this Lease.

22. MISCELLANEOUS PROVISIONS.

22.1 Estoppel Certificate. Tenant shall at any time upon not less than fifteen (15) days prior written notice from Landlord, execute, acknowledge and deliver to Landlord a statement in writing ("estoppel certificate") certifying: (i) that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification, identifying the instruments of modification and certifying that this Lease, as so modified, is in full force and effect); (ii) the amount of and date to which the Base Rent, Additional Rent and other charges are paid in advance, if any; (iii) the amount of the Security Deposit, if any; (iv) the existence of any options to renew, extend or terminate or cancel the Lease Tenn, increase or reduce the rentable area of the Premises, or purchase any interest in the Premises or the Building; and (v) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults, if any, which are claimed. Any such estoppel certificate may be conclusively relied upon by any prospective purchaser, mortgagee or other transferee of the Premises. Tenant's failure to deliver such estoppel certificate during said fifteen-day period shall be conclusive upon Tenant that that this Lease (i) that this Lease is unmodified and in full force and effect, without modification except as may be represented by Landlord, (ii) there are no uncured defaults on the part of Landlord hereunder, and (iii) Tenant has not paid more than one month's installment of Base Rent or Additional Rent. Tenant's failure to deliver such estoppel certificate shall authorize, without need for any further action on behalf of Tenant, Landlord to execute **an** estoppel certificate on Tenant's behalf.

22.2 Financial Records. If Landlord desires to sell, finance or refinance the Premises or the Building, or any part thereof, Tenant hereby agrees to deliver to Landlord and to any prospective purchaser or lender designated by Landlord such financial statements of Tenant as may be reasonably required by such prospective purchaser or lender. Such financial statements may include but not be limited to the past three (3) years' financial statements of Tenant. All such financial statements shall be received and held by Landlord and any prospective purchaser or lender in confidence and shall be used only for the purposes herein set forth.

22.3 Landlord's Interest and Liability. The term "Landlord" as used herein shall mean only the owner or owners at the time in question of the fee title to or a lessee's interest in a master lease of the Property. In the event of any transfer of such fee title or lessee's interest, Landlord herein named (and in case of any subsequent transfers the then grantor) shall be relieved of all liability with respect to Landlord's obligations hereunder from and after the date of such transfer; provided that any funds in the hands of Landlord or the then grantor at the time of such transfer in which Tenant has an interest shall be delivered to the grantee. The obligations contained in this Lease to be performed by Landlord shall, except as aforesaid, be binding on Landlord's successors and assigns only during their respective periods of ownership. Notwithstanding any provision of this Lease to the contrary, Tenant shall look solely to Landlord's interest in the Building and underlying Property for the satisfaction of Tenant's remedies for the collection of a judgment (or other judicial process) requiring the payment of money by Landlord in the event of any default or breach by Landlord with respect to any of the terms, covenants and conditions of this Lease; and no other property or assets of Landlord or the holder of any interest therein shall be subject to levy, execution or other enforcement procedure for the satisfaction of the Tenant's remedies.

22.4 Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

22.5 Entire Agreement. This Lease contains the entire agreement and understanding between the parties hereto. There are no oral understandings, terms, or conditions between the parties hereto with respect to this Lease, the Premises or the Building, and neither party has relied upon any representations, express or implied, not contained in this Lease. Tenant acknowledges that it has not been induced to enter into this Lease by any promises or representations not expressly set forth in this Lease, and if any such representations were made prior to the execution of this Lease, Tenant acknowledges that it has not relied on the same and that Landlord shall have no liability with respect to any such representations. Any and all prior understandings, terms, or negotiations between the parties hereto with respect to Tenant's use and occupancy of the Premises are deemed merged in this Lease.

22.6 Time of the Essence. Time is of the essence in the performance by Tenant of its obligations hereunder.

22.7 Captions. Any captions contained in this Lease are not a part hereof, are for convenience of reference only, and are not to be given any substantive meaning in construing any of the provisions hereof.

22.8 Modification of Lease. No modification of this Lease shall be binding unless such modification shall be evidenced by a written instrument signed by the parties hereto.

22.9 Waivers. No failure by either party to insist upon the strict performance of any agreement, term, covenant or condition hereof or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial payment or the continuance of any such breach, shall constitute a waiver of any such breach of such agreement, term, covenant or condition or a relinquishment of the right to exercise such right or remedy. No agreement, term, covenant or condition hereof to be performed or complied with by either party, and no breach thereof, shall be waived, altered or modified except by a written instrument executed by the other party. No waiver of any breach shall affect or alter this Lease, but each and every agreement, term, covenant or condition hereof shall continue in full force and effect with respect to any other then existing or subsequent breach thereof. Notwithstanding any termination of this Lease, the same shall continue in force and effect as to any provisions of the Lease, including remedies, which require or permit observance or performance of Landlord or Tenant subsequent to termination.

22.10 Recording. Tenant shall not record this Lease in any form in any public records, and any such recordation by Tenant shall be a breach of this Lease.

22.11 Cumulative Remedies. No remedy or election by Landlord hereunder shall be deemed exclusive, but shall wherever possible be cumulative with all other remedies at law or in equity to which Landlord may be entitled.

22.12 Covenants and Conditions. Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition.

22.13 Binding Effect. Subject to any provisions hereof restricting assignment, subletting or transfer by Tenant, this Lease shall bind the parties, their personal representatives, heirs, successors and assigns.

22.14 Attorneys' Fees. In the event of litigation relating to this Lease, the prevailing party shall be entitled to recover from the losing party any costs or reasonable attorneys' fees incurred by the prevailing party in connection with such litigation. If Landlord utilizes the services of an attorney in an effort to enforce any of its rights hereunder but such enforcement effort does not result in the bringing of legal action, Tenant shall immediately pay to Landlord upon demand the amount of such attorneys' fees incurred in such enforcement effort.

22.15 Merger. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of the Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.

22.16 Authority. If Tenant is a corporation or limited liability company, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of such entity in accordance with a duly adopted resolution or in accordance with its bylaws or operating agreement, and that this Lease is binding upon such entity in accordance with its terms. If Tenant is a division or subsidiary of a corporation, each individual executing this Lease on behalf of the division or subsidiary represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of the division or subsidiary, in accordance with a duly adopted resolution of the Board of Directors of the parent corporation, that this Lease is binding upon the parent corporation (as well as the division or subsidiary) in accordance with its terms, and that said division or subsidiary shall, within thirty (30) days after request by Landlord, deliver to Landlord a certified copy of a resolution ratifying the execution of this Lease. If Tenant is a partnership, each individual executing this Lease on behalf of said partnership represents and warrants that he or she is duly authorized to sign and deliver this Lease on behalf of said partnership and that this Lease is binding upon said partnership in accordance with its terms.

22.17 Brokers. The parties hereto acknowledge and agree that the Brokers named in this Lease, if any, were the sole real estate brokers that represented the Landlord and Tenant with respect to this Lease, and Tenant agrees to indemnify Landlord from claims for commission from any other brokers arising out of the execution of this Lease.

Landlord shall be obligated to pay any commissions due the Brokers with respect to this Lease, if any, pursuant to a separate written agreement.

22.18 Governing Law. This Lease shall be governed by and construed in accordance with the laws of the state in which the Building is located.

22.19 Joint and Several Liability. If two or more individuals, corporations, partnerships or other business associations (or any combination of two or more thereof) shall sign this Lease as Tenant, the liability of each such individual, corporation, partnership or other business association to pay Rent and perform all other obligations hereunder shall be deemed to be joint and several, and all notices, payments and agreements given or made by, with or to any one of such individuals, corporations, partnerships or other business associations shall be deemed to have been given or made by, with or to all of them. In like manner, if Tenant shall be a partnership or other business association, the members of which are, by virtue of statute or federal law, subject to personal liability, the liability of each such member is joint and several.

22.20 No Joint Venture. Any intention to create a joint venture or partnership relationship between Landlord and Tenant is hereby expressly disclaimed.

22.21 Force Majeure. In the event that Landlord shall be delayed in the performance of any obligation hereunder as a result of strikes, lockouts, shortages of labor, fuel or materials, acts of God, legal or governmental requirements, fire or other casualty, or any other cause beyond the control of Landlord (collectively, "Force Majeure"), then the performance of such obligation shall be excused for the period of such delay, and the period for the performance of such obligation shall be extended by the number of days equivalent to the number of days of such delay. Landlord shall in no event be required to settle or compromise any strike, lockout or other labor disputes, the resolution thereof being within the sole discretion of Landlord.

22.22 Satellite Dish and Antenna System. Landlord acknowledges that Tenant has installed a Satellite Dish on the roof of the Building pursuant to the Prior Lease and Landlord permits the same. Further, Landlord covenants and agrees that Landlord shall not unreasonably withhold, delay or condition its consent to a proposal by Tenant to install, maintain and replace from time to time one (1) satellite dish or similar antennae device, in a location designated by Landlord, the height and width of such devices to be reasonably acceptable to Landlord (the "Satellite Dish") on the roof of the Building, subject to the following: (a) applicable governmental laws; (b) the right of Landlord to supervise any roof penetrations; (c) Landlord's approval of the plans and specifications for the Satellite Dish and all connecting cables from the roof of the Building to the Premises; (d) compliance with the conditions of any roof bond maintained by Landlord on the Premises; (e) the Satellite Dish not being visible at street level; and (f) the Satellite Dish not interfering with any existing satellite dish or other antenna on the roof of the Building. Landlord also acknowledges and agrees that Tenant has installed an Antenna System (herein so called) to support the PSAP function and shall be permitted to install, replace, repair or modify equipment associate with the Antenna System. Tenant shall be responsible for the repair of any damage to any portion of the Building caused by Tenant's installation, use or removal of the Satellite Dish or the Antenna System. The Satellite Dish and the Antenna System shall remain the exclusive property of Tenant and Tenant shall have the right to remove the same at any time during the term of the Lease so long as Tenant is not in default under this Lease. Tenant shall protect, defend, indemnify and hold harmless Landlord from and against any and all claims, damages, liabilities, costs and expenses of every kind and nature (including reasonable attorney's fees) imposed upon or incurred by or asserted against Landlord arising out of Tenant's installation, maintenance, use or removal of the Satellite Dish and Antenna System.

22.23 Locks. Landlord acknowledges that Tenant is a political subdivision of the State of Texas and operates a PSAP and is subject to federal and state security requirements; including those of related to the Criminal Justice Information Systems and the PSAP. As such, there are areas of the Premises Tenant may need to secure with locks or security systems not accessible by Landlord. In those areas, Tenant may supply at its expenses mechanical or electronic locks on the doors accessing the Premises and for those within the Premises.

22.24 Exhibits and Attachments. All exhibits, attachments, riders and addenda referred to in this Lease and the exhibits listed below and attached hereto are incorporated into this Lease and made a part hereof for all intents and purposes as if fully set out herein. All capitalized terms used in such exhibits, attachments, riders and addenda shall, unless otherwise defined therein, have the same meanings as are otherwise set forth herein.

Exhibit A - Schematic Floor Plan of the Premises

Exhibit B - Rules and Regulations

Exhibit C -Office Pool Description

Exhibit D - Extension Option

Exhibit E - Work Letter - Suite 155

Exhibit F - Work Letter - Suite 165

Exhibit G - Expansion Option

(The remainder of this page has been left intentionally blank. The signature page follows.)

IN WITNESS WHEREOF, each of Landlord and Tenant has executed and delivered this Lease on the date set forth below its signature.

Landlord: CCI-Burleson I, LP, a Texas limited partnership

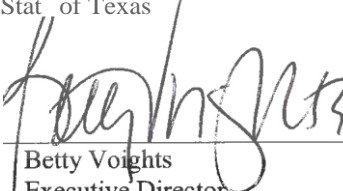
By: Capital Commercial Investments, Inc., a Texas corporation,
As its Authorized Agent

By:  -----; -An = -dfll -----

Executive Vice President

Date of Landlord's Execution: July 13, 2016

Tenant: Capital Area Council of Governments, a regional planning commission and political subdivision of the State of Texas

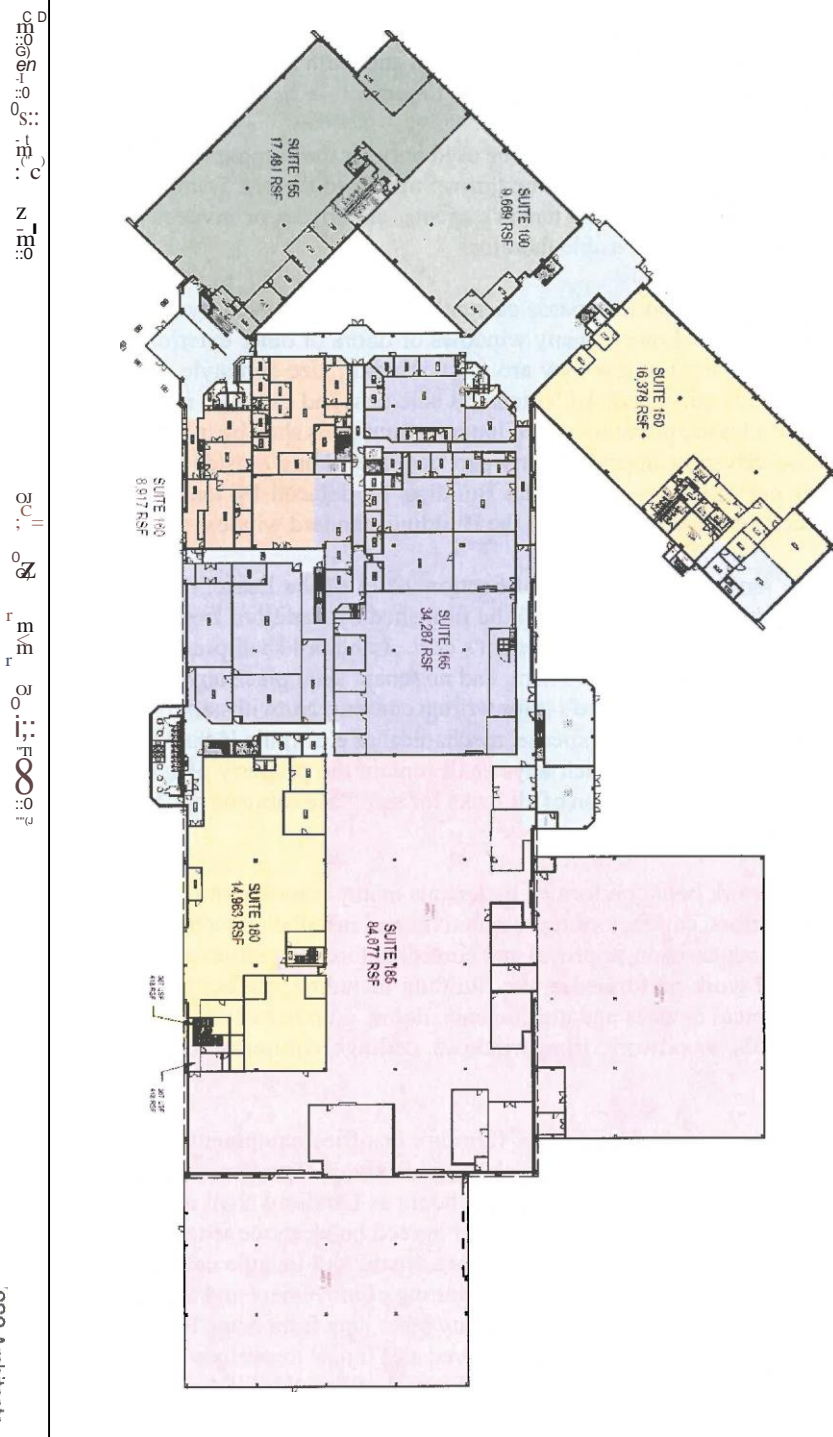
By: 
Betty Voights
Executive Director

Date of Tenant's Execution, , 2016

EXHIBIT A

SCHEMATIC FLOORPLAN OF THE PREMISES

Suites 155 and 165



GSC Architects

EXHIBIT B

RULES AND REGULATIONS

The following rules and regulations shall apply, where applicable, to the Building and to each portion thereof:

1. Sidewalks, doorways, vestibules, halls, and other similar areas shall not be obstructed by tenants or used by any tenant for any purpose other than ingress and egress to and from the premises and for going from one to another part of the Project, except as otherwise permitted in the Lease

2. Plumbing, fixtures and appliances shall be used only for the purposes for which designed, and no sweepings, rubbish, rags or other unsuitable material shall be thrown or placed therein. Damage resulting to any such fixtures or appliances from misuse by a tenant or such tenant's agents, employees or invitees shall be paid by such tenant and Landlord shall not in any case be responsible therefor.

3. Except for the existing notice boards currently in place and used by Tenant, no signs, advertisements or notices shall be painted or affixed on or to any windows or doors or other exterior part of the Project (or be visible from any public or common area) unless they are of such color, size and style and in such places as shall be first approved in writing by Landlord. Landlord, at tenant's sole cost and expense, shall install all letters or numerals by or on doors in such tenant's leased premises which letters or numerals shall be in building standard graphics. No nails, hooks or screws shall be driven or inserted in any part of the Building outside the premises except by the Building maintenance personnel nor shall any part of the Building be defaced by tenants. No curtains or other window treatments shall be placed between the glass and the Building standard window treatments.

4. Subject to the terms and conditions of Section 22.23 of the Lease, two keys to the locks on the corridor doors entering each tenant's leased premises shall be furnished by Landlord free of charge, with any additional keys to be furnished by Landlord to each tenant, at tenant's cost. Landlord shall provide all locks for other doors in each tenant's leased premises, at the cost of such tenant, and no tenant shall place any additional lock or locks on any door in or to its leased premises without Landlord's prior written consent. Notwithstanding the foregoing, Tenant shall have the right to supply and install, at Tenant's expense, mechanical or electronic locks for the doors accessing the Premises and for those within the Premises. All such keys shall remain the property of Landlord. Each tenant shall give to Landlord the explanation of the combination of all locks for safe, safe cabinets and vault doors, if any, in such tenant's leased premises.

5. With respect to work being performed by tenants in any leased premises with the approval of Landlord, all tenants will refer all contractors, contractors' representatives and installation technicians rendering any service to them to Landlord for Landlord's supervision, approval and control before the performance of any contractual services. This provision shall apply to all work performed in the Building including, but not limited to, installation of telephones, telegraph equipment, electrical devices and attachments, doors, entranceways, and any and all installations of every nature affecting floors, walls, woodwork, trim, windows, ceilings, equipment and any other physical portion of the Building.

6. Movement in or out of the Building of furniture or office equipment, or dispatch or receipt by tenants of any bulky material, merchandise or materials which requires use of elevators or stairways, or movement through the Building entrances or lobby shall be restricted to such hours as Landlord shall designate. All such movements shall be under the supervision of Landlord and in the manner agreed between the tenants and Landlord by prearrangement before performance. Such pre-arrangement initiated by a tenant will include determination by Landlord, and subject to its decision and control, as to the time, method, and routing of movement and as to the limitations for safety or other concern which may prohibit any article, equipment or any other item from being brought into the Building. The tenants are to assume all risks as to the damage to articles moved and injury to persons or public engaged or not 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 a tenant from time of entering the property to completion of work; and

Landlord shall not be liable for 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 a tenant.

7. Landlord shall have the right to prescribe the weight and position of safes and other heavy equipment or items, which shall in all cases, to distribute weight, stand on supporting devices approved by Landlord. All damages done to the Building by the installation or removal of any property of a tenant, or done by a tenant's property while in the Building, shall be repaired at the expense of such tenant. Tenant shall bear all costs incurred by Landlord or Tenant in determining the feasibility or actual installation of any such heavy equipment. Notwithstanding the foregoing, Landlord consents to the electrical and wiring requirements necessary under the rules and regulations of the Public Safety Answering Point.

8. A tenant shall notify the Building manager when safes or other heavy equipment are to be taken in or out of the Building and the moving shall be done under the supervision of the Building manager, after written permission from Landlord. Persons employed to move such property must be acceptable to Landlord.

9. Corridor doors, when not in use, shall be kept closed.

10. Each tenant shall cooperate with Landlord's employees in keeping its leased premises neat and clean.

11. Landlord shall be in no way responsible to the tenants, their agents, employees or invitees for any loss of property from the leased premises or public areas or for any damages to any property thereon from any cause whatsoever, except as may be due to the negligence or willful misconduct of Landlord, its employees, contractors or agents.

12. To ensure orderly operation of the Building, no ice, mineral or other water, towels, newspapers, etc. shall be delivered to any leased area except by persons appointed or approved by Landlord in writing.

13. Except for the Satellite Dish and the Antenna System (defined in the Lease) and the cabling required under the regulations of the Public Safety Answering Point (which is hereby permitted by Landlord), should a tenant require telegraphic, telephonic, annunciator or other communication service, Landlord will direct the electrician where and how wires are to be introduced and placed and none shall be introduced or placed except as Landlord shall direct. Except as provided in each tenant's lease, electric current shall not be used for heating or nonstandard power requirements without Landlord's prior written permission.

14. Tenant shall not make or permit any improper objectionable or unpleasant noises or odors in the Building or otherwise interfere in any way with other tenants or persons having business with them.

15. Nothing shall be swept or thrown into the corridors, halls, elevator shafts or stairways. No birds or animals shall be brought into or kept in, on or about any tenant's leased premises.

16. No machinery of any kind shall be operated by tenant on its leased area without the prior written consent of Landlord, nor shall any tenant use or keep in the Building any inflammable or explosive fluid or substance.

17. No portion of any tenant's leased premises shall at any time be used or occupied as a residential sleeping or lodging quarters.

18. Each tenant and its agents, employees and invitees shall park only in those areas designated by Landlord for parking by such tenant and shall not park on any public or private streets contiguous to, surrounding or in the vicinity of the Building without Landlord's prior written consent. Landlord acknowledges that Tenant has a public safety training trailer and an air quality monitor that require a parking space and permits the same to be parked in the parking areas.

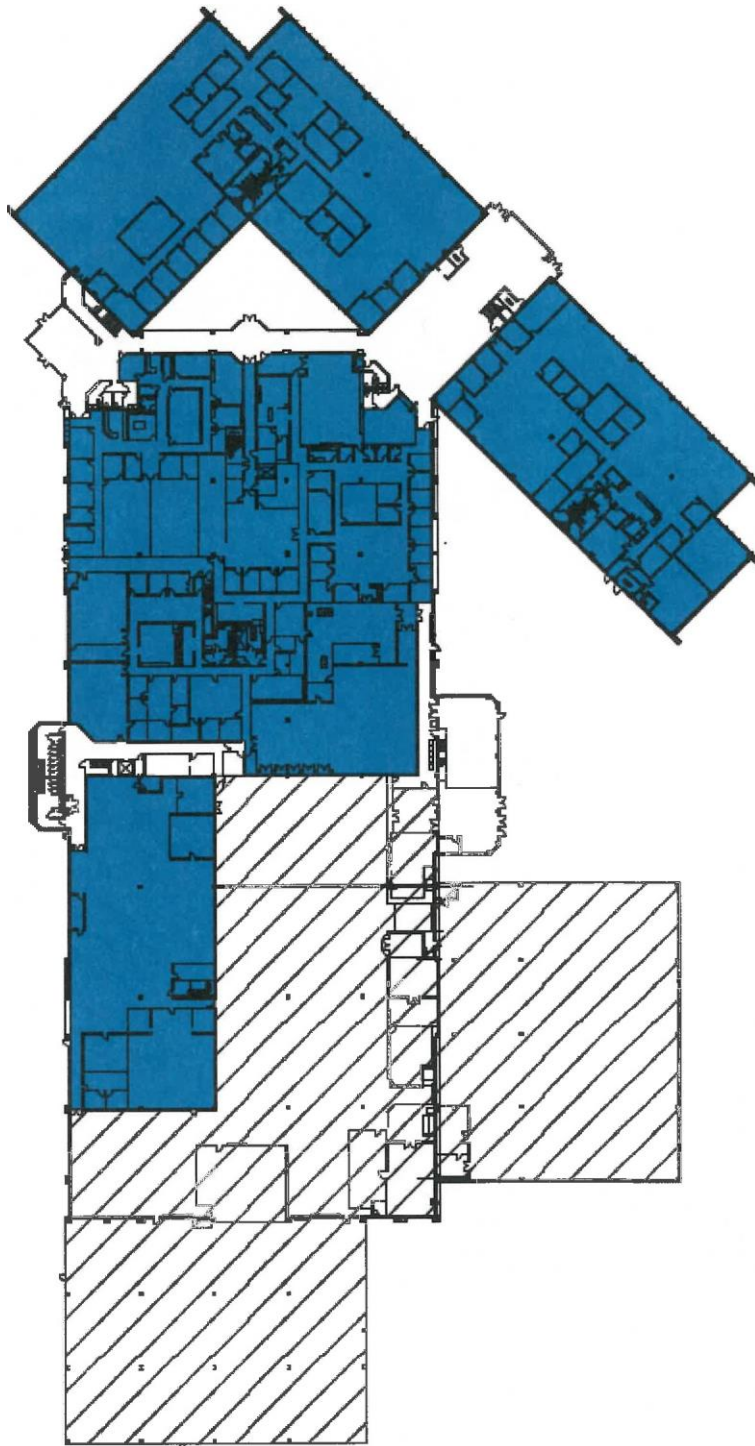
19. Landlord will not be responsible for lost or stolen property, money or jewelry from tenant's leased premises or public or common areas regardless of whether such loss occurs when the area is locked against entry or not.

20. The Building is a non-smoking building. Smoking is prohibited at all times within the entire Building, including all leased premises, as well as all public/common areas. This prohibition applies during business and non-business hours to restrooms, elevators, elevator lobbies, first floor lobby, stairwells, common hallways, the lunch room and any other public/common area, as well as to all areas within the Leased Premises by Tenants. Smoking is only permitted in the designated smoking area outside the Building and away from the entrances to the Building.

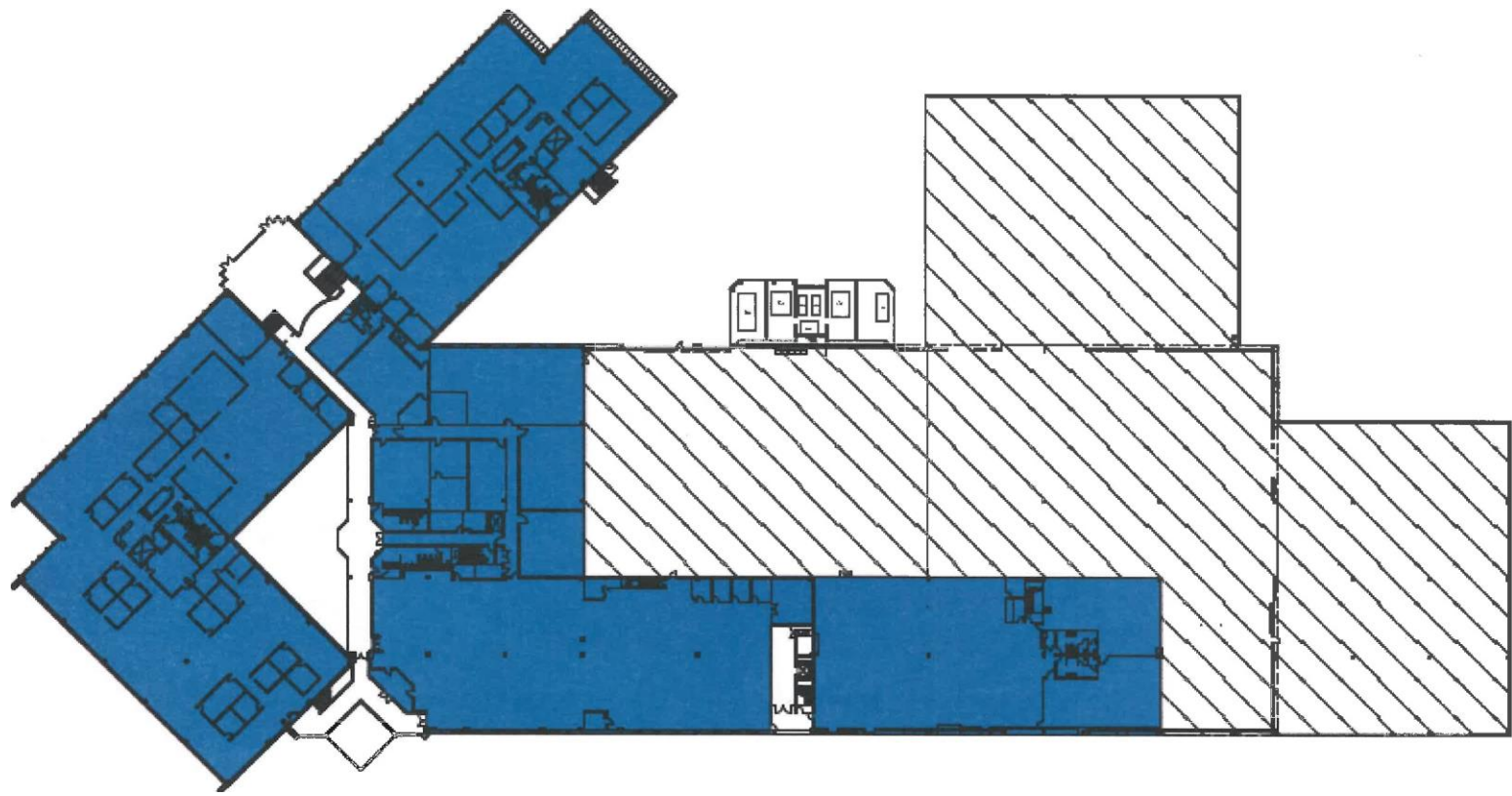
21. These Rules and Regulations contained in Exhibit B constitute a part of the terms and conditions of the Lease.

EXHIBIT C
OFFICE POOL

■ Office Pool



Bergstrom Technology Center
1st Floor Plan Scale: 1" = 30'-0"



■ Office Pool

Bergstrom Technology Center

211d Aocw,... a.:.:.o.,.,.

EXHIBIT D

OPTION TO EXTEND LEASE TERM

IN FURTHER CONSIDERATION OF the mutual covenants and conditions set forth in this Lease, Landlord and Tenant hereby agree that Tenant shall have the option to extend the Lease Term (this "Extension Option") for two (2) additional term of sixty (60) full calendar months, subject to the following conditions:

(a) This Extension Option may not be exercised by Tenant at any time there exists a financial Tenant Default or a non-monetary Tenant Default that Tenant has failed to diligently pursue a remedy. Furthermore, in the event that a Tenant Default exists as of the expiration of the Lease Term, the fact that Tenant may have previously exercised this Extension Option shall in no way affect Landlord's rights and remedies with respect to such Tenant Default. This Extension Option may not be exercised by any subtenant of Tenant, unless Landlord consents to same, which such consent shall not be unreasonably withheld

(b) In the event that Tenant elects to exercise this Extension Option, Tenant shall give Landlord written notice thereof (the "Extension Notice") not later than the date nine (9) months prior to the then current Expiration Date. If Tenant should fail to give Landlord an Extension Notice on a timely basis, then this Extension Option shall be rendered null and void.

(c) Upon giving Landlord an Extension Notice, the Lease Term and shall be extended for an additional term of sixty (60) full calendar months (the "Extension Term"), subject to earlier termination as otherwise provided in this Lease, including without limitation Tenant's right to rescind its Extension Notice as set forth below. The Extension Term shall commence as of the day following the then current Expiration Date, and said Expiration Date shall then be extended to the last day of the last calendar month of the Extension Term.

(d) Subject to the foregoing provisions of this Exhibit, the remaining provisions of this Lease shall not be affected by Tenant's exercise of this Extension Option and shall continue to be applicable to Tenant's use and occupancy of the Premises during the Extension Term, except as follows: (i) upon exercising this Extension Option, Tenant shall have no further right to renew or extend the Lease Term past the second option provided for in this Exhibit D; (ii) Landlord shall have no obligation to cause any repairs, renovations, or improvements to be made to the Premises as a consequence of Tenant having exercised this Extension Option and (iii) the Base Rent payable during the Extension Term (the "Extension Rate") shall be determined as described in paragraph (e) of this Exhibit D.

(e) Landlord shall give Tenant written notice of its determination of the Extension Rate within ten (10) business days following Landlord's receipt of an Extension Notice; provided that Tenant shall then have a period of ten (10) business days following receipt of Landlord's notice in which to give Landlord written notice of its determination of the Extension Rate. Landlord and Tenant shall then have ten (10) business days to mutually agree on the Extension Rate. If the Landlord and Tenant are able to agree to upon the Extension Rate during such ten (10) day period, then the Lease shall be extended as provided herein. If the Landlord and the Tenant are unable to so agree upon the Extension Rate within such ten (10) day period, then, within ten (10) days following the expiration of the aforesaid IO-day period, Landlord and Tenant shall each appoint a real estate broker or an independent real estate appraiser who has been a member of the Appraisal Institute of America (MAI) for at least five (5) years prior to such date and each of which has at least ten (10) years' commercial real estate appraisal (or leasing, as applicable) experience for office space in office buildings in the vicinity of the Building (together, with the third Appraiser described below, herein collectively called the "Appraisers") and such Appraisers as so appointed by Landlord and Tenant shall then, within ten (10) days after the designation of the last of such two (2) Appraisers to be so designated, select an independent third Appraiser with like qualifications; provided, that Landlord and Tenant shall then each provide all three such Appraisers with the Extension Rate determined and proposed by each such party, and the aforesaid three Appraisers shall then decide, within ten (10) business days after the selection of the third Appraiser, which Extension Rate proposed by Landlord or Tenant shall be the Extension Rate. Landlord and Tenant shall each bear the cost of the respective Appraiser selected by such party pursuant hereto, and the party whose proposed Extension Rate is not selected will then pay the cost or fee of the third Appraiser selected pursuant hereto.

(t) Upon determination of the Extension Rate, Tenant shall execute and deliver an amendment to this Lease "to be prepared by Landlord, reflecting (i) the Expiration Date of the Lease Term as extended by the Extension Term and (ii) all economic terms.

EXHIBITE

WORK LETTER - SUITE 155

This Work Letter is attached to and made a part of that certain Lease Agreement (the "Lease"), made by and between CCI-BURLESON I, LP., a Texas limited partnership ("Landlord"), and CAPITAL AREA COUNCIL OF GOVERNMENTS, a regional planning commission and political subdivision of the State of Texas ("Tenant") pertaining to the Premises described therein as Suites No. 155 and 165 of 6800 Burleson Road, Building 310, Austin, Texas. Any word or phrase appearing in this Work Letter shall have the specific definition or meaning as may be indicated in the Lease.

ARTICLE 1 PRELIMINARY MATTERS

1.1 Authorized Representatives. Landlord and Tenant have authorized the following individuals to serve as their respective representative with respect to the attendance of meetings, providing necessary information, and granting any consents or approvals or executing any documents relating to this Work Letter, with the understanding that such representatives are fully empowered to serve in this capacity and bind their principal without additional authorization; provided that either party may change their authorized representative upon three (3) business days written notice to the other party.

Landlord's Representative: Heidi Kelly
Transwestem
901 South Mopac Expy.
Building 4, Suite 250
Austin, Texas 78746
Telephone: 512-314-3559
heidi.kelley@transwestem.com

Tenant's Representative: Betty Voight
Capital Area Council of Governments
6800 Burleson Road, Bldg. 310, Suite 165
Austin, Texas 78744
Telephone: 512-916-6006
bavoights@capcog.org

1.2 Tenant Improvement Allowance. Landlord hereby grants to Tenant the Tenant Improvement Allowance defined in Section 1(q) of the Lease, which amount shall be applied to the payment of the hard and soft costs of the improvements to be constructed and installed in Suite 155 by Landlord pursuant to this Work Letter (the "Tenant Improvements"), including, but not limited to costs incurred in connection with architectural and engineering design services, permitting, labor, materials, and, other costs directly related to the construction and installation of leasehold improvements to Suite 155. Landlord shall not apply the Tenant Improvement Allowance to the payment of Rent or any other charges due and payable by Tenant under the Lease or any other cost incurred by Tenant in connection with the Lease or the Premises.

1.3 Substantial Completion Schedule. The time periods set forth in this Work Letter have been scheduled so as to permit the "Substantial Completion" (as hereinafter defined) of the Tenant Improvements not later than the April 1, 2017 using "Building Standard" (as hereinafter defined) materials and construction techniques. In the event that Tenant requests Tenant Improvements that require materials or construction techniques that are not Building Standard, Landlord shall advise Tenant accordingly, and in such event, Tenant shall be required to either: (i) modify the requested Tenant Improvements to eliminate any items that cannot be provided or feasibly constructed or installed in the Building within the time allowed; and/or (ii) accept full responsibility for any resulting "Tenant Delay" and/or "Excess Cost" (as hereinafter defined).

1.4 Construction Management Fee. Landlord shall be paid a fee equal to three percent (3%) of the total cost of the Tenant Improvements for Suite 155 (the "Construction Management Fee") for Landlord's management and

supervision of the General Contractor and the Tenant Improvements for Suite 155; provided that such administration fee shall be deducted from the Tenant Improvement Allowance.

1.5 Default. The failure by Tenant to comply with the provisions of this Work Letter shall constitute Tenant Delay and, after thirty (30) days' written notice and time to cure, shall also constitute a Tenant Default under terms of the Lease, in which event Landlord shall have the benefit of all remedies provided therein.

ARTICLE 2 PRE-CONSTRUCTION OBLIGATIONS

2.1 Approved Space Plan. Within ten (10) business days of the Lease Date, Landlord will deliver to Tenant a schematic floor plan of the Premises showing a preliminary, conceptual layout and description of the Tenant Improvements (the "Space Plan") prepared by an architect mutually agreed upon by Landlord and Tenant. Tenant shall have a period of up to ten (10) business days to review the Space Plan. In the event Tenant disapproves the space plan, Landlord shall cause the Space Plan to be revised as necessary to conform to the changes requested by Tenant within ten (10) business days following receipt of such notice. Upon Tenant's approval of the Space Plan or Tenant's failure to object to the Space Plan within ten (10) business days, then the Space Plan shall be deemed approved as submitted. Unless otherwise indicated, the Space Plan shall be based upon the use of the building materials and equipment and construction techniques designated by Landlord to be the standard for all improvements to be constructed in the Building (referred to herein as "Building Standard"). The cost of preparation of the Space Plan shall be paid by Tenant and deducted from the Tenant Improvement Allowance.

2.2 Construction Documents Preparation. Within the ten (10) business day period following the approval of the Space Plan, Landlord shall cause the architect (the "Design Professionals") to commence preparation of a complete set of detailed architectural, structural, mechanical, electrical and plumbing working drawings (including HVAC Improvements) and specifications for all of the Tenant Improvements as reflected in the Space Plan (the "Construction Documents") and shall deliver a copy thereof to Tenant for review and approval. Tenant shall have a period of up to ten (10) business days in which to review the Construction Documents; provided that if Tenant requests changes in the Construction Documents not reflected in the Space Plan or otherwise disapproves the Construction Documents for any reason other than the failure to comply with the Space Plan, then any delay resulting from the revision of the Construction Documents shall constitute Tenant Delay. If Tenant fails to object to the original Construction Documents within said ten (10) business day period, then the Construction Documents shall be deemed to be approved as submitted. In the event that Tenant disapproves the Construction Documents as initially submitted, Landlord shall cause the Construction Documents to be revised as necessary to conform to the changes requested in Tenant's notice of disapproval within ten (10) business days following receipt of such notice. The cost of preparation of the Construction Documents (and any changes thereto other than corrections needed to conform with the Space Plan) shall be deducted from the Tenant Improvement Allowance.

2.4 General Contractor Selection. Within the ten (10) business day period following completion of the Construction Documents, Landlord shall submit copies of same to at least three (3) general contractors selected by Landlord and approved by Tenant and shall require each such general contractor to submit a contract bid for the Tenant Improvements and HVAC Improvements within the following ten (10) business days. Landlord shall award the contract to construct and install the Tenant Improvements and HVAC Improvements (the "Construction Contract") to the general contractor that submits the lowest bid (the "General Contractor"); provided that Landlord shall have the right to reject any bid that does not, in Landlord's opinion, appear adequate for any reason. If, upon completion of the negotiation or bidding process, Landlord determines that the aggregate cost of the Tenant Improvements and HVAC Improvements (the "Construction Cost") does not exceed the Tenant Improvement Allowance, Landlord will proceed to execute the Construction Contract and instruct the General Contractor to promptly commence the construction and installation of the Tenant Improvements and HVAC Improvements.

2.5 Excess Construction Cost. If the Construction Cost exceeds the Tenant Improvement Allowance, then Landlord shall immediately deliver a copy of the General Contractor's detailed bid reflecting such excess cost to Tenant, and Tenant shall have a period of ten (10) business days following receipt of such detailed bid in which to notify Landlord in writing of its election to either: (i) authorize Landlord to proceed with the Tenant Improvements and HVAC Improvements in accordance with the Construction Documents as previously approved, in which event Tenant will be obligated to reimburse Landlord for the amount by which the Construction Cost exceeds the Tenant Allowance (the

"Excess Cost"); or (ii) cooperate with the Design Professionals to revise the Construction Documents (subject to Landlord's review and approval, which approval shall not be unreasonably withheld, conditioned or delayed) to reduce or eliminate the Excess Cost. If Tenant elects to have the Construction Documents revised, then Tenant shall have a period of ten (10) business days following receipt of the detailed bid to consult with the Design Professionals as needed to make the changes to the Construction Documents as necessary to either eliminate the Excess Cost or reduce it to an amount that is acceptable to Tenant. Any delay resulting from revisions to the Construction Documents to reduce or eliminate any Excess Costs shall be deemed to be Tenant Delay.

ARTICLE 3

CONSTRUCTION AND SUBSTANTIAL COMPLETION OF TENANT IMPROVEMENTS

3.1 Management by Landlord. Landlord shall have the sole right and duty to manage the construction of the Tenant Improvements and HVAC Improvements. Landlord acknowledges that Tenant has hired a construction firm to provide oversight consultation to Tenant and Landlord agrees to reasonably cooperate with Tenant's consultant. Tenant and its employees, agents, contractors and representatives shall not interfere with Landlord or the General Contractor or any subcontractors or attempt to change the scheduling or performance of any construction work and will direct any comments or concerns regarding same to Landlord's Representative.

3.2 Change Orders. Once the General Contractor has commenced construction of the Tenant Improvements and HVAC Improvements, Tenant may make changes in the Construction Documents only upon written request submitted to and approved by Landlord, which approval shall not be unreasonably withheld or delayed; provided that, to the extent that Landlord approves any change to the Construction Documents as requested by Tenant, Landlord's obligation to make such change the Construction Documents shall be conditioned upon Tenant's execution of a written change order to the Construction Contract ("Change Order") in a form reasonably acceptable to Landlord, such Change Order to reflect (i) a description of the change to the Construction Documents, (ii) Tenant's agreement to pay any Excess Cost resulting from such change, and (iii) Tenant's acknowledgement of any anticipated Tenant Delay resulting from such change.

3.3 Payment of Construction Costs and Excess Costs. Landlord shall pay the Construction Costs based on the General Contractor's draw requests made per the Construction Contract; provided that, in the event Tenant is obligated to pay Landlord any Excess Cost, Tenant shall pay Landlord a proportionate amount of such Excess Cost within thirty (30) days of each such draw request. Any Excess Cost payment obligations shall be deemed to be Additional Rent, and all past due amounts shall be subject to late charges and shall bear interest from the date due until paid at the interest rate set forth in the Lease. In the event that Tenant fails to pay any Excess Cost amount when due, Landlord may, at its option, halt construction of the Tenant Improvements and HVAC Improvements until such time as Tenant pays the amount due, and the resulting delay in the construction and installation of the Tenant Improvements and HVAC Improvements shall constitute Tenant Delay.

3.4 Substantial Completion. "Substantial Completion" shall mean (and the Premises shall be deemed "Substantially Completed") when the Tenant Improvements and HVAC Improvements for Suite 155 have been completed in accordance with this Work Letter so as to substantially conform to the Construction Documents, subject only to any items on a "punch list" (as hereinafter defined), and a certificate of occupancy (or its equivalent) has been issued so that Suite 155 may be legally occupied by Tenant for the Permitted Use. Landlord shall give Tenant written notice of Substantial Completion, and within three (3) business days following such notice, Landlord, Tenant, and the General Contractor shall jointly conduct a walk-through of Suite 155 and prepare a list of any items that must be repaired or replaced to achieve final completion of the Tenant Improvements and HVAC Improvements for Suite 155 (the "punch list"), provided that such items shall include only minor defects in the Tenant Improvements and HVAC Improvements that do not unreasonably interfere with Tenant's occupancy of Suite 155. If Landlord, Tenant or the General Contractor disagree as to the proper construction and installation of any aspect of the Tenant Improvements or HVAC Improvements or any other issue related to Substantial Completion, such dispute will be submitted to the Design Professionals, whose determination will be binding on all parties.

3.5 Final Completion. Landlord shall cause the General Contractor to complete all items on the punch list as soon as reasonably possible, making a good faith effort not to unreasonably interfere with Tenant's occupancy of the Suite 155 in completing such work.

3.6 Tenant Delay. Tenant shall be obligated to pay Landlord as Additional Rent an amount equal to one day of Base Rent (based on the monthly Base Rent installment first coming due) for each day that Landlord is actually delayed in the Substantial Completion of the Tenant Improvements and HVAC Improvements due to Tenant Delay. The term "Tenant Delay" means any actual delay in Substantial Completion beyond the April 1, 2017 caused by:

- (a) Tenant's request that the Construction Documents be modified for any reason other than the failure to comply with the Space Plan after the expiration of the days provided to Tenant for objections, if any;
- (b) Tenant's request that the Tenant Improvements include any materials or construction techniques that are not Building Standard;
- (c) any Change Orders requested by Tenant as approved by Landlord;
- (d) Tenant's failure to pay any Excess Cost amount when due;
- (e) any interference in the construction of the Tenant Improvements caused by "Tenant's Finish Work" (as hereinafter defined) or any other acts or omissions of Tenant, its employees, agents, contractors or representatives;
- (f) a delay due to Tenant's board of directors being unable to meet if Tenant's board is required to approve a change to this Work Letter; and
- (g) any other delay due to Tenant's failure to respond in a timely manner pursuant to this Work Letter.

EXHIBIT F

WORK LETTER - SUITE 165

This Work Letter is attached to and made a part of that certain Lease Agreement (the "Lease"), made by and between CCI-BURLESON I, LP., a Texas limited partnership ("Landlord"), and CAPITAL AREA COUNCIL OF GOVERNMENTS, a regional planning commission and political subdivision of the State of Texas ("Tenant") pertaining to the Premises described therein as Suites No. 155 and 165 of 6800 Burleson Road, Building 310, Austin, Texas. Any word or phrase appearing in this Work Letter shall have the specific definition or meaning as may be indicated in the Lease.

ARTICLE 1
PRELIMINARY MATTERS

1.1 Authorized Representatives. Landlord and Tenant have authorized the following individuals to serve as their respective representative with respect to the attendance of meetings, providing necessary information, and granting any consents or approvals or executing any documents relating to this Work Letter, with the understanding that such representatives are fully empowered to serve in this capacity and bind their principal without additional authorization; provided that either party may change their authorized representative upon three (3) business days written notice to the other party.

Landlord's Representative: Heidi Kelly
Transwestem
901 South Mopac Expy.
Building 4, Suite 250
Austin, Texas 78746
Telephone 512.314.3559
heidi.kelley@transwestem.com

Tenant's Representative: Betty Voight
Capital Area Council of Governments
6800 Burleson Road, Bldg. 310, Suite 165
Austin, Texas 78744
Telephone: 512-916-6006
bavoights@capcog.org

1.2 Tenant Improvement Allowance. Landlord hereby grants to Tenant the Tenant Improvement Allowance defined in Section 1(q), which amount shall be applied to the payment of the hard and soft costs of the improvements to be constructed and installed in Suite 165 by Landlord pursuant to this Work Letter (the "Tenant Improvements"), including, but not limited to costs incurred in connection with architectural and engineering design services, permitting, labor, materials, and, other costs directly related to the construction and installation of leasehold improvements to Suite 165. Landlord shall not apply the Tenant Improvement Allowance to the payment of Rent or any other charges due and payable by Tenant under the Lease or any other cost incurred by Tenant in connection with the Lease or the Premises.

1.3 Construction Management Fee. Landlord shall be paid a fee equal to three percent (3%) of the total cost of the Tenant Improvements for Suite 165 (the "Construction Management Fee") for Landlord's management and supervision of the General Contractor and the Tenant Improvements for Suite 165; provided that such administration fee shall be deducted from the Tenant Improvement Allowance.

1.4 Default. The failure by Tenant to comply with the provisions of this Work Letter shall constitute Tenant Delay and, after thirty (30) days' written notice and time to cure, shall also constitute a Tenant Default under terms of the Lease, in which event Landlord shall have the benefit of all remedies provided therein.

ARTICLE2
PRE-CONSTRUCTION OBLIGATIONS

2.1 Approved Space Plan. After Landlord engages the architect to provide the Space Plan and Construction Documents for Suite 155 as provided for in Exhibit E above, Landlord shall authorize an architect mutually agreed upon by Landlord and Tenant to prepare a schematic floor plan of Suite 165 showing a preliminary, conceptual layout and description of the Tenant Improvements (the "Space Plan"). After Landlord delivers the Space Plan to Tenant, Tenant shall have a period of up to ten (10) business days to review the Space Plan. In the event Tenant disapproves the space plan, Landlord shall cause the Space Plan to be revised as necessary to conform to the changes requested by Tenant within ten (10) business days following receipt of such notice. Upon Tenant's approval of the Space Plan or Tenant's failure to object to the Space Plan within ten (10) business days, then the Space Plan shall be deemed approved as submitted. Unless otherwise indicated, the Space Plan shall be based upon the use of the building materials and equipment and construction techniques designated by Landlord to be the standard for all improvements to be constructed in the Building (referred to herein as "Building Standard"). The cost of preparation of the Space Plan shall be paid by Tenant and deducted from the Tenant Improvement Allowance.

2.2 Construction Documents Preparation. Within the ten (10) business day period following the approval of the Space Plan, Landlord shall cause the architect (the "Design Professionals") to commence preparation of a complete set of detailed architectural, structural, mechanical, electrical and plumbing working drawings (including HVAC Improvements) and specifications for all of the Tenant Improvements as reflected in the Space Plan (the "Construction Documents") and shall deliver a copy thereof to Tenant for review and approval. Tenant shall have a period of up to ten (10) business days in which to review the Construction Documents; provided that if Tenant requests changes in the Construction Documents not reflected in the Space Plan or otherwise disapproves the Construction Documents for any reason other than the failure to comply with the Space Plan, then any delay resulting from the revision of the Construction Documents shall constitute Tenant Delay. If Tenant fails to object to the original Construction Documents within said ten (10) business day period, then the Construction Documents shall be deemed to be approved as submitted. In the event that Tenant disapproves the Construction Documents as initially submitted, Landlord shall cause the Construction Documents to be revised as necessary to conform to the changes requested in Tenant's notice of disapproval within ten (10) business days following receipt of such notice. The cost of preparation of the Construction Documents (and any changes thereto other than corrections needed to conform with the Space Plan) shall be deducted from the Tenant Improvement Allowance.

2.4 General Contractor Selection. Within the ten (10) business day period following completion of the Construction Documents, Landlord shall submit copies of same to at least three (3) general contractors selected by Landlord and approved by Tenant and shall require each such general contractor to submit a contract bid for the Tenant Improvements and HVAC Improvements within the following ten (10) business days. Landlord shall award the contract to construct and install the Tenant Improvements and HVAC Improvements (the "Construction Contract") to the general contractor that submits the lowest bid (the "General Contractor"); provided that Landlord shall have the right to reject any bid that does not, in Landlord's opinion, appear adequate for any reason. If, upon completion of the negotiation or bidding process, Landlord determines that the aggregate cost of the Tenant Improvements and HVAC Improvements (the "Construction Cost") does not exceed the Tenant Improvement Allowance, Landlord will proceed to execute the Construction Contract and instruct the General Contractor to promptly commence the construction and installation of the Tenant Improvements and HVAC Improvements.

2.5 Excess Construction Cost. If the Construction Cost exceeds the Tenant Improvement Allowance, then Landlord shall immediately deliver a copy of the General Contractor's detailed bid reflecting such excess cost to Tenant, and Tenant shall have a period of ten (10) business days following receipt of such detailed bid in which to notify Landlord in writing of its election to either: (i) authorize Landlord to proceed with the Tenant Improvements and HVAC Improvements in accordance with the Construction Documents as previously approved, in which event Tenant will be obligated to reimburse Landlord for the amount by which the Construction Cost exceeds the Tenant Allowance and (the "Excess Cost"); or (ii) cooperate with the Design Professionals to revise the Construction Documents (subject to Landlord's review and approval, which approval shall not be unreasonably withheld) to reduce or eliminate the Excess Cost. If Tenant elects to have the Construction Documents revised, then Tenant shall have a period of ten (10) business days following receipt of the detailed bid to consult with the Design Professionals as needed to make the changes to the Construction Documents as necessary to either eliminate the Excess Cost or reduce it to an amount that is acceptable to

Tenant. Any delay resulting from revisions to the Construction Documents to reduce or eliminate any Excess Costs shall be deemed to be Tenant Delay.

2.6 Commencement of Suite 165 Construction. Landlord and Tenant understand and agree that the construction of Tenant Improvements in Suite 165 shall not commence until Tenant has requested in writing that Landlord begin construction of the Tenant Improvements in Suite 165. Landlord and Tenant contemplate that Tenant shall make such request after it occupies Suite 155 upon the completion of the Tenant Improvements for Suite 155.

ARTICLE 3 CONSTRUCTION AND SUBSTANTIAL COMPLETION OF TENANT IMPROVEMENTS

3.1 Management by Landlord. Landlord shall have the sole right and duty to manage the construction of the Tenant Improvements and HVAC Improvements. Landlord acknowledges that Tenant has hired a construction firm to provide oversight consultation to Tenant and Landlord agrees to reasonably cooperate with Tenant's consultant. Tenant and its employees, agents, contractors and representatives shall not interfere with Landlord or the General Contractor or any subcontractors or attempt to change the scheduling or performance of any construction work and will direct any comments or concerns regarding same to Landlord's Representative.

3.2 Change Orders. Once the General Contractor has commenced construction of the Tenant Improvements and HVAC Improvements, Tenant may make changes in the Construction Documents only upon written request submitted to and approved by Landlord, which approval shall not be unreasonably withheld or delayed; provided that, to the extent that Landlord approves any change to the Construction Documents as requested by Tenant, Landlord's obligation to make such change the Construction Documents shall be conditioned upon Tenant's execution of a written change order to the Construction Contract ("Change Order") in a form reasonably acceptable to Landlord, such Change Order to reflect (i) a description of the change to the Construction Documents and (ii) Tenant's agreement to pay any Excess Cost resulting from such change.

3.3 Payment of Construction Costs and Excess Costs. Landlord shall pay the Construction Costs based on the General Contractor's draw requests made per the Construction Contract; provided that, in the event Tenant is obligated to pay Landlord any Excess Cost, Tenant shall pay Landlord a proportionate amount of such Excess Cost within thirty (30) days of each such draw request. Any Excess Cost payment obligations shall be deemed to be Additional Rent, and all past due amounts shall be subject to late charges and shall bear interest from the date due until paid at the interest rate set forth in the Lease. In the event that Tenant fails to pay any Excess Cost amount when due, Landlord may, at its option, halt construction of the Tenant Improvements and HVAC Improvements until such time as Tenant pays the amount due, and the resulting delay in the construction and installation of the Tenant Improvements and HVAC Improvements shall constitute Tenant Delay.

3.4 Substantial Completion. "Substantial Completion" shall mean (and the Premises shall be deemed "Substantially Completed") when the Tenant Improvements and HVAC Improvements for Suite 165 have been completed in accordance with this Work Letter so as to substantially conform to the Construction Documents, subject only to any items on a "punch list" (as hereinafter defined), and a certificate of occupancy (or its equivalent) has been issued so that Suite 165 may be legally occupied by Tenant for the Permitted Use. Landlord shall give Tenant written notice of Substantial Completion, and within three (3) business days following such notice, Landlord, Tenant, and the General Contractor shall jointly conduct a walk-through of Suite 165 and prepare a list of any items that must be repaired or replaced to achieve final completion of the Tenant Improvements and HVAC Improvements for Suite 165 (the "punch list"), provided that such items shall include only minor defects in the Tenant Improvements and HVAC Improvements that do not unreasonably interfere with Tenant's occupancy of Suite 165. If Landlord, Tenant or the General Contractor disagree as to the proper construction and installation of any aspect of the Tenant Improvements or HVAC Improvements or any other issue related to Substantial Completion, such dispute will be submitted to the Design Professionals, whose determination will be binding on all parties.

3.5 Final Completion. Landlord shall cause the General Contractor to complete all items on the punch list as soon as reasonably possible, making a good faith effort not to unreasonably interfere with Tenant's occupancy of the Suite 165 in completing such work.

EXHIBIT G

EXPANSION OPTION

IN FURTHER CONSIDERATION of the mutual covenants and conditions set forth in this Lease, Landlord agrees that if, at any time during the first year of the Lease Tenn, Tenant may expand into Suite 100 as designated on Exhibit G-1 (the "Expansion Space") by giving Landlord written notice of its intent to exercise this Expansion Option, subject to the following terms and conditions:

(a) The Expansion Option shall be subordinate to any pre-existing rights of first refusal held by other tenants of the Building, including but not limited to SPOT BPO.

(b) The Expansion Option may not be exercised by Tenant at any time that a Tenant Default exists hereunder (as defined in Section 15.1 hereof).

(c) Upon giving Landlord written notice exercising the Expansion Option, Tenant shall be deemed to have agreed to amend the Lease so that the (i) the Premises as defined in the Lease shall include all of the Expansion Space, (ii) the Base Rent owed by Tenant shall be increased by an amount equal to the product of the number of rentable square feet in the Expansion Space by the then current annual rate in Section 1(k), (iii) Tenant's Proportionate Share of the Office Pool shall be recalculated pursuant to Section 1(e), and (iv) and Tenant shall receive an additional Tenant Improvement Allowance for the Expansion Space in the amount of \$15.00/RSF which shall be reduced by multiplying the Tenant Improvement Allowance for the Expansion Space by a fraction of which the numerator is the number of months remaining on the Lease Tenn when the Expansion Option is exercised and the denominator is one hundred and twenty (120). All other terms and conditions of the Lease, including the Expiration Date, shall remain unchanged.

(c) Except as expressly provided in this Section, the rights and obligations of Landlord and Tenant pursuant to this Lease shall be unaffected by Tenant's exercise of the Expansion Option.

(f) This Expansion Option may not be exercised by Tenant at any time that a Tenant Default exists. This Expansion Option may be exercised by an assignee as to which Landlord's consent was not required under Section 13, but this Expansion Option may not be exercised by any assignee or subtenant of Tenant as to which Landlord's consent was required, notwithstanding Landlord's consent to same.

(h) This Expansion Option expires on the last day of the twelfth full month of the Lease Tenn. If Tenant fails to exercise this Expansion Option by the last day of the twelfth full month of the Lease Tenn, this Expansion Option shall be null, void, and of no further force or effect.



