

LEASE AGREEMENT

1501 Chestnut St., Bastrop, TX 78602
Bastrop County APN 69784

This Lease Agreement (the “**Lease**”) is made and entered into as of February ___, 2025 (the “**Lease Date**”), by and between **Oldham Barnard Holdings, LLC**, a Texas limited liability company (the “**Landlord**”) and **MAJCO LLC**, a California limited liability company (the “**Tenant**”). Certain capitalized terms used in this Lease are defined in Schedule 1 attached hereto.

RECITALS

A. Landlord is the owner of:

1. the approximately 0.961 acre parcel of land with a Bastrop County APN of 69784, commonly known as 1501 Chestnut Street, Bastrop, Texas 78602, and legally described in **Exhibit A** attached hereto and incorporated herein (the “**Land**”), which **Exhibit A** also includes a depiction of the Land, the City Property, the Building (as those terms are hereinafter defined), and the other improvements located thereon (the “**Site Plan**”);

2. the approximately 6,192 square foot building located on the Land (the “**Building**”);

3. all driveways and other access points, and all parking spaces and parking areas on the Land (collectively, the “**Primary Parking Area**”);

4. all other improvements located on the Land; and

5. all easements, rights, privileges and appurtenances thereunto belonging or in any way appertaining thereto

(collectively, the “**Property**”).

B. In addition to the Property, Landlord’s predecessor entered into that certain Second Revised and Amended License Agreement executed on or about April 20, 2010, and recorded on April 28, 2010, by the Bastrop County Clerk as Document No. 201004921 (the “**Current License Agreement**”), between the City of Bastrop (the “**City**”) and Landlord providing ingress and egress to the Land from Chestnut Street and additional parking (the “**Additional Parking Area**”) (the Primary Parking Area and the Additional Parking Area shall be hereinafter collectively referred to as the “**Parking Area**”) over and on that certain adjacent parcel of real estate containing approximately 0.347 acres, owned by the City, legally described in **Exhibit A**, and as generally depicted on the Site Plan (the “**City Property**”).

C. On or before the Lease Date, Tenant shall have entered into a new License Agreement (the “*New License Agreement*”) with the City for the use of the City Property for ingress, egress, and parking purposes, in a form reasonably satisfactory to Tenant and Landlord.

D. The Property and the City Property (hereinafter collectively referred to as the “*Entire Property*”) have been used and occupied by Michael Oldham Tire, Inc., a Texas corporation (“*Seller*”), for purposes of an automobile tire and repair service business and uses ancillary thereto.

E. Contemporaneously with the execution hereof, Tenant, as Purchaser, Seller, and the owner of Seller are closing on the purchase by Tenant of substantially all of the assets of Seller pursuant to an Asset Purchase Agreement among them dated February 10, 2025 (the “*Asset Purchase Agreement*”). Landlord is an affiliate of Seller.

F. Landlord and Tenant are executing this Lease pursuant to and in connection with the Asset Purchase Agreement.

NOW THEREFORE, in consideration of the Recitals and their mutual agreements and covenants contained herein, Landlord and Tenant agree as follows.

ARTICLE I THE PROPERTY

Section 1.1. Lease of Property

Landlord hereby leases the Property to Tenant and Tenant hereby leases the Property from Landlord, pursuant to all of the terms and conditions of this Lease. Notwithstanding the foregoing or anything contained herein to the contrary, in the event Tenant’s right to use the City Property shall terminate during the Term due to no fault of Tenant, Tenant, in addition to any and all other rights available to Tenant herein, shall have the right to terminate this Lease upon ten (10) days’ prior written notice to Landlord.

Section 1.2. Condition of Property

(a) Landlord warrants to Tenant that (i) the Entire Property, including, without limitation, the structural elements, exterior walls, and roof of the Building, are free of defects and are in good and tenantable condition, provided, however that the front roof of the Building needs replacement and Landlord is in the process of contracting such replacement and work on the replacement will commence after Lease Date and be coordinated to minimize disruption to Tenant’s operation, (ii) the Parking Area includes all parking areas and spaces shown on the Site Plan, and (iii) the mechanical, heating, ventilating, and air conditioning, electrical, plumbing, and other building systems are in good working order and in compliance with all applicable laws, ordinances, codes and regulations.

(b) To Landlord’s Knowledge, the Entire Property is in compliance with the Americans with Disabilities Act (ADA), the Occupational Safety and Health Act (OSHA), and all

other applicable federal, state, and local laws, codes, and ordinances. As used herein, “**Landlord’s Knowledge**” means the actual knowledge of the owners of Landlord, including the individual executing this Lease on behalf of Landlord, after due inquiry and investigation.

(c) Tenant acknowledges that no representations as to the repair of the Entire Property, or promises to alter, remodel, or improve the Entire Property, have been made by Landlord, except as are expressly provided in this Lease.

Section 1.3. Condition of Title

Landlord represents and warrants that: (i) it has good fee simple title in and to the Land; (ii) the entire Building is located upon the Land; (iii) the Land is contiguous and contains no gaps or gores; (iv) there are no easements or other non-monetary encumbrances affecting or encumbering the Land or Building that would interfere with or prevent the Land or the Building from being used for the Permitted Use (as that term is hereinafter defined) other than those identified in the Title Report issued by Independence Title Insurance Company, a copy of which is attached hereto as **Exhibit B** (the “**Owner and Encumbrance Report**”); and (v) the only liens and encumbrances affecting the Land and Building are those identified in the Owner and Encumbrance Report.

Landlord warrants that the Land and Building are not subject to any mortgages, deeds of trust, or other liens as of the Lease Date.

Landlord represents and warrants that the Land abuts and has direct legal access for pedestrian and vehicle ingress and egress to Chestnut Street.

Section 1.4. Business Permits

Tenant intends to continue using the Entire Property as an automobile tire and repair service business and uses ancillary thereto (the “**Business**”). Notwithstanding anything contained herein to the contrary, if Tenant is required to obtain any business permits, business licenses, special or conditional use permits, or environmental licenses or permits to allow use of the Entire Property for the Business (collectively, “**Business Permits**”), Tenant will promptly after the Lease Date use its reasonable commercial efforts to obtain all Business Permits. Landlord will cooperate with Tenant as is reasonably necessary to obtain the Business Permits, provided that such cooperation does not require Landlord to incur any out-of-pocket expense.

Section 1.5. Initial Tenant Improvements

Landlord consents to the installation by Tenant and such contractors and other parties as Tenant retains of such improvements as Tenant determines are necessary to operate the Business, which improvements are described in **Exhibit D** attached hereto as well as those improvements described in Section 10.9 of the Asset Purchase Agreement (the “**Initial Tenant Improvements**”). Landlord agrees that Tenant will not be required to provide any payment, performance or completion bonds, or other security in connection with the construction of the Initial Tenant Improvements, and that Tenant will have no obligation to remove any Initial Tenant Improvements at or prior to the expiration of the Lease Term.

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Tenant will construct the Initial Tenant Improvements in a good and workmanlike manner using all new materials and in compliance with all laws, ordinances, and governmental regulations affecting the Property. Tenant will be solely responsible, at Tenant's expense, for obtaining all permits and inspections required for the Initial Tenant Improvements.

Section 1.6. Memorandum of Lease

Concurrently with the execution of this Lease, Landlord and Tenant will execute a Memorandum of Lease in the form of Exhibit E attached hereto (the "*Memorandum*"). The Memorandum may be recorded by Tenant in the real estate records of Bastrop County, Texas, at the expense of Tenant.

**ARTICLE II
TERM OF THE LEASE**

Section 2.1. Initial Term of Lease

The initial term of this Lease (the "*Initial Term*") will commence on the Lease Date and will expire on February 28, 2045, which provides for a twenty (20) year Initial Term.

Section 2.2. Tenant's Options to Extend Term of Lease

Provided that Tenant is not then in default past all applicable notice, grace, and cure periods, Tenant will have the right to extend the Initial Term of this Lease for two (2) additional terms of five (5) years each (each, an "*Extended Term*"). Tenant may extend this Lease for an Extended Term by giving written notice of such extension to Landlord at least one hundred eighty (180) days prior to the expiration of the Initial Term or the then-current Extended Term, as applicable.

Section 2.3. Term of the Lease

As used in this Lease, "*Term*," "*Lease Term*," "*term of this Lease*," and similar terms will refer to the Initial Term, together with any Extended Terms established by Tenant pursuant to Section 2.2.

Section 2.4. Surrender of Property

Upon expiration of the Term or the earlier termination of this Lease, Tenant will peaceably surrender the Property broom clean and in good condition and repair, except that (i) Tenant is not responsible for the condition of the Property caused by fire or other casualty, reasonable wear and tear, or repairs that are the responsibility of Landlord, and (ii) the provisions of Sections 4.3, 4.4, and 6.3 will govern Tenant's obligations regarding Equipment, signs, and Improvements.

Section 2.5. Holding Over

Any holding over by Tenant after the expiration or earlier termination of this Lease, by lapse of time or otherwise, shall not operate to extend or renew this Lease or constitute recognition by

Landlord of any right of Tenant to remain at or in possession of the Property. In such case, (i) Tenant will indemnify Landlord against all damages, costs, liabilities, and expenses, including attorneys' fees, which Landlord directly and reasonably incurs on account of Tenant's failure to vacate, including, without limitation, reasonable costs directly arising from Landlord's inability to deliver the Property to any successor tenant; (ii) the Base Rent will increase to XXX of the Base Rent then in effect and Tenant's obligation to pay all other Rent will continue; and (iii) Tenant will be deemed to be a month to month tenant.

ARTICLE III RENT

Section 3.1 Base Rent

(a) Beginning on the Lease Date, and on the first day of each month thereafter for the first five (5) years of the Initial Term, Tenant agrees to pay to Landlord base rent ("**Base Rent**") for the Property during the Term equal to XXX per month, or XXX annually.

(b) The Base Rent will increase as follows: by XXX per annum commencing on the fifth (5th) anniversary of the Lease Date (i.e., upon the commencement of the sixth (6th) year of the Term), or if the Lease Date is not the first day of a calendar month, then the first day of the calendar month immediately following the Lease Date (the "**Rent Reset Date**"), and on the Rent Reset Date of each year thereafter during the Term, including any Extended Term(s), the option(s) for which are exercised by Tenant.

(c) Annual Base Rent will be payable in equal monthly installments in advance on the Lease Date and thereafter on the first day of every month during the Term. If the Lease Date is a date other than the first day of a month, or in the event the Term expires on a day other than the last day of a month, the Base Rent for the partial month will be prorated and adjusted accordingly, provided that Base Rent will not begin until the Lease Date.

(d) As used in this Lease, "**Rent**" means the Base Rent plus any other amounts identified herein as additional rent or other required payments to Landlord.

Section 3.2 ACH Payments

Upon the request of Tenant, Landlord will establish and maintain arrangements with Landlord's bank or other financial institution so that Tenant, at its option, may deposit the monthly installments of Base Rent due under this Lease directly to Landlord's account at such bank or other financial institution through the automated clearing house (ACH) system. Landlord will complete and return to Tenant a form of ACH authorization within five (5) days following a request by Tenant.

**ARTICLE IV
USE OF THE PROPERTY AND PARKING**

Section 4.1 Permitted Use

(a) The Property may be used (i) by Tenant for operation of the Business, (ii) by any other nationally or regionally recognized auto service provider, (iii) for any other auto service concept, or service and retail concept, operated by Tenant, (iv) for any national non-auto service concept, or service and retail concept, owned or controlled by a person or entity with at least thirty (30) separate locations that are open to the public, (v) for general office and warehouse use and accessory uses thereto, or (vi) for any other use permitted by the applicable zoning authority and otherwise by applicable law and approved by Landlord, which approval shall not be unreasonably withheld (collectively, the “*Permitted Use*”).

(b) Tenant will not use the Property for any purpose that is contrary to any statute, rule, order, ordinance, requirement, or regulation applicable thereto or in any manner that would violate any certificate of occupancy affecting the Property, or that would cause structural injury to the Property, or that would constitute a public or private nuisance or waste. Landlord agrees that Tenant’s normal practices and activities in operating the Business for the Permitted Use will not be claimed by Landlord to constitute a nuisance.

(c) Landlord warrants to Tenant that operating the Business and the Permitted Use are permitted under all private covenants, conditions, or restrictions, if any, affecting the Property.

Section 4.2 Parking Area

Tenant and its agents, employees, and customers will have the exclusive right to use the Primary Parking Area. Tenant may place signs on particular parking spaces designating any particular restriction, or reserving any particular use, for such parking space. The Primary Parking Area will contain the number of reserved accessible parking spaces and access aisles required under applicable law. Landlord will provide and reserve an amount of accessible parking spaces and access aisles sufficient to comply with applicable law and such accessible parking spaces and access aisles will only be used by those legally permitted to use them. Landlord will, at its sole cost, designate the accessible parking spaces and access aisles with appropriate striping and signs.

Section 4.3 Equipment

It is agreed by the parties hereto that, for all purposes under this Lease, Tenant will own all of Tenant’s equipment and trade fixtures, including, but not limited to, all tire machines, wheel balancers, lathes, alignment machines, and racks, lifts, air compressors, and under hood machines, and all interior and exterior signage (collectively, “*Equipment*”), and that all Equipment will be Tenant’s personal property, whether or not any of it is affixed to the Property.

Upon termination or expiration of this Lease, Tenant will remove its Equipment from the Property and make reasonable repairs, at Tenant’s expense, to the Property for any physical injury caused to the Property by the removal of Tenant’s Equipment.

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Section 4.4 Signs

Tenant will have the right to install, at Tenant's sole expense and subject to all applicable laws, signs on all exterior sides of the Building and in the interior of the Building. The signs may include the maximum building signage allowable under local ordinances and regulations both in size and number of building signs. Tenant may also install, at Tenant's sole expense and subject to all applicable laws, a freestanding pylon sign or monument sign on the Property. Tenant will have the right to display a "Coming Soon" banner any time after the Lease Date. Upon opening and for a period of thirty (30) days thereafter, Tenant will have the right to display its "Grand Opening" banners and related items, subject to compliance with local ordinances and regulations. Landlord will cooperate with Tenant as is reasonably necessary for Tenant to secure permits or other permissions required in connection with the installation of Tenant's signage.

Upon termination or expiration of the Lease, Tenant will remove its signs (other than the free standing pylon or monument sign from which Tenant will only remove its sign panels or lettering) and, at its cost, repair any damage caused by the erection, maintenance, or removal of Tenant's signs.

**ARTICLE V
UTILITIES, TAXES AND ASSESSMENTS**

Section 5.1 Utilities

(a) Landlord warrants that the Property is separately metered from any other property for gas, electricity and water and sewer.

(b) During the Term, Tenant will pay directly to the utility provider all charges for utilities or services furnished to the Property.

Section 5.2 Real Estate Taxes, and Special Assessments

(a) Landlord warrants that the Property is comprised solely of Bastrop County APN 69784 and includes all of the real estate, buildings, and improvements located thereon.

(b) Tenant will pay directly to the taxing authority, on or before the due date, all real estate taxes and installments of special assessments that are due and payable with respect to the Property during the Term; provided, however, that Tenant's obligation for real estate taxes and installments of special assessments due and payable during the first and last calendar years of the Term will be apportioned to adjust for the partial years. Special assessments will be spread over the longest period available unless Tenant agrees otherwise in writing. Tenant will furnish to Landlord, within thirty (30) days after Landlord's written request, official receipts of the appropriate taxing authority, a copy of canceled checks, or other appropriate proof reasonably satisfactory to Landlord evidencing the payment of such installment.

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(c) Tenant, at its option, will have the right to contest or review in accordance with applicable law any assessed valuation, real estate tax or assessment. Landlord, if so requested by Tenant, will join in any proceeding to contest or review initiated by Tenant, but the entire cost of any such proceeding initiated by Tenant will be borne by Tenant unless Landlord agrees otherwise in writing.

ARTICLE VI MAINTENANCE, REPAIRS AND ALTERATIONS

Section 6.1 Tenant's Obligations

Tenant will, at its sole expense, keep and maintain the Property in a good state of repair and condition and in compliance with all applicable laws, codes, ordinances, rules, and regulations relating to Tenant's use of the Property. Subject to Landlord's obligations set forth in Section 6.2 and elsewhere in this Lease, Tenant's obligations under this Section 6.1 will include without limitation the regular maintenance, repair, and, if necessary, replacement of the following:

- (1) the lighting, plumbing, and electrical systems, fixtures, and equipment serving the Property;
- (2) heating, ventilating, and air conditioning (HVAC) systems, and related fixtures and equipment serving the Property;
- (3) interior walls, partitions, and doors of the Property;
- (4) regular maintenance of the roof; and
- (5) regular maintenance of the Primary Parking Area and grounds around the Building, including cleaning and snow removal of paved areas and lawn and shrub maintenance.

Section 6.2 Landlord's Obligations

(a) Landlord will, at its sole expense, and subject to and conditioned upon Tenant meeting its obligations pursuant to Section 6.1:

- (1) maintain in good condition and repair, in compliance with all applicable laws, codes, ordinances, rules, and regulations, and make all required replacements to, (i) the structural portions of the Building, including, but not limited to, the foundation (including slab, imbedded plumbing, and sub-surface sewage systems) and structural supports and (ii) utility lines up to the point of connection to the Building;
- (2) in the event it becomes necessary to replace the roof or any portion thereof in its entirety, Landlord is responsible for capital replacement costs related thereto (including roof membrane and structure, substructure and roofing elements); and

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(3) in the event it becomes necessary to replace the driveways and parking lot or any portion thereof in their entirety, Landlord is responsible for any capital replacement costs related thereto, to ensure that Tenant can operate the Business in a commercially reasonable manner.

(4) (Reserved)

(b) For avoidance of doubt, Tenant's obligation to insure the Building as set forth in Section 10.4 hereof does not alter any obligation of Landlord set forth in this Section 6.2 or elsewhere in this Lease. Upon the occurrence of an event for which Landlord is responsible, but which may be covered by Tenant's insurance, Tenant agrees to make the claim with its insurance company, provided that in all events (i) Tenant is responsible only to make a claim to the insurance company in accordance with its normal and customary practices, (ii) Tenant is not responsible in the event the insurance claim is denied and shall have no obligation to continue to pursue any claim or appeal with the insurance company, whether on its own behalf or on behalf of Landlord, and (iii) Landlord remains responsible for any costs of such repair or replacement not covered by the insurance or denied by the insurance company, including but not limited to the obligation to pay any required deductible and all other amounts not covered through the insurance.

(c) If Landlord refuses or neglects to maintain or repair the Property as required hereunder, and to the reasonable satisfaction of Tenant within thirty (30) days after written demand (or such longer period as may be necessary to make such repair provided Landlord is diligently prosecuting such repair to completion) Tenant shall have the option, but not the obligation, to make such repairs after giving a second ten (10) day advance notice to Landlord. Upon completion thereof by Tenant, Landlord shall pay actual reasonable third-party charges to Tenant for making any such repairs that Landlord was required and failed to perform hereunder, upon presentation of a bill therefor. In the event Landlord fails to make such required payments, Tenant shall have the option to deduct such amounts from its payment of Rent.

Section 6.3 Alterations, Additions, and Improvements

(a) Tenant will have the right to remodel and make any alterations, additions, or improvements (collectively, "***Improvements***") in or to the Property, including but not limited to (i) installation of a security system meeting Tenant's requirements and (ii) Improvements consistent with Tenant's prototype improvements for its business operations and/or branding, in each case without the consent of Landlord. Notwithstanding the foregoing, Tenant will not remodel or make any Improvements to the Property that will expand or decrease the "footprint" of the Building or otherwise modify the load-bearing structural components of the Building (other than as expressly permitted elsewhere in this Lease) without Landlord's prior written consent, which consent will not be unreasonably withheld, conditioned, or delayed.

(b) All Improvements by Tenant must be made in a good and workmanlike manner using all new materials and in compliance with all laws, ordinances, and governmental regulations affecting the Property. Tenant is responsible, at Tenant's expense for all permits and inspections relating to such Improvements.

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(c) All Improvements made by Tenant will at once become the property of Landlord and will be surrendered to Landlord upon the termination or expiration of this Lease; provided however that in the event Tenant intends to make Improvements that it does not intend to surrender upon termination or expiration of this Lease, Tenant has the right to notify Landlord of such decision prior to making the Improvements. In such event, Tenant may, at its option, remove such Improvements upon termination of this Lease, provided, that Tenant will make reasonable repairs, at Tenant's expense, to the Property for any physical injury caused to the Property by the removal of such Improvements.

Section 6.4 Mechanics Liens

Tenant will not suffer or permit any mechanics', construction, or other liens to be filed against the Property or any part thereof by reason of work, labor, services, or materials supplied or claimed to have been supplied to Tenant or anyone holding the Property or any part thereof through or under Tenant. If any such mechanic's lien will at any time be filed against the Property, Tenant will cause the same to be discharged of record or otherwise bonded over within thirty (30) days after the date of filing the same. If Tenant fails to discharge or bond over such mechanic's lien within such period, then in addition to any other right or remedy of Landlord, Landlord may, but will not be obligated to, discharge the same by procuring the discharge of such lien by deposit in court or by giving security or in such other manner as is, or may be, prescribed by law. Any amount paid by Landlord for any of the aforesaid purposes, and all reasonable legal and other expenses of Landlord, including reasonable attorneys' fees, in or about procuring the discharge of such lien, with all necessary disbursements in connection therewith, will be repaid by Tenant to Landlord on demand, and if unpaid may be treated as additional Rent. Nothing herein contained in this Lease will imply any consent or agreement on the part of Landlord to subject Landlord's estate to liability under any mechanic's lien law.

ARTICLE VII RIGHT OF ENTRY

Section 7.1 Right of Entry

Tenant agrees to permit Landlord and the authorized representatives of Landlord to enter the Property during usual business hours and upon reasonable notice (no less than 24 hours) for the purpose of inspecting the same and making any necessary repairs to the Property and performing any work therein that may be necessary to comply with any laws, ordinances, rules, regulations, or requirements of any public authority or that Landlord reasonably deems necessary to prevent waste or deterioration in connection with the Property. Landlord will have the right to enter upon the Property any time in the case of any emergency. Landlord may, during the progress of any work in the Property, keep and store upon the Property all necessary materials, tools, and equipment in a location agreed to with Tenant. Subject to compliance by Landlord with the provisions set forth in this Section 7.1, including with the immediately following sentence, Landlord will not be liable for inconvenience, annoyance, disturbance, loss of business, or other damage of Tenant by reason of making repairs or the performance of any work in the Property, or on account of bringing materials, supplies, and equipment into or through the Property during the course thereof, and the obligations of Tenant under this Lease will not thereby be affected in any

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manner whatsoever. Landlord agrees, however, in connection with the performance of any such work to cause as little inconvenience, annoyance, disturbance, loss of business, or other damage to Tenant as may reasonably be possible in the circumstances.

Section 7.2 Showing of Property; For Sale and For Rent Signs

Landlord may at reasonable times during normal business hours and upon reasonable notice to Tenant enter the Property to view it and to show it to prospective purchasers and mortgagees. Landlord may, within the last one hundred eighty (180) days of the Term, show the Property to others for the purpose of rental and may post on the Property at locations reasonably acceptable to Tenant “for sale” and/or “for rent” signs.

**ARTICLE VIII
ASSIGNMENT AND SUBLEASING**

Section 8.1 Landlord’s Rights

Landlord shall have the right to sell or convey the Property or to assign its right, title, and interest under this Lease in whole or in part. In the event of any such sale or assignment other than a security assignment, Tenant shall attorn to such purchaser or assignee and Landlord shall be relieved, from and after the date of such transfer or conveyance, of liability for the performance of any obligation of Landlord contained herein, except for obligations or liabilities accrued prior to such assignment or sale.

Section 8.2 Consent-Needed Transactions

Except as provided in Section 8.3(a), without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed, Tenant shall not:

- (a) assign, transfer, convey, pledge or mortgage this Lease or any interest therein, whether by operation of law or otherwise, in whole or in part; or
- (b) sublet all or any part of the Property.

Notwithstanding anything to the contrary above, Landlord’s consent to the pledge or mortgage of this Lease or any interest therein is subject to Landlord’s prior consent, provided that Landlord’s consent may not be unreasonably withheld, and the consent of Landlord’s lender as required by any loan documents evidencing loan obligation of Landlord that is secured by a lien on the Property or portions thereof.

Section 8.3 Permitted Transactions

- (a) Notwithstanding any provision to the contrary in this Lease, Tenant shall have the right, without Landlord’s consent, at any one time or multiple times during the Term, to engage in any of the following (any one of the following, a “*Permitted Transaction*”); provided, however,

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Tenant will give Landlord at least thirty (30) days' advance written notice of such Permitted Transaction.

- (1) assign or transfer this Lease to a Permitted Transferee;
- (2) sublet all or any part of the Property to a Permitted Transferee; or

(3) enter into a merger or consolidation or assign this Lease in connection with a sale, conveyance or transfer of all or substantially all of its assets, or undergo a transfer of direct or indirect voting rights or economic interests in Tenant; provided that, after giving effect to any such transaction described aforesaid, either (i) Tenant (or such successor entity to Tenant) has satisfied the definition of "Permitted Transferee" or (ii) another entity that is a Permitted Transferee has expressly assumed or guaranteed all the obligations and liabilities of Tenant under this Lease.

(b) For purposes of this Lease, "***Permitted Transferee***" means: (i) any direct or indirect wholly-owned subsidiary or other legal entity of Tenant; (ii) any party who, by reason of merger, consolidation or sale, acquires all, or substantially all of the assets of Tenant; or (iii) any party to the extent that, immediately after giving effect to the proposed assignment or transfer, the financial strength of such party is not worse than the financial strength of Tenant as of the date hereof, taking into account the liquidity, earnings, tangible net worth or creditworthiness of Tenant and the proposed assignee or transferee.

(c) If Tenant assigns this Lease pursuant to a Permitted Transaction:

(1) the new Tenant and Landlord shall execute an assumption agreement at the time of the assignment, in a form reasonably acceptable to Landlord, whereby the new Tenant assumes this Lease in writing; and

(2) Tenant shall be released of its obligations under this Lease effective as of the effective date of such assignment without any further act on the part of Landlord or Tenant, provided (i) there is no then existing default or event of default under this Lease and (ii) Tenant complies with all requirements related to such Permitted Transaction, but Tenant shall not be released from any liability arising due to acts or omissions occurring prior to any such assignment. Notwithstanding the foregoing, in the event Tenant is released of its obligations under this Lease as part of a Permitted Transaction, upon Tenant's request, Landlord shall confirm such release in an instrument reasonably acceptable to Landlord and Tenant.

ARTICLE IX ENVIRONMENTAL MATTERS

Section 9.1 Certain Defined Terms

For purposes of this Lease, the following definitions will apply:

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“**Environmental Claim**” means any administrative, regulatory or judicial action, suit, demand, claim (including for strict liability), lien, notice of violation or potential responsible party status, investigation, proceeding, administrative or consent order or agreement, or any written communication threatening any of them, arising under Environmental Law or relating to Hazardous Material, including without limitation (i) of a governmental authority for damages, harm to natural resources, enforcement of noncompliance, cleanup, corrective action, removal, response, remedial or other action, or (ii) of a third party for nuisance, trespass, injury to persons, property, natural resources or the environment, or for damages, contribution, indemnification, cost recovery, compensation or injunctive relief.

“**Environmental Law**” means any federal, state, regional or local law, regulation, ordinance, common law, judicial or administrative order or cleanup standard, consent decree or judgment relating to the environment, natural resources, or public health, safety or welfare, including without limitation, and as amended: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§9601 *et seq.*; the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. §§1801 *et seq.*; the Clean Water Act, 33 U.S.C. §§1251 *et seq.*; the Toxic Substances Control Act, 15 U.S.C. §§2601 *et seq.*; the Clean Air Act, 42 U.S.C. §§7401 *et seq.*; the Safe Drinking Water Act, 42 U.S.C. §§300f *et seq.*; the Atomic Energy Act, 42 U.S.C. §§2011 *et seq.*; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§136 *et seq.*; and the Occupational Safety and Health Act, 29 U.S.C. §§651 *et seq.*

“**Environmental Reports**” means the documents, if any, identified in **Exhibit F** to this Lease, which include all records in Landlord’s possession or control discussing or describing the environmental condition of the Property, any Hazardous Material on, at, adjacent to, or emanating to or from the Property, or, with respect to the Property or its operations, Landlord’s compliance or noncompliance with Environmental Law.

“**Hazardous Material**” means radon, mold, urea formaldehyde, any pollutant or irritant, and any solid, liquid, or gaseous hazardous, toxic, infectious, or radioactive chemical, waste, or substance subject to review or regulated under Environmental Law.

“**Landlord Parties**” means Landlord and its owners, agents, employees, invitees, successors, and assigns.

“**Loss**” means any liability, damage, cost, or expense of any nature whatsoever, including, without limitation, for defense, settlement, or satisfaction of Environmental Claims or other claims or causes of action (including reasonable attorneys’, experts’ and consultants’ fees, costs of response, corrective action, remediation, or cleanup) and for injuries or damages to persons, the Property, or natural resources.

“**Tenant Parties**” means Tenant and its owners, agents, employees, invitees, successors, and assigns.

Section 9.2 Landlord Representations, Warranties and Obligations

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(a) Landlord represents and warrants to Tenant that to Landlord's Knowledge and except as disclosed in the Environmental Reports, there is no Hazardous Material at the Property, including without limitation, in the Building or any other improvements on the Property, or in the soil, groundwater, or other environmental media on, at, or under the Property, except for Hazardous Material currently used in the ordinary course of business operations at the Property that is properly contained and stored and is present in compliance with applicable laws.

(b) Landlord represents and warrants that, to Landlord's Knowledge and except as disclosed in the Environmental Reports, (i) there has been no spill, discharge or other release of Hazardous Material affecting the Property; (ii) there are no, nor were there ever any, (x) in-ground or underground hydraulic hoists or lifts present on the Property, (y) sealed or unsealed wells present on the Property, or (z) underground storage tanks present on the Property, other than oil water separators servicing shop related drains that are connected to the sanitary sewer; (iii) there are no, nor were there ever, any wells present on the Property; and (iv) there are no, nor were there ever any discharge or disposal or impoundment systems of any nature whatsoever located on the Property.

(c) Landlord Parties will not cause or permit any Hazardous Material to be used, placed, generated, handled, possessed, or stored on the Property, except as permitted by law.

(d) If Landlord discovers or is informed that Hazardous Material existed on the Property as of the Lease Date and the existence of such Hazardous Material on the Property was or is in violation of Environmental Law, or that any Hazardous Material on the Property as of the Lease Date presents a threat to the health or safety of Tenant or its employees or invitees, Landlord will notify Tenant in writing no later than two (2) business days of such discovery and will promptly take all actions necessary to abate the hazard or to cause responsible parties to abate the hazard. Landlord will provide Tenant with copies of all communications with a governmental authority or third-party claimant regarding an Environmental Claim affecting the Property.

(e) Notwithstanding anything to the contrary in this Section 9.2, Tenant acknowledges that Landlord has made inquiry only with Seller and the employees of Seller and has engaged no environmental assessment of the Property or conducted any inquiry or investigation as to the operation of the Property prior to the date Landlord acquired the Property.

Section 9.3 Tenant Obligations

(a) Tenant Parties will not cause or permit any Hazardous Material to be used, placed, generated, handled, possessed, or stored on the Property, except as permitted by law.

(b) If Tenant discovers or is informed that a Hazardous Material exists on the Property that violates or that Tenant believes to be in violation of Environmental Law or to present a threat to the health or safety of Tenant or its employees or invitees, Tenant will notify Landlord in writing no later than five (5) business days of such discovery or information. If the presence of such Hazardous Material on the Property was caused by Tenant Parties, Tenant will immediately take all actions necessary to abate the hazard, provided that Tenant will have no obligation to investigate, remediate, or otherwise address, or incur any expense for, any violation of

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Environmental Law or any Hazardous Material at the Property that existed as of the Lease Date, or any Hazardous Material subsequently placed on the Property by Landlord Parties or any third parties. Tenant will provide Landlord with copies of all communications with a governmental authority or third-party claimant regarding an Environmental Claim affecting the Property.

Section 9.4 Environmental Indemnity

(a) Landlord will indemnify, defend, and hold harmless Tenant Parties from all Environmental Claims and indemnify them for all Loss, arising from or relating to (i) the use, placement, generation, handling, possession, storage, release, spill, or discharge of Hazardous Materials at or affecting the Property not caused by Tenant Parties and (ii) any Hazardous Material described in the Environmental Reports or otherwise present at or affecting the Property prior to or on the Lease Date.

(b) Tenant will indemnify, defend, and hold harmless Landlord Parties from all Environmental Claims and indemnify them for all Loss arising from or relating to the use, placement, generation, handling, possession, storage, release, spill, or discharge of Hazardous Materials on or at the Property during the Term by Tenant Parties.

(c) Landlord will indemnify, defend, and hold harmless Tenant Parties, and Tenant will indemnify, defend, and hold harmless Landlord Parties, from all Environmental Claims and for all Loss arising from or in connection with that party's breach of its warranties, representations, or covenants set forth in this Article IX, except that neither party will be required to indemnify the other party for any Loss or Environmental Claim arising from (i) the other party's noncompliance with Environmental Law, or (ii) Hazardous Material brought to the Property by the other party or such other party's employees, agents, successors, assigns, or invitees. Any indemnification claim under this Section 9.4 relating to Hazardous Material brought to the Property by the other party or such other party's employees, agents, successors, assigns, or invitees during the Lease Term must be established by clear and convincing evidence.

(d) Any indemnification obligation under this Section 9.4 will include, at the request of the party to be indemnified ("*Indemnitee*") and as applicable, a defense provided by an experienced, qualified, and licensed attorney reasonably satisfactory to the Indemnitee that is retained and paid by the indemnifying party.

(e) All indemnification rights and obligations of Landlord and Tenant relating to Hazardous Materials, an Environmental Claim, or Environmental Law will survive termination of this Lease and be governed by this Article IX and no other indemnification rights or obligations in this Lease will apply, or be deemed to apply, to such matters.

**ARTICLE X
INDEMNIFICATION AND INSURANCE**

Section 10.1 Indemnity By Tenant

To the fullest extent permitted by law, Tenant will indemnify, defend, and hold harmless the Landlord Parties from and against any and all Loss and any claims, causes of action, liabilities, damages, costs, and expenses (including reasonable attorneys', experts' and consultants' fees) of any nature whatsoever, including injury or damage to the Property ("**Claims and Losses**") arising out of or in connection with (i) the use, conduct, maintenance, or management of or from any work or thing whatsoever done, permitted, or suffered by Tenant or its employees and agents, on or about the Property; (ii) any accident, injury, or damage whatsoever caused to any person or to the property of any person occurring during the Term on or about the Property, except caused by the negligence or willful misconduct of Landlord Parties; (iii) the breach or default by Tenant of any covenant or agreement to be performed by Tenant under this Lease or any representation or warranty of Tenant hereunder; or (iv) any negligent act or omission or intentional act of Tenant, or any of its employees or agents, all except to the extent such Claims and Losses arise out of, relate to, or are caused by the negligence or intentional acts of Landlord or its employees and agents, and except to the extent of insurance proceeds paid to or for the benefit of Landlord. Upon written demand from Landlord, Tenant will defend Landlord Parties as required by this section by counsel reasonably satisfactory to Landlord.

Section 10.2 Indemnity By Landlord

To the fullest extent permitted by law, Landlord will indemnify, defend, and hold harmless the Tenant Parties from and against any and all Claims and Losses arising out of or in connection with (i) any work or thing whatsoever done on or about the Property by Landlord or its employees and agents; (ii) any accident, injury, or damage whatsoever to any person or to the property of any person occurring during the Term on or about the Property caused by the negligence or willful misconduct of Landlord Parties; (iii) the breach or default by Landlord of any covenant or agreement to be performed by Landlord under this Lease or any representation or warranty of Landlord hereunder; or (iv) any negligent act or omission or intentional act of Landlord or any of its employees or agents, all except to the extent such Claims and Losses arise out of, relate to, or are caused by the negligence or intentional acts of Tenant or its employees and agents, and except to the extent of insurance proceeds paid to or for the benefit of Tenant. Upon written demand from Tenant, Landlord will defend Tenant Parties as required by this section by counsel reasonably satisfactory to Tenant.

Section 10.3 Environmental Indemnity Excluded

The indemnification rights and obligations in Section 10.1 and Section 10.2 do not apply to the subject matter of or matters arising out of, relating to, or otherwise involving Environmental Law, an Environmental Claim, or Hazardous Material, all of which are governed by the provisions of Article IX.

Section 10.4 Insurance.

(a) Tenant, at Tenant's sole cost and expense, will at all times during the term of this Lease maintain the following insurance coverages:

(1) Special Form ("all risk") fire and extended risk coverage insurance respecting the Building and the fixtures and improvements located therein insured for the benefit of Landlord and any mortgagee designated by Landlord in writing in an amount equivalent to the replacement cost, up to the amount listed in the policy, which amount will be determined by Tenant in its commercially reasonable discretion, against loss or damage by fire and other perils covered by the extended risk coverage, including, without limitation, hail, with Tenant fully responsible for the deductible. Such policy also will include rent loss insurance in an amount equal to at least six (6) months of Base Rent, real estate taxes, and casualty and general liability insurance premiums payable by Tenant under this Lease.

(2) Commercial general liability insurance against claims for personal injury, death, or property damage occurring upon, in, or about the Property, such insurance to afford protection to the limit of not less than \$1,000,000.00 per occurrence; provided, that such policy of insurance will not provide coverage for the negligence or intentional acts of Landlord or its employees, agents, or contractors.

(3) Fire and extended coverage insurance covering all of Tenant's leasehold improvements, if any, trade fixtures, and personal property which may from time to time be located on or about the Property in such amount as Tenant deems appropriate.

(4) Worker's Compensation Insurance in the statutory amount (and Employers' Liability Insurance) covering all employees of Tenant employed or performing services at the Property, in order to provide the statutory benefits required by the laws of the state in which the Property is located.

(b) Such policies of insurance will be written in companies reasonably satisfactory to Landlord. Tenant will deliver certificates of such insurance to Landlord prior to commencement of the term of this Lease, and a replacement certificate within a reasonable period of time. For the coverage described in Section 10.4(a)(1) above, Landlord and any mortgagee designated by Landlord in writing will be designated as co-loss payees, as their interests may appear. For the coverage described in Section 10.4(a)(2) above, Landlord will be added as an additional insured. The insurance required to be provided by Tenant may be included in "blanket" policies covering other locations.

(c) Landlord, at Landlord's sole cost and expense, will at all times during the term of this Lease, maintain commercial general liability insurance against claims for personal injury, death or property damage occurring upon, in, or about the Property, such insurance to afford protection to the limit of not less than \$1,000,000.00 single limit coverage; provided, that such policy of insurance will not provide coverage for the negligence or intentional acts of Tenant or its employees, agents, or contractors. Such policy of insurance will be written in a company

reasonably satisfactory to Tenant. Landlord will deliver a certificate of such insurance to Tenant prior to commencement of the term of this Lease, and a replacement certificate at least ten (10) days prior to the expiration date of the then-current certificate. Tenant will be added as an additional insured under such policy.

(d) Landlord and Tenant each hereby waives and releases all claims, liabilities, and causes of action against the other party and their agents, servants, and employees for loss or damage to, or destruction of, the Property or any portion thereof, including the Building and other improvements situated thereon, or any personal property of Landlord or Tenant, as applicable, located on the Property, resulting from fire, explosion, or the other perils included in standard extended risk coverage insurance, **whether caused by the negligence of any of the persons or otherwise** but only to the extent of insurance proceeds paid to or for the benefit of Landlord or Tenant, respectively.

ARTICLE XI DAMAGE, DESTRUCTION AND CONDEMNATION

Section 11.1 Damage and Destruction of Building

(a) If the Property is damaged or destroyed by fire or other casualty to such an extent that it cannot reasonably be restored within one hundred eighty (180) days from the date of such casualty, then Tenant will have the right to terminate this Lease upon thirty (30) days' written notice to Landlord, which notice must be given within thirty (30) days after the date of the occurrence of the damage or destruction, or such longer period as is reasonably necessary for Tenant to ascertain the damage. If this Lease is terminated as provided above, Landlord shall refund to Tenant that part of the Rent paid in advance for the period after the date on which the damage or destruction occurred.

(b) If Tenant does not so terminate this Lease, then Landlord, with reasonable diligence, will repair and reconstruct the Building to substantially the same condition that the Building was in immediately prior to the damage or destruction, and a just and proportionate part of the Rent will be abated until the repairs have been completed.

(c) Notwithstanding anything contained herein to the contrary, if the Property is damaged or destroyed, and the Lease is not terminated as provided above, then (i) Tenant will have the right to terminate this Lease upon written notice to Landlord if the Property is not repaired or reconstructed within one hundred eighty (180) days, subject to extension by Force Majeure from the date on which the Property was damaged or destroyed; and (ii) Landlord will have the right to terminate the Lease if the proceeds of insurance are not sufficient to complete the necessary repair or reconstruction.

Section 11.2 Condemnation

(a) Landlord represents and warrants to Tenant that there is no condemnation action affecting or involving the Property and Landlord does not have actual knowledge of any pending or contemplated condemnation action that involves the Property.

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(b) In the event of a total condemnation of the Property, this Lease will terminate, and the Rent provided for herein will abate as of the date the title to the Property vests in the condemning authority.

(c) In the event of a partial condemnation of the Property that adversely impacts, in Tenant's reasonable judgment, Tenant's use and enjoyment of the Property for its business purposes, Tenant will have the right, upon written notice given to Landlord, to terminate this Lease. Tenant's written notice must be given to Landlord on the later to occur of (i) sixty (60) days following the date on which title to the portion of the Property so taken vests in the condemning authority, (ii) sixty (60) days following the date on which Tenant receives a copy or notice of the condemning authority's definitive plans for its use, occupancy, alteration, or reconfiguration of the condemned property, including but not limited to any definitive plans for disrupting or limiting access to portions of the Property not subject to the partial condemnation. In such event, this Lease will terminate effective as of forty-five (45) days following the date of Tenant's notice or on such other date set forth in Tenant's notice. Upon the effective date of such termination, Tenant will have vacated the Property and the Rent payable under this Lease will cease.

(d) In the event of any partial condemnation that does not result in the termination of this Lease as provided above, Landlord will, at Landlord's expense, restore the Property to the condition that, as nearly as practicable, existed prior to the condemnation provided, however, in no event will Landlord be required to expend more monies in effectuating the restoration than are awarded to Landlord in the condemnation and equitably allocated to the taking respecting the Property. In the event of any condemnation that does not result in the termination of this Lease, the Rent will be equitably abated based on the part of the Property taken.

(e) All condemnation awards respecting the taking will belong to Landlord and Tenant will assert no interest therein; provided, however, that Tenant will at all times be entitled to maintain any action for, and recover, any award for a taking of Tenant's Equipment and other personal property, and for Tenant's moving and relocation expenses.

ARTICLE XII SUBORDINATION, ATTORNMENT AND ESTOPPEL

Section 12.1 Landlord's Mortgages

Landlord warrants that the Property is subject to no mortgages, deeds of trust, or other liens as of the Lease Date.

At the option of Landlord, this Lease will be subject and subordinate to the lien of any mortgage hereafter placed on the Property, provided, however, that, as a condition precedent to such subordination, the holder of the mortgage to which this Lease is to be subordinated executes and delivers to Tenant a non-disturbance agreement in form and substance reasonably satisfactory to Tenant, which will provide that, (i) so long as Tenant will not be in default under this Lease beyond any applicable cure period, Tenant's possession of the Property and its rights under this Lease will not be disturbed by the mortgagee, or by any successor in interest to the mortgagee, by foreclosure,

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or otherwise, and (ii) neither the mortgagee nor any the successor in interest will have any greater rights with respect to this Lease, or against Tenant, than Landlord has under this Lease.

If Landlord's interest in the Property is acquired by any ground lessor, beneficiary under a deed of trust, mortgagee, or purchaser at a foreclosure sale, subject to the terms and conditions of any non-disturbance agreement entered with any lender pursuant to this Section 12.1, Tenant shall attorn to the transferee of or successor to Landlord's interest in the Property and shall recognize such transferee or successor as Landlord under this Lease.

Section 12.2 Estoppel Certificates

Either party, within thirty (30) business days after receipt of a request from the other party, will execute and deliver to the other party, or to any third party directed by the other party, a certificate, in recordable form, certifying (i) that this Lease is in full force and effect, (ii) the commencement and termination dates of the Term, (iii) the amount of the monthly Base Rent payable and the date through which Base Rent has been paid, (iv) that there have been no amendments hereto except as identified therein, and (v) that to its knowledge the other party is not in default under the Lease except as set forth therein. Any third party to whom such certificate is addressed will have a right to rely on it.

Section 12.3 No Landlord's Lien

Landlord acknowledges that it has no lien upon or security interest in Tenant's Equipment, furnishings, or other personal property and hereby waives any statutory or common law lien.

Section 12.4 Landlord Consent

Promptly after Tenant's request, including a request concurrent with the execution of this Lease, Landlord will execute a landlord waiver, or such other commercially reasonable form of agreement required by Tenant's lender providing for Landlord's waiver of any lien in Tenant's machinery, equipment, furniture, trade fixtures, inventory, and all additions, replacements, or substitutions therefor.

ARTICLE XIII OTHER LANDLORD COVENANTS

Section 13.1 Covenant of Quiet Enjoyment

Landlord warrants that it has good and indefeasible fee title to the Property and agrees that Tenant, upon paying the Rent and all other charges herein provided for and performing its obligations under this Lease, will lawfully and quietly hold, occupy, and enjoy the Property during the term of this Lease, without hindrance or molestation.

**ARTICLE XIV
DEFAULTS AND REMEDIES**

Section 14.1 Tenant Defaults

Tenant will be in default hereunder if:

- (1) Tenant fails to pay any Base Rent or other monies due hereunder within ten (10) days after written notice from Landlord; provided, however, Landlord is only required to provide written notice two (2) times in any twelve (12) month period;
- (2) Tenant fails to perform within thirty (30) days after notice from Landlord any other of the terms, covenants, conditions, or obligations herein to be performed by Tenant; provided, however, if performance reasonably requires more than thirty (30) days and Tenant commences performance within thirty (30) days after notice from Landlord and diligently pursues the matter to completion, Tenant will be entitled to such longer period, not to exceed ninety (90) days as may be necessary to perform;
- (3) any proceeding is commenced by Tenant for the purpose of subjecting the assets of Tenant to any law relating to bankruptcy or insolvency or for an appointment of a receiver of Tenant or any of Tenant's assets, or any such proceeding is commenced against Tenant and is not discharged within sixty (60) days thereafter; or
- (4) Tenant makes a general assignment of Tenant's assets for the benefit of creditors.

Section 14.2 Landlord Remedies

(a) Upon the occurrence of any such default that continues beyond any applicable cure period ("***Event of Default***"), Landlord shall have the option to pursue any one or more of the following remedies:

- (1) Without any further notice or demand whatsoever, enter upon the Property in accordance with Applicable Law (including altering locks and other security devices) without being liable for prosecution or any claim for damages therefor, and do whatever Tenant is obligated to do under the terms of this Lease; and Tenant agrees to reimburse Landlord on demand for any actual expenses which Landlord may incur in this effecting compliance with Tenant's obligations under this Lease. Tenant further agrees that Landlord shall not be liable for any damages resulting to Tenant from such action by Landlord following an Event of Default by Tenant, unless caused by the negligence or willful misconduct of Landlord. If Landlord elects to repossess the Property without terminating this Lease, then Tenant shall be liable for and shall pay to Landlord at the address set forth for Landlord herein, all Rent and other indebtedness accrued to the date of such repossession, plus Rent required to be paid by Tenant to Landlord during the remainder of the Term until the date of expiration of the Term, diminished by any net sums thereafter received by Landlord through reletting the Property during such period (after

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deducting expenses incurred by Landlord as provided herein). In no event shall Tenant be entitled to any excess of any rent obtained by reletting over and above the rent herein reserved. Actions to collect amounts due by Tenant as provided herein may be brought from time to time, on one or more occasions, without the necessity of the expiration of the Term.

(2) Without any further notice or demand whatsoever, enter upon and take possession of the Property in accordance with applicable law and expel or remove Tenant and any other person who may be occupying the Property or any part thereof, without being liable for prosecution or any claim for damages therefor, and, if Landlord so elects, relet the Property on such terms as Landlord may reasonably deem advisable and receive the rent therefor. Tenant agrees to pay to Landlord on demand any deficiency that may arise by reason of such reletting, including, without limitation, any and all broker's fees incurred by Landlord in connection with reletting the whole or any part of the Property, the costs of removing and storing Tenant's or other occupant's property, the costs of repairing, altering, remodeling or otherwise putting the Property into a plain, vanilla shell condition, and all expenses actually incurred by Landlord in enforcing Landlord's remedies. Past due Rent and other past due payments shall bear interest from maturity at the lesser of (i) twelve percent (12%) per annum or (ii) the then highest lawful contract rate which Tenant is authorized to pay under the applicable laws of the State of Texas and of the United States of America (the "**Default Rate**").

(3) Terminate this Lease, in which event Tenant shall immediately surrender the Property to Landlord, and if Tenant fails to do so, Landlord, may without prejudice to any other remedy which Landlord may have for possession or arrearages in rent, enter upon and take possession of the Property and expel or remove Tenant and any other person who may be occupying the Property, or any part thereof, without being liable for prosecution or any claim of damages therefor; and Tenant agrees to pay Landlord on demand the amount of all loss and damage which Landlord may suffer by reason of such termination, whether through inability to relet the Property on satisfactory terms or otherwise.

(b) The exercise of any of the foregoing remedies shall not preclude exercise of any of the other remedies herein provided or any other remedies provided by law or in equity, nor shall the exercise of any remedy herein provided constitute a forfeiture or waiver of any rental payable to Landlord hereunder or of any damages accruing to Landlord by reason of the violation of any of the terms, provisions and covenants herein contained. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an Event of Default shall not be deemed or construed to constitute a waiver of such default.

(c) Right of Landlord to Cure Default of Tenant. Landlord, at its option, instead of exercising any other rights or remedies available to it under this Lease, or otherwise, may, following expiration of any notice and cure period, enter into the Property and perform such acts or spend such sums of money as is reasonably necessary to cure any default of Tenant herein. The amount spent and cost incurred, including reasonable attorneys' fees, in curing such default will be paid by Tenant as additional rent upon demand.

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(d) Cumulative Remedies. No remedy herein or elsewhere in this Lease or otherwise by law, statute, or equity conferred upon or reserved to Landlord will be exclusive of any other remedy, but will be cumulative, and may be exercised from time to time and as often as the occasion may arise.

(e) Overdue Payments. All Rent and other amounts due under this Lease from Tenant to Landlord will be due on demand, unless otherwise specified, and if not paid within ten (10) days after the date when due, will bear interest from the date when due at the Default Rate until paid in full.

Section 14.3 Landlord Default; Tenant Remedies

(a) Tenant will give Landlord written notice of any breach by Landlord in the performance of any warranty, covenant, or obligation to be kept or performed by Landlord hereunder. If the breach is not cured within thirty (30) days after receipt by Landlord of a written notice from Tenant specifying the breach, or such lesser period of time specified in Tenant's notice as is reasonable in the event of an emergency, Landlord will be in default hereunder; provided, however, if performance reasonably requires more than thirty (30) days or such lesser period of time as is reasonable in an emergency and Landlord commences performance within thirty (30) days or such lesser period of time as is specified in an emergency after notice from Tenant and diligently pursues the matter to completion, Landlord will be entitled to such longer period as may be necessary to perform.

(b) If Landlord is in default and fails to cure such default in accordance with Section 14.3(a) above, Tenant, after giving Landlord an additional ten (10) day written notice specifying the breach and Tenant's intention to cure same, may spend such money as is reasonably necessary to cure the default and thereafter bring an action against Landlord to recover the same, together with interest thereon at the rate of twelve percent (12%) per annum from the date of demand on Landlord, and costs and expenses, and reasonable attorneys' fees. In addition to any other means available to Tenant to collect any such judgment, Tenant will have the right to offset the amount of such judgment against any Rent or other sum due under this Lease. Tenant also will have any other remedies to which it is entitled pursuant to applicable law.

Section 14.4 Waiver of Punitive, Exemplary and Speculative Damages

Tenant and Landlord hereby knowingly, voluntarily, intentionally, and expressly waive any and all rights each of them may have to seek consequential, exemplary, punitive, or other speculative damages from the other or any of the other's affiliates, officers, directors, or employees or any of their successors with respect to any and all issues presented in any action, proceeding, claim, or counterclaim brought by either party against the other or any of the other's affiliates, officers, directors, or employees or any of their successors with respect to any matter arising out of or in connection with this Lease or any document contemplated herein or related hereto. The waiver by Tenant and Landlord of any right they may have to seek consequential, exemplary, punitive, or

other speculative damages has been negotiated by the parties hereto and is an essential aspect of their bargain.

**ARTICLE XV
GENERAL PROVISIONS**

Section 15.1 Successors and Assigns

This Lease will bind and inure to the benefit of Landlord, Tenant, and their respective successors and permitted assigns.

Section 15.2 Notices

All notices, demands, consents, and approvals that may or are required to be given by either party to the other hereunder will be in writing and will be deemed to have been fully given when (i) delivered personally, subject to written confirmation of receipt, (ii) sent by email, (iii) sent by a nationally recognized overnight courier service, or (iv) sent by United States mail, certified or registered, return receipt requested, postage prepaid, addressed as follows:

Landlord:

Oldham Barnard Holdings, LLC
230 2 Mile Lane
Smithville, Texas 78957
Attention: Mike Oldham
Email: Oldhamfarms@hotmail.com

with a copy thereof to:

The Ellison Firm
302 Holleman Drive East, Suite 76
College Station, Texas 77845
Attention: Amy L. Clough
Email: amy@ellisonlaw.com

Tenant:

MAJCO LLC
14401 Princeton Ave.
Moorpark CA 93021
Attn: Chief Financial Officer
Email: ryan.fowkes@bigbrandtire.com

with a copy thereof (which shall not constitute notice) to:

MAJCO LLC
14401 Princeton Ave.
Moorpark CA 93021
Attn: General Counsel
Email: laura.mollet@bigbrandtire.com

and with a copy thereof (which shall not constitute notice) to:

Property Works
Attn: BBT #4008
Email: bigbrandtireservice@propertyworks.com

Mailing Address: PO Box 1067
Decatur, GA 30031

Overnight Courier Delivery Address:

708 Church Street
Decatur, GA 30030

Notice sent by courier will be deemed to have been given to the party to whom it is sent on the day the same is delivered to such party or delivery is refused at its then current address for the giving of notices. Notice sent by email will be deemed to have been given to the party to whom it is sent on the day transmitted unless transmitted on a Saturday, Sunday, or legal holiday in the State where the Property is located, in which case it will be deemed to have been given on the next following day that is not a Saturday, Sunday, or legal holiday in the State where the Property is located. Notice sent by mail will be deemed to have been given to the party to whom it is addressed on the day three days after the date the same is deposited in the United States mail, postage prepaid.

Either party hereto may change such party's address for the service of notice hereunder by written notice of said change to the other party hereto, in the manner above specified ten (10) days prior to the effective date of said change.

Section 15.3 Force Majeure

Any prevention, delay, or stoppage due to strikes, lockouts, acts of God, enemy, or hostile governmental action, civil commotion, pandemic, or other public health emergency, fire, or other casualty beyond the control of the party obligated to perform shall excuse the performance by such party for a period equal to any such prevention, delay, or stoppage, except the foregoing shall not apply to (i) the obligations imposed with regard to Base Rent and other monies to be paid by Tenant pursuant to this Lease and (ii) any indemnification obligations under this Lease.

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Section 15.4 Time is of the Essence

Time is of the essence with respect to each and every provision of this Lease in which time is a factor.

Section 15.5 Severability

If any term or provision of this Lease, or the application thereof to any person or circumstances will to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provisions to persons or circumstance other than those as to which it is invalid or enforceable, will not be affected thereby and each provision of this Lease will be valid and enforceable to the extent permitted by law.

Section 15.6 Attorneys' Fees

If any action is brought by either party to enforce this Lease, the prevailing party in such action will be entitled to recover its court costs and reasonable attorneys' fees as a part thereof.

Section 15.7 Governing Law

This Lease will be governed by the laws of the state in which the Property is located.

Section 15.8 Waiver of Jury Trial

Each party acknowledges and agrees that any controversy that may arise under this Lease is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Lease or the transactions contemplated hereby. Each party to this Lease certifies and acknowledges that (i) no representative of any other party has represented, expressly or otherwise, that such other party would not seek to enforce the foregoing waiver in the event of a legal action, (ii) such party has considered the implications of this waiver, and (iii) such party makes this waiver voluntarily. Tenant hereby waives any statutory lien provided under Section 91.004 of the Texas Property Code (as same may be amended).

Section 15.9 Counterparts; Electronic Delivery

This Lease may be executed in any number of counterparts, each of which will be an original and all of which will constitute one document. Delivery of an executed counterpart of this Lease by email or facsimile will constitute delivery of an executed original.

Section 15.10 No Strict Construction

The parties and their respective counsel have participated jointly in the negotiation and drafting of this Lease. If an ambiguity or question of intent or interpretation arises, this Lease will be construed

as if drafted jointly by the parties hereto and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any provision of this Lease.

Section 15.11 Brokers

Landlord and Tenant each represents and warrants to the other that it has not hired, retained, or dealt with any broker or finder in connection with this Lease. Each of Landlord and Tenant will defend, indemnify, and hold the other party harmless from and against any and all claims for finder's fees or brokerage or other commissions that may at any time be asserted against either party founded upon a claim that is inconsistent with the aforesaid representation and warranty of the indemnifying party, together with any and all losses, damages, costs, and expenses (including reasonable attorneys' fees) relating to such claims or arising therefrom or incurred by the indemnified party in connection with the enforcement of this indemnification provision.

Signature Pages Follow

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first above written.

LANDLORD:

Oldham Barnard Holdings, LLC,
a Texas limited liability company

By: _____

Name: Michael Oldham

Title: Manager

TENANT:

MAJCO LLC,
a California limited liability company

By: _____

Name: Joe Buscaglia

Title: Chief Executive Officer

Schedule 1
Definitions

Set forth below are certain capitalized terms used in this Lease and a reference to the provision of the Lease that defines such term.

<u>Defined Term</u>	<u>Lease Provision</u>
Additional Parking Area	Recital B
Asset Purchase Agreement	Recital E
Base Rent	Section 3.1
Building	Recital A
Business	Section 1.4
Business Permits	Section 1.4
City	Recital B
City Property	Recital B
Claims and Losses	Section 10.1
Current License Agreement	Recital B
Default Rate	Section 14.2(a)
Entire Property	Recital D
Equipment	Section 4.3
Environmental Claim	Section 9.1
Environmental Law	Section 9.1
Environmental Reports	Section 9.1
Event of Default	Section 14.2(a)
Extended Term	Section 2.2

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Schedule 1 - 1

<u>Defined Term</u>	<u>Lease Provision</u>
Hazardous Material	Section 9.1
Improvements	Section 6.3
Indemnatee	Section 9.4(d)
Initial Tenant Improvements	Section 1.5
Initial Term	Section 2.1
Land	Recital A
Landlord	Initial Paragraph
Landlord Parties	Section 9.1
Landlord's Knowledge	Section 1.2(b)
Lease	Initial Paragraph
Lease Date	Initial Paragraph
Loss	Section 9.1
Memorandum	Section 1.6
New License Agreement	Recital C
Owner and Encumbrance Report	Section 1.3
Parking Area	Recital B
Permitted Transaction	Section 8.3(a)
Permitted Transferee	Section 8.3(b)
Permitted Use	Section 4.1
Primary Parking Area	Recital A
Property	Recital A

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Schedule 1 - 2

<u><i>Defined Term</i></u>	<u><i>Lease Provision</i></u>
Rent	Section 3.1
Rent Reset Date	Section 3.1
Seller	Recital D
Site Plan	Recital A
Tenant	Initial Paragraph
Tenant Parties	Section 9.1
Term <i>or</i> Lease Term <i>or</i> term of this Lease	Section 2.3

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Schedule 1 - 3

Lease – Project Vega
1501 Chestnut Street, Bastrop, TX 78602

Exhibit A-1

Legal Description of Property

Lot 1, St. Barnard's Subdivision, Cabinet No. 1, Page 147-B, Plat Records,
Bastrop County, Texas.

Legal Description of the City Property

BEING a 0.347 acre tract, lot or parcel of land out of and being a portion of unopened Chambers Street in the City of Bastrop, Bastrop County, Texas, according to the map or plat of said city as recorded in Plat Cabinet No. 1, Page 23A, Bastrop County Plat Records and being a portion certain 0.225 acre tract described in a deed from Franklin Federal Bancorp to Dennis Barnard, et al, recorded in Volume 587, Page 842, Bastrop County Deed Records and being all of that certain 0.261 acre tract described as Tract Two in a deed from Stanley P. Smith, Trustee of the Smith Trust to Barnard Tire and Wheel, Inc., recorded in Volume 662, Page 572, Bastrop County Deed Records. Herein described tract or parcel of land being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8 Inch iron rod with survey cap found in the south line of Loop 150, the northwest corner of the before mentioned 0.261 acre tract, for the northwest corner of this tract.

THENCE with the south line of Loop 150, N 89 deg. 36 min. 58 sec. E, 20.09 feet to a 1/2 inch iron rod found at the northeast corner of the 0.261 acre tract and northwest corner of the before mentioned 0.225 acre tract, continuing N 89 deg. 34 min. 52 sec. E, 28.05 feet to a point the west line of Building Block No. 73 and east line of Chambers Street, for the northeast corner of this tract.

THENCE with the west line of the Building Block No. 73 and east line of Chambers Street, S 00 deg. 23 min. 08 sec. E, 322.47 feet to a point for the southwest corner of Building Block No. 73 and east line of Chambers Street in the north line of Pine Street, the southeast corner of the said 0.261 acre tract, for the southeast corner of this tract. Said right-of-way of Pine Street being occupied by a 30 foot concrete drainage ditch.

THENCE crossing Chambers Street with the north line of Pine Street, N 89 deg. 51 min. 35 sec. W, 45.57 feet to the southwest corner of the said 0.261 acre tract, for the southwest corner of this tract, from which the southeast corner of Building Block No. 68, the intersection of the north line of Pine Street, with the west line of Chambers Street bears N 89 deg. 51 min. 35 sec. W, 9.98 feet.

THENCE with the west line of the 0.261 acre tract, N 00 deg. 50 min. 40 sec. W, 322.05 feet to the POINT OF BEGINNING, containing 0.347 acres of land.

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Exhibit A - 1

Exhibit A-2

Site Plan



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Exhibit A - 2

Lease – Project Vega
1501 Chestnut Street, Bastrop, TX 78602

Exhibit B

Owner and Encumbrance Report

See Attached

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Exhibit B - 1

Lease – Project Vega
1501 Chestnut Street, Bastrop, TX 78602

Exhibit C

Intentionally Omitted

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Exhibit C - 1

Lease – Project Vega
1501 Chestnut Street, Bastrop, TX 78602

Exhibit D

Initial Tenant Improvements

- Remove all existing signage/flyers
- Paint interior BBT Paint scheme
- Run new electrical and CAT 6 lines to new TVs behind the service counter
- Install/Hang interior BBT branding
- Replace exterior signage
- Add window graphics
- Paint exterior (if necessary)
- Replace flooring (if necessary)
- Replace furniture (if necessary)
- Fix any deficiencies on site such as broken windowpanes

Exhibit E

Form of Memorandum of Lease

PREPARED BY:

AFTER RECORDING
RETURN TO:

MEMORANDUM OF LEASE

This Memorandum of Lease is made _____, 20__, by and between OLDHAM BARNARD HOLDINGS, LLC (the "**Landlord**") and MAJCO LLC, a California limited liability company (the "**Tenant**"), who agree as follows:

1. Terms and Property. Landlord leases to Tenant and Tenant leases from Landlord that certain real property (the "**Property**"), the legal description for which is attached hereto and incorporated herein as Exhibit A and commonly known as:

1501 Chestnut Street
Bastrop, Texas 78602

commencing on the date of this Memorandum of Lease and continuing until _____, 20__, with Tenant having _____ () options of _____ () years each to extend the term of the Lease.

2. Purpose of Memorandum of Lease. This Memorandum of Lease is prepared for the purpose of recordation and does not modify the provisions of the Lease dated _____, 20__ entered into by and between Landlord and Tenant (the "**Lease**"). The

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Exhibit E - 1

Lease is incorporated herein by reference. If there are any conflicts between the Lease and this Memorandum of Lease, the provisions of the Lease shall prevail.

Signature Page Follows

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Exhibit E - 2

Lease – Project Vega
1501 Chestnut Street, Bastrop, TX 78602

IN WITNESS WHEREOF, this Memorandum of Lease has been duly executed by the parties hereto as of the day and year first above written.

LANDLORD:

Oldham Barnard Holdings, LLC,
a Texas limited liability company

By: _____

Printed Name: Michael Oldham

Title: Manager

STATE OF TEXAS

COUNTY OF _____

On _____, 20____ before me, _____, Notary Public, personally appeared Michael Oldham, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity as Manager of the Oldham Barnard Holdings, LLC, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

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Exhibit E - 3

IN WITNESS WHEREOF, this Memorandum of Lease has been duly executed by the parties hereto as of the day and year first above written.

TENANT:

MAJCO LLC,
a California limited liability company

By: _____

Printed Name: _____

Title: _____

STATE OF _____

COUNTY OF _____

On _____, 20____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity as _____ of the _____, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

Exhibit A to Memorandum of Lease

Legal Description

LOCATION:

1501 Chestnut Street
Bastrop, TX 78602

Bastrop County Parcel #s: 69784

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Exhibit E - 5

Lease – Project Vega
1501 Chestnut Street, Bastrop, TX 78602

Exhibit F
Environmental Reports

[To be identified]

4884-6880-6142, v. 9

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Exhibit F - 1

Lease – Project Vega
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