

Office Lease

Basic Information

Date: Date of Closing of purchase by Landlord of the Property as hereinbelow defined

Landlord: **ALAMO COMMUNITY COLLEGE DISTRICT** (“ACCD”), a Texas public junior college district and local governmental unit

Landlord’s Address: Office of the Chancellor
Alamo Community College District
2222 N. Alamo, Bexar County, San Antonio, TX 78215

Landlord’s Contact: General Counsel (Ross Laughead)
Telephone: (210) 485-0059

Tenant: **WESTSIDE DEVELOPMENT CORPORATION** (“WDC”), a Texas non-profit corporation

Tenant’s Address: 630 S.W. 41st Street
San Antonio, Bexar County, Texas 78237

Tenant’s Contact: Executive Director
Telephone: (210) 501-0192

Property: Site of the former Lincoln Elementary School currently known as the Westside Education and Training Center as described in a contract for the purchase thereof between Landlord and Edgewood Independent School District

Temporary Premises:

Approximate square feet: 2,704 gross square feet
Name of Building: Project Quest Building
Street address/suite: 630 S.W. 41st Street
City, state, zip: San Antonio, Texas 78237

The dimensions and features included in the Temporary Premises are set forth in **Appendix A** attached hereto and made a part hereof for all purposes.

Premises:

Approximate square feet: 1,283 assignable square feet

Name of Building: New Westside Education & Training Center Building
("WETC")
Street address/suite: 563 S.W. 40th Street
City, state, zip: San Antonio, Texas 78237

The dimensions and features included in the Premises in the new WETC facility to be constructed by ACCD are set forth in **Appendix B** attached hereto and made a part hereof for all purposes.

Temporary Term: Begins upon closing of Landlord's purchase of the Property and continues through substantial completion of the Initial Tenant Improvements described below.

Primary Term: Begins upon substantial completion of the Initial Tenant Improvements described below and continues for One Hundred Twenty (120) Months.

Secondary Term: One Hundred Eighty (180) Months

Extended Term: One or more lease renewal periods for mutually agreeable rent permissible provided WDC gives ACCD six (6) months' written notice of its intent to renew prior to expiration of the expiring then-current term.

Commencement Date: Date of Landlord's purchase of the Property

Base Rental: Base Rental is waived for the Temporary Term, Primary Term and Secondary Term in consideration of Tenant payment of \$500,000 for the Initial Tenant Improvements and towards the Building Common Areas (as described below) in a series of partial payments made at times and in amounts most favorable to Landlord that are yet fully consistent with applicable grant and any other pertinent requirements of the City of San Antonio, Texas.

Security Deposit: None.

Extended Term

Base Rental: Base Rental for any renewal period after which rent is waived, if any, will be agreed upon by both parties within 90 days of ACCD's receipt of written notice from WDC that it intends to extend the term. Such Extended Term Base Rental shall, at minimum, Compensate ACCD for costs of maintenance and operations, major

repairs and replacements, and utilities to the extent not separately billed and paid directly by WDC.

Initial Tenant Improvements:

ACCD will deliver the Premises with Turn-Key Build-out, including office furnishings (desk, chair, filing cabinets, bookcases, cubicles, conference room table and chairs, etc.) in same design and quality as ACCD will be acquiring for the WETC administrative offices (the “Initial Tenant Improvements”). WDC will pay ACCD \$500,000 for the Initial Tenant Improvements to the Premises and the Building Common Areas. ACCD will be responsible for obtaining all permits and approvals for the Initial Tenant Improvements and the Building.

ACCD will prepare plans for finish out of the Premises and submit them to WDC for its approval, which shall not be unreasonably withheld. ACCD will deliver the Premises in accordance with the approved plans.

Additional Tenant Improvements:

In the event WDC makes capital improvements to the Premises beyond the Initial Tenant Improvements, and after the Extended Term Rent Commencement Date, the then agreed-upon Base Rental for the Extended Term will be adjusted in an amount equal to the improvements, so long as reviewed and approved by ACCD.

Tenant’s Liability Insurance:

WDC will maintain a commercial general liability policy of not less than \$2 million each for general aggregate limit and products/completed operations aggregate limit; and \$1 million each for personal/advertising injury limit and per occurrence limit; \$1,000,000 for fire damage in any one fire and \$5,000 medical expense limit for any one person.

Permitted Use:

WDC will occupy the Temporary Premises and Premises as general office space and for WDC’s programmatic activities.

WDC will have access to the Temporary Premises 24 hours per day, 7 days per week. After WDC’s relocation from the Temporary Premises to the Premises, WDC’s access will be limited to ACCD business hours and days only.

Common Area Maintenance, Taxes

& Insurance: During the Temporary Term, Primary Term and Secondary Term only, CAM and insurance is waived in consideration of the Initial Tenant Improvements.

Landlord will maintain the Premises at its sole cost and expense and will pay ACCD taxes (if any).

Assignment: WDC will not have the right to assign the Lease or sublease the whole or any part of the Property.

Utilities: During the Temporary Term, Primary Term and Secondary Term only, utilities are included in Base Rental in consideration of the Initial Tenant Improvements.

Tenant's and Landlord's Insurance: As required by the Insurance Addendum attached hereto as **Appendix C** and made a part hereof for all purposes.

Tenant's Rebuilding Obligations: None

RECITALS:

WHEREAS, Alamo Community College District (“ACCD”) has contracted to purchase from Edgewood ISD the former Lincoln Elementary School property located at 563 S.W. 40th Street, San Antonio, TX 78237 (“School”) pursuant to a Purchase and Sale Agreement (“Purchase Agreement”), under which ACCD agrees to acquire the entire campus; and

WHEREAS, ACCD proposes to construct a new Westside Education & Training Center (“WETC”) on the property and to eventually demolish the existing improvements; and

WHEREAS, Westside Development Corporation (“WDC”), through the City of San Antonio, has \$500,000 in Tier 1 capital that may be used for the development of the WETC, and has an existing lease with Edgewood ISD for all of the property described in **Appendix A** attached hereto and retains, after a sublease back to ACCD, a direct lease tenancy of a separate building behind the former elementary school previously used as the offices for Project Quest at 630 S.W. 41st Street, San Antonio, TX 78237 (“Existing Retained Leasehold” and/or “Temporary Premises”); and

WHEREAS, contemporaneous with ACCD’s purchase of the School, ACCD and WDC now wish to terminate WDC’s lease from EISD of the property and WDC’s sublease of all of the property, save and except the Existing Retained Leasehold upon closing of ACCD’s purchase of the property from EISD and to simultaneously enter into a new lease agreement whereby ACCD will lease to WDC the Existing Retained Leasehold as Temporary Premises hereunder; and

WHEREAS, upon completion of the new WETC facility (“Building”) WDC will relocate its operations into the Premises constructed for it in the new WETC facility.

NOW, THEREFORE, ACCD and WDC agree as follows:

LEASE AGREEMENT

A. Definitions

A.1. “Agent” means agents, contractors, employees, licensees, and, to the extent under the control of the principal, invitees.

A.2. “Building Operating Hours” of the Premises means the business hours of ACCD, 8:00 A.M. to 6:00 P.M. Monday through Friday, except holidays. Building Operating Hours of the Temporary Premises will be 24 hours per day, 7 days per week, until WDC relocates its operations to the Premises.

A.3. “Common Areas” means all facilities and areas of the Premises, Parking Facilities, and the related land that are intended and designated by ACCD from time to time for the common, general, and nonexclusive use of all users and tenants of the Building. ACCD has the exclusive control over and right to manage the Common Areas.

A.4. “Essential Services” means the following services: (a) air-conditioning and heating to the Premises reasonable for the Permitted Use (exclusive of air-conditioning or heating for electronic data-processing or other specialized equipment) during Building Operating Hours, (b) hot and cold water for lavatory and drinking purposes, (c) janitorial service and periodic window washing, (d) elevator service, if necessary, to provide access to and from the Premises, (e) electric current for normal office machines and the Building’s standard lighting reasonable for the Permitted Use, and (f) lighting in Common Areas and fluorescent lights in the Building’s standard light fixtures on the Premises.

A.5. “Injury” means (a) harm to or impairment or loss of property or its use, (b) harm to or death of a person, or (c) “personal and advertising injury” as defined in the form of liability insurance WDC is required to maintain.

A.6. Intentionally omitted.

A.7. “Operating Expenses” means all reasonable expenses that ACCD pays in connection with the ownership, operation, and maintenance of the Building, except principal and interest on any debt, expenditures classified as capital expenditures for federal income tax purposes, and expenses for which WDC is required to reimburse ACCD.

A.8. “Parking Facility” means the facility or area described in the attached parking facility rider at **Appendix D**.

A.9. “Rent” means Base Rent plus any other amounts of money payable by WDC to ACCD.

A.10. “Premises” means the office space within the Building, individually, and/or collectively, together with the Temporary Premises, as may be deemed appropriate.

B. WDC’s Obligations

B.1. WDC agrees to—

B.1.a. Terminate the assignment to WDC of the Master Lease by Alamo Community College District to WDC of the former Lincoln Elementary School which includes the Premises and its sublease to ACCD of the school building, resulting in a reversion of the Master Lease to Alamo Community College District, effective upon Landlord’s purchase of the Property, and immediately thereafter lease the Premises pursuant to this Lease for the entire Temporary Term and Primary Term, beginning on the Commencement Date.

B.1.b. Accept the Temporary Premises in its present condition “AS IS,” the Temporary Premises being currently suitable for the Permitted Use, accept the Premises as delivered by ACCD in accordance with the approved plans upon the completion of the Initial Tenant Improvements, and vacate the Temporary Premises and move into the Premises at its own expense.

B.1.c. Obey (i) all laws relating to WDC's use, maintenance of the condition, and occupancy of the Premises and WDC's use of any Common Areas in the Building; (ii) any requirements imposed by utility companies serving or insurance companies covering the Premises or Building; and (iii) any rules and regulations for the Building and Common Areas adopted by ACCD.

B.1.d. Base Rent will be waived during the Primary Term and the Secondary Term. If mutually agreed by ACCD and WDC, then for each and any Extended Term the Base Rental will be paid monthly, in advance, on the first day of the month, to ACCD at ACCD's Address.

B.1.e. Pay a late charge of 5 percent of any Rent not received by ACCD by the tenth day after it is due.

B.1.f. Utility services will be provided at no cost to WDC during the Primary Term and the Secondary Term. For each renewal period of each and any Extended Term, WDC will either pay a monthly cost-based utility assessment as reasonably determined by ACCD from time to time, or else obtain and pay for all utility services used by WDC and not provided by ACCD.

B.1.g. Operating Expenses will be waived during the Primary Term and the Secondary Term. If mutually agreed by ACCD and WDC, then for each renewal period of each Extended Term the Operating Expenses will be paid (i) monthly, in advance, WDC's Pro Rata Share of the monthly estimated Operating Expenses and (ii) annually, any amount by which the actual Operating Expenses exceed the estimated Operating Expenses, within thirty (30) days of receiving notice of such difference from the ACCD.

B.1.h. Allow ACCD to enter the Premises to perform ACCD's obligations, inspect the Premises, and show the Premises to prospective purchasers or WDCs.

B.1.i. Repair, replace, and maintain any part of the Premises that ACCD is not obligated to repair, replace, or maintain, normal wear excepted.

B.1.j. Submit in writing to ACCD any request for repairs, replacement, and maintenance that are the obligations of ACCD.

B.1.k. reserved.

B.1.l. Vacate the Premises and return all keys to the Premises on the last day of the Term.

B.1.m. On request, execute an estoppel certificate that states the Commencement Date and Termination Date of the lease, identifies any amendments to the lease, describes any rights to extend the Term or purchase rights, lists defaults by ACCD, and provides any other information reasonably requested.

B.1.n. Arrange with ACCD in advance for any heating, air-conditioning, or electrical needs in excess of the services provided by ACCD and pay for such additional services as billed by ACCD.

B.1.o. INDEMNIFY, DEFEND, AND HOLD ACCD, AND THEIR RESPECTIVE AGENTS, HARMLESS FROM ANY CLAIM, ACTION, LOSS, LIABILITY, OR REASONABLE EXPENSE, INCLUDING ATTORNEY'S FEES AND OTHER FEES AND COURT AND OTHER COSTS RESULTING FROM OR RELATED TO ANY INJURY TO PERSONS OR DAMAGE TO PROPERTY OCCURRING IN ANY PORTION OF THE PREMISES, OR IN THE PARKING AREA INVOLVING TENANT'S EMPLOYEES, AGENTS OR VISITORS, DURING THE TENANCY. **THE INDEMNITY CONTAINED IN THIS PARAGRAPH (i) IS INDEPENDENT OF, BUT LIMITED TO THE AMOUNT HEREIN REQUIRED FOR WDC'S INSURANCE, (ii) WILL NOT BE LIMITED BY COMPARATIVE NEGLIGENCE STATUTES OR DAMAGES PAID UNDER THE WORKERS' COMPENSATION ACT OR SIMILAR EMPLOYEE BENEFIT ACTS, (iii) WILL SURVIVE THE END OF THE TERM, AND (iv) WILL APPLY EVEN IF AN INJURY IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF ACCD BUT WILL NOT APPLY TO THE EXTENT AN INJURY IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ACCD AND LIENHOLDER AND THEIR RESPECTIVE AGENTS.**

B.1.p. Terminate effective upon the commencement of the Primary Term, and release ACCD from any liability under, ACCD's sublease of the former Lincoln Elementary School building from WDC.

B.2 WDC agrees not to—

B.2.a. Use the Premises for any purpose other than the Permitted Use.

B.2.b. Create a nuisance.

B.2.c. Interfere with ACCD's normal business operations or management of the Building.

B.2.d. Permit any waste.

B.2.e. Use the Premises in any way that would increase insurance premiums or void insurance on the Building.

B.2.f. Change ACCD's lock system.

B.2.g. Alter the Premises without the prior written notice and approval of ACCD.

B.2.h. Allow a lien to be placed on the Premises.

B.2.i. Assign this lease or sublease any portion of the Premises without ACCD's written consent.

C. ACCD's Obligations

C.1. ACCD agrees to—

C.1.a. Commence construction of the new WETC no later than December 31, 2020 and Lease to WDC the Premises for the entire Term beginning on the Commencement Date and

throughout the Term and Secondary Term, unless this Lease is extended pursuant to the terms herein.

C.1.b. Obey all laws relating to ACCD's operation of the Building and Common Areas.

C.1.c. Provide the Essential Services.

C.1.d. Repair, replace, and maintain the (i) roof, (ii) foundation, (iii) Common Areas, (iv) Premises; (v) structural soundness of the exterior walls, doors, corridors, and windows, and (vi) other structures or equipment serving the Premises.

C.1.e. Security Deposit is waived during the Primary Term and Secondary Term. Any Extended Term Security Deposit will be returned to WDC, less itemized deductions, if any, on or before the sixtieth day after the date WDC surrenders the Premises.

C.1.f. In the event that WDC is required to pay Operating Expenses in the Extended Term, then ACCD will provide WDC promptly after receipt of a written request from WDC with a reconciliation of WDC's Pro Rata Share of the actual Operating Expenses incurred by ACCD during the preceding calendar year and the estimated Operating Expenses paid by WDC for the same period and reimburse WDC for the amount of any estimated Operating Expenses paid by WDC in excess of WDC's Pro Rata Share of actual Operating Expenses for the preceding calendar year.

C.1.g. Provide WDC with detailed invoices for all heating, air-conditioning, and electrical charges: (i) in excess of the Essential Services during the Primary Term and the Secondary Term, and (ii) during any Extended Term; for which ACCD requests reimbursement.

C.1.h. Intentionally omitted.

C.1.i. Terminate effective upon the commencement of the Primary Term, and release WDC from any liability, under ACCD's sublease of the former Lincoln Elementary School building from WDC.

C.2. ACCD agrees not to—

C.2.a. Interfere with WDC's possession of the Premises as long as WDC is not in default.

C.2.b. Intentionally omitted.

D. General Provisions

ACCD and WDC agree to the following:

D.1. Alterations. Any physical additions or improvements to the Premises made by WDC will become the property of ACCD. ACCD may require that WDC, at the end of the Term and at WDC's expense, remove any physical additions and improvements, repair any alterations,

and restore the Premises to the condition existing at the Commencement Date, normal wear excepted. This provision does not apply to the Initial Tenant Improvements delivered by ACCD.

D.2. Abatement. WDC's covenant to pay Rent and ACCD's covenants are independent. Except as otherwise provided, WDC will not be entitled to abate Rent for any reason.

D.3. Insurance. WDC and ACCD will maintain the respective insurance coverages described in **Appendix C** attached hereto.

D.4. Release of Claims/Subrogation. ACCD AND WDC RELEASE EACH OTHER AND LIENHOLDER, AND THEIR RESPECTIVE AGENTS, FROM ALL CLAIMS OR LIABILITIES FOR DAMAGE TO THE PREMISES OR BUILDING, DAMAGE TO OR LOSS OF PERSONAL PROPERTY WITHIN THE BUILDING, AND LOSS OF BUSINESS OR REVENUES THAT ARE COVERED BY THE RELEASING PARTY'S PROPERTY INSURANCE OR THAT WOULD HAVE BEEN COVERED BY THE REQUIRED INSURANCE IF THE PARTY FAILS TO MAINTAIN THE PROPERTY COVERAGES REQUIRED BY THIS LEASE. THE PARTY INCURRING THE DAMAGE OR LOSS WILL BE RESPONSIBLE FOR ANY DEDUCTIBLE OR SELF-INSURED RETENTION UNDER ITS PROPERTY INSURANCE. ACCD AND WDC WILL NOTIFY THE ISSUING PROPERTY INSURANCE COMPANIES OF THE RELEASE SET FORTH IN THIS PARAGRAPH AND WILL HAVE THE PROPERTY INSURANCE POLICIES ENDORSED, IF NECESSARY, TO PREVENT INVALIDATION OF COVERAGE. THIS RELEASE WILL NOT APPLY IF IT INVALIDATES THE PROPERTY INSURANCE COVERAGE OF THE RELEASING PARTY. **THE RELEASE IN THIS PARAGRAPH WILL APPLY EVEN IF THE DAMAGE OR LOSS IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF THE RELEASED PARTY OR ITS AGENTS BUT WILL NOT APPLY TO THE EXTENT THE DAMAGE OR LOSS IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE RELEASED PARTY OR ITS AGENTS.**

D.5. Casualty/Total or Partial Destruction

D.5.a. If the Premises are damaged by casualty and can be restored within one hundred eighty (180) days, ACCD will, at its expense, restore the roof, foundation, Common Areas, and structural soundness of the exterior walls of the Premises and any leasehold improvements, including damaged furniture, fixtures within the Premises to substantially the same condition that existed before the casualty and WDC will, at its expense, be responsible for replacing any of its damaged personal property. If ACCD fails to complete the portion of the restoration for which ACCD is responsible within one hundred eighty (180) days from the date of written notification by WDC to ACCD of the casualty, WDC may terminate this lease by written notice delivered to ACCD before ACCD completes ACCD's restoration obligations.

D.5.b. If the Premises cannot be restored within one hundred eighty (180) days prior to any Extended Term, ACCD has an option to restore the Premises. If ACCD chooses not to restore, this lease will terminate. If ACCD chooses to restore, ACCD will notify WDC of the estimated time to restore and give WDC an option to terminate this lease by notifying ACCD within ten (10) days. If WDC does not terminate this lease, the lease will continue and ACCD will restore the Premises as provided in D.5.a. above.

D.5.c. To the extent the Premises are untenable after a casualty during any Extended Term, the Rent will be adjusted as may be fair and reasonable.

D.6. Condemnation/Substantial or Partial Taking

D.6.a. If the Premises cannot be used for the purposes contemplated by this lease because of condemnation or purchase in lieu of condemnation, this lease will terminate.

D.6.b. If there is a condemnation or purchase in lieu of condemnation and this lease is not terminated, ACCD will, at ACCD's expense, restore the Premises, and the Rent payable during the unexpired portion of the Term will be adjusted as may be fair and reasonable.

D.6.c. Intentionally omitted.

D.7. Uniform Commercial Code. Intentionally omitted.

D.8. Default by ACCD/Events. Defaults by ACCD are failing to comply with any provision of this lease within thirty (30) days after written notice and failing to provide Essential Services to WDC within ten (10) days after written notice.

D.9. Default by ACCD/WDC's Remedies. WDC's remedies for ACCD's default are to sue for damages or specific performance and, if ACCD does not provide an Essential Service within thirty (30) days after default, terminate this lease.

D.10. Default by WDC/Events. Defaults by WDC are (a) failing to pay timely any amount due under this lease, (b) abandoning the Premises or vacating a substantial portion of the Premises, and (c) failing to comply within ten (10) days after written notice with any provision of this lease other than the defaults set forth in (a) and (b).

D.11. Default by WDC/ACCD's Remedies. ACCD's remedies for WDC's default are to (a) enter and take possession of the Premises and sue for any amount due as it accrues; (b) enter and take possession of the Premises, after which ACCD may relet the Premises; (c) enter the Premises and perform WDC's obligations; and (d) terminate this lease by written notice and sue for any damages. ACCD may enter and take possession of the Premises by self-help, by picking or changing locks if necessary, and may lock out WDC or any other person who may be occupying the Premises, until the default is cured, without being liable for damages.

D.12. Default/Waiver. It is not a waiver of default if the non-defaulting party fails to declare immediately a default or delays in taking any action. Pursuit of a remedy does not preclude pursuit of another remedy.

D.13. Mitigation. ACCD will have mitigated the loss of any rent due if ACCD, within thirty (30) days after WDC's loss of possession, (a) places a "For Lease" sign at the Premises, (b) places the Premises on ACCD's inventory of properties for lease, (c) makes ACCD's inventory available to area brokers on a monthly basis, (d) advertises the Premises for lease in a suitable trade journal in the county in which the Premises are located, and (e) shows the Premises to prospective WDCs who request to see it.

D.14. Security Deposit. If WDC defaults, ACCD may use any Security Deposit to pay any arrears of Rent, to repair any damage or injury, or to pay any expense or liability incurred by ACCD as a result of the default.

D.15. Holdover. If WDC does not vacate the Premises following termination of this lease, WDC will become a WDC at will and must vacate the Premises on receipt of notice from ACCD. No holding over by WDC, whether with or without the consent of ACCD, will extend the Term.

D.16. Alternative Dispute Resolution. ACCD and WDC agree to mediate in good faith before filing a suit for damages.

D.17. Attorney's Fees. If either party retains an attorney to enforce this lease, the party prevailing in litigation is entitled to recover reasonable attorney's fees and other fees and court and other costs.

D.18. Venue. Exclusive venue is in the county in which the Premises are located.

D.19. Entire Agreement. This lease, its exhibits, addenda, and riders are the entire agreement of the parties concerning the lease of the Premises by ACCD to WDC. There are no representations, warranties, agreements, or promises pertaining to the Premises or the lease of the Premises by ACCD to WDC, and WDC is not relying on any statements or representations of any agent of ACCD, that are not in this lease and any exhibits, addenda, and riders.

D.20. Amendment of Lease. This lease may be amended only by an instrument in writing signed by ACCD and WDC.

D.21. Limitation of Warranties. THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.

D.22. Notices. Any notice required or permitted under this lease must be in writing. Any notice required by this lease will be deemed to be given (whether received or not) the earlier of receipt or three business days after being deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this lease. Notice may also be given by regular mail, personal delivery, courier delivery, or e-mail and will be effective when received. Any address for notice may be changed by written notice given as provided herein.

D.23. Use of Common Areas. WDC will have the non-exclusive right to use the Common Areas subject to any reasonable rules and regulations that ACCD may prescribe.

D.24. Abandoned Property. ACCD may retain, destroy, or dispose of any property left on the Premises at the end of the Term.

DATED as of the date first above written.

Landlord

**ALAMO COMMUNITY COLLEGE
DISTRICT**

By: _____

Name: Dr. Mike Flores

Title: Chancellor

Tenant

**WESTSIDE DEVELOPMENT
CORPORATION**

By: _____

Name: Ramiro Gonzales

Title: President/CEO

Appendix A

Temporary Premises Legal Description

2,704 gross square feet consisting of a separate building behind the former Lincoln Elementary School previously used as the office for Project Quest, 630 S.W. 41st Street, San Antonio, TX 78237 and includes the following:

APPENDIX B

Premises Description

Description of WETC: A new Westside Education & Training Center facility to be constructed by Landlord at 563 S.W. 40th Street, San Antonio, Texas 78273.

Description of WDC Offices:

Approximately 1,283 assignable square feet to be included in the Westside Education & Training Center to be constructed at 563 S.W. 40th Street, San Antonio, Texas 78273 as per schematic attached.

APPENDIX B

APPENDIX C

Insurance Addendum to Lease

Landlord: ALAMO COMMUNITY COLLEGE DISTRICT (“ACCD”)

Tenant: WESTSIDE DEVELOPMENT CORPORATION (“WCD”)

This insurance addendum is part of the lease.

A. WDC agrees to—

1. Maintain the following coverages:

- a. Commercial property insurance written on a causes of loss—special form (formerly known as “all risks” form) covering WDC’s personal property, fixtures, and leasehold improvements in the Premises, and naming ACCD as “Building Owner Loss Payable.”
- b. Commercial general liability insurance written on an occurrence basis, including contractual liability, covering WDC’s operations within the Premises, naming ACCD and ACCD’s property manager, if any, as “additional insured,” and having limits of not less than \$1,000,000 each personal/advertising injury limit per occurrence; \$1,000,000 for fire damage in any one fire; \$5,000 medical expense limit for any one person; and \$2,000,000 each for general aggregate limit.
- c. Business auto liability insurance written on an occurrence basis and having a combined single limit of not less than \$1,000,000.
- d. Workers’ compensation insurance in the statutory amount and employer’s liability insurance having limits of not less than \$500,000 each accident for bodily injury by accident, \$500,000 each employee for bodily injury by disease, and \$500,000 bodily injury by disease for entire policy. Both policies must have a waiver of subrogation in favor of ACCD.

2. Deliver certificates of insurance and copies of any additional insured and waiver of subrogation endorsements to ACCD before entering the Premises and thereafter at least ten days before the expiration of the policies.

B. ACCD agrees to maintain—

1. Commercial property insurance written on a causes of loss—special form covering the building in which the Premises is located.

2. Commercial general liability insurance written on an occurrence basis, including contractual liability, covering ACCD’s operations within the building in which the Premises is

located and having limits not less than \$2,000,000 each occurrence and \$4,000,000 general aggregate.

C. ACCD and Tenant agree that—

1. The commercial property insurance policies maintained by them will contain (a) optional coverage for agreed value to eliminate the coinsurance clause, (b) optional coverage for replacement cost, (c) increased limits of ordinance or law coverage to cover increased cost of construction, (d) increased limits for debris removal coverage, and (e) a waiver of subrogation clause in favor of the party not carrying the commercial property insurance.

2. The commercial general liability insurance will be primary to the maintaining party and not contributory to any similar insurance carried by the other party and will contain a severability-of-interest clause.

APPENDIX D

Parking

Tenant shall be permitted to use six (6) reserved parking spaces in the parking facilities associated with the Premises (the "Parking Area") subject to such terms, conditions and regulations as are from time to time applicable to patrons of the Parking Area. Landlord will reasonably consider Tenant requests for additional parking spaces for its visitors for special events.

Tenant shall at all times comply with all Laws respecting the use of the Parking Area. Landlord reserves the right to adopt, modify, and enforce reasonable rules and regulations governing the use of the Parking Area from time to time including designation of assigned parking spaces, requiring use of any key-card, sticker, or other identification or entrance systems and charging a fee for replacement of any such key-card sticker or other item used in connection with any such system and hours of operations. Landlord may refuse to permit any person who violates such rules and regulations to park in the Parking Area, and any violation of the rules and regulations shall subject the car to removal from the Parking Area.

Tenant may validate visitor parking by such method or methods as Landlord may approve, at the validation rate from time to time generally applicable to visitor parking. Unless specified to the contrary above, the parking spaces provided hereunder shall be provided on an unreserved, "first-come, first served" basis.

Tenant shall not charge its visitors for parking.

All motor vehicles (including all contents thereof) shall be parked in the Parking Area at the sole risk of Tenant and each other Tenant Party, it being expressly agreed and understood Landlord has no duty to insure any of said motor vehicles (including the contents thereof), and Landlord is not responsible for the protection and security of such vehicles. Landlord shall not be responsible for enforcing Tenant's parking rights against any third parties.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS LEASE, LANDLORD SHALL HAVE NO LIABILITY WHATSOEVER FOR ANY PROPERTY DAMAGE OR LOSS WHICH MIGHT OCCUR ON THE PARKING AREA OR AS A RESULT OF OR IN CONNECTION WITH THE PARKING OF MOTOR VEHICLES IN ANY OF THE PARKING SPACES.