



William M. Dyer
Real Estate Manager
16051 Addison Road
Suite #220
Addison, Texas 75001

Main: 972-392-4850
Direct: 972-392-4856
Fax: 972-788-9334
bill.dyer@addisonairport.net

- MEMORANDUM -

To: Lisa Pyles, Director of Infrastructure & Development Services
From: Bill Dyer, Airport Real Estate Manager
CC: Joel Jenkinson, Airport Director
Date: October 26, 2015
Re: A Request for the Town of Addison's Consideration and Consent to Amend Ground Lease 0710-55 (commonly known as 4500 Westgrove Drive) at Addison Airport, Key Development, LLC, as Tenant.

Requested Action:

Key Development, LLC is requesting the Town Council's consideration and consent for the Town to enter into and execute an amendment to the above referenced Ground Lease, thereby extending the remaining lease term by an additional eight (8) years provided the



Tenant completes a minimum of \$378,000 of qualifying capital improvements and repairs within one (1) year of the effective date of the proposed amendment.

Airport Management is recommending the Town give its consent for the City Manager to enter into and execute the proposed Second

Amendment to Ground Lease (to be substantially in the form attached hereto) subject to the City Attorney's review and acceptance of the agreement's final form (the "Amendment").

Background Information:

Key Development, LLC acquired and took assignment of the leasehold interest and building improvements located at 4500 Westgrove Drive at Addison Airport in 2006. At that time, the Town agreed to amend the assigned ground lease, extending the lease term an additional fifteen (15) years in consideration for a 37% rental increase (from \$.54/SFL to \$.74/SFL) effective as of the amendment date. The ground lease, which first originated in 1984, is now due to expire in Year 2039 (24 years remaining).

Property Description		Ground Lease Information	
Date of Report	10/15/2015	Lease #	0710-5502
Property Number	0710	Tenant Name	Key Development, LLC
Property Address	4500 Westgrove Drive	Doing Business As	Key Development, LLC
Ramp Address	V-16	Primary Contact:	James W. Keyes
Property Type	Ground Lease	Lease Commencement Date	6/30/1982
Land Area (SFL)	67,686	Lease Expiration Date	3/31/2039
Hangar Area (BSF)	10,000	Years Remaining in Term	24
Office/Shop Area (BSF)	29,626	Current Monthly Rent	\$4,786.25
Total Building Area (BAF)	39,626	Current Annual Rent	\$57,435.00
Year Built	1985	Annual Rent /SF Land	\$0.85
Est. Economic Life	60	Est. Remaining Contract Rent	\$1,663,073
End of Proj. Eco. Life	2045	Next Rent Adjustment Date	04/01/16 - CPI every 2 years
% Obsolescent	50%	Permitted Use:	Multi-tenant office w/ attached aircraft hangar; sale & storage of aircraft & aircraft parts; flight training, charter, repairs and rentals
Aircraft Apron Area (SFL)	15,215		

Consideration of Key Development’s Proposal

In connection with the ground Tenant’s request of a lease extension, Key Development provided airport management an itemized schedule of proposed capital improvements and repairs for which the Tenant intends and agrees to complete within one (1) year of the effective date of the Amendment (see Exhibit “B” to the Amendment).

Application of the Town’s current lease guidelines when considering ground lease term extensions: Although not obligated to, the Town may grant a ground lease term extension in exchange for the Tenant agreeing to complete qualifying capital improvements or repairs to the existing building improvements designed to enhance the property’s fair market value and/or its useful life proportionate to the desired extended term.¹

Economic Consideration of Ground Lease Term Extensions: When the Town grants a lease term extension it is deferring taking title of the building improvements and its

¹ Sometimes increased ground rental can also be considered a means to “buy-down” a lease term in-lieu of capital improvements provided the extended term does not significantly exceed the projected remaining useful life (physical or functional) of the building improvements.

opportunity to realize a higher revenue stream in the form of commercial rental in-lieu of continued ground rent over the extended term. Using commercially reasonable assumptions, the Town's estimated opportunity cost for extending the Key Development ground lease term in today's dollars (NPV) is:

- a. 5-year extension \$266,000
- b. 8-year extension \$378,000
- c. 10-year extension \$439,000

Extent and Nature of Proposed Capital Improvements: Capital Improvements and capital repairs are typically regarded as the owner's investment in the real property not recoverable from other sources and excludes costs relating to "general maintenance and repairs." They generally fall into three categories: capital improvements (additions or "betterments"), capital replacements (replacement of existing capital assets), and capital repairs (significant repairs that rise to the equivalent of capital replacements). The latter two often affect (extends) the property's useful life and are typically regarded as long-term assets eligible for depreciation treatment for tax purposes (vs. being expensed) and not directly recoverable through tenant/sub-tenant rentals. Examples: roof replacement (20-yr. useful life), mechanical system replacements (elevators, HVAC systems, boilers 15/30-yr. useful life), common area finishes (lobby, restrooms, corridors 10-yr. useful life).

Key Development, LLC proposes to make certain capital improvements and repairs, as itemized in Exhibit "B" to the Amendment, which must meet or exceed the completed construction value of \$378,000 (in the aggregate) to the Landlord's satisfaction and within one (1) year of the effective date of the proposed Amendment. Upon completion of the improvements as agreed, and provided the Tenant is not in default at the time, the extended lease term would then become effective, which shall be evidenced by a recorded Memorandum of Ground Lease, substantially in the form of Exhibit "C" to the Amendment. In the event the Tenant fails to complete the capital improvements and repairs as agreed, the eight (8) year extension would not be made effective, causing the existing lease expiration date of 3/31/2039 to remain unchanged, which shall be affirmed accordingly by a recorded Memorandum of Ground Lease, substantially in the form of Exhibit "C" to the Amendment.

Conclusion and Recommendation:

Based upon the foregoing, Key Development, LLC has been a tenant in good standing with the Town and Addison Airport since 2006. They have successfully managed, operated and maintained the leased premises to a high standard ever since taking ownership of the building improvements. The Tenant proposes and agrees to complete certain qualifying capital improvements and repairs to the existing improvements, which are expected to enhance the property's market valuation and extend the facility's remaining useful life. The estimated construction value of the proposed improvements are to meet or exceed the aggregate sum of \$378,000 which entitles the Tenant to an eight (8) year term extension to the existing Ground Lease term. Upon completion of making the improvements to the leased premises to the Landlord's satisfaction, the Ground Lease

term will be scheduled to expire 3/31/2047, or in 32 years. The proposed extended lease term is not too dissimilar to other adjacent properties' lease terms and would not conflict or interfere with any long-term redevelopment or strategic plans for the Airport.

Key Development's proposal is consistent with the 2013 Addison Airport Strategic Plan by (i) enhancing the overall value of the Airport and surrounding community; and (ii) represents upgrades and improvements to an existing Airport facility. With respect to the pending FAA Addison Airport Master Plan Update, this plan does not contemplate any significant land-use change or use for this portion of the Airport.

Airport Management is recommending the Town give its consent for the City Manager to enter into and execute on behalf of the Town the proposed Second Amendment to Ground Lease subject to the City Attorney's review and oversight of execution.

Exhibit 1

PROPOSED AMENDMENT TO GROUND LEASE

STATE OF TEXAS §
 § **SECOND AMENDMENT TO GROUND LEASE**
COUNTY OF DALLAS §

This Second Amendment to Ground Lease (hereinafter referred to as the “Second Amendment”) is entered into and made effective as of _____ 2015, (the “Effective Date”) at Addison, Texas, by and between the Town of Addison, Texas, a home-rule municipality (hereinafter sometimes referred to as the “Landlord” or the “City”), and Key Development, LLC, a Texas limited liability company (“Tenant”) (Landlord and Tenant are sometimes referred to as the “parties” or “party”).

WHEREAS, a Ground Lease, together with the Addendum to Ground Lease, was executed on March 2, 1984 between the City of Addison, Texas (the same being the Town of Addison, Texas and sometimes referred to herein as the “City”) and Addison Airport of Texas, Inc. (“AATI”) as Landlord, and Lawson Ridgeway as Tenant, recorded in Volume 86022, Pages 0124-0133 of the Deed Records of Dallas County, Texas; and the Easement Agreement entered into on or about April 16, 1984 by and between Lawson Ridgeway as Granter and the City and AATI as Grantee, recorded as Instrument #198601697396 in Volume 861969, Pages 5742-5748 in the Deed Records of Dallas County, Texas, comprising the Ground Lease, as amended or modified, hereinafter referred to as the “Ground Lease” and described in that certain boundary survey dated June 6, 2006 by the terms of which certain real property now commonly referred to as 4500 Westgrove Drive at Addison Airport within the Town of Addison, Texas and owned by the City; and

WHEREAS, the Lease provides that, upon the expiration or termination of that certain agreement referred to and defined in the Lease as the “Base Lease” (and being an Agreement for Operation of the Addison Airport between the City and AATI), the City is entitled to all of the rights, benefits and remedies, and will perform the duties, covenants and obligations, of the Landlord under the Lease; and

WHEREAS, the said Base Lease has expired and the City alone is the Landlord under the Lease; and

WHEREAS, by that Assignment of Lease dated October 23, 1985, recorded in Volume 86169, Pages 5724-5748 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from LAWSON RIDGEWAY, as assignor, to GREAT SOUTHWEST HOMES, INC., as assignee; and

WHEREAS, by that Assignment of Lease dated May 31, 1988, recorded as Instrument #198801897613, in Volume 88189, Pages 1182-1201 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from GREAT SOUTHWEST HOMES, INC., as assignor, to TARFIVE, Inc., as assignee; and

WHEREAS, by that Substitute Trustee's Deed, dated September 7, 1988 recorded as Instrument #198801897613 in Volume 88178, Pages 1420-1425 of the Deed Records of Dallas

County, Texas, the Ground Lease was assigned to the beneficiary, MCORP MANAGEMENT SOLUTIONS. INC.; and

WHEREAS, by that Assignment of Lease dated September 8, 1988, recorded as Instrument #198900044704 in Volume 89004, Pages 577-580 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from MCORP MANAGEMENT SOLUTIONS, INC., a Texas corporation, as assignor, to REALTY ALLIANCE OF TEXAS, LTD., a Texas limited partnership, as assignee; and

WHEREAS, by that Assignment of Ground Lease dated March 15, 1990, recorded as Instrument #199000545456 in Volume 90054, Pages 1648-1687 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from REALTY ALLIANCE OF TEXAS, LTD., a Texas corporation, as assignor, to ITALIX ACQUISITION CORPORATION, a Texas corporation, as assignee; and

WHEREAS, by that Assignment of Ground Lease dated March 31, 1999, recorded as Instrument #199900523035 in Volume 99063, Pages 1763-1767 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from ITALIX ACQUISITION CORPORATION, a Texas corporation, as assignor, to AIR 276 I, L.P., a Texas limited partnership, as assignee; and

WHEREAS, by that Assignment of Ground Lease dated July 7, 2000, recorded as Instrument #200001054648 in Volume 2000132, Pages 07549-07556 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from AIR 276 I, L.P., a Texas limited partnership, as assignor, to ADS AIR 2000, L.P. a Texas limited partnership, as assignee; and

WHEREAS, by that Assignment of Ground Lease dated September 15, 2006, recorded as Instrument #200600346255 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from ADS AIR 2000, L.P., a Texas limited partnership, as assignor, to Key Development LLC., a Texas limited liability company, as assignee; and

WHEREAS, by virtue of such assignments, Key Development, LLC, a Texas limited liability company, is the Tenant under the Ground Lease, as amended or modified as of the effective date given above for this Second Amendment; and

WHEREAS, the Lease was modified by that “First Amendment” to Ground Lease made and entered into September 15, 2006, recorded as Instrument #200600346256 of the Deed Records of Dallas County, Texas, modifying, among other things, the term of the agreement by adding 240 months, (ending 3/31/2044) provided within 18 months of the effective date of the First Amendment tenant completed the remodeling and renovation of approximately 10,000 sf. of office space and the construction of at least 5,000 sf of additional hangar space (conditions detailed in the Amendment Section 2, Paragraph A).]

WHEREAS, by that certified letter dated September 17, 2008 confirming the lease extension in accordance with the First Amendment, Tenant elected not to complete the Improvements as defined in Section 2, Paragraph A of the First Amendment and did not elect either of the alternate options as defined in Subparagraph (vii) of Section 2, Paragraph A of the First Amendment. Therefore, the Term of the Ground Lease was extended by one hundred eighty

(180) months so that the Term of the Ground Lease shall end on March 31, 2039, still subject to the termination provisions of the Ground Lease as amended or modified; and

WHEREAS, a true and correct copy of the Ground Lease as amended or modified as set forth above is attached hereto and incorporated herein by reference as **Exhibit “A”**

WHEREAS, Tenant has proposed to construct certain additional improvements on the Demised Premises as described herein, and in connection therewith and as consideration therefore Landlord and Tenant desire to amend the Ground Lease in the manner set forth below, contingent upon the final completion of such additional improvements and the approval thereof by Landlord.

NOW, THEREFORE, for and in consideration of the above and foregoing premises, the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Town of Addison, Texas and Key Development, LLC, a Texas limited liability company, do hereby agree as follows:

Section 1. Incorporation of Premises. The above and foregoing recitals are true and correct and are incorporated herein and made a part hereof.

Section 2. Amendments and Modifications to Ground Lease. The Ground Lease, as described in the above and foregoing recitals, is hereby amended and modified as follows:

A. **Amendment to Term.** The term of the Ground Lease may be modified in accordance with the following:

1. The Term of the Ground Lease, currently scheduled to end on March 31, 2039, shall be extended for an additional **96 months** so it shall end on March 31, 2047 (the "**Second Lease Extension Period**"), subject to the termination provisions of the Ground Lease. Provided, however, notwithstanding the foregoing, the Second Lease Extension Period shall not become effective unless and until Tenant has complied with and fully satisfied each of the following terms and conditions:

- (i) Within one year immediately following the Effective Date of this Second Amendment (the “Repair and Improvement Period”), Tenant shall have completed upon the Demised Premises to Landlord’s satisfaction the construction, remodeling and renovation of improvements to the existing building improvements as generally described in **Exhibit “B”** attached hereto and incorporated herein (the “**Building Improvements**”);
- (ii) Tenant agrees that it will contribute no less than Three Hundred Seventy-Eight Thousand and No/100 Dollars (\$378,000.00) to the cost of the construction of the Building Improvements. If Landlord requests, Tenant shall provide Landlord with reasonable evidence of the costs and expenses contributed by Tenant to the construction and completion of the Building Improvements;

(iii) All construction of the Building Improvements and any other facilities or improvements shall be in a first-class, workmanlike manner and in accordance with and subject to the provisions of the Ground Lease. The design and construction of the Building Improvements shall be in accordance and comply with all applicable federal, state, and local laws, statutes, ordinances, codes, rules, regulations, orders, and standards. Tenant shall promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations that arise in connection with any such construction;

(iv) At the time of the issuance of the letter described in subparagraph 2 below, Tenant shall not then be in default of any provision of the Ground Lease beyond any applicable cure period;

2. Upon Landlord's determination that Tenant has fully, finally and timely complied with, to Landlord's satisfaction, each of the terms and conditions set forth in Section 2.A.1, above, Landlord will notify Tenant of the same in writing and the Second Lease Extension Period shall thereafter be in effect.

3. If, however, Landlord determines that Tenant has failed to fully, finally and timely comply with, to Landlord's satisfaction, all of the conditions and provisions of Section 2.A.1., above, Landlord shall deliver to Tenant written notice of Tenant's failure to comply with and satisfy all the conditions and provisions of Section 2.A.1; and if said conditions and provisions remain unresolved and not so complied with or so satisfied, in the sole discretion of Landlord, for more than thirty (30) days after said notice, the Second Lease Extension Period shall not be granted and shall not take effect, and the Term of the Ground Lease shall end on March 31, 2039 (subject to the termination provisions of the Ground Lease).

4. Upon the eventual conclusion of either Subparagraph 2 or 3 above, Landlord and Tenant hereby agree to execute and cause to be recorded in the Official Public Records of Dallas County, Texas a Memorandum of Lease substantially in the form of Exhibit "C" attached hereto and incorporated herein by reference which shall, among other things, affirm the true and correct expiration date of the Ground Lease resulting from this Second Amendment to Ground Lease.

Section 3. No Other Amendments. Except to the extent modified or amended herein, all other terms and obligations of the Ground Lease shall remain unchanged and in full force and effect.

Section 4. Applicable Law; Venue. In the event of any action under this Second Amendment, exclusive venue for all causes of action shall be instituted and maintained in Dallas County, Texas. The parties agree that the laws of the state of Texas shall govern and apply to the interpretation, validity and enforcement of this Second Amendment; and, with respect to any conflict of law provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the governing, interpretation, validity and

enforcement of this Second Amendment. All obligations of the parties created by this Second Amendment are performable in Dallas County, Texas.

Section 5. No Third Party Beneficiaries. This Second Amendment and each of its provisions are solely for the benefit of the parties hereto and are not intended to and shall not create or grant any rights, contractual or otherwise, to any third person or entity.

Section 6. Authority to Execute. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Second Amendment on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

IN WITNESS WHEREOF, the undersigned parties execute this Agreement this _____ day of _____, 2015.

LANDLORD:

TENANT:

TOWN OF ADDISON, TEXAS

KEY DEVELOPMENT, LLC

By: _____
Charles Daniels, City Manager

By: _____
James W. Keyes, President

ATTEST:

By: _____

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared James W. Keyes, president of Key Development, LLC, a Texas limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 2015.

[SEAL]

Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Charles Daniels, city manager of the Town of Addison, a home-rule municipality, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 2015.

[SEAL]

Notary Public, State of Texas

EXHIBIT "A"

TRUE AND CORRECT COPY OF GROUND LEASE
AS AMENDED AND MODIFIED

STATE OF TEXAS §
 §
 COUNTY OF DALLAS §

FIRST AMENDMENT TO GROUND LEASE

This FIRST AMENDMENT TO GROUND LEASE (hereinafter referred to as the "First Amendment to Ground Lease" or "Amendment") is entered into and effective as of Sept 15, 2006 (the "Effective Date") between the Town of Addison, Texas a Texas home-rule municipality (hereinafter sometimes referred to as "Addison" or the "Landlord"), and **Key Development, LLC**, a Texas limited liability company ("Tenant").

WHEREAS, a Ground Lease together with the Addendum To Ground Lease was executed on March 2, 1984 between the City of Addison, Texas (the same being the Town of Addison, Texas and sometimes referred to herein as the "City") and Addison Airport of Texas, Inc. ("AATI"), as Landlord, and Lawson Ridgeway, as Tenant, recorded in Volume 86022, Page 0124-0133¹ of the Deed Records of Dallas County, Texas; and the Easement Agreement entered into on or about April 16, 1984 by and between Lawson Ridgeway, as Grantor and the City and AATI recorded as Instrument #198601697396 in Volume 861969 Page 5742-5748 in the Deed of Records of Dallas County, Texas comprising the Ground Lease, as amended or modified and hereinafter referred to as the "Ground Lease," (a true and correct copy is attached hereto as Exhibit A) and described in that certain boundary survey dated June 6, 2006 (a true and correct copy is attached hereto as Exhibit K), by the terms of which certain real property now commonly referred to as 4444 Westgrove Dr. at Addison Airport within the Town of Addison, Texas and owned by the City; and

WHEREAS, by that Assignment of Lease dated October 23, 1985, recorded in Volume 86169 Page 5724-5748 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit B), the Ground Lease was assigned from LAWSON RIDGEWAY, as assignor, to GREAT SOUTHWEST HOMES, INC., as assignee; and

WHEREAS, by that Assignment of Lease dated May 31, 1988, recorded as Instrument #198801897613 Volume 88189 Page 1182-1201 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit C), the Ground Lease was assigned from GREAT SOUTHWEST HOMES, INC., as assignor, to TARFIVE, Inc., as assignee; and

Schedule of Exhibits

Exhibit A:	Copy of Ground Lease dated
Exhibit B:	Assignment of Lease Dated 10/23/1985 to Great Southwest Homes, Inc.
Exhibit C:	Assignment of Lease Dated May 31, 1988 to Tarfive, Inc.
Exhibit D:	Substitute Trustee's Deed to MCorp Management Solutions, Inc.
Exhibit E:	Assignment of Lease Dated September 8, 1988 to Realty Alliance of Texas, Ltd.
Exhibit F:	Assignment of Ground Lease Dated March 15, 1990 to Italk Acquisition Corporation
Exhibit G:	Assignment of Ground Lease Dated March 31, 1999 to AIR 276 I, L.P.
Exhibit H:	Assignment of Ground Lease Dated July 7, 2000 to ADS AIR 2000, L.P.
Exhibit I:	Assignment of Ground Lease Dated Sept 15, 2006 to Key Development, LLC
Exhibit J:	Building Maintenance Reserve
Exhibit K:	Survey Dated 06/05/2006 Doug Connally & Assoc., Inc.

¹ Appears to be first public recording of the Ground Lease, which includes the Assignment of Lease dated March 2, 1984 to Great Southwest Homes, Inc. which does not reflect the Landlord's consent.

WHEREAS, by that Substitute Trustee's Deed, dated September 7, 1988 recorded as Instrument #198801897613 Volume 88178 Page 1420-1425 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit D), the Ground Lease was assigned to the beneficiary, MCORP MANAGMEMENT SOLUTIONS, INC.; and

WHEREAS, by that Assignment of Lease dated September 8, 1988, recorded as Instrument #198900044704 Volume 89004 Page 577-580 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit E), the Ground Lease was assigned from MCORP MANAGMEMENT SOLUTIONS, INC., a Texas Corporation, as assignor, to REALTY ALLIANCE OF TEXAS, LTD., a Texas limited partnership, as assignee; and

WHEREAS, by that Assignment of Ground Lease dated March 15, 1990, recorded as Instrument #199000545456 Volume 90054 Page 1648-1687 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit F), the Ground Lease was assigned from REALTY ALLIANCE OF TEXAS, LTD., a Texas Corporation, as assignor, to ITALIX ACQUISITION CORPORATION, a Texas corporation, as assignee; and

WHEREAS, by that Assignment of Ground Lease dated March 31, 1999, recorded as Instrument #199900523035 Volume 99063 Page 1763-1767 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit G), the Ground Lease was assigned from ITALIX ACQUISITION CORPORATION, a Texas corporation, as assignor, to AIR 276 I. L.P., a Texas limited partnership, as assignee; and

WHEREAS, by that Assignment of Ground Lease dated July 7, 2000, recorded as Instrument #200001054648 Volume 2000132 Page 07549-07556 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit H), the Ground Lease was assigned from AIR 276 I. L.P., a Texas limited partnership, as assignor, to ADS AIR 2000, L.P., a Texas limited partnership, as assignee; and

WHEREAS, by that Assignment of Ground Lease dated Sept 15, 2006, as consented to by Landlord (a true and correct copy of which is attached hereto as Exhibit I), the Ground Lease was assigned from ADS AIR 2000, L.P., a Texas limited partnership, as assignor, to Key Development, LLC., a Texas limited liability company, as assignee; and

WHEREAS, by virtue of such assignments, Key Development, LLC, a Texas limited liability company, is the Tenant under the Ground Lease, as amended and modified, as of the effective date given above for this Agreement; and

WHEREAS, Tenant has proposed to construct certain additional improvements on the Demised Premises as described herein, and in connection therewith and as consideration therefore Landlord and Tenant desire to amend the Ground Lease in the manner set forth below, contingent upon the final completion of such additional improvements and the approval thereof by Landlord.

NOW, THEREFORE, for and in consideration of the above and foregoing premises, the sum of Ten and No/100 Dollars (\$10.00), the terms and conditions of this Amendment, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, Landlord and Tenant hereby agree as follows:

AGREEMENT

Section 1. Incorporation of Premises. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof.

Section 2. Amendments and Modifications to Ground Lease. Notwithstanding anything in the Lease (as amended) to the contrary, Tenant and its successors and assigns and Landlord agree as follows with respect to the Lease:

A. Term Adjustment. The Term of the Lease, currently scheduled to end on March 31, 2024, shall hereby be extended an additional **240 months** so it shall now end on March 31, 2044 (“the First Lease Extension Period”) but still subject to the termination provisions of the Ground Lease. The First Lease Extension Period shall become effective, provided Tenant first complies with each of the following terms and conditions:

- (i) Within eighteen (18) months of the Effective Date (the “Improvement Period”), Tenant shall have completed the remodeling and renovation of approximately 10,000 square feet of existing building area and, the construction upon the Demised Premises of at least 5,000 square feet of additional hangar area (the “Improvements”);
- (ii) Tenant shall, prior to the construction of the Improvements or any other facilities or improvements on the Demised Premises, present to Landlord for Landlord’s review and consideration of approval, the plans and specifications for the construction of the Improvements or any other improvements or facilities (the “Plans and Specifications”). For purposes of this subparagraph (ii), Plans and Specifications shall be approved by Landlord or by the Town of Addison City Manager’s designee, and all such approvals shall not be unreasonably withheld or delayed in any manner. All construction of the Improvements and any other facilities or improvements shall be substantially in accordance with the approved Plans and Specifications, and such construction shall be in a first class, workmanlike manner. Tenant shall promptly pay and discharge (or provide adequate bond or escrow funds with regard to any disputed amounts) all costs, expenses, claims for damages, liens and any and all other liabilities and obligations that arise in connection with any such construction;
- (iii) For the purpose herein, the Improvements shall be deemed completed upon the issuance by the Town of Addison, Texas of a Certificate of Occupancy for such Improvements, and the certification by Tenant’s architect that the Improvements have been completed in substantial conformance with the Plans and Specifications;
- (iv) Tenant agrees that it will contribute no less than \$250,000.00 to the cost of the construction of the Improvements. If Landlord requests, Tenant shall provide Landlord with reasonable evidence of the costs and expenses contributed by Tenant to the construction and completion of the Improvements up the completion of the Improvements;

- (v) Tenant shall not, at the time of the issuance of the letter described in subparagraph (ix) below, then be in default of any provisions of the Ground Lease beyond any applicable cure period;
- (vi) Upon the final completion of the Improvements as defined in this Section 2 and, if requested, the presentation of evidence satisfactory to Landlord of the cost of the completed Improvements, the terms and conditions prerequisite to the First Lease Extension Period as stated above shall be deemed to have been fulfilled, and the Lease Extension Period shall thereafter be in effect;
- (vii) If for any reason beyond the control of Tenant, the Plans and Specifications are not approved by the Landlord (or by any other regulating authority required of Tenant under Paragraph 8 of the Ground Lease and as amended herein) and cannot be constructed by Tenant in accordance with the Plans and Specifications, or completed in accordance herewith, Tenant shall at Tenant's sole discretion elect to either;
 - (a) propose an alternate to the Plans and Specifications for the Improvements acceptable to Landlord (and the other regulatory authorities) of comparable value and like-kind benefit to the Demised Premises. If Tenant elects to construct said Improvements under this option, the Improvement Period is hereby extended but not to exceed beyond twenty-four (24) months from the Effective Date of this Agreement unless otherwise mutually agreed to in writing by both parties, or
 - (b) elect to pay Landlord the cash sum of TWO HUNDRED AND THIRTY-FIVE THOUSAND dollars and no cents (\$235,000.00 US) on or before the expiration of the Improvement Period set forth in Section 2A(i).

Tenant's election of any one of the above options in this sub-paragraph must be delivered to Landlord in writing on or before the expiration of the Improvement Period set forth in Section 2A(i);

- (viii) Tenant's failure to complete the Improvements within the Improvement Period or, fail to exercise and fulfill either of the two options provided for in sub-paragraph (vii) of this Section 2 shall cause, without further action or notice by Landlord, the Term of the Lease to be extended by **180 months** so that the Term of the Ground Lease shall end on March 31, 2039 but still subject to the termination provisions of the Ground Lease as amended or modified; and
- (ix) Landlord or Tenant agree to execute and deliver a confirmation of the Lease Extension Period if requested by the other party, which may be filed in the deed records accordingly.

B. Amendment to Paragraph 4. Paragraph 4 is hereby amended so that it shall hereafter read as follows:

4. **Rental:** Subject to adjustments as hereinbelow provided, Tenant agrees to pay to Landlord, without offset or deduction, rent for the Demised Premises at the rate of FOUR THOUSAND ONE-HUNDRED EIGHTY FOUR and 88/100 Dollars (\$4,184.88) per month in advance (the "Amended Rental)". The first of such monthly installments shall be due and payable on or before the first day of the calendar month following the Effective date of this Amendment and a like installment shall be due and payable on or before the first day of each calendar month thereafter during the term hereof, subject to adjustment as provided for in Section 5 of the Ground Lease.

C. Amendment to Paragraph 5. Paragraph 5 is hereby amended so that it shall hereafter read as follows:

5. **Adjustment of Rental:** Commencing on April 1, 2008 and on every bi-annual anniversary thereafter (hereinafter referred to as the "Adjustment Date"), the monthly rental due under paragraph 4 shall be adjusted as follows:

(i). Monthly rent shall be adjusted to reflect changes in the Consumers' Price Index - All Items for Dallas, Texas Metropolitan Area (hereinafter referred to as the "Consumer Price Index"), as quoted in the publication *Consumer Price Index for All Urban Consumers (CPI-U)* for the Dallas-Fort Worth Consolidated Metropolitan Statistical Area which is issued by the U.S. Department of Labor, Bureau of Labor Statistics. The basic index ("Basic Index") is the Consumer Price Index existing on the Rent Commencement Date. The current index ("Current Index") is the Consumer Price Index in effect on the first day of the calendar month preceding the then applicable Adjustment Date.

(ii). Beginning with the first full month following the then applicable Adjustment Date, the monthly rent shall be adjusted so that it equals the product of the Base Amount multiplied by a fraction, the numerator of which is the Current Index and the denominator of which is the Basic Index (the "Adjusted Rental"), but in no event shall such monthly rent ever be decreased below the Base Rental set forth in Paragraph 4, as amended.

(iii) In the event that the Price Index is unavailable for whatever reason for the computations set forth hereinabove, another index approximating the Price Index as closely as feasible (as determined by Landlord) shall be substituted therefor.

D. Amendment to Paragraph 6. Paragraph 6 is hereby amended so that it shall hereafter read as follows:

6. Use of Demised Premises: The Demised Premises shall be used and occupied by Tenant (or Tenant's sub-tenants provided for in Paragraph 9A and the Addendum To Ground Lease dated March 2, 1984 attached to and made a part of the Ground Lease) only for the following purposes: sale of aircraft and aircraft parts; aircraft maintenance and repair, aircraft storage; aircraft training; aircraft charter; aircraft rentals; general office uses and not otherwise without the prior written consent of Landlord.

E. Amendment to Paragraph 7. Paragraph 7 is hereby amended so that it shall hereafter read as follows:

7. Acceptance of Demised Premises: Tenant acknowledges that Tenant has fully inspected the Demised Premises and accepts the Demised Premises as suitable for the purpose for which the same are leased in their present condition “**AS IS, WHERE IS**” and with all faults and defects, whether known or unknown to either Landlord or Tenant and without representation or warranty of any kind from Landlord as to the status or condition thereof, and further the Ground Lease is subject to any and all currently existing title exceptions or other matters of record or visible or apparent from an inspection affecting the Demised Premises. Without limiting the foregoing, **THERE IS NO WARRANTY, EXPRESS OR IMPLIED, OF SUITABILITY, MERCHANTABILITY, and HABITABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE GIVEN IN CONNECTION WITH THIS LEASE.**

F. Amendment to Paragraph 8. Paragraph 8 is hereby amended so that it shall hereafter read as follows:

8. Securing Governmental Approvals and Compliance with Law:

A. Tenant, at Tenant’s sole cost and expense, shall obtain any and all governmental licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the Demised Premises. This Lease is subject to, and Tenant shall comply at all times with, all laws, ordinances, rules, regulations, directives, permits, or standards of any governmental authority, entity, or agency (including, without limitation, the Town of Addison, Texas, the Federal Aviation Administration, the Texas Department of Transportation, the United States Environmental Protection Agency, and the Texas Commission on Environmental Quality) applicable or related to, whether directly or indirectly, the use and occupation of the Demised Premises and whether in existence or hereafter enacted, adopted or imposed, and Tenant shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon, or connected with the Demised Premises, all at Tenant’s sole cost and expense, and shall comply with and be subject to (and this Lease is made and entered into subject to) any and all grant agreements or grant assurances now existing or as hereafter agreed to, adopted or imposed.

Tenant agrees that any construction or modification of improvements on the Demised Premises will comply with all standards and rules published by the Landlord or by any person or entity authorized by Landlord to manage and/or operate the Airport (“Airport Manager”), including, but not limited to, the Airport’s published “Construction/Maintenance Standards and Specifications,” will comply with the Town of Addison building codes and zoning requirements or any other laws, ordinances, permits, rules, regulations, or policies of the Town of Addison, Texas, and will meet or exceed all applicable state and federal standards, permits, laws, rules, or regulations. Tenant recognizes that the referenced

Construction/Maintenance Standards and Specifications, Town of Addison building codes and zoning requirements and other laws, ordinances, permits, rules, regulations or policies, and all applicable State and Federal standards, laws, rules, or regulations may be modified or amended from time to time and that compliance will be measured by such standards in effect at the time of a particular construction or modification of improvements. Tenant will properly and timely submit to the Federal Aviation Administration ("FAA"), the Texas Department of Transportation (TxDOT), and any other governmental entity or agency having jurisdiction regarding or related to Addison Airport, a Notice of Proposed Construction, when and as required. Tenant further agrees that the Landlord shall be authorized at all times during any project of construction to enter upon the Demised Premises, and all parts thereof, in order to observe the performance of such construction, and Tenant agrees to provide the Landlord a construction schedule setting out the time of commencement, final completion and completion of significant elements of the construction, which schedule shall be delivered to Landlord prior to the start of any construction project on the Demised Premises. Failure of Tenant to observe and comply with the requirements of this Section 8 shall be an Event of Default.

B. Tenant shall comply with noise abatement standards at the Airport at all times and shall notify any aircraft operator using any portion of the Demised Premises of such standards.

G. Amendments to Paragraph 9. Paragraph 9, subparagraphs A., B., and E. of the Ground Lease are hereby amended so that they shall hereafter read as follows:

A. Without the prior written consent of Landlord, Tenant shall have no power to and may not assign, sell, pledge, encumber, transfer, or otherwise convey (together, "assign" or "assignment") this Lease or any rights or obligations of Tenant hereunder (except to a leasehold mortgagee as hereinbelow provided and in accordance with all of the terms and conditions of this Lease) or sublet the whole or any part of the Demised Premises, and any such assignment or any subletting shall be null and void and may be deemed by Landlord (in Landlord's sole discretion) a default under Paragraph 22.B of this Lease. An assignment will be deemed to occur if the person or persons who own or have voting control of 51% or more of Tenant on the date of the First Amendment to Ground Lease cease to own or have voting control of 51% or more of Tenant at any time during the Term; Tenant shall provide to Landlord from time to time, as requested by Landlord and in a form acceptable to Landlord, a written certification as to the ownership of voting securities or voting control of Tenant. For purposes hereof, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities or partnership interests, by contract, or otherwise. Any assignment or any subletting shall be expressly subject to all the terms and provisions of this Lease, including the provisions

of Paragraph 6 pertaining to the use of the Demised Premises. In the event of any assignment or any subletting, Tenant shall not assign Tenant's rights hereunder or sublet the Demised Premises without first obtaining a written agreement from each such assignee or sublessee whereby each such assignee or sublessee agrees to be bound by the terms and provisions of this Lease (and Tenant shall provide a copy of such written agreement to Landlord). No such assignment or subletting shall constitute a novation. In the event of the occurrence of an event of default while the Demised Premises are assigned or sublet, Landlord, in addition to any other remedies provided herein or by law, may at Landlord's option, collect directly from such assignee or subtenant all rents becoming due under such assignment or subletting and apply such rent against any sums due to Landlord hereunder. No direct collection by Landlord from any such assignee, transferee, pledgee, or person or entity to whom this Lease is otherwise conveyed or to such subtenant shall release Tenant from the payment or performance of Tenant's obligations hereunder. Tenant shall provide to Landlord the names and addresses of any subtenants and the make, model, aircraft type and "N" number of any aircraft stored or located on or in the Demised Premises.

B. Tenant shall have the right to mortgage the leasehold estate of Tenant created hereby in order to secure a mortgage loan for the purpose of (i) obtaining funds for the construction of the improvements described in Paragraph 6, or (ii) for other construction upon the Demised Premises approved from time to time by Landlord in writing, or (iii) for other purposes which may be approved from time to time by Landlord in writing. In the event that Tenant, pursuant to mortgages or deeds of trust, mortgages the leasehold estate of Tenant created hereby, the leasehold mortgagee shall in no event become personally liable to perform the obligations of Tenant under this Lease unless and until said mortgagee becomes the owner of the leasehold estate pursuant to foreclosure, transfer in lieu of foreclosure, or otherwise, and thereafter said leasehold mortgagee shall remain liable for such obligations only so long as such mortgagee remains the owner of the leasehold estate. Notwithstanding the foregoing, it is specifically understood and agreed that no such mortgaging by Tenant and/or any actions taken pursuant to the terms of such mortgage shall ever relieve Tenant of Tenant's obligation to pay the rental due hereunder and otherwise fully perform the terms and conditions of this Lease.

E. Landlord further agrees to execute and deliver to any proposed leasehold mortgagee of Tenant a "Non-Disturbance Agreement" wherein Landlord agrees that Landlord will (i) recognize such mortgagee and its successors and assigns after foreclosure, or transfer in lieu of foreclosure, as Tenant hereunder, and (ii) continue to perform all of Landlord's obligations hereunder so long as such mortgagee or its successors and assigns performs all of the obligations of Tenant hereunder; provided, however, that notwithstanding the foregoing or any other provision of this Lease, such mortgagee shall not and does not have the right and shall not and does not

have the power to assign, sell, transfer, pledge, encumber, license, or otherwise convey this Lease, or any right, interest, obligation, or liability hereunder, or sublet the whole or any part of the Demised Premises without the prior written approval of the Landlord, and any such assignment, sale, transfer, pledge, encumbrance, license, or other conveyance and any such subletting without the prior written consent of Landlord shall be null and void and may be deemed a default under Paragraph 22.B. of this Lease, it being the intent of this provision that such mortgagee shall have no greater right than Tenant to assign, sell, transfer, pledge, encumber, license, or otherwise convey this Lease (or any right, interest, obligation, or liability hereunder), or to sublet the Demised Premises (or any portion thereof), or to use the Demised Premises. Landlord also agrees to reasonably consider the execution and delivery to such proposed leasehold mortgagee any other documents which such proposed leasehold mortgagee may reasonably request concerning the mortgaging by Tenant of the leasehold estate created hereby; provided, however, that Landlord shall never be required to subordinate Landlord's interest in the Demised Premises to the mortgagee of such proposed leasehold mortgage.

H. Amendment to Paragraph 10. Paragraph 10 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

10. Property Taxes and Assessments: Tenant shall pay, before they become delinquent, any and all property taxes or assessments, and any other governmental charges, fees or expenses, levied or assessed on any improvements on the Demised Premises, the personal property and fixtures on the Demised Premises, and, if applicable, upon the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord "paid receipts" or other written evidence that all such taxes has been paid by Tenant. In the event Tenant shall fail to pay any such taxes, assessments, or charges prior to delinquency, Landlord shall have the right to pay (but not the obligation) to cause all taxes, assessments, or charges to be paid and the reasonable costs thereof expended by Landlord plus interest thereon as provided in paragraph 37 shall be paid by Tenant on demand. Tenant may protest, appeal or institute other formal proceedings to effect a reduction or abatement of real estate taxes and assessments with respect to real estate taxes and assessments levied against the Improvements and/or the Lease for any tax fiscal year that ends after the Commencement Date of this Lease. Such protest, appeal or other proceedings may be conducted in the name of Landlord or Tenant, as Tenant may consider appropriate. To this end and at Tenant's expense, Tenant shall give Landlord written notice of any such protest or appeal and Landlord shall cooperate with Tenant and furnish to Tenant appropriate documents and information. If the protest, appeal or other proceedings are successful and any real estate taxes and assessments are refunded, Tenant is entitled to any such refund for which Tenant actually incurred the expense.

I. Amendment to Paragraph 11. Paragraph 11 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

11. Maintenance and Repair of Demised Premises:

A. Tenant shall, throughout the term hereof, maintain in good repair and in a first class condition (in accordance with, all applicable ordinances, rules, regulations, standards, and permits of the Town of Addison, Texas) all the Demised Premises and all the fixtures, equipment and personal property on the Demised Premises and keep them free from waste or nuisance. Tenant shall be fully responsible, at its expense, for all repair, maintenance and management services other than those, which are expressly assumed by Landlord.

B. Tenant, for itself and its successors and assigns, shall maintain a building maintenance reserve fund (“Reserve Fund”) solely for the purpose of paying for unexpected and scheduled repairs and expenses, or for capital improvements to the Demised Premises, as they same may be needed or required from time to time pursuant to Exhibit J attached hereto and incorporated herein. Tenant’s failure to routinely fund or properly account for the Reserve Fund as required herein, shall constitute a non-monetary default where in the event such failure continues without being cured within thirty (30) days after written notice thereof is given to Tenant in accordance with Paragraph 22 of this Ground Lease.—Upon the reasonable written request of Landlord, Tenant shall provide Landlord reasonable evidence of Tenant's access to such available funds for these purposes.

C. In the event Tenant shall fail to so maintain the Demised Premises and the fixtures, equipment and personal property situated thereon, Landlord shall have the right (but not the obligation) to cause all repairs or other maintenance to be made and the reasonable costs therefor expended by Landlord plus interest thereon as provided in Paragraph 37 shall be paid by Tenant on demand.

D. At the expiration or termination of this Lease, Tenant shall deliver up the Demised Premises clean and free of trash and in good repair and condition, with all fixtures and equipment situated in the Demised Premises in working order, reasonable wear and tear excepted.

J. Amendment to Paragraph 13. Paragraph 13 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

13. Insurance: Tenant shall during the term hereof maintain at Tenant’s sole cost and expense insurance relating to the Demised Premises as follows:

(i) Insurance against loss or damage to improvements by fire, lightning, and all other risks from time to time included under standard extended

coverage policies, and sprinkler, vandalism and malicious mischief, all in amounts sufficient to prevent Landlord or Tenant from becoming co-insurers of any loss under the applicable policies but in any event in amounts not less than one hundred percent (100%) of the full insurable value of the Demised Premises and any and all improvements thereon. The term “full insurable value” as used herein means actual replacement value at the time of such loss.

(ii) Commercial General Liability insurance against claims for bodily injury, death or property damage or destruction occurring on, in or about the Demised Premises, with limits of liability of not less than \$1,000,000.00 for each occurrence for coverage A (Bodily Injury and Property Damage) and coverage B (Personal and Advertising Injury) which policy shall contain the following provisions: independent Contractors Coverage; Blanket contractual liability coverage for liability assumed under the Lease; medical expense coverage with a limit of \$5,000 for any one person.

(iii) Statutory limits of workers compensation insurance and employer’s liability, if required by law, with limits of liability of not less than \$1,000,000.00.

(iv) If applicable, boiler and pressure vessel insurance on all steam boilers, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, erupting, collapsing, imploding or exploding, in the minimum amount of \$500,000.00 for damage to or destruction of property resulting from such perils.

(v) Such other insurance on improvements in such amounts and against such other insurable hazard, which at the time are commonly obtained in the case of property similar to such improvements.

(vi) Hangarkeeper’s Legal Liability insurance, at limits of \$1,000,000 per occurrence is required if Tenant is engaged in maintenance, repair, servicing of aircraft belonging to a third-party, or if Tenant is otherwise involved in any operation in which Tenant has care, custody, or control of an aircraft that belongs to a third-party.

(vii) During any period of construction, a Builder’s Risk Completed Value policy with an all risks endorsement.

(viii) Aircraft liability insurance against third party bodily injury or death and property damage or destruction at minimum limits required by regulatory agencies having jurisdiction at the Airport and which are acceptable to Landlord, but in any event not less than \$1,000,000 each occurrence (applies to the ownership, operation or use of aircraft by Tenant or any subtenant) for coverage of Bodily Injury and Property Damage and

\$1,000,000 for Personal and Advertising Injury, including contractual liability coverage for liability assumed under the Lease.

All such policies of insurance shall (i) be issued by insurance companies acceptable to Landlord and authorized to do business in Texas and in the standard form approved by the Texas Department of Insurance, (ii) name the Town of Addison, Texas, and Manager and their respective officials, officers, employees and agents as additional insureds or loss payees, as the case may be, (iii) in all liability policies, provide that such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of activities conducted hereunder, (iv) contain a waiver of subrogation endorsement in favor of the Town of Addison, Texas, and (v) provide for at least thirty (30) days written notice to the Town of Addison, Texas prior to cancellation, non-renewal or material modification which affects this Lease. Certificates of insurance (together with the declaration page of such policies, along with the endorsement naming the Town of Addison, Texas and the Manager as an additional insured), satisfactory to Landlord, evidencing all coverage above, shall be promptly delivered to Landlord and updated as may be appropriate, with complete copies of such policies furnished to the Landlord upon request. Landlord reserves the right to review the insurance requirements contained herein and to reasonably adjust coverages and limits when deemed necessary and prudent by Landlord.

K. Amendment to Paragraph 18. Paragraph 18 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

18. Airport Minimum Standards and Rules and Regulations:

A. Landlord has adopted Minimum Standards for all operators at the Airport (hereinafter referred to as the "Minimum Standards"), which shall govern Tenant in the use of the Demised Premises and all common facilities, a copy of which has been furnished to Tenant. The Minimum Standards are incorporated by reference as if written verbatim herein, and Tenant agrees to comply fully at all times with the Minimum Standards. Landlord shall have the right to amend, modify and alter the Minimum Standards from time to time for the purpose of assuring the safety, welfare and convenience of Landlord, Tenant and all other tenants and customers of the Airport.

B. Landlord has adopted Rules and Regulations (hereinafter referred to as the "Rules and Regulations"), which shall govern Tenant in the use of the Demised Premises and all common facilities, a copy of which has been furnished to Tenant. The Rules and Regulations are incorporated by reference as if written verbatim herein, and Tenant agrees to comply fully at all times with the Rules and Regulations. Landlord shall have the right to amend, modify and alter the Rules and Regulations from time to time for the purpose of assuring the safety, welfare and convenience of Landlord, Tenant and all other tenants and customers of the Airport.

L. Amendment to Paragraph 19. Paragraph 19 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

19. Signs and Equipment. After first securing Landlord's approval, which approval shall not be unreasonably withheld, Tenant shall have the right from time to time to install signs depicting Tenant's name, and to operate radio, communications, meteorological, aerial navigation and other equipment and facilities in or on the Demised Premises that may be reasonably necessary for the operation of Tenant's business, provided such signs and equipment are installed and maintained in compliance with all applicable governmental laws, rules, and regulations, including without limitation the Town of Addison's sign ordinance, and do not interfere with the operation of any navigation facilities or Airport communications (including, without limitation, navigation facilities or Airport communications used or operated by the Federal Aviation Administration).

M. Amendment to Paragraph 21. Paragraph 21 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

21. Indemnity and Exculpation.

A. LANDLORD AND MANAGER, AND LANDLORD'S AND MANAGER'S OFFICIALS, OFFICERS, EMPLOYEES AND AGENTS (BOTH IN THEIR OFFICIAL AND PRIVATE CAPACITIES) SHALL NOT BE LIABLE TO TENANT OR TO TENANT'S EMPLOYEES, AGENTS, SERVANTS, CUSTOMERS, INVITEES, SUBTENANTS, LICENSEES, CONCESSIONAIRES, CONTRACTORS, SUBCONTRACTORS, OR TO ANY OTHER PERSON WHOMSOEVER, FOR ANY DEATH OR INJURY TO PERSONS OR DAMAGE TO OR DESTRUCTION OF PROPERTY OR ANY OTHER HARM ON OR ABOUT THE DEMISED PREMISES OR ANY ADJACENT AREA OWNED BY LANDLORD CAUSED BY OR RESULTING FROM ANY ACT OR OMISSION OF TENANT, TENANT'S EMPLOYEES, AGENTS, SERVANTS, CUSTOMERS, INVITEES, SUBTENANTS, LICENSEES, CONCESSIONAIRES, CONTRACTORS, SUBCONTRACTORS, OR ANY OTHER PERSON ENTERING THE DEMISED PREMISES UNDER EXPRESS OR IMPLIED INVITATION OF TENANT, OR ARISING OUT OF THE USE OR OCCUPATION OF THE DEMISED PREMISES BY TENANT, ITS EMPLOYEES, AGENTS, SERVANTS, CUSTOMERS, INVITEES, SUBTENANTS, LICENSEES, CONCESSIONAIRES, CONTRACTORS, OR SUBCONTRACTORS AND/OR THE CONDUCT OF TENANT'S BUSINESS THEREON, OR ARISING OUT OF ANY BREACH OR DEFAULT BY TENANT IN THE PERFORMANCE OF TENANT'S OBLIGATIONS HEREUNDER; AND TENANT HEREBY AGREES TO AND SHALL DEFEND AND INDEMNIFY LANDLORD AND MANAGER, AND LANDLORD'S AND MANAGER'S RESPECTIVE

OFFICIALS, OFFICERS, EMPLOYEES AND AGENTS AGAINST, AND HOLD LANDLORD AND MANAGER, AND LANDLORD'S AND MANAGER'S RESPECTIVE OFFICIALS, OFFICERS, EMPLOYEES AND AGENTS HARMLESS FROM ANY AND ALL LIABILITY, DAMAGES, COSTS, PENALTIES, LOSS, EXPENSE OR CLAIMS ARISING OUT OF SUCH DAMAGE, DESTRUCTION, INJURY, DEATH OR HARM.

B. TENANT AGREES TO AND SHALL DEFEND (WITH COUNSEL ACCEPTABLE TO LANDLORD) AND INDEMNIFY LANDLORD AND MANAGER, AND LANDLORD'S AND MANAGER'S RESPECTIVE OFFICIALS, OFFICERS, EMPLOYEES AND AGENTS (BOTH IN THEIR OFFICIAL AND PRIVATE CAPACITIES) (TOGETHER, FOR PURPOSES OF THIS SUBPARAGRAPH, "INDEMNIFIED PERSONS") AGAINST, AND HOLD THE INDEMNIFIED PERSONS HARMLESS FROM, ANY AND ALL CLAIMS, ACTIONS, CAUSES OF ACTION, DEMANDS, LOSSES, HARM, DAMAGES, PENALTIES, LIABILITY, EXPENSES, LAWSUITS, JUDGMENTS, COSTS, AND FEES (INCLUDING REASONABLE ATTORNEY FEES AND COURT COSTS) ("DAMAGES"), ASSERTED BY ANY PERSON OR ENTITY ON ACCOUNT OF OR FOR ANY INJURY TO OR THE DEATH OF ANY PERSON, OR ANY DAMAGE TO OR DESTRUCTION OF ANY PROPERTY, OR ANY OTHER HARM FOR WHICH DAMAGES OR ANY OTHER FORM OF RECOVERY IS SOUGHT (WHETHER AT LAW OR IN EQUITY), RESULTING FROM, BASED UPON, OR ARISING OUT OF, IN WHOLE OR IN PART, ANY CONDITION OF THE DEMISED PREMISES OR ANY ACT OR OMISSION OF TENANT, ITS OFFICERS, EMPLOYEES, AGENTS, ENGINEERS, CONSULTANTS, CONTRACTORS, SUBCONTRACTORS, INVITEES, OR ANY PERSON OR ENTITY DIRECTLY OR INDIRECTLY EMPLOYED BY OR ACTING UNDER TENANT, UNDER, IN CONNECTION WITH, OR IN THE PERFORMANCE OF, THIS LEASE, INCLUDING ALL DAMAGES CAUSED BY THE INDEMNIFIED PERSON'S OWN NEGLIGENCE, OR CONDUCT THAT MAY OR DOES EXPOSE AN INDEMNITEE TO STRICT LIABILITY UNDER ANY LEGAL THEORY.

C. LANDLORD AND MANAGER, AND LANDLORD'S AND MANAGER'S OFFICIALS, OFFICERS, AGENTS AND EMPLOYEES (BOTH IN THEIR OFFICIAL AND PRIVATE CAPACITIES) SHALL BE DEFENDED, INDEMNIFIED AND HELD HARMLESS BY AND NOT BE LIABLE TO TENANT FOR ANY DEATH OR INJURY TO ANY PERSON OR PERSONS OR DAMAGE TO OR DESTRUCTION OF PROPERTY OF ANY KIND RESULTING FROM THE DEMISED PREMISES BECOMING OUT OF REPAIR OR BY DEFECT IN OR FAILURE OF EQUIPMENT,

PIPES, OR WIRING, OR BROKEN GLASS, OR BY THE BACKING UP OF DRAINS, OR BY GAS, WATER, STEAM, ELECTRICITY OR OIL LEAKING, ESCAPING OR FLOWING INTO THE DEMISED PREMISES, REGARDLESS OF THE SOURCE, OR BY DAMPNES OR BY FIRE, EXPLOSION, FALLING PLASTER OR CEILING OR FOR ANY OTHER REASON WHATSOEVER. LANDLORD AND MANAGER, AND LANDLORD'S AND MANAGER'S OFFICIALS, OFFICERS, AGENTS AND EMPLOYEES, SHALL NOT BE LIABLE TO TENANT FOR ANY LOSS OR DAMAGE THAT MAY BE OCCASIONED BY OR THROUGH THE ACTS OR OMISSIONS OF OTHER TENANTS OF LANDLORD OR CAUSED BY OPERATIONS IN CONSTRUCTION OF ANY PRIVATE, PUBLIC OR QUASI-PUBLIC WORK.

D. THE PROVISIONS OF THIS SECTION 21 SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS LEASE.

N. Addition of Paragraph 21.1. A new Paragraph 21.1 is hereby inserted and made a part of the Ground Lease to read as follows:

Section 21.1. Environmental Compliance :

A. Tenant shall not install, store, use, treat, transport, discharge or dispose (or permit or acquiesce in the installation, storage, use, treatment, transportation, discharge or disposal by Tenant, its agents, employees, invitees, contractors, subcontractors, independent contractors, or subtenants) on the Demised Premises or any portion of the common facilities (described in Paragraph 17), any: (a) asbestos in any form; (b) urea formaldehyde foam insulation; (c) transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls in excess of 50 parts per million; or (d) any other chemical, material, air pollutant, toxic pollutant, waste, or substance which is regulated as toxic or hazardous or exposure to which is prohibited, limited or regulated by the Resource Conservation Recovery Act (42 U.S.C. §6901, et seq., as amended or superseded), the Comprehensive and Environmental Response Compensation and Liability Act (42 U.S.C. §9601, et seq, as amended or superseded), the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Clean Air Act, and/or the Clean Water Act or any other federal, state, county, regional, local or other governmental authority law, rule, regulation, standard, permit, directive or policy, or which, even if not so regulated may or could pose a hazard to the health and safety of the occupants of the Demised Premises and/or any portions of the common facilities, and which is either: (i) in amounts in excess of that permitted or deemed safe under applicable law; or (ii) in any manner prohibited or deemed unsafe under applicable law. (The substances referred to in (a), (b), (c) or (d) are collectively referred to hereinafter as "Hazardous Materials").

B. TENANT SHALL, AT TENANT'S OWN EXPENSE, COMPLY WITH ANY PRESENTLY EXISTING OR HEREAFTER ENACTED LAWS, RULES, REGULATIONS, STANDARDS, DIRECTIVES, PERMITS, OR NOTICES RELATING TO HAZARDOUS MATERIALS (COLLECTIVELY, "CLEANUP LAWS"). IN FURTHERANCE AND NOT IN LIMITATION OF THE FOREGOING, TENANT SHALL, AT TENANT'S OWN EXPENSE, MAKE ALL SUBMISSIONS TO, PROVIDE ALL INFORMATION TO, AND COMPLY WITH ALL REQUIREMENTS OF THE APPROPRIATE GOVERNMENTAL AUTHORITY (THE "AUTHORITY") UNDER THE CLEANUP LAWS. SHOULD ANY AUTHORITY REQUIRE THAT A CLEANUP PLAN BE PREPARED AND THAT A CLEANUP BE UNDERTAKEN BECAUSE OF THE EXISTENCE OF HAZARDOUS MATERIALS WHICH WERE INSTALLED, STORED, USED, TREATED, TRANSPORTED, DISPOSED OF OR DISCHARGED ON THE DEMISED PREMISES AND/OR ANY PORTION OF THE COMMON FACILITIES (AS DESCRIBED IN PARAGRAPH 17) BY TENANT, TENANT'S OFFICERS, REPRESENTATIVES, AGENTS, EMPLOYEES, INVITEES, LICENSEES, CUSTOMERS, CONCESSIONAIRES, CONTRACTORS, SUBCONTRACTORS, ANY PERSON ACTING BY OR UNDER THE AUTHORITY OR WITH THE PERMISSION OF TENANT, SUBTENANTS, OR ANY OTHER PERSON ENTERING THE DEMISED PREMISES UNDER EXPRESS OR IMPLIED INVITATION OF TENANT DURING THE TERM OF THIS LEASE, TENANT SHALL, AT TENANT'S OWN COST AND EXPENSE, PREPARE AND SUBMIT THE REQUIRED PLANS AND FINANCIAL ASSURANCES AND CARRY OUT THE APPROVED PLANS IN ACCORDANCE WITH SUCH CLEANUP LAWS AND TO LANDLORD'S SATISFACTION. AT NO EXPENSE TO LANDLORD, TENANT SHALL PROMPTLY PROVIDE ALL INFORMATION REQUESTED BY LANDLORD FOR PREPARATION OF AFFIDAVITS OR OTHER DOCUMENTS REQUIRED BY LANDLORD TO DETERMINE THE APPLICABILITY OF THE CLEANUP LAWS TO THE DEMISED PREMISES AND/OR ANY PORTION OF THE COMMON FACILITIES, AS THE CASE MAY BE, AND SHALL SIGN THE AFFIDAVITS PROMPTLY WHEN REQUESTED TO DO SO BY LANDLORD. TENANT SHALL INDEMNIFY, DEFEND, SAVE AND HOLD HARMLESS LANDLORD AND MANAGER, AND LANDLORD'S AND MANAGER'S OFFICIALS, OFFICERS, AGENTS AND EMPLOYEES (BOTH IN THEIR OFFICIAL AND PRIVATE CAPACITIES) FROM AND AGAINST, AND REIMBURSE LANDLORD FOR, ANY AND ALL OBLIGATIONS, DAMAGES, INJUNCTIONS, FINES, PENALTIES, DEMANDS, CLAIMS, COSTS, EXPENSES, ACTIONS, LIABILITIES, SUITS, PROCEEDINGS AND LOSSES OF WHATEVER NATURE

(INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COURT COSTS), AND ALL CLEANUP OR REMOVAL COSTS AND ALL ACTIONS OF ANY KIND ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE INSTALLATION, STORAGE, USE, TREATMENT, TRANSPORTING, DISPOSAL OR DISCHARGE OF HAZARDOUS MATERIALS IN OR ON THE DEMISED PREMISES AND/OR ANY PORTION OF THE COMMON FACILITIES BY TENANT, TENANT'S OFFICERS, REPRESENTATIVES, AGENTS, EMPLOYEES, INVITEES, LICENSEES, CUSTOMERS, CONCESSIONAIRES, CONTRACTORS, SUBCONTRACTORS, ANY PERSON ACTING BY OR UNDER THE AUTHORITY OR WITH THE PERMISSION OF TENANT, SUBTENANTS, OR ANY OTHER PERSON ENTERING THE DEMISED PREMISES UNDER EXPRESS OR IMPLIED INVITATION OF TENANT DURING THE LEASE TERM; AND FROM ALL FINES, SUITS, PROCEDURES, CLAIMS AND ACTIONS OF ANY KIND ARISING OUT OF TENANT'S (OR TENANT'S OFFICERS, REPRESENTATIVES, AGENTS, EMPLOYEES, INVITEES, LICENSEES, CUSTOMERS, CONCESSIONAIRES, CONTRACTORS, SUBCONTRACTORS, ANY PERSON ACTING BY OR UNDER THE AUTHORITY OR WITH THE PERMISSION OF TENANT, SUBTENANTS, OR ANY OTHER PERSON ENTERING THE DEMISED PREMISES UNDER EXPRESS OR IMPLIED INVITATION OF TENANT) FAILURE TO PROVIDE ALL INFORMATION, MAKE ALL SUBMISSIONS AND TAKE ALL STEPS REQUIRED BY THE AUTHORITY UNDER THE CLEANUP LAWS OR ANY OTHER LAW (ENVIRONMENTAL OR OTHERWISE). TENANT'S OBLIGATIONS AND LIABILITIES UNDER THIS SUBPARAGRAPH SHALL CONTINUE (AND SURVIVE THE TERMINATION OR EXPIRATION OF THIS LEASE) SO LONG AS THERE MAY BE HAZARDOUS MATERIALS AT THE DEMISED PREMISES AND/OR ANY PORTION OF THE COMMON FACILITIES, THAT WERE INSTALLED, STORED, USED, TREATED, TRANSPORTED, DISPOSED OF OR DISCHARGED DURING THE LEASE TERM BY TENANT, OR TENANT'S OFFICERS, REPRESENTATIVES, AGENTS, EMPLOYEES, INVITEES, LICENSEES, CUSTOMERS, CONCESSIONAIRES, CONTRACTORS, SUBCONTRACTORS, ANY PERSON ACTING BY OR UNDER THE AUTHORITY OR WITH THE PERMISSION OF TENANT, SUBTENANTS, OR ANY OTHER PERSON ENTERING THE DEMISED PREMISES UNDER EXPRESS OR IMPLIED INVITATION OF TENANT. IN ADDITION TO AND NOT IN LIMITATION OF LANDLORD'S OTHER RIGHTS AND REMEDIES, TENANT'S FAILURE TO ABIDE BY THE TERMS OF THIS SECTION SHALL BE RESTRAINABLE BY INJUNCTION.

C. Tenant shall promptly supply Landlord with copies of any notices, correspondence and submissions made by Tenant to or received by Tenant from any governmental authorities of the United States Environmental Protection Agency, the United States Occupational Safety and Health Administration, or any other local, state or federal authority that requires submission of any information concerning environmental matters or Hazardous Materials.

D. Tenant's obligations and liability pursuant to the terms of this Paragraph 21.1 shall survive the expiration or earlier termination of this Lease."

O. Amendment to Paragraph 22. Paragraph 22 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

22. Default by Tenant: The following events shall be deemed to be events of default by Tenant under this Lease:

A. Failure of Tenant to pay any installment of rent or to pay or cause to be paid taxes (to the extent Tenant is obligated to pay or cause same to be paid), utilities, or insurance premiums, or any other payment or sum which Tenant is to make under this Lease, on the date that same is due and such failure shall continue for a period of ten (10) days after the date on which such payment is to be made.

B. Failure of Tenant to comply with any term, condition or covenant of this Lease, other than the payment of rent or the payment of taxes, utilities or insurance premiums, or other payment Tenants is to make under this Lease, as set forth in subparagraph A. of this Paragraph 22, and such failure shall not be cured within thirty (30) days after written notice thereof to Tenant (and if such failure cannot reasonably be cured with the said thirty (30) period, Tenant may, with Landlord's prior written consent (which consent shall not be unreasonably withheld), have such additional reasonable time (as agreed upon by Landlord and Tenant) to cure such default, provided that Tenant pursues such cure with all due diligence).

C. Insolvency, the making of a transfer in fraud of creditors, or the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.

D. Filing of a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any State thereof by Tenant or any guarantor of Tenant's obligations, or adjudication as a bankrupt or insolvent in proceedings filed against Tenant or such guarantor.

E. Appointment of a receiver or trustee for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations.

F. Abandonment by Tenant for a period of six (6) consecutive months of any substantial portion of the Demised Premises or cessation of use of the Demised Premises for the purpose leased.

P. Amendment to Paragraph 26. Paragraph 26 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

26. Title to Improvements: Any and all improvements on the Demised Premises, including, without limitation, any buildings, constructed on the Demised Premises by or for Tenant, shall be owned by Tenant during the term of this Agreement. Upon the expiration or the earlier termination of this Agreement for any reason whatsoever, or upon the termination of Tenant's right to occupy the Demised Premises, all permanent and fixed improvements (including without limitation, the Building Improvements), and all parts thereof, constructed, placed, or located upon the Demised Premises shall be and become the sole property of Landlord, free and clear of any claim of Tenant and all persons or entities claim in under or through Tenant (including, without limitation, any holder of a leasehold mortgage); provided, however; (i) if Tenant is not then in default hereunder, Tenant shall have the right to remove all personal property and trade fixtures owned by Tenant from the Demised Premises, but Tenant shall be required to repair any damage to the Demised Premises caused by such removal in a good and workmanlike manner and at Tenant's sole cost and expense; and (ii) Landlord may elect to require Tenant to remove all improvements from the Demised Premises and restore the Demised Premises to the condition in which the same existed on the date hereof, in which event Tenant shall promptly perform such removal and restoration in a good and workmanlike manner and at Tenant's sole cost and expense. Upon such termination or expiration, Tenant shall deliver the Demised Premises to Landlord in good condition, reasonable wear and tear excepted, and shall, at Landlord's request, execute a recordable instrument evidencing the termination or expiration of this Lease and stating the termination or expiration date.

Q. Amendment to Paragraph 27. Paragraph 27 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

27. Mechanics' and Materialmen's Liens; Landlord's Lien:

A. **TENANT AGREES TO INDEMNIFY AND HOLD LANDLORD HARMLESS OF AND FROM ALL LIABILITY ARISING OUT OF THE FILING OF ANY MECHANICS' OR MATERIALMEN'S LIENS AGAINST THE DEMISED PREMISES BY REASON OF ANY ACT OR OMISSION OF TENANT OR ANYONE CLAIMING UNDER TENANT, AND LANDLORD, AT LANDLORD'S OPTION, MAY SATISFY SUCH LIENS AND COLLECT THE AMOUNT EXPENDED FROM TENANT**

TOGETHER WITH INTEREST THEREON AS PROVIDED IN PARAGRAPH 37 AS ADDITIONAL RENT; PROVIDED, HOWEVER, THAT LANDLORD SHALL NOT SO SATISFY SUCH LIENS UNTIL FIFTEEN (15) DAYS AFTER WRITTEN NOTIFICATION TO TENANT OF LANDLORD'S INTENTION TO DO SO AND TENANT'S FAILURE DURING SUCH FIFTEEN (15) DAY PERIOD TO BOND SUCH LIENS OR ESCROW FUNDS WITH APPROPRIATE PARTIES TO PROTECT LANDLORD'S INTEREST IN THE DEMISED PREMISES.

B. TENANT HEREBY GRANTS TO LANDLORD A CONTINUING SECURITY INTEREST TO SECURE PAYMENT OF ALL RENT AND OTHER SUMS OF MONEY COMING DUE HEREUNDER FROM TENANT, AND TO SECURE PAYMENT OF ANY DAMAGES OR LOSS WHICH LANDLORD MAY SUFFER BY REASON OF THE BREACH BY TENANT OF ANY COVENANT, AGREEMENT, OR CONDITION CONTAINED HEREIN, UPON ALL GOODS, WARES, EQUIPMENT, FIXTURES, FURNITURE, IMPROVEMENTS AND OTHER PERSONAL PROPERTY OF TENANT PRESENTLY OR WHICH MAY HEREAFTER BE SITUATED ON THE LEASED PREMISES, AND ALL PROCEEDS THEREFROM ("COLLATERAL"). TENANT WILL NOT REMOVE, OR ALLOW OTHERS TO REMOVE, ANY OF SUCH COLLATERAL FROM THE LEASED PREMISES WITHOUT LANDLORD'S PRIOR WRITTEN CONSENT; BUT TENANT MAY REMOVE COLLATERAL IN THE ORDINARY COURSE OF BUSINESS BEFORE A DEFAULT. IF A DEFAULT OCCURS, LANDLORD WILL BE ENTITLED TO EXERCISE ANY OR ALL RIGHTS AND REMEDIES UNDER THE UNIFORM COMMERCIAL CODE OR OTHERWISE PROVIDED IN THIS LEASE OR BY LAW. IN ADDITION TO ANY OTHER REMEDIES PROVIDED IN THIS LEASE OR BY LAW OR EQUITY, IN THE EVENT OF DEFAULT, LANDLORD MAY ENTER THE LEASED PREMISES AND TAKE POSSESSION OF ANY AND ALL GOODS, WARES, EQUIPMENT, FIXTURES, FURNITURE, IMPROVEMENTS AND OTHER PERSONAL PROPERTY OF TENANT SITUATED UPON THE LEASED PREMISES WITHOUT LIABILITY FOR TRESPASS OR CONVERSION. LANDLORD MAY SELL THE SAME AT A PUBLIC OR PRIVATE SALE, WITH OR WITHOUT HAVING SUCH PROPERTY AT THE SALE, AFTER GIVING TENANT REASONABLE NOTICE AS TO THE TIME AND PLACE OF THE SALE. AT SUCH SALE, LANDLORD OR ITS ASSIGNS MAY PURCHASE THE PROPERTY UNLESS SUCH PURCHASE IS OTHERWISE PROHIBITED BY LAW. UNLESS OTHERWISE PROVIDED BY LAW, THE REQUIREMENT OF REASONABLE NOTICE SHALL BE MET IF SUCH NOTICE IS GIVEN TO TENANT AT THE ADDRESS

HEREAFTER PRESCRIBED AT LEAST FIFTEEN (15) DAYS PRIOR TO THE TIME OF THE SALE. THE PROCEEDS OF ANY SUCH DISPOSITION, LESS ALL EXPENSES CONNECTED WITH THE TAKING OF POSSESSION AND SALE OF THE PROPERTY, INCLUDING A REASONABLE ATTORNEY'S FEE, SHALL BE APPLIED AS A CREDIT AGAINST THE INDEBTEDNESS SECURED BY THE SECURITY INTEREST GRANTED IN THIS PARAGRAPH. ANY SURPLUS SHALL BE PAID TO TENANT AND TENANT SHALL PAY ANY DEFICIENCIES UPON DEMAND. UPON REQUEST BY LANDLORD, TENANT WILL EXECUTE AND DELIVER TO LANDLORD A FINANCING STATEMENT IN A FORM SUFFICIENT TO PERFECT THE SECURITY INTEREST OF THE LANDLORD IN THE AFOREMENTIONED PROPERTY AND THE PROCEEDS THEREOF UNDER THE PROVISION OF THE UNIFORM COMMERCIAL CODE IN FORCE IN THE STATE OF TEXAS, AND TENANT IRREVOCABLY APPOINTS LANDLORD AS TENANT'S ATTORNEY-IN-FACT TO SIGN AND DELIVER A FINANCING STATEMENT TO LANDLORD IF TENANT FAILS OR REFUSES TO DO SO. THIS POWER-OF-ATTORNEY IS COUPLED WITH AN INTEREST. ANY STATUTORY LIEN FOR RENT IS NOT WAIVED; THE SECURITY INTEREST HEREIN GRANTED IS IN ADDITION AND SUPPLEMENTARY THERETO."

C. Notwithstanding anything to the contrary, in exercising Landlord's rights under this Paragraph 27, Landlord shall not be entitled to take possession of or withhold Tenant's right to possess Tenant's business records, books, written or printed material, and computers, or to violate the quality control concerning aircraft parts and aircraft records which are located in a clearly marked secured area.

R. Amendment to Paragraph 28. Paragraph 28 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

28. Title: Tenant accepts the Demised Premises subject to: (i) the Base Lease; (ii) Minimum Standards; (iii) the Rules and Regulations; (iv) easements and rights-of-way and (v) zoning ordinances and other ordinances, laws, statutes or regulations now in effect or hereafter promulgated by any governmental authority having jurisdiction over the Demised Premises (including, without limitation, the Town of Addison, the Federal Aviation Administration, and the Texas Department of Transportation), and (vi) any and all grant agreements or assurances regarding the Airport whether now in effect or hereafter agreed to or imposed.

S. Amendment to Paragraph 29. Paragraph 29 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

29. Quiet Enjoyment and Subordination: Landlord covenants, represents and warrants that Landlord has full right and power to execute and perform this Lease and to grant the estate demised herein, and that Tenant, upon payment of the rents herein reserved, and performance of the terms, conditions, covenants and agreements herein contained, shall (subject to all of the terms and conditions of this Lease) peaceably and quietly have, hold and enjoy the Demised Premises during the full term of this Lease; provided, however, that Tenant accepts this Lease subject and subordinate to any recorded mortgage, deed of trust or other lien presently existing upon, or to any other matter affecting, the Demised Premises. Landlord further is hereby irrevocably vested with full power and authority by Tenant to subordinate Tenant's interest hereunder to any mortgage, deed of trust or other lien now existing or hereafter placed on the Demised Premises or to declare this Lease prior and superior to any mortgage, deed of trust or other lien now existing or hereafter placed on the Demised Premises; provided, however, any such subordination shall be upon the express conditions that (i) this Lease shall be recognized by the mortgagee and that all of the rights of Tenant shall remain in full force and effect during the full term of this Lease on condition that Tenant attorn to the mortgagee, its successors and assigns, and perform all of the covenants and conditions required by the terms of this Lease, and (ii) in the event of foreclosure or any enforcement of any such mortgage, the rights of Tenant hereunder shall expressly survive and this Lease shall in all respects continue in full force and effect so long as Tenant shall fully perform all Tenant's obligations hereunder and attorn to the purchaser. Tenant also agrees upon demand to execute further instruments declaring this Lease prior and superior to any mortgage, deed of trust or other lien and specifically providing that this Lease shall survive the foreclosure of such mortgage, deed of trust or other lien.

T. Addition of Paragraph 37.1. A new Paragraph 37.1 is hereby inserted and made a part of the Ground Lease to read as follows:

37.1. Special Events: Landlord may sponsor certain special events, including, but not limited to, air shows, to be conducted on portions of the Airport, which may limit or obstruct access to the Demised Premises and/or to the Airport ("Special Events"). As a material inducement to Landlord to enter into this Lease, and notwithstanding anything to the contrary contained herein, Tenant, on behalf of Tenant and on behalf of all directors, officers, shareholders, partners, principals, employees, agents, contractors, subtenants, licensees invitees, or concessionaires of Tenant and on behalf of any other party claiming any right to use the Demised Premises by, through or under Tenant, hereby: (i) agrees that Landlord has the right to sponsor any or all Special Events and to allow use of portions of the Airport therefor even if the same limit or obstruct access to the Demised Premises and/or to the Airport (and such use for Special Events may preclude Tenant's use of all Airport facilities, except that Tenant will continue to have vehicular (excluding any aircraft) access to the Demised Premises from roadways outside of the Airport); (ii) releases, waives and discharges Landlord and Manager, and their respective officials, officers, employees and agents, from all liability for any loss, damage, cost, expense or claim arising or resulting from or pertaining to the limitation or

obstruction of access to the Demised Premises and/or to the Airport from the conduct of Special Events and/or activities relating or pertaining thereto, including, without limitation, death, injury to person or property or loss of business or revenue (the "Released Claims"); (iii) covenants not to sue the Landlord or Manager or their respective officials, officers, employees and agents (whether in their official or private capacities) for any Released Claims; (iv) agrees that the terms contained in this Section are intended and shall be construed to be as broad and inclusive as possible under the laws of the State of Texas; and (v) agrees that if any portion of this Section is held to be invalid or unenforceable, the remainder of this Paragraph shall not be affected thereby but shall continue in full force and effect.

U. Amendment to Paragraph 48. Paragraph 48 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

48. Governing Law and Venue: Survivability of Rights and Remedies: This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas and with respect to any conflict of law provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the interpretation, validity and enforcement of this Agreement, and Landlord and Tenant both irrevocably agree that venue for any dispute concerning this Lease or any of the transactions contemplated herein shall be in any court of competent jurisdiction in Dallas County, Texas. Any rights and remedies either party may have with respect to the other arising out of the performance of or failure to perform this Lease during the term hereof shall survive the cancellation, expiration or termination of this Lease.

V. Amendment to Paragraph 49. Paragraph 49 of the Ground Lease is hereby amended so that it shall hereafter read as follows:

49. Entire Agreement and Amendments. This Lease, consisting of the above and foregoing through this Paragraph 49 and Exhibits A through F attached hereto, embodies the entire agreement between Landlord and Tenant and supersedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter hereof. Except as otherwise specifically provided herein, no agreement hereafter made shall be effective to change, modify, discharge or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing and signed by or in behalf of the party against whom enforcement of the change, modification, discharge or abandonment is sought.

Section 3. No Other Amendments. Except to the extent modified or amended herein, all other terms and obligations of the Ground Lease shall remain unchanged and in full force and effect.

Section 4. Applicable Law; Venue. This Amendment shall be construed under, and in accordance with, the laws of the State of Texas, and all obligations of the parties created by this Amendment are performable in Dallas County, Texas. Venue for any action under this Amendment shall be in Dallas County, Texas.

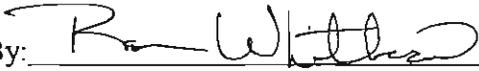
Section 5. Authority to Execute. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Amendment on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

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IN WITNESS WHEREOF, the undersigned parties execute this Agreement this 15
day of September, 2006

LANDLORD:

TOWN OF ADDISON, TEXAS

By: 
Ron Whitehead, City Manager

ATTEST:

By: 
~~Carmen Moran, City Secretary~~
Mario Canizares

TENANT:

KEY DEVELOPMENT, LLC

By: _____
Typed Name: _____
Title: _____

IN WITNESS WHEREOF, the undersigned parties execute this Agreement this 14th
day of September, 2006

LANDLORD:

TOWN OF ADDISON, TEXAS

By: _____
Ron Whitehead, City Manager

ATTEST:

By: _____
Carmen Moran, City Secretary

TENANT:

KEY DEVELOPMENT, LLC

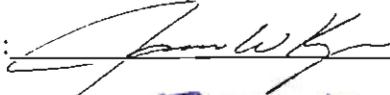
By: 
Typed Name: James W. Kelnes
Title: President

EXHIBIT A

This Ground Lease (hereinafter referred to as the "Lease") is made and entered into as of March 2, 19 84, by and among the City of Addison, Texas, a municipal corporation (hereinafter sometimes referred to as the "City"), Addison Airport of Texas, Inc., a Texas Corporation (hereinafter sometimes referred to as "AATI") and LAWSON RIDGEWAY and/or assigns to corporation (hereinafter referred to as "Tenant"), majority owned partnership or

WITNESSETH:

WHEREAS, AATI leases that certain real property (hereinafter referred to as the "demised premises") described in attached Exhibit A from the City pursuant to that certain instrument captioned Agreement for Operation of the Addison Airport (hereinafter referred to as the "Base Lease") between the City and Addison Airport, Inc. (predecessor of AATI); and

WHEREAS, the demised premises are situated at Addison Airport (hereinafter referred to as the "Airport") in Dallas County, Texas, the Airport being delineated in a plat attached hereto as Exhibit B; and

WHEREAS, the City and AATI hereby lease and demise the demised premises to Tenant, and Tenant hereby leases and takes the demised premises from the City and AATI, upon the terms and conditions set forth herein;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

1. Base Lease: All of the terms and conditions of the Base Lease are incorporated into this Lease by reference as if written verbatim herein, and Tenant by Tenant's execution hereof acknowledges that AATI has furnished Tenant with a copy of the Base Lease. Tenant agrees to fully comply at all times and in all respects with the terms and conditions of the Base Lease insofar as the same relate to the demised premises and/or the use and operation thereof, except that Tenant shall not be responsible for the payment of any rental due under the Base Lease which shall be paid by AATI.

2. Definition of Landlord and Effect of Default under the Base Lease: The term "Landlord" as hereinafter used in this Lease shall mean either AATI or the City. So long as the Base Lease is in effect, AATI shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. Upon the expiration or termination of the Base Lease, the City shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. The City agrees that (i) until such time as the City notifies Tenant to the contrary in writing, Tenant is fully authorized to make all payments due under this Lease to AATI, and (ii) that default by AATI under the Base Lease shall have no effect on this Lease so long as Tenant pays and performs its duties, covenants and obligations under this Lease.

3. Term: The term hereof shall commence on the earlier of April 1, 19 84, or the first day of the first calendar month after Tenant completes the construction hereinbelow described and opens for business at the demised premises (the applicable date being hereinafter referred to as the "Commencement Date"), and shall end four hundred eighty (480) months thereafter; provided, however, that any entry upon the demised premises by Tenant prior to the Commencement Date shall be subject to all of the terms and conditions hereof except that rental shall not accrue.

4. Rental: Subject to adjustment as hereinbelow provided, Tenant agrees to pay to Landlord, without offset or deduction, rent for the demised premises at the rate of SIXTEEN HUNDRED SIXTY-THREE AND 58/100 per month in advance. The first of such monthly installment shall be due and payable on or before the Commencement Date, and a like installment shall be due and payable on or before the first day of each calendar month thereafter during the term hereof.

5. Adjustment of Rental: Commencing on the second anniversary of the Commencement Date and on every bi-annual anniversary thereafter (hereinafter referred to as the "Adjustment Date"), the monthly rental due under paragraph 4 shall be adjusted as follows:

(i) A comparison shall be made between the Consumers' price Index-All Items for the Dallas, Texas Metropolitan Area (hereinafter referred to as the "Price Index") as it existed on the Commencement Date and as it exists on the first day of the calendar month preceding the then applicable Adjustment Date.

(ii) The monthly rental for the two (2) year period beginning with and following the then applicable Adjustment Date shall be either increased or decreased, as the case may be, by the percentage of increase or decrease in the Price Index between the Commencement Date and the then applicable Adjustment Date, but in no event shall such monthly rental ever be decreased below the monthly rental set forth in paragraph 4.

(iii) In the event that the Price Index is unavailable for whatever reason for the computations set forth hereinabove, another index approximating the Price Index as closely as feasible shall be substituted therefor.

6. Use of Demised Premises and Construction of Improvements: The demised premises shall be used and occupied by Tenant only for the following purposes: sale of aircraft and aircraft parts; aircraft maintenance and repair; aircraft storage; aircraft training; aircraft charter; and aircraft rentals; and not otherwise without the prior written consent of Landlord.

In connection with such use and occupancy, Tenant intends to construct upon the demised premises the improvements depicted in the plans and specifications.

- 1 - Metal hangar approximately 140' wide by 80' long with attached office building. Office building will have ongrade underbuilding parking and two floors of office totaling 31,000 square feet. Also, associated aircraft ramp and vehicle parking.

All construction shall be strictly in accordance with such plans and specifications, and such construction shall be performed in a first class, workmanlike manner. Tenant agrees to promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection with such construction.

7. Acceptance of Demised Premises: Tenant acknowledges that Tenant has fully inspected the demised premises and accepts the demised premises as suitable for the purpose for which the same are leased in their present condition.

8. Securing Governmental Approvals and Compliance with Law: Tenant at Tenant's sole cost and expense shall obtain any and all governmental licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the demised premises. Tenant shall comply at all times with all governmental laws, ordinances and regulations applicable to the use of the demised premises, and shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon, or connected with the demised premises, all at Tenant's sole cost and expense.

9. Assignment, Subletting and Mortgaging of Leasehold Estate:

A. Without the prior written consent of Landlord, Tenant may not assign this Lease or any rights of Tenant hereunder (except to a leasehold mortgagee as hereinbelow provided) or sublet the whole or any part of the demised premises. Any assignment or subletting shall be expressly subject to all the terms and provisions of this Lease, including the provisions of paragraph 6 pertaining to the use of the demised premises. In the event of any assignment or subletting, Tenant shall not assign Tenant's rights hereunder or sublet the demised premises without first obtaining a written agreement from each such assignee or sublessee whereby each such assignee or sublessee agrees to be bound by the terms and provisions of this Lease. No such assignment or subletting shall constitute a novation. In the event of the occurrence of an event of default while the demised premises are assigned or sublet, Landlord, in addition to any other remedies provided herein or by law, may at Landlord's option, collect directly from such assignee or subtenant all rents becoming due under such assignment or subletting and apply such rent against any sums due to Landlord hereunder. No direct collection by Landlord from any such assignee or subtenant shall release Tenant from the payment or performance of Tenant's obligations hereunder.

B. Tenant shall have the right to mortgage the leasehold estate of Tenant created hereby in order to secure a mortgage loan for the purpose of obtaining funds for the construction of the improvements described in paragraph 6 or for other construction upon the demised premises approved from time to time by Landlord in writing. In the event that Tenant pursuant to mortgages or deeds of trust mortgages the leasehold estate of Tenant created hereby, the leasehold mortgagee shall in no event become personally liable to perform the obligations of Tenant under this Lease unless and until said mortgagee becomes the owner of the leasehold estate pursuant to foreclosure, transfer in lieu of foreclosure, or otherwise, and thereafter said leasehold mortgagee shall remain liable for such obligations only so long as such mortgagee remains the owner of the leasehold estate. Notwithstanding the foregoing, it is specifically understood and agreed that no such mortgaging by Tenant and/or any actions taken pursuant to the terms of such mortgage shall ever relieve Tenant of Tenant's obligation to pay the rental due hereunder and otherwise fully perform the terms and conditions of this Lease.

C. All mortgages or deeds of trust whereby Tenant mortgages the leasehold estate of Tenant created hereby shall contain provisions (i) requiring the leasehold mortgagee to give Landlord fifteen (15) days written notice prior to accelerating the debt of Tenant to such mortgagee and/or initiating foreclosure proceedings under said mortgages or deeds of trust, and (ii) allowing Landlord during such fifteen (15) day notice period to cure Tenant's default and prevent said acceleration and/or foreclosure proceedings, and thereafter at Landlord's option to assume Tenant's position under said mortgages or deeds of trust.

D. Landlord agrees, if and so long as the leasehold estate of Tenant is encumbered by a leasehold mortgage and written notice to such effect has been given to Landlord, to give the holder of such leasehold mortgage at such address or addresses as may be specified in such written notice to Landlord for the giving of notices to the leasehold mortgagee, or as otherwise may be specified by the leasehold mortgagee to Landlord in writing, written notice of any default hereunder by Tenant, simultaneously with the giving of such notice to Tenant, and the holder of any such leasehold mortgage shall have the right, for a period of fifteen (15) days after the receipt of such notice or within any longer period of time specified in such notice, to take such action or to make payment as may be necessary or appropriate to cure any such default so specified, it being the intention of the parties hereto that Landlord shall not exercise Landlord's right to terminate this Lease without first giving any such leasehold mortgagee the notice provided for herein and affording any such leasehold mortgagee the right to cure such default as provided for herein.

E. Landlord further agrees to execute and deliver to any proposed leasehold mortgagee of Tenant a "Non-Disturbance Agreement" wherein Landlord agrees that Landlord will (i) recognize such mortgagee and its successors and assigns after foreclosure, or transfer in lieu of foreclosure, as Tenant hereunder, and (ii) continue to perform all of Landlord's obligations hereunder so long as such mortgagee or its successors and assigns performs all of the obligations of Tenant hereunder. Landlord also agrees to execute and deliver to such proposed leasehold mortgagee any other documents which such proposed leasehold mortgagee may reasonably request concerning the mortgaging by Tenant of the leasehold estate created hereby; provided, however, that Landlord shall never be required to subordinate Landlord's interest in the demised premises to the mortgage of such proposed leasehold mortgagee.

10. **Property Taxes and Assessments:** Tenant shall pay any and all property taxes or assessments levied or assessed on the improvements on the demised premises, the personal property and fixtures on the demised premises, and, if applicable, upon the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord a "paid receipts" or other written evidence that all such taxes have been paid by Tenant.

11. **Maintenance and Repair of Demised Premises:**

A. Tenant shall, throughout the term hereof, maintain in good repair and condition all the demised premises and all fixtures, equipment and personal property on the demised premises and keep them free from waste or nuisance and, at the expiration or termination of this Lease, deliver up the demised premises clean and free of trash and in good repair and condition, with all fixtures and equipment situated in the demised premises in working order, reasonable wear and tear excepted.

B. In the event Tenant shall fail to so maintain the demised premises and the fixtures, equipment and personal property situated thereon, Landlord shall have the right (but not the obligation) to cause all repairs or other maintenance to be made and the reasonable costs therefor expended by Landlord plus interest thereon as provided in paragraph 37 shall be paid by Tenant on demand.

12. **Alterations, Additions and Improvement.** After completion of the improvements described in paragraph 6, Tenant shall not create any openings in the roof or exterior walls, or make any alterations, additions or improvements to the demised premises without the prior written consent of Landlord. Consent for non-structural alterations, additions or improvements shall not be unreasonably withheld by Landlord. Tenant shall have the right to erect or install shelves, bins, machinery, air conditioning or heating equipment and trade fixtures, provided that Tenant complies with all applicable governmental laws, ordinances and regulations.

All alterations, additions and improvements in and to the demised premises shall be performed in a first class, workmanlike manner, and Tenant shall promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection therewith.

13. **Insurance.** Tenant shall during the term hereof maintain at Tenant's sole cost and expense insurance relating to the demised premises as follows:

(i) Insurance against loss or damage to improvements by fire, lightning, and other risks from time to time included under standard extended coverage policies, and sprinkler, vandalism and malicious mischief, all in amounts sufficient to prevent Landlord or Tenant from becoming co-insurers of any loss under the applicable policies but in any event in amounts not less than eighty percent (80%) of the full insurable value of the demised premises. The term "full insurable value" as used herein means actual replacement value at the time of such loss. Upon request, such replacement value shall be determined by a qualified appraiser, a copy of whose findings shall be submitted to Landlord, and, therefore, proper adjustment in the limits of insurance coverage shall be effected.

(ii) General public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the demised premises, such insurance to afford protection to Landlord of not less than \$500,000.00 with respect to any one person, \$1,000,000.00 with respect to any one accident and not less than \$200,000.00 with respect to property damage.

(iii) Workman's compensation insurance covering all persons employed by Tenant in connection with any work done on or about the demised premises with respect to which claims for death or bodily injury could be asserted against Landlord or the demised premises, or in lieu of such workman's compensation insurance, a program of self-insurance complying with the rules, regulations and requirements of the appropriate state agency of the State of Texas.

(iv) If applicable, boiler and pressure vessel insurance on all steam boilers, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, erupting, collapsing, imploding or exploding, in the minimum amount of \$100,000.00 for damage to property resulting from such perils.

(v) Such other insurance on improvements in such amounts and against such other insurable hazard which at the time are commonly obtained in the case of property similar to such improvements.

(vi) Hangar keeper's liability insurance providing for coverage in the following limits: \$200,000.00 per aircraft and \$400,000.00 per occurrence on property damage to aircraft in the care, custody or control of Tenant.

(vii) During any period of construction, a Builder's Risk Completed Value policy with an all risks endorsement.

All such policies of insurance (i) shall be issued by insurance companies acceptable to Landlord, (ii) shall name Landlord as an additional insured or loss payee, as the case may be, and (iii) shall provide for at least ten (10) days written notice to Landlord prior to cancellation or modification. Tenant shall provide Landlord with duplicate originals of all insurance policies required by this paragraph.

14. **Casualty Damage or Destruction:**

A. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, Tenant will promptly give written notice thereof to Landlord, generally describing the nature and extent of such damage and/or destruction.

B. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, Tenant, whether or not the insurance proceeds, if any, payable on account of such damage and/or destruction shall be sufficient for such purpose, at Tenant's sole cost, risk and expense will promptly commence and complete the restoration, repair and replacement of said buildings, structures and equipment as nearly as possible to their value, condition and character immediately prior to such damage and/or destruction, with such alterations in and additions thereto as may be approved in writing by Landlord (hereinafter sometimes referred to as the "Restoration").

C. All insurance proceeds, if any, payable on account of such damage to or destruction of the buildings, structures and equipment on the demised premises shall be held by Landlord. Landlord shall be protected in acting upon any certificate believed by Landlord to be genuine and to have been executed by the proper party and shall receive such certificate as conclusive evidence of any fact or as to any matter therein set forth. Such certificate shall be full warranty, authority and protection to Landlord in acting thereon, and Landlord shall be under no duty to take any action other than as set forth in this paragraph 14.

D. Insurance proceeds received by Landlord on account of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof (less the costs, fees and expenses incurred by Landlord and Tenant in the collection thereof, including, without limitation, adjuster's and attorney's fees and expenses) shall be applied as follows:

(i) Net insurance proceeds as above defined shall be paid to Tenant or as Tenant may direct from time to time as Restoration progresses to pay (or reimburse Tenant for) the cost of Restoration, upon written request of Tenant to Landlord accompanied by (a) certificate of a supervising architect or engineer approved by Landlord, describing in reasonable detail the work and material in question and the cost thereof, stating that the same were necessary or appropriate to the Restoration and constitute a complete part thereof, and that no part of the cost thereof has theretofore been reimbursed, and specifying the additional amount, if any, necessary to complete the Restoration, and (b) an opinion of counsel satisfactory to Landlord that there exist no mechanics', materialmen's or similar liens for labor or materials except such, if any, as are discharged by the payment of the amount requested.

(ii) Upon receipt by Landlord of evidence of the character required by the foregoing clauses (i)(a) and (b) that Restoration has been completed and the cost thereof paid in full, and that there are no mechanics', materialmen's or similar liens for labor or materials supplied in connection therewith, the balance, if any, of such proceeds shall be paid to Tenant or as Tenant may direct.

E. In the event that Tenant does not promptly commence Restoration, or after commencement Tenant does not diligently proceed to the completion of same, Landlord shall have the right to commence or complete Restoration after Landlord has given Tenant thirty (30) days prior written notice requesting the commencement of Restoration or that Tenant diligently proceeds to the completion of same if Tenant during such thirty (30) day period does not so commence or proceed to diligently complete Restoration. In such event, Landlord shall retain the Insurance proceeds, and Tenant shall pay any deficiency if such proceeds are not sufficient for Restoration.

15. Condemnation:

A. If during the term hereof, any part of the demised premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, or are sold to a condemning authority under threat of condemnation, and after such taking by or sale to said condemning authority the remainder of the demised premises is not susceptible to efficient and economic occupation and operation by Tenant, this Lease shall automatically terminate as of the date that said condemning authority takes possession of the demised premises, and Landlord shall refund to Tenant any prepaid but unaccrued rental less any sum then owing by Tenant to Landlord.

B. If after such taking by or sale to said condemning authority the remainder of the demised premises is susceptible to efficient and economic occupation and operation by Tenant, this Lease shall not terminate but the rental due hereunder shall be adjusted so that Tenant shall be required to pay for the remainder of the term hereof the sum obtained by multiplying each monthly rental installment due hereunder, as adjusted from time to time pursuant to paragraph 5, by a fraction, the numerator of which shall be the number of square feet remaining in the demised premises after the taking by or sale to said condemning authority and denominator of which shall be the square footage originally contained in the demised premises. The rental adjustment called for herein shall not commence until said condemning authority actually takes possession of the condemned portion of the demised premises.

C. If this Lease is not terminated pursuant to Section A, Tenant shall promptly restore the improvements on the demised premises, and the condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid first to cover the costs and expenses for restoring the remaining portion of the demised premises to a condition susceptible to efficient and economic occupation and operation by Tenant, and any remaining proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant, as their interest may appear. If this Lease is terminated pursuant to Section A, condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant as their interests may appear.

16. Utilities. Tenant shall be responsible for Tenant's sole cost and expense for obtaining all utility connections at or for the demised premises and Tenant shall pay all charges for water, electricity, gas, sewer, telephone or any other utility connections, tap-in fees and services furnished to the demised premises during the term hereof. Landlord shall in no event be liable or responsible for any cessation or interruption in any such utility services.

17. Common Facilities. Tenant and Tenant's employees, agents, servants, customers and other invitees shall have the non-exclusive right to use all common facilities, improvements, equipment and services which may now exist or which may hereafter be provided by Landlord for the accommodation and convenience of Landlord's customers and tenants, including landing and takeoff facilities, means of ingress and egress to the demised premises, other airport installations, and all other reasonable services which may be provided without charge from time to time by Landlord in operating the Airport. All such common facilities shall at all times be under the exclusive control and management of Landlord and may be rearranged, modified, changed or terminated from time to time at Landlord's sole discretion.

18. Rules and Regulations. Landlord has adopted Rules and Regulations (hereinafter referred to as the "Rules and Regulations") which shall govern Tenant in the use of the demised premises and all common facilities, a copy of which has been furnished to Tenant. The Rules and Regulations are incorporated by reference as if written verbatim herein, and Tenant agrees to comply fully at all times with the Rules and Regulations. Landlord shall have the right to amend, notify and alter the Rules and Regulations from time to time in a reasonable manner for the purpose of assuring the safety, welfare and convenience of Landlord, Tenant and all other Tenants and customers of the Airport.

19. Signs and Equipment. After first securing Landlord's approval which will not be unreasonably withheld, Tenant shall have the right from time to time to install and operate advertising signs and radio, communications, meteorological, aerial navigation and other equipment and facilities in or on the demised premises that may be reasonably necessary for the operation of Tenant's business.

20. Landlord's Right of Entry. Landlord and Landlord's authorized representatives shall have the right, during the normal business hours, to enter the demised premises (i) to inspect the general condition and state of repair thereof, (ii) to make repairs permitted under this Lease, (iii) to show the demised premises to any prospective tenant or purchaser or (iv) for any other reasonable and lawful purpose.

During the final one hundred eighty (180) days of the term hereof, Landlord and Landlord's authorized representatives shall have the right to erect and maintain on or about the demised premises customary signs advertising the demised premises for lease or for sale.

21. Indemnity and Exculpation:

A. Landlord shall not be liable to Tenant or to Tenant's employees, agents, servants, customers, invitees, or to any other person whomsoever, for any injury to persons or damage to property on or about the demised premises or any adjacent area owned by Landlord caused by the negligence or misconduct of Tenant, Tenant's employees, servants, customers, invitees, subtenants, licensees or concessionaires or any other person entering the demised premises under express or implied invitation of Tenant, or arising out of the use of the demised premises by Tenant and the conduct of Tenant's business thereon, or arising out of any breach or default by Tenant in the performance of Tenant's obligations hereunder; and Tenant hereby agrees to indemnify Landlord and hold Landlord harmless from any loss, expense or claims arising out of such damage or injury.

B. Landlord and Landlord's agents and employees shall not be liable to Tenant for any injury to persons or damage to property resulting from the demised premises becoming out of repair or by defect in or failure of equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the demised premises, regardless of the source, or dampness or by fire, explosion, falling plaster or ceiling or for any other reason whatsoever. Landlord shall not be liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of Landlord or caused by operations in construction of any private, public or quasi-public work, or of any other persons whomsoever, excepting only duly authorized agents and employees of Landlord.

22. Default by Tenant. The following events shall be deemed to be events of default by Tenant under this Lease:

A. Failure of Tenant to pay any installment of rent or any other sum payable to Landlord hereunder on the date that same is due and such failure shall continue for a period of ten (10) days.

B. Failure of Tenant to comply with any term, condition or covenant of this Lease, other than the payment of rent or other sum of money, and such failure shall not be cured within thirty (30) days after written notice thereof to Tenant.

C. Insolvency, the making of a transfer in fraud of creditors, or the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.

D. Filing of a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any State thereof by Tenant or any guarantor of Tenant's obligations, or adjudication as a bankrupt or insolvent in proceedings filed against Tenant or such guarantor.

E. Appointment of a receiver or trustee for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations.

F. Abandonment by Tenant of any substantial portion of the demised premises or cessation of use of the demised premises for the purpose leased.

23. Remedies of Landlord. Upon the occurrence of any of the events of default listed in paragraph 22, Landlord shall have the option to pursue any one or more of the following remedies without the notice or demand whatsoever:

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

B. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to so surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or arrears in rent, enter upon and take possession of the demised premises and expel or remove Tenant and any other person who may be occupying the demised premises or any part thereof, without being liable for prosecution or any claim for damages therefor. Tenant shall pay to Landlord on the date of such termination damages in any amount equal to the excess, if any, of the total amount of all monthly rental and other amounts to be paid by Tenant to Landlord hereunder for the period which would otherwise have constituted the unexpired portion of the term of this Lease over the then fair market rental value of the demised premises for such unexpired portion of the term of this Lease.

C. Enter upon and take possession of the demised premises without terminating this Lease and without being liable for prosecution or for any claim for damages therefor, and expel or remove Tenant and any other person who may be occupying the demised premises or any part thereof. Landlord may relet the demised premises and receive the rent therefor. Tenant agrees to pay to Landlord monthly or on

demand from time to time any deficiency that may arise by reason of any such rental. In determining the amount of such deficiency, brokerage commissions, attorneys' fees, remodeling expenses and other costs of curing shall be subtracted from the amount of rent received under such relating.

D. Enter upon the demised premises without terminating this Lease and without being liable for prosecution or for any claim for damages therefor, and do whatever Tenant is obligated to do under the terms of this Lease. Tenant agrees to pay Landlord on demand for expenses which Landlord may incur in thus affecting compliance with Tenant's obligations under this Lease, together with interest thereon at the rate of ten percent (10%) per annum from the date expended until paid. Landlord shall not be liable for any damages resulting to Tenant from such action, whether caused by negligence of Landlord or otherwise.

Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to Landlord hereunder or of any damages accruing to Landlord by reason of the violation of any of the terms, conditions and covenants herein contained.

24. **Default by Landlord.** No default by Landlord hereunder shall constitute an eviction or disturbance of Tenant's use and possession of the demised premises or render Landlord liable for damages or entitle Tenant to be relieved from any of Tenant's obligations hereunder (including the obligation to pay rent) or grant Tenant any right of deduction, abatement, set-off or recoupment or entitle Tenant to take any action whatsoever with regard to the demised premises or Landlord until thirty (30) days after Tenant has given Landlord written notice specifically setting forth such default by Landlord, and Landlord has failed to cure such default within said thirty (30) day period, or in the event such default cannot be cured within said thirty (30) day period then within an additional reasonable period of time so long as Landlord has commenced curative action within said thirty (30) day period and thereafter is diligently attempting to cure such default. In the event that Landlord fails to cure such default within said thirty (30) day period, or within said additional reasonable period of time, Tenant shall have the right to:

(i) Proceed to cure such default and deduct the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum from the next succeeding rental installment(s) due by Tenant to Landlord hereunder; or

(ii) Proceed to cure such default and bring suit against Landlord for the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum.

If any mortgagee of Landlord has given Tenant its address for notices and specifically requests such notice, Tenant agrees to give the notice required hereinabove to such mortgagee at the time Tenant gives same to Landlord, and to accept curative action, if any, undertaken by such mortgagee as if such curative action had been taken by Landlord.

25. **Waiver of Subrogation.** Each party hereto waives any and every claim which arises or may arise in such party's favor against the other party hereto during the term of this Lease for any and all loss of, or damage to, any of such party's property located within or upon, or constituting a part of, the demised premises, which loss or damage is covered by valid and collectible fire and extended coverage insurance policies, to the extent that such loss or damage is recoverable under such insurance policies. Such mutual waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Lease with respect to any loss of, or damage to, property of the parties hereto. Inasmuch as such mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation or otherwise to an insurance company (or any other person), each party hereby agrees immediately to give to each insurance company which has issued to such party policies of fire and extended coverage insurance, written notice of the terms of such mutual waivers, and to cause such insurance policies to be properly endorsed, if necessary, to prevent the invalidation of such insurance coverages by reason of such waivers.

26. **Title to Improvements.** Any and all improvements on the demised premises shall become the property of Landlord upon the expiration or termination of this Lease; provided, however: (i) If Tenant is not then in default hereunder, Tenant shall have the right to remove all personal property and trade fixtures owned by Tenant from the demised premises, but Tenant shall be required to repair any damage to the demised premises caused by such removal in a good and workmanlike manner and at Tenant's sole cost and expense; and (ii) Landlord may elect to require Tenant to remove all improvements from the demised premises and restore the demised premises to the condition in which the same existed on the date hereof, in which event Tenant shall promptly perform such removal and restoration in a good and workmanlike manner and at Tenant's sole cost and expense.

27. **Mechanics' and Materialmen's Liens.** Tenant agrees to indemnify and hold Landlord harmless of and from all liability arising out of the filing of any mechanics' or materialmen's liens against the demised premises by reason of any act or omission of Tenant or anyone claiming under Tenant, and Landlord, at Landlord's option, may satisfy such liens and collect the amount expended from Tenant together with interest thereon as provided in paragraph 37 as additional rent; provided, however, that Landlord shall not so satisfy such liens until fifteen (15) days after written notification to Tenant of Landlord's intention to do so and Tenant's failure during such fifteen (15) day period to bond such liens or escrow funds with appropriate parties to protect Landlord's interest in the demised premises.

28. **Title.** Tenant accepts the demised premises subject to: (i) the Base Lease; (ii) the Rules and Regulations; (iii) easements and rights-of-way and (iv) zoning ordinances and other ordinances, laws, statutes or regulations now in effect or hereafter promulgated by any governmental authority having jurisdiction over the demised premises.

29. **Quiet Enjoyment and Subordination.** Landlord covenants, represents and warrants that Landlord has full right and power to execute and perform this Lease and to grant the estate demised herein, and that Tenant, upon payment of the rents herein reserved, and performance of the terms, conditions, covenants and agreements herein contained, shall peacefully and quietly have, hold and enjoy the demised premises during the full term of this Lease; provided, however, that Tenant accepts this Lease subject and subordinate to any recorded mortgage, deed of trust or other lien presently existing upon the demised premises. Landlord further is hereby irrevocably vested with full power and authority by Tenant to subordinate Tenant's interest hereunder to any mortgage, deed of trust or other lien now existing or hereafter placed on the demised premises or to declare this Lease prior and superior to any mortgage, deed of trust or other lien now existing or hereafter placed on the demised premises; provided, however, any such subordination shall be upon the express conditions that (i) this Lease shall be recognized by the mortgagee and that all of the rights of Tenant shall remain in full force and effect during the full term of this Lease on condition that Tenant attorn to the mortgagee, its successors and assigns, and perform all of the covenants and conditions required by the terms of this lease, and (ii) in the event of foreclosure or any enforcement of any such mortgage, the rights of Tenant hereunder shall expressly survive and this Lease shall in all respects continue in full force and effect so long as Tenant shall fully perform all Tenant's obligations hereunder and attorn to the purchaser. Tenant also agrees upon demand to execute further instruments declaring this Lease prior and superior to any mortgage, deed or trust or other lien and specifically providing that this Lease shall survive the foreclosure of such mortgage, deed of trust or other lien.

30. **Rent on Net Return Basis.** Except for the rental due under the Base Lease during the time that AAT is the Landlord hereunder, it is intended that the rent provided for in this Lease shall be an absolutely net return to Landlord for the term of this Lease, free of any loss, expenses or charges with respect to the demised premises, including, without limitation, maintenance, repairs, replacement, insurance, taxes and assessments, and this Lease shall be construed in accordance with and to effectuate such intention.

31. **Holding Over.** Should Tenant, or any of Tenant's successors in interest fail to surrender the demised premises, or any part thereof, on the expiration of the term of this Lease, such holding over shall constitute a tenancy from month to month only terminable at any time by either Landlord or Tenant after thirty (30) days prior written notice to the other, at a monthly rental equal to two hundred percent (200%) of the rent paid for the last month of the term of this Lease.

32. **Waiver of Default.** No waiver by the parties hereto of any default or breach of any term, condition or covenant of this Lease shall be deemed to be a waiver of any subsequent default or breach of the same or any other term, condition or covenant contained herein.

33. **Release of Landlord Upon Transfer.** All of Landlord's personal liability for the performance of the terms and provisions of this Lease (except for any liability accruing prior to such transfer) shall terminate upon a transfer of the demised premises by Landlord, provided that the obligations of Landlord under this Lease are covenants running with the land and shall be binding upon the transferee of Landlord's interest in this Lease and the demised premises.

34. **Attorneys' Fees.** If, on account of any breach or default by Landlord or Tenant of their respective obligations under this Lease, it shall become necessary for the other to employ an attorney to enforce or defend any of such party's rights or remedies hereunder, and should such party prevail, such party shall be entitled to collect reasonable attorneys' fees incurred in such connection from the other party.

35. **Financial Information.** Tenant agrees that Tenant will from time to time upon the written request of Landlord during the term of this Lease furnish to Landlord such credit and banking references as Landlord may reasonably request.

36. **Estoppel Certificates.** Tenant agrees that from time to time, upon not less than ten (10) days' prior written request by Landlord, Tenant will deliver to Landlord a statement in writing certifying that:

A. This Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease as modified is in full force and effect and stating the modifications).

B. The dates to which rent and other charges have been paid.

C. Landlord is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.

D. If requested by Landlord, Tenant will not pay rent for more than one (1) month in advance and that this Lease will not be amended without notice to Landlord's mortgagee and that the same will not be terminated without the same notice required by the Lease to be

furnished to Landlord also being furnished to Landlord's mortgagee and Landlord's mortgagee fails to cure such default within the curative period allowed Landlord under this Lease.

Landlord agrees that from time to time, upon not less than ten (10) days' prior written request by Tenant, Landlord will deliver to Tenant a statement in writing certifying that:

A. This Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease as modified is in full force and effect and stating the modifications).

B. The dates to which rent and other charges have been paid.

C. Tenant is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.

37. Interest on Tenant's Obligations and Manner of Payment. All monetary obligations of Tenant to Landlord under this Lease remaining unpaid ten (10) days after the due date of the same (if no due date has been established under other provisions hereof, the "due date" shall be the date upon which Landlord demands payment from Tenant in writing) shall bear interest at the rate of ten percent (10%) per annum from and after said tenth (10th) day until paid. If more than twice during the term of the Lease Tenant's personal or corporate check is not paid by the bank on which it is drawn for whatever reason, Landlord may require by giving written notice to Tenant that the payment of all future monetary obligations of Tenant under this Lease are to be made on or before the due date by cash, cashier's check, certified check or money order, and the delivery of Tenant's personal or corporate check will no longer constitute payment of such monetary obligations. Any acceptance by Landlord of a personal or corporate check after such notice shall not be deemed or construed as a waiver or estoppel of Landlord to require other payments as required by said notice.

38. Independent Contractor. It is understood and agreed that in leasing and operating the demised premises, Tenant is acting as an independent contractor and is not acting as agent, partner, joint venturer or employee of Landlord.

39. Force Majeure. In the event performance by Landlord of any term, condition or covenant in this Lease is delayed or prevented by any Act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, civil riot, flood, or any other cause not within the control of Landlord, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Landlord is so delayed or hindered.

40. Exhibits. All exhibits, attachments, annexed instruments and addenda referred to herein shall be considered a part hereof for all purposes with the same force and effect as if copied verbatim herein.

41. Use of Language. Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular shall be held to include the plural, unless the context otherwise requires.

42. Captions. The captions or headings or paragraphs in this Lease are inserted for convenience only, and shall not be considered in construing the provisions hereof if any question of intent should arise.

43. Successors. The terms, conditions and covenants contained in this Lease shall apply to, inure to the benefit of, and be binding upon the parties hereto and their respective successors in interest and legal representatives except as otherwise herein expressly provided. All rights, powers, privileges, immunities and duties of Landlord under this Lease, including, but not limited to, any notices required or permitted to be delivered by Landlord to Tenant hereunder, may, at Landlord's option, be exercised or performed by Landlord's agent or attorney.

44. Severability. If any provision in this Lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

45. Notices. Any notice or document required or permitted to be delivered hereunder may be delivered in person or shall be deemed to be delivered, whether actually received or not, when deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed to the parties at the addresses indicated below, or at such other addresses as may have theretofore been specified by written notice delivered in accordance herewith.

LANDLORD:

Addison Airport of Texas, Inc.
P. O. Box 34067
Dallas, Texas 75234

City of Addison, Texas

P O Box 144

Addison, Texas 75001

TENANT:

Lawson Ridgeway
13601 Preston Road, Suite C-13
Dallas, Texas 75240

46. Fees or Commissions. Each party hereto hereby covenants and agrees with the other that such party shall be solely responsible for the payment of any brokers', agents' or finders' fees or commissions agreed to by such party arising from the execution of this Lease or the performance of the terms and provisions contained herein, and such party agrees to indemnify and hold the other party harmless from the payment of any such fees or commissions.

47. Counterparts. This Lease may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

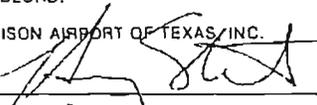
48. Governing Law and Venue. This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas, and Landlord and Tenant both irrevocably agree that venue for any dispute concerning this Lease or any of the transactions contemplated herein shall be in any court of competent jurisdiction in Dallas County, Texas.

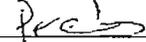
49. Entire Agreement and Amendments. This Lease, consisting of forty-nine (49) paragraphs and Exhibits A through B attached hereto, embodies the entire agreement between Landlord and Tenant and supersedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter hereof. Except as otherwise specifically provided herein, no agreement hereafter made shall be effective to change, modify, discharge or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing and signed by or in behalf of the party against whom enforcement of the change, modification, discharge or abandonment is sought.

EXECUTED as of the day month and year first above written.

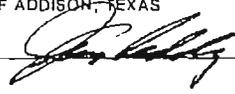
LANDLORD:

ADDISON AIRPORT OF TEXAS, INC.

By: 

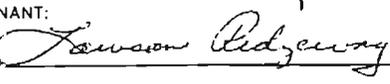
Its: 

CITY OF ADDISON, TEXAS

By: 

Its: _____

TENANT:

By: 

Its: _____

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Henry Stuart
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 16 day of March, 19 84.

Ossettby L James
Notary Public
Dallas
County, Texas

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Henry Redding
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purpose and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 12th day of April, 19 84.

James Sharp
Notary Public
Dallas
County, Texas



STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Laurson Ridgen
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 16 day of March, 19 84.

Joe Renshaw
Notary Public
Dallas
County, Texas

AGREEMENT FOR
OPERATION OF THE ADDISON AIRPORT
BETWEEN
THE CITY OF ADDISON, TEXAS
AND
ADDISON AIRPORT, INC.

THIS AGREEMENT, made and entered into the 30th day of December, 1976, by and between the CITY OF ADDISON, TEXAS, a municipal corporation acting by and through the City Council (hereinafter "City") and ADDISON AIRPORT, INC., a Texas corporation (hereinafter "Company"), with an address at P.O. Box 34067, Dallas, Texas 75234.

WITNESSETH:

WHEREAS, the City has entered into a Contract of Sale whereby the City will acquire the principal portions of the existing Airport known as Addison Airport, in Dallas County, Texas, it being contemplated that the City will purchase approximately three hundred sixty-four (364) acres ("Property"), in part with federal funds available for such purpose, the Property being reflected and described on Exhibit "1" attached hereto.

WHEREAS, the City and the Company are desirous of having the Company operate and conduct all lawful, reasonable and appropriate activity at the Airport for the use of the general public and generally in accordance with the operations description set forth in Section 7 hereof, and

WHEREAS, in the exercise of its lawful authority, the City has entered into that certain Grant Agreement with the United States of America (acting through the Federal Aviation Administration (FAA), dated December 30, 1976, for the purpose of obtaining funds for the acquisition of the Property.

WHEREAS, the Company agrees to carry out the terms and conditions set forth in that certain Grant Agreement; and

WHEREAS, the City, during the term of this Agreement, agrees to consult with the FAA on the adjustment or modification of any term or condition in the Grant Agreement which because of the peculiar circumstances of the Airport operation the Company believes to be unworkable or impractical; and

WHEREAS, it has been found and determined by the City in accordance with its lawful duties, that it is essential, appropriate and necessary for its public purposes and for the public to acquire such adequate general aviation facilities; and

WHEREAS, the Mayor of the City of Addison has been duly authorized and empowered to execute the Agreement; and

WHEREAS, it is the intention of the parties that the Airport shall be operated in a manner as would be accomplished by a reasonably prudent airport operator and in accordance with sound business practices;

NOW, THEREFORE, for and in consideration of the mutual covenants, conditions and agreements herein set forth, the parties hereto hereby agree and contract as follows:

The City hereby leases to Company, and the Company hereby takes, upon the terms and conditions hereinafter specified, the following premises:

- (i) the land described in Exhibit "1" as the Property and the Improvements thereon owned by the City;
- (ii) all easements, rights and appurtenances relating to the land (all property described in clauses (i) and (ii) above is herein sometimes collectively called the "Leased Premises"); and
- (iii) City hereby assigns to Company all of its right, title and interest in and to the leases set forth in Exhibit "B" to the Contract of Sale.

As consideration for this Agreement, and in addition to the rents payable hereunder, the Company agrees to pay to the City the sum of Eight Hundred Thousand (\$800,000.00) Dollars, in cash, said payment to be made simultaneous with the release of this Agreement from escrow pursuant to that certain Escrow Agreement dated December 30, 1976, by and between the City, Company and Southwest Land and Title Company ("Escrow Agreement").

In the event this Agreement is not delivered out of escrow to the City and is returned to Company by reason of the Escrow Agreement, the Company shall have no liability for any payment to the City hereunder and this entire Agreement shall be null and void and of no force or effect as of the date this Agreement is executed.

Section 1. Definitions

- (a) "Airport" means the Addison Airport as shown on Exhibit "2" hereof;
- (b) "Improvements" means all improvements that specifically serve the Airport, including, but not limited to, streets, roadways, parking areas, aprons, runways, sewers and waterlines, all buildings and structures and additions, substitutions, accessions, and replacements thereon on the Leased Premises.
- (c) "Gross Receipts" means all monies paid to the Company for sales made and for services rendered or agreed to be rendered at or from the Airport regardless of the time or place of receipt of the order therefor, and for sales made and for services rendered or agreed to be rendered outside the Airport if the order therefor is received at the Airport, the charges, rentals, fees and other payments of whatever kind of nature paid to the Company under any lease, sublease, permit, license, or any other agreement, oral or written, relating to the Airport, all landing, parking and other fees and charges paid to the Company from any user of the Airport, revenues paid to the Company for the sale or delivery of aviation fuel, petroleum and other products, including any fuel flowage fees, any other revenues of any type arising out of or in connection with the Company's services and operations at the Airport, including its operations thereof. Any addition, change, modification or alteration in the Company's method of performing its Airport function or responsibility which would adversely affect the Gross Receipts shall first require the approval of the City.

Section 2. Representations by City

The City is the duly and lawfully created, existing and recognized owner of the Leased Premises, having the power to enter into the transactions hereunder, and by proper action the City has been duly authorized to execute and deliver this Agreement.

Section 3. Representations by Company

The Company is a corporation duly incorporated under the laws of the State of Texas, is in good standing under the laws of said State; is duly authorized to do business in the State of Texas; has the power to enter into this Agreement without violating the terms of any other agreement to which it may be a party; and by proper corporate action had been duly authorized to execute and deliver this Agreement.

It generally will occupy and possess the Leased Premises for the public purposes of the City as set forth in Section 7 hereof.

Section 4. Term of Agreement

Subject to the terms, covenants, conditions and agreements contained in this Agreement, the Company shall have and hold the Leased Premises for a term commencing on the date of closing of the purchase of the Property in the Contract of Sale and ending 20 years thereafter.

The Company agrees to yield and deliver peaceably to the City possession of the Leased Premises together with all buildings, structures, improvements, additions and other installations therein or thereon, on the date of the expiration of this Agreement, promptly and in good operating condition, the intention being that when the Leased Premises are returned to the City they shall be in first-class condition giving due consideration to normal wear and tear and shall be free and clear of any and all liens, debts, contracts, leases or encumbrances of whatsoever kind, nature and description.

Section 5. Rent

(a) Company shall pay the City, on demand, the sum of \$100,000.00, as a special assessment for public improvements to be made by the City of Addison. The Company shall not be assessed or otherwise liable for any further such assessments made outside of the Leased Premises during the term of the Agreement.

(b) The Company agrees to pay the City \$6,250.00 per month, or 3% of the Company's monthly Gross Receipts, whichever amount is the greater. Such installment shall be payable to the City of Addison, Dallas County, Texas, commencing on the 20th day of the second month after the effective date of this Agreement for the first month hereof, and on the 20th day of each calendar month thereafter for the calendar month preceding. Payment of such amounts shall be reduced by any real property or personal property taxes assessed by the City of Addison on the Property or assessed by the City of Addison on the improvements or this Agreement, commencing with the effective date of this Agreement, such reduction to be credited against the next succeeding installments of rent hereunder from and after date of payment of such taxes by the Company. The Company shall render to the City, on the 20th day of each calendar month, a sworn statement showing its Gross Receipts for each preceding month.

Section 6. Taxes and Assessments

The Company shall pay when due and before any fine, penalty, interest or cost may be added for non-payment; all levies, fees, water and sewer rents or other rents, rates and charges, permit fees, inspection fees and other charges, if any, in each case whether general and special, ordinary and extraordinary, which are lawfully imposed, whether or not the same were within the contemplation of the parties

hereto, together with any interest and penalty thereon, which imposed or levied upon or assessed against or in respect to this Agreement, or which may be a lien upon the Leased Premises. The Company shall pay all of the personal property taxes assessed by the City for the year 1976.

Section 7. Uses of Leased Premises

(a) The Company shall have control of the operation of the Leased Premises and shall operate them on a nondiscriminatory and uniform basis consistent with the normal public use of airports of a similar kind, and in accordance with all applicable laws and regulations. The use of the areas thereof shall be for the following purposes only:

- (i) For the handling and accommodation of operators, crews and travelers arriving at or departing from the Leased Premises;
- (ii) For the storage, parking, maintenance and servicing of aircraft in covered and open areas;
- (iii) For the sale, maintenance, repair, servicing, overhaul, conversion and modification of aircraft, and aircraft engines, assemblies, accessories and component parts;
- (iv) For the storage of fuel and for the fueling of aircraft;
- (v) For the charter and leasing of aircraft;
- (vi) For schools for the training of aeronautical pilots, mechanics, repairmen, navigators and dispatchers, and other aeronautical personnel;
- (vii) For the storage, parking, maintenance, servicing and fueling of automotive vehicles, automotive equipment and other equipment owned or operated by the Company in connection with the operation of the Leased Premises or by other persons using the Leased Premises for other purposes authorized hereunder;
- (viii) For the operation of stores, concessions and other consumer service activities, reasonably required for the accommodation of operators, crews and travelers arriving at or departing from the Leased Premises by aircraft, and other persons doing business with or who are the guests of the Company or other users of the Leased Premises;
- (ix) For the fabrication, manufacture, testing or development of aeronautical materials which will be used or installed in aircraft at the Leased Premises; and
- (x) For all operational, administrative, office and other such related functions in connection with the activities authorized hereunder;

The provisions of this Section shall be inserted and enforced by the Company in the agreement(s) of any other future user of the Leased Premises.

(b) In the performance of the Uses of the Airport granted by the City hereunder, the Company agrees to operate the Airport for the use and benefit of the public; to make available all airport facilities and services to the public on fair and reasonable terms and without unjust discrimination and to provide space on the Airport, to the extent available, and to grant rights and privileges for use of the landing facilities of the Airport to all qualified persons, firms and corporations desiring to conduct aeronautical operations at the Airport.

(c) The Company shall perform the above-named Uses in a manner which shall be compatible with the latest FAA-approved Airport Layout Plan.

(d) Any clause or provision of this Agreement to the Company notwithstanding:

(i) The Company agrees to operate the Airport in accordance with the obligations of the City to the Federal Government under above-described Grant Agreement. In furtherance of this general covenant, but without limiting its general applicability, the Company specifically agrees to operate the Airport for the use and benefit of the public; to make available all airport facilities and services to the public on fair and reasonable terms and without discrimination and to provide space on the Airport, to the extent available, and to grant rights and privileges for use of the landing area facilities of the Airport to all qualified persons, firms and corporations desiring to conduct aeronautical operations on the Airport. In this connection, the Company may from time to time adopt standard rules and regulations concerning the use and operation of the Airport, provided such rules and regulations shall not constitute a violation of the Grant Agreement.

(ii) If it is specifically understood and agreed that nothing herein contained shall be construed as granting or authorizing the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act.

(iii) The City reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent the Company from erecting, or permitting to be erected, any building or other structures on the Airport which, in the opinion of the City, would limit the usefulness of the Airport or constitute a hazard to aircraft.

(iv) This Agreement shall be subordinate to the provisions of any existing or future agreement entered into between the City and the United States to obtain federal aid for the improvement or operation and maintenance of the Airport.

Section 8. Orderly Conduct of Operations

The Company shall conduct its operations in a proper and orderly manner and will not annoy, disturb or be offensive to others. The Company shall take all reasonable measures to control the conduct, demeanor and appearance of its employees, agents, representatives, contractors, and the conduct and demeanor of its customers, invitees and those doing business with it in the Leased Premises.

The terms of this Section shall be inserted and enforced by the Company in the agreement(s) of any other user of the Airport.

Section 9. Standards of Operation

The Company shall not knowingly commit any nuisances on the Leased Premises, or do or permit to be done anything which may result in the creation or commission of a nuisance on the Leased Premises.

The terms of this Section shall be inserted and enforced by the Company in the agreement(s) of any other user of the Airport.

Section 10. Insurance

The Company will maintain at its expense insurance on the Leased Premises of the following character:

(a) Insurance against loss or damage to improvements by fire, lightning, other risks from time to time included under the standard extended coverage policies, and sprinkler and vandalism and malicious mischief, all in amounts sufficient to prevent City or Company from becoming co-insurers of any loss under the applicable policies but in any event in amounts not less than 80% of the full insurable value of the Leased Premises. The term "full insurable value" as used herein means actual replacement value at the time of such loss. Upon request, such replacement value shall be determined by a qualified appraiser, a copy of whose findings shall be submitted to City, and, thereafter, proper adjustment in the limits of insurance coverage shall be affected.

(b) General public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the Leased Premises, such insurance to afford protection to City of not less than \$500,000.00 with respect to any one accident, and not less than \$200,000.00 with respect to property damage. Policies of such insurance shall be for the benefit of City and Company.

(c) Workmen's compensation insurance covering all persons employed by Company in connection with any work done on or about the Leased Premises with respect to which claims for death or bodily injury could be asserted against City, Company or the Leased Premises, or in lieu of such workmen's compensation insurance, a program of self-insurance complying with the rules, regulations and requirements of the appropriate state agency of the State of Texas.

(d) If applicable, boiler and pressure vessel insurance on all steam boilers, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, erupting, collapsing, imploding or exploding, in the minimum amount of \$100,000.00 for damage to property resulting from such perils.

(e) Such other insurance on the improvements in such amounts and against such other insurable hazards which at the time are commonly obtained in the case of property similar to the improvements.

(f) In addition to all other insurance required hereunder, the Company will maintain at its expense hangar keeper's liability insurance providing for coverage in the following limits: \$200,000.00 per aircraft and \$400,000.00 per occurrence on property damage to aircraft in the care, custody or control of the Company.

Section 11. Carriers, Insureds, etc.

The insurance referred to in Section 10 shall be effected under a valid and enforceable policy or policies or contract or contracts issued by (i) an insurer or insurers permitted to do business in the State of Texas approved by the City, which approval will not be unreasonably withheld. Such insurance shall name as the insured parties thereunder the City and the Company, as their respective interest may appear. The Company may prosecute any claim against, or contest any settlement proposed by, any insurer at its expense. In such event, the Company may bring such prosecution or contest any settlement in the name of the City, Company or both, and City will join therein at the Company's written request upon the City's receipt of an agreement by the Company to indemnify City against all costs, liabilities and expenses in connection with such prosecution or contest.

Section 12. Delivery of Evidence of Insurance

Company shall deliver to the City at the execution and delivery of this Agreement the original or duplicate policies or satisfactory

evidence of insurance or insurance certificates. Insurance required in Section 10 hereof. The Company shall within ten days prior to the expiration of any such insurance, deliver in the place of expired policies other original or duplicate policies or other certificates of the insurers endorsed as in above provided in Section 10 hereof evidencing renewal of such insurance.

Section 13. Casualty

If any improvements or any part thereof owned by the City shall be damaged or destroyed by fire, theft or other casualty, the Company shall with reasonable promptness and diligence, rebuild, replace, and repair any damage or destruction to the improvements, at its expense in conformity with the requirements of Section 14, in such manner as to restore the same to a unit of equal size, quality and condition to that which existed prior to such damage or destruction. Insurance proceeds payable with respect to such casualty shall belong to the Company to the extent necessary to make such repairs.

It is agreed that damage or destruction, whether partial or total, by any cause whatsoever, of the improvements, except upon termination of this Agreement as is provided for herein, shall not release the Company from any obligation under this Agreement.

Section 14. Maintenance and Repair

The Company agrees and acknowledges that it has received the Leased Premises in good order and condition, and further agrees to accept the premises as is. The Company further agrees that it will, at its expense, keep and maintain the Leased Premises, and the improvements in good repair and appearance, and in good mechanical condition, except for ordinary wear and tear, and will with reasonable promptness make all, interior and exterior, structural and non-structural, foreseen and unforeseen, ordinary and extraordinary changes, repairs, substitutions and replacements (substantially equivalent to the original work) of any kind and nature which may be required to be made upon or in connection with the Leased Premises and improvements or any part thereof, in order to keep and maintain the Leased Premises and improvements in as good repair, mechanical condition and appearance as they were originally, except for ordinary wear and tear.

Section 15. Failure to Commence and Complete Repairs

In the event the Company fails to commence or complete repairs, replacements or painting which is required hereunder within a period of thirty days after written notice from the City, or fails to continue and diligently complete any such repair, the City may at its option make such repairs, replacement or do such painting, the cost of which shall be paid by the Company upon written demand.

Subject to the right of existing sub-leases, the City, by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Airport for the purpose of inspecting the Leased Premises, for observing the performance by the Company of its obligations under this Agreement, and for the doing of any act or thing which the City may be obligated or have the right to do under this Agreement.

Nothing in this Section shall impose or shall be construed to impose upon the City any obligations to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure to do so. The City shall not in any event be liable for any injury or damage to any property or to any person happening on or about the Leased Premises nor for any injury or damage to the Leased Premises nor to any property of the Company or of any other person located in or thereon other than those occasioned by the acts of the City.

Section 16. Alterations, Construction by Company for Airport Purposes

Company may erect structures, make improvements, install fixtures, or do any other construction work on the Leased Premises, or alter, modify or make additions, improvements, repairs to, or replacement of any improvements or any structure now existing or hereafter built on the Leased Premises.

Any such alterations, additions, improvements, installations, repairs, substitutions or replacements shall be expeditiously completed, in compliance with all laws, ordinances, orders, rules, regulations and requirements applicable thereto. All work done in connection with each such alteration, addition, improvement, installation, repair, substitution or replacement shall comply with the requirement of any insurance policy required to be maintained by Company hereunder, with any applicable requirements of the Agreement.

Any improvement to or alteration of the Airport under this Section or under Section 17 shall be consistent with the latest FAA-approved version of the Airport Layout Plan.

Section 17. Alteration, Construction by City

The City may erect structures, make improvements, install fixtures, or do any other construction work on the Airport, whether Airport-related or not; provided, however, the erection of such structures, the making of such improvements, the installation of such fixtures, or the doing of such construction work shall not unreasonably interfere with the operation or development of the Airport, including the maximization of revenues. The City shall give the Company reasonable advance written notice of any action taken hereunder.

Any such alterations, additions, improvements, installations, repairs, substitutions or replacements shall be completed in compliance with all laws, ordinances, orders, rules, regulations and requirements applicable thereto. All work done in connection with each alteration, addition, improvement, installation, repair, substitution or replacement shall be done at the City's expense and shall comply with the requirement of the insurance policy required to be maintained by the City or Company, hereunder. As to any construction, buildings or other structures constructed by the City which are not related to the Airport and its operations, Company shall not be required to furnish insurance.

Section 18. Liens

The Company will not directly or indirectly create or permit to be created or to remain, and will promptly discharge, at its expense, any mortgage, lien, security interest, encumbrance or charge on, pledge of, or conditional sale or other title retention agreement with respect to:

- (a) The Leased Premises or any part thereof,
- (b) City's ownership interest, or
- (c) the Rent or other sums payable by Company under this Agreement.

The existence of any mechanic's, laborer's, materialmen's, supplier's, or vendor's lien, or any right in respect thereof shall not constitute a violation of this provision if payment is not yet due upon the contract or for goods or services, or the lien(s) are being contested in good faith by the Company.

This Section shall not apply to security interests or other liens with respect to buildings or improvements on, or which may later be constructed on, the Leased Premises which are not owned by the City.

Section 19. Prices and Rates

The Company shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service. In furtherance of this objective, a list of charges will be maintained and available for inspection by the public for all services, materials, supplies and privileges provided by the Company and any Airport tenant. However, the Company, and any Airport tenant, may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

The Company shall, from time to time, as the need arises, make and publish changes in the prices being charged; provided, however, fifteen (15) days prior to any such changes, the Company shall provide to the City a list of such charges. If no objection is received by the City to such changes in prices within fifteen (15) days, the price changes shall become effective. The City may object to any changes in prices within the fifteen-day period; provided, however, the only basis for any such objection by the City will be on the ground that such pricing change would constitute a violation of a present or future Grant Agreement with the Federal Aviation Administration.

It is further understood and agreed that in the event others on the Airport undertake to sell or dispense fuels or lubricants for aircraft or other machinery being used on the Airport, the Company shall impose reasonable standards consistent with any grant agreements with respect to any fueling operations in order to assure adequate safety and efficient operations on or about the Airport. Further, any persons selling or dispensing fuel or lubricants for aircraft or other machinery shall pay to the Company a reasonable and non-discriminatory fuel flowage fee.

Section 20. Subleases

(a) The Company shall have the right and is expressly hereby authorized to sublease such portions of the Leased Premises as it shall deem appropriate for the growth and development of the Airport and the maximization of revenues; provided any such sublease shall be for the purpose of carrying out one or more of the activities set forth in Section 7. During the existence of this Agreement, all revenues from any sublease shall belong to the Company, subject only to the rights of the City to a percentage of Gross Receipts as provided in Section 5 (b).

(b) The Company shall not enter into any sublease with any tenant which is owned or controlled, in whole or in part, by any of the officers, directors or stockholders of the Company without the prior written approval of the City, which approval shall not be unreasonably withheld.

(c) The Company shall not enter into any sublease unless the term of such sublease, including any renewal or option provisions, expires and terminates on or before twenty years after the effective date of this Agreement, without the prior written consent of the City.

(d) Upon request by the Company, from time to time, that a sublease is entered into by the Company, the City shall deliver to any such subtenant its estoppel certificate, certifying unto the subtenant that this Agreement is in full force and effect.

Section 21. Applicable Governmental Requirements

The Company agrees,

(a) at its expense, to procure from governmental authority, having jurisdiction, all licenses, certificates, permits or other authorization which may be necessary for the conduct of its operations or for any additional construction required pursuant to the terms of this Agreement.

(b) that it shall, at its expense, comply with and cause the Leased Premises and Company's operations to comply with all governmental statutes, laws, rules, orders, regulations and ordinances affecting the Leased Premises or any part thereof or the use or occupancy of any part thereof.

Section 22. Indemnification

Company covenants and agrees that it will defend, indemnify and save harmless the City, its council, officers, agents and employees from and against any and all actions, suits, claims, demands, liabilities, losses, damages, costs, expenses or judgments of any nature whatsoever, arising from;

(a) any injury to, any nuisance, or the death of any person or any damage to property on the Leased Premises, or any damage to property on the Leased Premises, or in any manner growing out of or connected with the use, non-use, condition or occupancy of the Leased Premises or any part thereof or resulting from the condition thereof,

(b) the ownership, use or non-use or condition of the improvements, or

(c) violation by Company of any agreement or condition of this Agreement, and of any contract or agreement to which Company is a party, or any restriction, statute, law, ordinance or regulation or otherwise, in each case affecting the Leased Premises or the ownership, occupancy or use thereof.

In case any action or proceeding be brought against the City by reason of any such claim, the Company covenants upon notice from the City to resist or defend such action, and the City will cooperate and assist in the defense of such action or proceeding, if reasonably requested so to do by the Company; provided, however, that the Company shall not be liable for damages not covered by insurance required to be carried pursuant to this Agreement and caused solely by the negligence or deliberate act of the City, or any of its council, officers, agents, servants or employees. This provision shall not operate to indemnify others when liability for damages arises due to the fault of such others, unless they are insured or indemnified parties under the insurance policies or contracts required by this Agreement.

Section 23. Federal Airport Aid

The City has made application to the Federal Aviation Administration for a grant(s) of federal funds to partially defray the cost of acquiring the Leases Premises. The Company, in its management, operation, maintenance and use of the Airport, shall be subject to and hereby assumes the terms, conditions and provisions of any and all grant agreements and project applications imposed on the City by the Federal Aviation Administration, and any other federal obligations or restrictions with respect thereto. The Company shall in its agreements with other users of the Airport insert in said agreements the appropriate provisions and requirements as required by any and all of the provisions of the grant agreement and the project applications, the assurances set forth therein and any other federal obligations or restrictions with respect thereto.

To the extent that the City considers it prudent, considering the requirements attached to the acceptance of such funds, the City shall continue to apply for and make maximum use of all available federal and state funds for the development of the Airport; provided nothing in this Section obligates or requires the City to apply for such funds, other than funds necessary to acquire Additional Purchases.

Section 24. Notice to Indemnified Parties

Notwithstanding the indemnification set forth in Section 22, the Company shall forward to the City a copy of every notice, summons, complaint, or other process received in any legal proceedings encompassed by such indemnification or in any way affecting the rights of the City, or any other indemnified party.

Section 25. Liability of Officials

No officers, agent or employee of the City or the Company shall be personally liable for any of their acts carrying out the provisions of the Agreement, in exercising any power or authority granted to them pursuant to the Agreement, it being understood that in such matters they act as agents and representatives of the City and the Company.

Section 26. Non-Discrimination

Company will, in its operations on the Airport, be bound by the Civil Rights obligations imposed on the City. Company will not deny any benefits to or otherwise discriminate against any person or group on the basis of race, color, sex, or national origin. Company will comply with applicable portions of, and will effect City's compliance with the Attachment 2 (including OST Regulations, Part 21) attached hereto and incorporated herein by reference for all purposes.

Section 27. OMBE: Advertisements, Bids, Concessions:

In addition to complying with the above and normal procedures required of the City by state/federal law and agreements, the Company will send a copy of all invitations for bids, advertised or negotiated, for concessions or other businesses at the Airport to the appropriate Office of Minority Business Enterprise (OMBE) representative as identified by the FAA Regional Civil Rights Office. The Company will disclose and make information about the contracts, contracting procedures and requirements available to the designated OMBE representative and minority firms on the same basis that such information is disclosed and made available to other organizations or firms. Responses by minority firms to invitations for bids shall be treated in the same manner as all other responses to the invitations for bids.

Section 28. Assignment

Except as explicitly set forth herein or contemplated by this Agreement, the Company shall not assign, sublet, sell, convey or transfer its rights under this Agreement or any part thereof without the prior written consent of the City, provided, however, that this Agreement may be assigned in its entirety without such consent for a period of one year from the effective date of this Agreement. The City hereby agrees that it will not unreasonably withhold its consent to such an assignment or sublease, sale, transfer, and shall not make any charge for any such assignment, sublease, sale or transfer made with its consent.

Section 29. Events of Default and Remedies

The following shall be "events of default" as to the Company under this Agreement and the term "event of default" as to the Company shall mean, whenever it is used this Agreement, any one or more of the following events:

(a) Failure by the Company to pay when due or cause to be paid when due the Rent required to be paid under Section 5 hereof.

(b) Failure by the Company to observe and perform any covenant, condition or agreement on its part to be observed or performed for a period of thirty days after written notice, specifying such failure and requesting that it be remedied, given to the Company by the City, unless the City shall agree in writing to an extension of such time prior to its expiration.

(c) The Leased Premises shall be abandoned, deserted or vacated by the Company or any lien shall be filed against the Leased Premises or any part thereof in violation of this Agreement and shall remain unreleased for a period of sixty days from the date of such filing unless within said period the Company is contesting in good faith the validity of such lien.

(d) The dissolution or liquidation of the Company or the filing by the Company or a voluntary petition in bankruptcy, or failure by the Company within sixty days to lift any execution, garnishment or attachment of such consequence as will impair its ability to carry on its operations at the Leased Premises, or the adjudication of the Company as a bankrupt, or general assignment by the Company for the benefit of its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Company in any proceeding for its reorganization instituted under the provisions of the general bankruptcy act, as amended, or under any similar act which may hereafter be enacted. The term "dissolution or liquidation of the Company", as used in this subsection, shall not be construed to include cessation of the corporate existence of the Company following a transfer of all or substantially all of its assets as an entirety, under the conditions permitting actions contained in Section 29 hereof, which such dissolution or liquidation it is acknowledged will occur.

Section 30. Remedies on Default

Whenever any event of default as to the Company referred to in Section 29 hereof shall have happened and be subsisting, the City may take any one or more of the following remedial steps as against the Company:

(a) The City may re-enter and take possession of the Leased Premises without terminating this Agreement and sublease (or operate as a sublessee) the Leased Premises for the account of the Company, holding the Company liable for the difference between the rents and other amounts payable by the Company hereunder and the rents and other amounts payable by such sublessee in such subleasing or, if operated by the City, the difference between the net revenues received from such operations and the rents and other amounts payable by the Company hereunder.

(b) The City may terminate this Agreement.

(c) The City may take whatever action at law or in equity as may appear necessary or desirable to collect the rent then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Company under this Agreement.

Section 31. No Remedy Exclusive

No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or hereafter existing under law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City to exercise any remedy reserved to it in this Section, it shall not be necessary to give any notice, unless such notice is herein expressly required by law.

Section 32. No Additional Waiver Implied

In the event any covenant contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 33. Termination by Company

The Company may terminate this Agreement upon the occurrence of any one or more of the following reasons:

(a) In the event the Airport shall be closed or its operations curtailed by more than fifty percent of its achieved operating level in terms of daily average departing and arriving flights, the Company in its reasonable discretion may cease or curtail its operations in the Leased Premises during the period that the Airport operations have ceased or have been so curtailed, and if such condition shall continue unabated for more than two years, the Company shall have the right and option to terminate the Agreement upon thirty days prior written notice to the City.

(b) The City shall fail to perform any of its obligations under this Agreement within sixty days after receipt of notice of default hereunder from the Company (except where fulfillment of its obligations require activity over a period of time and the City shall commence to perform whatever may be required for fulfillment within sixty days after the receipt of notice and continue such performance without interruption, except for causes beyond its control).

Upon the occurrence of any of the foregoing events, or at any time thereafter during the continuation of any such condition, the Company may, by sixty days written notice terminate this Agreement, such termination to be effective upon the date set forth in such notice and to have the same effect as if the terms hereof had expired on that date, subject, as aforesaid, to the provisions of this Section.

No waiver by the Company of any default on the part of the City, in the performance of any of the terms, covenants or conditions hereof to be performed, kept or observed by the City shall be or shall be construed to be a waiver by the Company of any other or subsequent default in the performance of any of said terms, covenants and conditions.

Section 34. Access and Egress

Except as set forth in this Agreement, the City hereby grants to the Company full and unrestricted access to and egress from the Leased Premises and between the Leased Premises and the public roadways for the Company, its employees, guests, patrons, invitees, contractors, suppliers of materials, furnishers of services, its or their equipment, vehicles, machinery and other property, without charge to Company or to said employees, guests, patrons, invitees, contractors, suppliers of materials and furnishers of services, or their said equipment, vehicles, machinery or other property.

Section 35. Company's Right to Remove Property

The Company shall have the right at any time during the term of this Agreement or any renewal or extension thereof, or at the expiration or earlier termination thereof, to remove any nonessential personal property which it may have on the Leased Premises, including, without limitation, furniture, equipment and machinery; provided the City will purchase from the Company, of its then fair market value, any personal property which the City deems essential.

Section 36. Termination, Settlement

In the event the City exercises its right to terminate the Agreement or any part thereof, the Company and the City shall endeavor in good faith to negotiate a sale by the Company to the City or its designee of the Company's personal property located on the Leased Premises. Upon termination of the Agreement, the City may, and the Company shall, remove any improvements on the Leased Premises belonging to the Company at the Company's expense if required by the City.

Section 37. Settlement

In the event that any sums due or to become due the Company upon termination of this Agreement are paid or payable to the City, the City shall not have any obligation to make such payment or settlement to the Company.

(i) until receipt of payment due to City from Company in accordance with pertinent provisions of this Agreement under which termination is permitted and,

(ii) until Company has paid all other sums due under this Agreement.

Section 38. Quiet Enjoyment

The City covenants that through the term hereof, the Company shall have, hold and enjoy peaceful and uninterrupted possession of all of the Leased Premises, subject to the performance of the covenants as herein provided.

Section 39. No Third Party Beneficiary

No provision contained in or incorporated by the Agreement shall create or give to any third party or parties any claim or right of action against the Company or the City, beyond such claims or rights of action which legally exist in the absence of any provision of said Agreement.

Section 40. Severability

Each and every covenant and agreement contained in this Agreement is and shall be construed to be a separate and independent covenant and agreement.

Section 41. Binding Effect

All of the covenants, conditions, and obligations contained in this Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the City and the Company, subject to the limitations contained herein restricting such assignment by the Company, to the same extent as if each such successor and assign were in each case named as a party to this Agreement. This Agreement may not be altered, modified, or discharged except by a writing signed by the City and the Company.

Section 42. Governing Law

This Agreement shall be governed by and interpreted under and in accordance with the laws of the State of Texas.

Section 43. Venue

The venue of any action drawn under this Agreement shall lie in Dallas County, in the State of Texas.

Section 44. Force Majeure

Neither the City or the Company shall be deemed in violation of this Agreement if it is prevented from performing any of the obligations hereunder by reason of strikes, boycotts, labor disputes, embargoes, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellion, sabotage, or any other circumstances for which it is not responsible or which is not in its control, and the time for performance shall be automatically extended by the period the party is prevented from performing its obligations hereunder.

Section 45. Issuance of Revenue Bonds for Future Improvements

City and Company acknowledge that as the Airport develops such circumstances may require that additional improvements ("Future Improvements") will be needed in order to provide convenient and necessary services at the Airport. Subject to the approval of plans and specifications by the City as submitted by the Company, the City may make such acquisitions, additions, extensions, improvements and modifications to the Airport as shall be recommended by the Company. In order to obtain funds for such purposes, the City, in its discretion, may provide for the issuance of Airport revenue bonds.

Section 46. Airport Boundaries

The City will not grant any access, privilege, license, or permission of any kind to any person, firm or corporation using, owning or occupying any land outside the designated boundaries of the Airport as shown on Exhibit "2" hereof, to use or have access to the Airport.

Section 47. Covenant by Company

It is understood and agreed by the parties hereto, that the Company will not make any improvements, changes, alterations, modifications, or removals at the Airport, which will effectively destroy the ability of the Airport to render first-class service to its customers and for the maximization of revenues.

Section 48. Record Keeping

The Company shall maintain in accordance with accepted accounting practice and make available to an authorized representative of the City for consideration records, books and its annual audit prepared by an independent Certified Public Accountant. The Company shall permit such authorized representative of the City to inspect such books and records during ordinary business hours of the Company and at times reasonably convenient to the Company.

Section 49. Notices

Notices provided for in this Agreement shall be sufficient if sent by registered mail, postage prepaid, addressed to the City — The City of Addison, P. O. Box 144, Addison, Texas, 75001, Attention: City Administrator, or to such other address and person it may direct in writing; and if to Company — Addison Airport, Inc., P. O. Box 34067, Dallas, Texas 75234, or to such other address and person as it may direct in writing. Notices shall be deemed completed when mailed unless otherwise herein required.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and sealed as of the date first above written.

ATTEST:

Joyce H. Stevens
SECRETARY

CITY OF ADDISON, TEXAS

BY:

Jerry Redding

APPROVED AS TO FORM:

Robert L. McCall
CITY ATTORNEY

ADDISON AIRPORT, INC.

ATTEST:

Margaret E. Bunch
SECRETARY

BY:

[Signature]

FIELD NOTES

BEING a tract of land out of the E. Cook Survey, Abstract 326, the William Lomax Survey, Abstract 792, the George Syms Survey, Abstract 1344, the William Rowe Survey, Abstract 1257, and part of Lot 1, and Lot 2 of Block "A" of Carroll Estates Addition, Dallas County, Texas, and being more fully described as follows:

BEGINNING at a fence post found for the apparent intersection of the North right-of-way line of Keller Springs Road, a 50 foot street, and the East line of Dooley Road, a 60 foot street, said beginning point being S 89° 58' 54" E 30.00 feet, thence N 0° 05' 50" E 25.00 feet from the apparent northwest corner of the E. Cook Survey, Abstract 326;

THENCE N. 89° 58' 54" W. a distance of 105.72 feet with the North line of said Keller Springs Road to an angle point in the right-of-way;

THENCE N. 56° 19' 03" W. a distance of 90.20 feet with said angle in the right-of-way to a point in the East right-of-way line of Dooley Road;

THENCE N. 0° 03' 47" W. a distance of 1457.70 feet with the East line of said Dooley Road to a point;

THENCE N. 20° 38' 30" W. a distance of 170.87 feet to the apparent West right-of-way line of said Dooley Road;

THENCE S. 0° 03' 47" E. a distance of 313.49 feet with the apparent West line of said Dooley Road to a point;

THENCE N. 89° 23' 56" W. a distance of 208.00 feet to an iron pin;

THENCE N. 0° 14' 32" W. a distance of 161.00 feet to an iron pin;

THENCE N. 89° 56' 00" W. a distance of 203.65 feet to a point;

THENCE N. 20° 38' 30" W. a distance of 2156.07 feet to a point in the apparent East right-of-way line of New Dooley Road, a 100 foot street;

THENCE N. 0° 09' 30" E. a distance of 1189.87 feet with the East line of said New Dooley Road;

THENCE N. 89° 53' 26" E. a distance of 1165.44 feet to a point in the apparent West line of Dooley Road;

THENCE S. 0° 03' 47" E. with the apparent West line of Dooley Road, at 335.02 feet passing a concrete monument for a total distance of 1550.38 feet to an iron pin;

THENCE S. 20° 46' 10" E. a distance of 539.44 feet with the West line of said Dooley Road to an iron pin for the beginning point of a curve to the left;

THENCE in a southeasterly direction with the curved West line of said Dooley Road having a central angle of 89° 19' 04", a radius of 337.18 feet a distance of 407.93 feet to a point in the South right-of-way line of Keller Springs Road;

THENCE N. 89° 54' 46" E. a distance of 2135.61 feet with the South line of said Keller Springs Road to a point in the West right-of-way line of Addison Road;

THENCE S. 0° 14' 20" E. a distance of 307.44 feet with the West line of said Addison Road to an iron pin;

THENCE S. 89° 45' 40" W. a distance of 200.00 feet to a point;

THENCE S. 0° 14' 20" E. a distance of 210.72 feet to a point;

THENCE S. 43° 16' W. a distance of 1595.29 feet to an iron pin;

THENCE S. 46° 44' E. a distance of 202.51 feet to a point;

THENCE S. 20° 43' E. a distance of 350.85 feet to a point;

THENCE N. 60° 17' E. a distance of 30.00 feet to a point;

THENCE N. 71° 12' 51" E. a distance of 185.72 feet to a point;

THENCE N. 44° 44' 08" E. a distance of 7.05 feet to an iron pin found for the Southwest corner of a tract of land conveyed to O.J. Broughton and E.E. Ericson by deed recorded in Volume 4350, Page 491, Deed Records of Dallas County;

THENCE N. 89° 54' 40" E. a distance of 819.46 feet with the South line of the Broughton tract to an iron pin in the West line of said Addison Road;

THENCE S. 0° 14' 20" E. a distance of 490.82 feet with the West line of said Addison Road to a point in the apparent common survey line between the William Lomax Survey, Abstract 792, and the E. Cook Survey, Abstract 326;

THENCE S. 89° 37' 20" E. a distance of 58.08 feet with said common survey line to a point in the West line of said Addison Road and the beginning of a curve to the left;

THENCE Southerly with said curve, and the West line of Addison Road, having a central angle of 1° 53' 11", a radius of 746.30 feet, for a distance of 24.57 feet;

THENCE S. 26° 12' 50" E. 34.05 feet with the West line of Addison Road to the beginning of a curve to the right;

THENCE in a southeasterly direction with the curved West line of said Addison Road having a central angle of 25° 50', a radius of 686.30 feet for a distance of 309.44 feet;

THENCE S. 0° 22' 50" E. a distance of 2081.91 feet with the West line of said Addison Road to an angle point in the right-of-way;

THENCE N. 89° 37' 10" E. a distance of 10.00 feet with said angle in the right-of-way to a point in the West line of said Addison Road;

THENCE S. 0° 22' 50" E. a distance of 812.30 feet with the West line of Addison Road to a point;

THENCE S. 89° 37' W. a distance of 185.70 feet to a point;

THENCE S. 0° 22' 50" E. a distance of 263.11 feet to a point;

THENCE S. 66° 06' 26" W. a distance of 17.27 feet to a point;

THENCE S. 0° 22' 50" E. a distance of 211.04 feet to an iron pin in the North right-of-way line of the St. Louis and Southwestern Railroad;

THENCE S. 66° 06' 26" W. a distance of 759.90 feet with the North line of said St. Louis and Southwestern Railroad to an iron pin and the most easterly corner of Addison Airport Industrial District;

THENCE N. 67° 01' 55" W. a distance of 273.80 feet to an iron pin in the easterly line of said Addison Airport Industrial District;

THENCE N. 20° 39' 35" W. a distance of 572.28 feet with the easterly line of said Addison Airport Industrial District to an iron pin;

THENCE S. 75° 48' 25" W. a distance of 448.85 feet to a point;
 THENCE N. 89° 56' 35" W. a distance of 658.63 feet to a point;
 THENCE N. 0° 03' 25" E. a distance of 160.00 feet to a point;
 THENCE N. 89° 56' 35" W. a distance of 160.00 feet to a point in the East right-of-way line of Dooley Road;
 THENCE N. 0° 03' 25" E. a distance of 10.00 feet with the East line of Dooley Road to a point;
 THENCE S. 89° 56' 35" E. a distance of 797.46 feet to a point;
 THENCE N. 75° 48' 25" E. a distance of 408.36 feet to an iron pin in the easterly line of said Addison Airport Industrial District;
 THENCE N. 20° 39' 35" W. a distance of 2386.20 feet with the easterly line of said Addison Airport Industrial District to an iron pin for the northeast corner of Addison Airport Industrial District;
 THENCE N. 20° 43' 53" W. a distance of 320.72 feet to an iron pin;
 THENCE N. 89° 49' 30" E. a distance of 9.98 feet to an iron pin;
 THENCE N. 20° 17' 10" W. a distance of 389.50 feet to an iron pin;
 THENCE N. 89° 54' 10" W. a distance of 117.08 feet to an iron pin in the apparent East right-of-way line of said Dooley Road;
 THENCE N. 0° 05' 50" E. a distance of 502.30 feet with the apparent East line of said Dooley Road to the place of beginning and containing 385.340 acres of land, more or less, save and except the following 1 acre tract;

Beginning at a fence post found for the apparent intersection of the North right-of-way line of Keller Springs Road, a 50 foot street, and the East line of Dooley Road, a 80 foot street, said point being S. 89° 58' 54" E. 30.00 feet, thence N. 0° 05' 50" E. 25.0 feet from the apparent northwest corner of the E. Cook Survey, Abstract 326; Thence N. 89° 58' 54" W. 105.72 feet with the apparent North line of Keller Springs Road; Thence N. 56° 19' 03" W. 90.20 feet to a point in the East line of Dooley Road; Thence N. 0° 03' 47" W. 1457.70 feet with the apparent East line of Dooley Road; Thence N. 20° 38' 30" W. 170.87 feet to a point in the apparent West line of Dooley Road and the BEGINNING POINT of this description;

THENCE S. 0° 03' 47" E. 209.0 feet with the West line of Dooley Road;
 THENCE N. 89° 23' 56" W. 208.0 feet to an iron pin;
 THENCE N. 0° 14' 32" W. 209.0 feet to an iron pin;
 THENCE S. 89° 23' 56" E. 208.0 feet to the place of beginning and containing 1.0 acres of land, more or less.

The plat hereon is a true and accurate representation of the property as determined by actual survey, the lines and dimensions of said property being as indicated by the plat; all improvements being within the boundaries of the property.

Easements of record that could be located are shown. This plat is subject to any easements of record not shown.

5 JAN 1977

Date

W. J. Wischmeyer
 Registered Professional Engineer



EXHIBIT "A"
 PROPERTY MAP
 ADDISON MUNICIPAL AIRPORT
 ADDISON, TEXAS

Riewe & Wischmeyer, Inc.

CONSULTING ENGINEERS
 DALLAS TEXAS

DECEMBER 1976

EXHIBIT B

EXECUTED the day and year first above written.

ASSIGNOR:

[Signature]

ASSIGNEE:

[Signature]

President, Great Southwest Homes, Inc.

CONSENT OF LESSOR

The undersigned is the Lessor in the lease described in the foregoing Assignment and hereby consents to the assignment of the lease to Assignee, waiving none of their rights thereunder as to the Lessee or the Assignee.

LESSOR:

CITY OF ADDISON

By

[Signature]

ADDISON AIRPORT OF TEXAS, INC.

By

[Signature]

THE STATE OF TEXAS I

COUNTY OF DALLAS I

This instrument was acknowledged and sworn and subscribed to before me on this the 23rd day of October, 1985.



[Signature]
Notary Public, State of Texas

EXHIBIT C

ASSIGNMENT OF LEASE

THIS AGREEMENT is made this the 31st day of May, 1988, at Addison, Texas, between GREAT SOUTHWEST HOMES, INC., a Texas corporation, hereinafter called "Assignor", and TARFIVE, INC., a Texas corporation, hereinafter called "Assignee".

WHEREAS, a lease executed on March 2, 1984 between CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC. as Lessor, and LAWSON RIDGEWAY as Lessee, by the terms of which certain real property located on the Addison Airport was leased to the Lessee upon the terms and conditions provided therein; and

WHEREAS, an Assignment of Lease executed on October 23, 1985, between CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC., as the Lessor, and the Assignor as Lessee upon the terms and conditions provided therein; and

WHEREAS, the Assignor now desires to assign the lease to Assignee, and the Assignee desires to accept the assignment thereof;

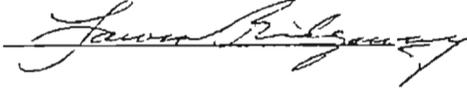
NOW, THEREFORE, for and in consideration of the sum of Ten and no/100 Dollars (\$10.00), receipt of which is hereby acknowledged, and the agreement of the Assignee, hereinafter set forth, the Assignor hereby assigns and transfers to the Assignee, its successors and assigns, all of its right, title and interest in and to the lease hereinbefore described, a copy of which is attached hereto as Exhibit "A", and the Assignee hereby agrees to and does accept the assignment, and in addition expressly assumes and agrees to keep, perform and fulfill all the terms, covenants, conditions and obligations required to be kept, performed and fulfilled by the Assignor as the Lessee thereunder, including the making of all payments due to or payable on behalf of the Lessor under said lease when due and payable.

This agreement shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest, and assigns.

EXECUTED the day and year first above writtn.

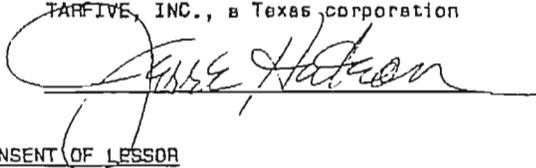
ASSIGNOR:

GREAT SOUTHWEST HOMES, INC., a
Texas corporation



ASSIGNEE:

TARFIVE, INC., a Texas corporation

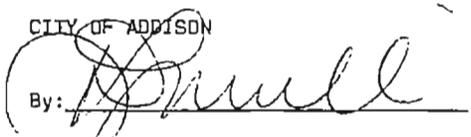


CONSENT OF LESSOR

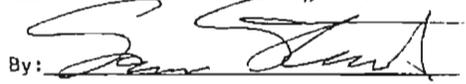
The undersigned is the Lessor in the lease described in the foregoing Assignment and hereby consents to the assignment of the lease to Assignee, waving none of their rights thereunder as to the Lessee or the Assignee.

LESSOR:

CITY OF ADDISON

By: 

ADDISON AIRPORT OF TEXAS, INC.

By: 

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared LAWSON RICEWAY
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 31st day of MAY, 19 88.



Notary Public, State of Texas
My Commission Expires 4-25-89

Diana Saucier
Notary Public DIANA SAUCIER

County, Texas

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Jerre Hutson
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 9th day of June, 19 88.



DIANA SAUCIER
COMMISSION EXPIRES
SEPTEMBER 25, 1989

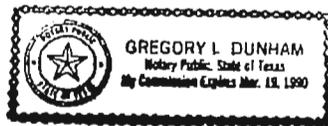
Diana Saucier
Notary Public Diana Saucier

County, Texas

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared D. LYNN SPILL
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22 day of AUGUST, 19 88.



GREGORY L. DUNHAM
Notary Public, State of Texas
My Commission Expires Mar. 18, 1990

Gregory L. Dunham
Notary Public Dallas

County, Texas

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Semi Stout
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 20th day of July, 19 88.

William Harris
Notary Public

Dallas
County, Texas

Commission Expires 08/16/89

EXHIBIT "A"

Being a LEASEHOLD ESTATE in and to the following described property as created by that certain Ground Lease Agreement by and between the City of Addison, a municipal corporation and Addison Airport of Texas, Inc., a Texas corporation, Lessor and Lawson Ridgeway and/or Assigns, Lessee, dated __-__-__, recorded in Volume B6022, Page D124, Deed Records, Dallas County, Texas; as assigned to Great Southwest Homes, Inc. by Assignment of Lease attached to said Lease; and being more particularly described as follows:

BEING a tract of land situated in the William Lomax Survey, Abstract No. 792, Dallas County, Texas, also being located on Addison Municipal Airport, Addison, Texas, and being more particularly described as follows:

COMMENCING at the intersection of the South right-of-way line of Westgrove Road and the West right-of-way line of Addison Road;

THENCE, West along the South right-of-way line of Westgrove Road a distance of 759.59 feet to a point in the West right-of-way line of Claire Chennault (60-foot R.O.W.); said point being the Point of Beginning;

THENCE, South 0 deg. 07 min. 20 sec. East, along the said West right-of-way a distance of 260.00 feet to a point;

THENCE, West a distance of 260.55 feet to a point;

THENCE, North a distance of 260.00 feet to a point on the South right-of-way of Westgrove Road;

THENCE, East along said South right-of-way a distance of 260.00 feet to the Point of Beginning and containing 1.554 acres of land, more or less.

EXHIBIT D

When recorded, contain 101

Kathryn Nicholson
Winstead McGuire, Secretary & Clerk
5105 Paradise Tower
1201 Elm Street
Dallas, Texas 75270

COUNTY CLERK'S OFFICE
OFFICE OF THE
DEPARTMENT OF
RECORDS & INFORMATION
1502 RECORDS

11:20 AM
SEP 19 1988

STATE OF TEXAS 5
COUNTY OF DALLAS 5

SUBSTITUTE TRUSTEE'S DEED

This SUBSTITUTE TRUSTEE'S DEED ("Deed") is executed as of the 7th day of September, 1988, by the Substitute Trustee.

W H E R E A S :

WHEREAS, GREAT SOUTHWEST HOMES, INC., a Texas corporation ("Grantor"), executed and delivered to DAVID T. ODGERFELL, as trustee ("Trustee"), for the benefit of MBANK DALLAS, NATIONAL ASSOCIATION ("MBank"), a Deed of Trust, Security Agreement and Assignment of Rents (as same may have been heretofore amended, the "Deed of Trust"), dated December 1, 1985, filed of record in Volume 86007, Page 0906 of the Deed of Trust Records of Dallas County, Texas, to secure those certain \$3,700,000.00 Industrial Development Revenue Bonds (Great Southwest Homes, Inc. Center 1 Project) Series 1985 issued by Addison Airport Improvement Authority, Inc., a Texas non-profit corporation (as same may have been heretofore amended, the "Note"); and

WHEREAS, the Deed of Trust conveyed to the said Trustee, in trust, the entire leasehold estate and interest of the lessee under the Ground Lease dated March 2, 1984, by and among the City of Addison, Texas, Addison Airport of Texas, Inc. and Lawson Ridgeway, which Ground Lease was assigned by Lawson Ridgeway, as lessee thereunder, to Grantor, covering certain land located in Dallas County, Texas, which is as more particularly described in Exhibit "A" attached hereto and incorporated herein by reference for all purposes, together with all improvements thereon and appurtenances thereto (such land, improvements and appurtenances being hereinafter referred to as the "Real Property") and certain personal property ("Personal Property") situated on or related to the Real Property, which is more particularly described on Exhibit "B" attached hereto and incorporated herein by reference for all purposes, subject, however, to any and all exceptions, encumbrances or other matters affecting title to which the lien of the Deed of Trust is subordinate, whether by operation of law or otherwise (the Real Property, the Personal Property and any and all of Grantor's rights, titles and interests in any other property, whether real or personal, as described or otherwise included as collateral under the Deed of Trust are hereinafter, collectively, referred to as the "Mortgaged Property"); and

WHEREAS, the Note and the liens securing the same have been assigned to MCorp Management Solutions, Inc. ("Beneficiary"), by that certain Assignment of Loan Documents, Liens and Security Interests executed by MBank and dated as of January 1, 1988; and

WHEREAS, default has occurred under the terms of the Note and Deed of Trust and Beneficiary, as the current owner and holder of the Note and the Beneficiary under the Deed of Trust, in accordance with the terms of the Deed of Trust, removed the Trustee, and the undersigned (the "Substitute Trustee"), was duly appointed as a substitute trustee of the trust created in the Deed

9/13/88 75
88MB/1420

of Trust, pursuant to that certain Removal of Trustee and Appointment of Substitute Trustee, dated May 17, 1988, pursuant to which the Beneficiary authorized and directed the Substitute Trustee to sell the Mortgaged Property under the provisions of the Deed of Trust; and

WHEREAS, pursuant to said authorization and direction and fully in accordance with the terms of the Deed of Trust, the Substitute Trustee sold the Mortgaged Property at public auction at the Courthouse door of Dallas County, Texas between the hours of 10:00 a.m. and three (3) hours after such time, on Tuesday, the 6th day of September, 1988, after having given written notice pursuant to Notice of Substitute Trustee's Sale (the "Notice") of the time, place and terms of such proposed sale as prescribed by law and by the terms of the Deed of Trust, by means of (i) having posted or having caused to be posted the Notice for at least twenty-one (21) days preceding the date of sale at the Courthouse door of Dallas County, Texas, (ii) having filed or having caused to be filed the Notice with the Clerk of Dallas County, Texas at least twenty-one (21) days preceding the date of sale, and (iii) having served or having caused to be served a copy of the Notice by certified mail, return receipt requested, on each debtor obligated to pay the debt evidenced by the Note and Deed of Trust at the address for each such debtor according to the current records of Beneficiary, all in accordance with Tex. Prop. Code Ann. 551.002, as heretofore amended; and

WHEREAS, at such sale the Mortgaged Property was sold by the Substitute Trustee to Beneficiary (hereinafter referred to as the "Grantee") at the hour of 10:50 a.m. for and in consideration of the sum of THREE MILLION NINE HUNDRED TWENTY THOUSAND SEVEN HUNDRED TWENTY-THREE AND 80/100 DOLLARS (\$3,920,723.80), the Grantee being the best and highest bidder therefor, and said consideration being the best and highest bid therefor.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that the Substitute Trustee, by virtue of the powers granted to the Substitute Trustee by the Deed of Trust and the aforesaid Removal of Trustee and Appointment of Substitute Trustee and in consideration of the foregoing premises and of the value expressed above given to the Substitute Trustee, by the said Grantee, the receipt and sufficiency of which are hereby acknowledged and confessed, has GRANTED, SOLD and CONVEYED and by these presents does GRANT, SELL and CONVEY the Mortgaged Property unto the said Grantee.

TO HAVE AND TO HOLD the Mortgaged Property, together with all and singular, the rights and appurtenances thereto and in any wise belonging, to the said Grantee, its successors and assigns, forever; and for and on behalf of the said Grantor, and the successors and assigns of said Grantor, the Substitute Trustee does hereby bind the said Grantor, and the successors and assigns of said Grantor, to WARRANT and FOREVER DEFEND, all and singular, the Mortgaged Property, insofar as authorized by said Deed of Trust, unto the said Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

WITNESS MY HAND this 7th day of September, 1988.

SUBSTITUTE TRUSTEE:

Kathryn Nicholson
 KATHRYN NICHOLSON

STATE OF TEXAS §
COUNTY OF DALLAS §

The foregoing instrument was ACKNOWLEDGED on the 7th day of September, 1988, by KATHRYN NICHOLSON, the Substitute Trustee.

[S E A L]

Catherine M. St. Jacques
Notary Public, State of Texas

My Commission Expires:



ADDRESS OF GRANTEE
FOR TAX STATEMENTS

Management Solutions, Inc.
P.O. Box 224255
Dallas, Texas 75222-4255
ATTN: Ms. Kathy Rainy

4201D0906888.90
090788CMG1

EXHIBIT "A"

BEING a tract of land situated in the Williford Lomar Survey, Abstract No. 792, Dallas County, Texas, also being located on Addison Municipal Airport, Addison, Texas, and being more particularly described as follows:
COMMENCING at the intersection of the South right-of-way line of Westgrove Road and the West right-of-way line of Addison Road;
THENCE, West along the South right-of-way line of Westgrove Road a distance of 750.57 ft. to a point in the West right-of-way of Claire Chennault (a 40 ft. ROW); said point being the Point of Beginning;

THENCE, S 0° 07' 10" E, along the said West right-of-way a distance of 250.00 ft. to a point;
THENCE West a distance of 260.00 ft. to a point;
THENCE North a distance of 260.00 ft. to a point on the South right-of-way of Westgrove Road;
THENCE East along the said South right of way a distance of 260.00 ft. to the Point of Beginning, containing 1.354 acres (67,670.8964 sq. ft.) of land, more or less.

Being the same real property covered by lease dated March 2, 1984 referenced in Deed of Trust, Security Agreement and Assignment of Rent recorded in Volume 84138, Page 4784, Deed of Trust Records, Dallas County, Texas.

EXHIBIT "B"

Personal Property

1. All materials, supplies, equipment, apparatus and other items attached to, installed in or used (temporarily or permanently) in connection with any of the Real Property (as herein defined) at any time from and after the date of the Deed of Trust through and including the date of foreclosure of the lien of the Deed of Trust, and all renewals, replacements, and substitutions thereof and additions thereto, including but not limited to any and all partitions, ducts, shafts, pipes, radiators, conduits, wiring, window screens and shades, drapes, rugs and other floor coverings, awnings, motors, engines, boilers, stokers, pumps, dynamos, transformers, generators, fans, blowers, vents, switchboards, elevators, mail conveyors, escalators, compressors, furnaces, cleaning, call and sprinkler systems, fire extinguishing apparatus, water tanks, swimming pools, heating, ventilating, plumbing, laundry, incinerating, air conditioning and air cooling systems, water, gas and electric equipment, disposal, dishwashers, washers, dryers, refrigerators and ranges, cafeteria equipment, and recreational equipment and facilities of all kinds.

2. All of the right, title and interest of Grantor in and to all personal property (other than fixtures) of any kind as defined in Chapter 9 of the Texas Uniform Commercial Code, including but not limited to all furniture, furnishings, equipment, machinery, goods, general intangibles, money, accounts, contract rights, and inventory, now or hereafter located upon, within or about the Real Property, together with all accessories, replacements and substitutions therefor and the proceeds thereof.

420:0090688B.90

05

SEP 13 1988

COUNTY OF DALLAS
STATE OF TEXAS
COUNTY CLERK
I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED AT THE
CLERK'S OFFICE THIS 13TH DAY OF SEPTEMBER 1988 AT THE
CITY OF DALLAS, TEXAS IN THE COUNTY OF DALLAS.

SEP 13 1988



Earl B. ...
COUNTY CLERK, DALLAS COUNTY, TEXAS

EXHIBIT E

ASSIGNMENT OF LEASE

THIS AGREEMENT is made as of this the 9th day of September, 1988, at Addison, Texas, between MCorp MANAGEMENT SOLUTIONS, INC., a Texas corporation, hereinafter called "Assignor", and REALTY ALLIANCE OF TEXAS, LTD., a Texas limited partnership, hereinafter called "Assignee."

FILED
11/11/89

WHEREAS, a lease was executed on March 7, 1984 between CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC. as Lessor, and LAWSON RIDGEWAY as Lessee, by the terms of which certain real property located on the Addison Airport was leased to the Lessee upon the terms and conditions provided therein; and

WHEREAS, an Assignment of Lease was executed on October 23, 1985, between CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC., as the Lessor and GREAT SOUTHWEST HOMES, INC., as Lessee upon the terms and conditions provided therein; and

WHEREAS, an Assignment of Lease was executed on May 31, 1988 by and among City of Addison and Addison Airport of Texas, Inc., as the Lessor and Great Southwest Homes, Inc. and Tarlve, Inc., as Lessee upon the terms and conditions provided therein; and

WHEREAS, by Substitute Trustee's Deed dated September 7, 1988, the interest of Tarlve, Inc. was transferred to Assignor; and

WHEREAS, the Assignor now desires to assign the lease to Assignee, and the Assignee desires to accept the assignment thereof;

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), receipt of which is hereby acknowledged, and the agreement of the Assignee, hereinafter set forth, the Assignor hereby assigns and transfers to the Assignee, its successors and assigns, all of its right, title and interest in and to the lease hereinbefore described covering the property more particularly described on Exhibit "A" attached hereto and incorporated herein, and the Assignee hereby agrees to and does accept the assignment, and in addition expressly assumes and agrees to keep, perform and fulfill all the terms, covenants,

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39004 0577

conditions and obligations required to be kept, performed and fulfilled by the Assignor as the Lessee thereunder, including the making of all payments due to or payable on behalf of the Lessor under said lease when due and payable.

This agreement shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest, and assigns.

EXECUTED the day and year first above written.

ASSIGNOR:

MCORP MANAGEMENT SOLUTIONS, INC.,
a Texas corporation

By: [Signature]
Name: _____
Title: _____

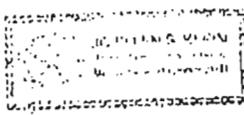
ASSIGNEE:

REALTY ALLIANCE OF TEXAS, LTD.,
a Texas limited partnership
By: Texas Associated Realty, Inc.
(its General Partner)

By: [Signature]
Jerre Hutson Vice President

STATE OF TEXAS
COUNTY OF Dallas

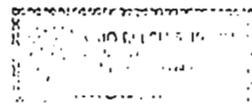
This instrument was acknowledged before me on 11-18-88 by Kathy Bungey Vice Pres. of MCorp Management Solutions, Inc. a Texas corporation, on behalf of said corporation.



[Signature]
Notary Public Signature
Kathy Bungey
Notary Public Printed or Typed Name
My commission expires: 9-21-91

STATE OF TEXAS
COUNTY OF Dallas

This instrument was acknowledged before me on 11-18-88 by Jerre Hutson Vice Pres. of Texas Associated Realty, Inc. a Texas corporation, on behalf of said corporation.



[Signature]
Notary Public Signature
Kathy Bungey
Notary Public Printed or Typed Name
My commission expires: 9-21-91

257:00924888.00
092788jdx1

EXHIBIT "A"

Being a LEASEHOLD ESTATE in and to the following described property as created by that certain Ground Lease Agreement by and between the City of Addison, a municipal corporation and Addison Airport of Texas, Inc., a Texas corporation, Lessor and Lawson Ridgeway and/or Assigns, Lessee, dated 10-23-55, recorded in Volume 86022, Page 0124, Deed Records, Dallas County, Texas; as assigned to Great Southwest Homes, Inc. by Assignment of Lease attached to said Lease; and being more particularly described as follows:

BEING a tract of land situated in the William Lonax Survey, Abstract No. 792, Dallas County, Texas, also being located on Addison Municipal Airport, Addison, Texas, and being more particularly described as follows:

COMMENCING at the intersection of the South right-of-way line of Westgrove Road and the West right-of-way line of Addison Road;

THENCE, West along the South right-of-way line of Westgrove Road a distance of 759.59 feet to a point in the West right-of-way line of Claire Chensault 160-foot R.D.W.; said point being the Point of Beginning;

THENCE, South 0 deg. 07 Min. 20 sec. East, along the said West right-of-way a distance of 260.00 feet to a point;

THENCE, West a distance of 260.55 feet to a point;

THENCE, North a distance of 260.00 feet to a point on the South right-of-way of Westgrove Road;

THENCE, East along said South right-of-way a distance of 260.00 feet to the Point of Beginning and containing 1.354 acres of land, more or less.

GSW Center

Page 1 of 1

Return to:
Kathryn R. Kierstead
Winstead, McQuinn, Beardsley & Merick
1400 Renaissance Tower
1201 Elm Street
Dallas, Texas 75270

89004 0579

STATE OF TEXAS
COUNTY OF DALLAS
JAN 0 1968

STATE OF TEXAS
COUNTY OF DALLAS
JAN 0 1968



Earl R. Rainey
COUNTY CLERK, DALLAS COUNTY, TEXAS

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1968
JAN 0 1968

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EXHIBIT F

ASSIGNMENT OF GROUND LEASE

THIS AGREEMENT is made as of this the th 15 day of March, 1990, at Addison, Texas, between REALTY ALLIANCE OF TEXAS, LTD., a Texas limited partnership, hereinafter called "Assignor", and ITALIX ACQUISITION CORPORATION, a Texas corporation, hereinafter called "Assignee."

WHEREAS, a lease (the "Lease") was executed on March 2, 1984 between CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC. as Lessor, and LAWSON RIDGEWAY as Lessee, by the terms of which certain real property located on the Addison Airport was leased to the Lessee upon the terms and conditions provided therein;

WHEREAS, an Assignment of Lease was executed on October 23, 1985, between CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC., as the Lessor and GREAT SOUTHWEST HOMES, INC., as Lessee upon the terms and conditions provided therein;

WHEREAS, an Assignment of Lease was executed on May 31, 1988 by and among City of Addison and Addison Airport of Texas, Inc., as the Lessor and Great Southwest Homes, Inc. and Tarfive, Inc., as Lessee upon the terms and conditions provided therein;

WHEREAS, by Substitute Trustee's Deed dated September 7, 1988, the interest of Tarfive, Inc. was transferred to MCORP MANAGEMENT SOLUTIONS, INC., a Texas corporation ("MSI");

WHEREAS, an Assignment of Lease was executed on September 8, 1988, by MSI and Assignor, as Lessee, upon the terms and conditions provided therein; and

WHEREAS, the Assignor now desires to assign the Lease to Assignee, and the Assignee desires to accept the assignment thereof.

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), receipt of which is hereby acknowledged, and the agreement of the Assignee, hereinafter set forth, the Assignor hereby assigns and transfers to the Assignee, its successors and assigns, all of its right, title and interest in and to the Lease hereinbefore described covering the property

more particularly described on Exhibit "A" attached hereto and incorporated herein, and the Assignee hereby agrees to and does accept the assignment, and in addition expressly assumes and agrees to keep, perform and fulfill all the terms, covenants, conditions and obligations required to be kept, performed and fulfilled by the Assignor as the Lessee thereunder, including the making of all payments due to or payable on behalf of the Lessor under said Lease when due and payable.

This agreement shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest, and assigns.

EXECUTED the day and year first above written.

ASSIGNOR:

REALTY ALLIANCE OF TEXAS, LTD.,
a Texas limited partnership

By: Pine Valley Resources Corporation,
an Ohio corporation, its sole
general partner

By: _____
Name: Richard D. Wheeler
Title: Director

ASSIGNEE:

ITALIX ACQUISITION CORPORATION,
a Texas corporation

By: _____
Name: Richard D. Wheeler
Title: Director

CONSENT OF LESSOR

The undersigned is the Lessor in the Lease described in the foregoing Assignment and hereby consents to the assignment of the Lease to Assignee waiving none of their rights thereunder as to the Lessee or the Assignee.

LESSOR:

CITY OF ADDISON

By: [Signature]
Name: LYNN SPRUILL
Title: MAYOR

ADDISON AIRPORT OF TEXAS, INC.

By: [Signature]
Name: SAM STUART
Title: PRESIDENT

STATE OF TEXAS 5
 5
COUNTY OF DALLAS 5

BEFORE ME, the undersigned Notary Public, on this day personally appeared John Adams, John Adams of PINE VALLEY RESOURCES CORPORATION, an Ohio corporation, sole general partner in REALTY ALLIANCE OF TEXAS, LTD., a Texas limited partnership, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said corporation and limited partnership and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 24 day of January, 1990.

My Commission Expires: 12/22/90

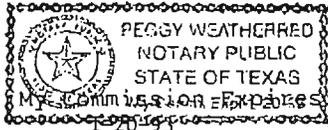
[Signature]
Notary Public - State of Texas
Anita E. Saunders
Printed/Typed Name of Notary Public



STATE OF TEXAS 5
 5
COUNTY OF DALLAS 5
 5
 5
 5

BEFORE ME, the undersigned Notary Public, on this day personally appeared Richard O. Wheeler, of ITALIX ACQUISITION CORPORATION, a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said corporation and limited partnership and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 21st day of February, 1990.



Peggy Weatherred
Notary Public - State of Texas
Peggy Weatherred

Printed/Typed Name of Notary Public

STATE OF TEXAS 5
 5
COUNTY OF DALLAS 5
 5

BEFORE ME, the undersigned Notary Public, on this day personally appeared James S. Sorell, of the CITY OF ADDISON, a municipal corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said corporation and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 15th day of February, 1990.

My Commission Expires:

September 26, 1993

Gretchen S. Acevedo
Notary Public - State of Texas

GRETCHEN S. ACEVEDO
Printed/Typed Name of Notary Public



STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned Notary Public, on this day personally appeared Sam Stewart, of ADDISON AIRPORT OF TEXAS, INC., a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said corporation and limited partnership and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 22nd day of February, 1990.

My Commission Expires:
05/14/92

Willene Faris
Notary Public - State of Texas
WILLENE FARIS
Printed/Typed Name of Notary Public

257:0090410ZZZ.00
022090/1p1

EXHIBIT G

- -

ASSIGNMENT OF GROUND LEASE

STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF DALLAS §

THIS ASSIGNMENT OF GROUND LEASE (the "Assignment"), is entered into and effective as of March 31, 1999, at Addison, Texas, between ITALIX ACQUISITION CORPORATION ("Assignor") and AIR 276 L, L.P., a Texas limited partnership ("Assignee").

WHEREAS, Assignor is the Lessee under that certain GROUND LEASE as described and defined on Exhibit "A" attached hereto and made a part hereof for all purposes; and

WHEREAS, the Assignor now desires to assign the Ground Lease to Assignee, and Assignee desires to accept the Assignment thereof; and

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and conditions contained herein, the sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound, agree as follows:

AGREEMENT

1. Assignor hereby assigns, bargains, sells and conveys to Assignee, effective as of the date above, all of Assignor's rights, title and interest in and to the Ground Lease.
2. Prior to the effective date of this Assignment, Assignee agrees to pay an Assignment Fee in the amount of Four Hundred Fifty Dollars and No/100 (\$450.00) to Landlord.
3. Assignee hereby agrees to be bound by and to comply with the terms of this Ground Lease.
4. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest, and assigns.

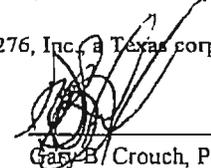
EXECUTED the day and year first above written.

ASSIGNOR:
ITALIX ACQUISITION CORPORATION
By: James D. Pratt
James D. Pratt, President

ASSIGNEE:

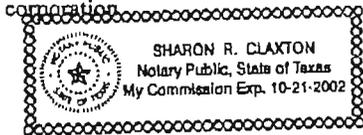
AIR 276 I, L.P., a Texas limited partnership

By: Air 276, Inc., a Texas corporation

By: 
Gary B. Crouch, President

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 30 day of March, 1999 by JAMES D. PRATT, President of ITALIX ACQUISITION CORP., a Texas corporation on behalf of said corporation



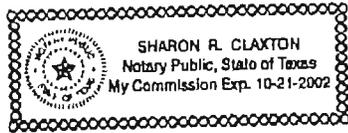
My Commission Expires:
10-21-2002

Sharon R. Claxton
Notary Public, State of Texas

SHARON R. CLAXTON
(Printed or Typed Name of Notary)

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 30 day of March, 1999 by GARY B. CROUCH, President of AIR 276, INC., a Texas corporation, general partner of AIR 276 I, LTD., a Texas limited partnership on behalf of said partnership.



My Commission Expires:
10-21-2002

Sharon R. Claxton
Notary Public, State of Texas

SHARON R. CLAXTON
(Printed or Typed Name of Notary)

EXHIBIT "A"

LEGAL DESCRIPTION

Being a Leasehold Estate in and to the real property described below as created by that certain Ground Lease Agreement (the "Ground Lease") by and between the City of Addison, Texas, a municipal corporation and Addison Airport of Texas, Inc., a Texas corporation, collectively as Landlord and Lawson Ridgeway and/or assigns ("Lawson"), as Tenant, recorded in Volume 86022, Page 0124 of the Deed Records of Dallas County, Texas, and (i) as assigned to Great Southwest Homes, Inc. ("GSW") by Assignment of Lease (a copy of which was attached to the Ground Lease); (ii) as assigned by GSW to Tarfive Inc. by Assignment of Lease dated May 31, 1988, recorded as an attachment to instrument recorded in Volume 90054, Page 1648, Deed Records, Dallas County, Texas; (iii) as assigned and acquired by MCorp Management Solutions, Inc. ("MCorp") by Substitute Trustee's Deed dated September 7, 1988 recorded in Volume 88178, Page 1420, Deed Records, Dallas County, Texas following foreclosure of that certain Deed of Trust, Security Agreement and Assignment of Rents dated December 1, 1985, recorded in Volume 86007, Page 0906, Deed of Trust Records, Dallas County, Texas; (iv) as assigned by MCorp to Reality Alliance of Texas, Inc. ("Reality") by Assignment of Lease dated September 8, 1988 recorded in Volume 89004, Page 0577, Deed Records, Dallas County, Texas; (v) as assigned by Reality to Italix Acquisition Corporation by Assignment of Ground Lease dated March 15, 1990, recorded in Volume 90054, Page 1648, Deed Records, Dallas County, Texas; and (vi) as assigned to Air 276 I, L.P., by Assignment of Ground Lease dated March 30, 1999 and filed in the Deed Records of Dallas County, Texas.

The property covered by the leasehold estate created pursuant to the Ground Lease is as follows:

Description of a 1.5535 acre tract of land in the Town of Addison, Texas, being in the William Lomax Survey, Abstract No. 792, Dallas County, Texas, also being located on Addison Municipal Airport, Addison, Texas and being more particularly described as follows:

BEGINNING, at a 1/2-inch iron rod with "Powell & Powell" cap found for corner at the intersection of the West right of way line of Claire Chennault (60-foot wide, undedicated right-of-way at this point) and the South right-of-way line of Westgrove Road (60-foot right-of-way at this point);

THENCE, SOUTH 00 degrees 07 minutes 20 seconds East, with said West line of Claire Chennault, a distance of 260.00 feet to a 1/2-inch iron rod with "Powell & Powell" cap found for corner;

THENCE, WEST, a distance of 260.55 feet to an "x" cut in concrete found for corner, said point being the Southeast corner of that tract of land described in Ordinance No. 085-049 enacted by the City Council of the Town of Addison on the 13th day of August, 1985, to designate said tract as Planned Development, District "PD";

THENCE, NORTH, with the East line of said Planned Development tract, a distance of 260.00 feet to a 1/2-inch iron rod with "Powell & Powell" cap found for corner, said point being in said South right-of-way line of Westgrove Road;

THENCE, EAST, with said South line of Westgrove Road, a distance of 260.00 feet to the POINT OF BEGINNING;

CONTAINING, 67,671 square feet or 1.5535 acres of land, more or less.

EXHIBIT H

ASSIGNMENT OF GROUND LEASE
(Air 276 I, L.P. and Fortune Capital, Inc. to ADS Air 2000, L.P.)

THE STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF DALLAS §

THIS ASSIGNMENT OF GROUND LEASE (the "Assignment"), is entered into and effective as of July 7, 2000, at Addison, Texas, between AIR 276 I, L.P., a Texas limited partnership, and FORTUNE CAPITAL, INC., a Texas corporation (collectively, "Assignor") and ADS AIR 2000, L.P., a Texas limited partnership ("Assignee").

WHEREAS, a Ground Lease was executed on March 2, 1984 between the City of Addison and Addison Airport of Texas as the Landlord and Lawson Ridgeway as the Tenant recorded in Volume 86022, Page 0124, of the Deed Records of Dallas County, Texas, by the terms of which certain real property located on Addison Airport was leased to Lawson Ridgeway; and

WHEREAS, by that Assignment of Lease dated October 23, 1985, recorded in Volume 86022, Page 0124 of the Deed Records of Dallas County, Texas, the above described Ground Lease was assigned from Lawson Ridgeway as assignor to Great Southwest Homes, Inc. as assignee; and

WHEREAS, by that Assignment of Lease dated May 31, 1988, recorded at Volume 90054, Page 1648 of the Deed Records of Dallas County, Texas, the above described Ground Lease was assigned by Great Southwest Homes, Inc. as assignor to Tarfive, Inc. as assignee; and

WHEREAS, by Substitute Trustee's Deed dated September 7, 1988, recorded at Volume 88178, Page 1420 of the Deed Records of Dallas County, Texas, the interest of Tarfive, Inc. was transferred to MCorp Management Solutions, Inc. ("MSP"); and

WHEREAS, by that Assignment of Lease dated September 8, 1988, recorded at Volume 89004, Page 0577 of the Deed Records of Dallas County, Texas, the above described Ground Lease was assigned by MSI as assignor to Realty Alliance of Texas, Ltd. as assignee; and

WHEREAS, by that Assignment of Ground Lease dated March 15, 1990, recorded at Volume 90054, Page 1648 of the Deed Records of Dallas County, Texas, the above described Ground Lease was assigned by Realty Alliance of Texas, Ltd., as assignor to Italex Acquisition Corporation ("Italex") as assignee; and

WHEREAS, by that Assignment of Lease dated March 31, 1999, recorded at Volume 99063, Page 1763 of the Deed Records of Dallas County, Texas, the above described Ground Lease was assigned by Italex as assignor to Air 276 I, L.P.; and

WHEREAS, by Assignment of Ground Lease dated of even date herewith an undivided fifty percent (50%) interest in and to the above described Ground Lease was assigned by Air 276 L.P., a Texas limited partnership, to Fortune Capital, Inc., a Texas corporation; and

WHEREAS, the Ground Lease (herein so called) is more particularly described in the attached Exhibit A; and

WHEREAS, the Assignor now desires to assign the Ground Lease to Assignee, and Assignee desires to accept the Assignment thereof; and

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and conditions contained herein, the sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound, agree as follows:

AGREEMENT

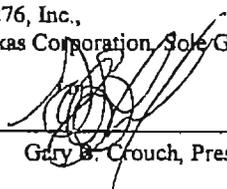
1. Assignor hereby assigns, bargains, sells and conveys to Assignee, effective as of the date above, all of Assignor's rights, title and interest in and to the Ground Lease.
2. Prior to the effective date of this Assignment, Assignee agrees to pay an Assignment Fee in the amount of Four Hundred Fifty Dollars (\$450.00) to Landlord.
3. Assignee hereby agrees to be bound by and to comply with the terms of the Ground Lease.
4. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest, and assigns.

EXECUTED the day and year first above written.

ASSIGNOR:

AIR 276 L.P.,
a Texas Limited Partnership

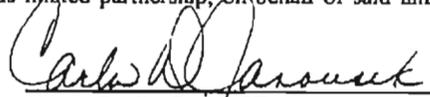
By: Air 276, Inc.,
a Texas Corporation, Sole General Partner

By: 

Gary B. Crouch, President

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

THIS INSTRUMENT was acknowledged before me on the 7th day of July, 2000, by TOMBIJOU, President of ADS 2000, Inc., a Texas corporation, Sole General Partner of ADS AIR 2000, L.P., a Texas limited partnership, on behalf of said limited partnership.



Notary Public, State of Texas

EXHIBIT A

Being a leasehold estate in and to the real property described below as created by that certain Ground Lease (the "Ground Lease") by and between the City of Addison, Texas, a municipal corporation, and Addison Airport of Texas, Inc., a Texas corporation, collectively as landlord and Lawson Ridgeway and/or assigns ("Lawson"), as tenant, recorded in Volume 86022, Page 0124 of the Deed Records of Dallas County, Texas, and (i) as assigned to Great Southwest Homes, Inc. ("GSW") by Assignment of Lease (a copy of which was attached to the Ground Lease); (ii) as assigned by GSW to Tarfive, Inc. by Assignment of Lease dated May 31, 1988, recorded as an attachment to instrument recorded in Volume 90054, Page 1648, Deed Records, Dallas County, Texas; (iii) as assigned and acquired by MCorp Management Solutions, Inc. ("MCorp") by Substitute Trustee's Deed dated September 7, 1988 recorded in Volume 88178, Page 1420, Deed Records, Dallas County, Texas following foreclosure of that certain Deed of Trust, Security Agreement and Assignment of Rents dated December 1, 1985, recorded in Volume 86007, Page 0906, Deed of Trust Records, Dallas County, Texas; (iv) as assigned by MCorp to Reality Alliance of Texas, Inc. ("Reality") by Assignment of Lease dated September 8, 1988 recorded in Volume 89004, Page 0577, Deed Records, Dallas County, Texas; (v) as assigned by Reality to Italix Acquisition Corporation by Assignment of Ground Lease dated March 15, 1990, recorded in Volume 90054, Page 1648, Deed Records, Dallas County, Texas; and (vi) as assigned to Air 276 L.P., by Assignment of Ground Lease dated March _____, 1999 and filed in the Deed Records of Dallas County, Texas.

Said Ground Lease covers a portion of the property encumbered by that certain lease entitled Agreement for the Operation of the Addison Airport (the "Operating Agreement") between the City of Addison and Addison Airport, Inc. dated December 30, 1976, as amended, filed October 22, 1997, recorded in Volume 97206, Page 5413, Deed Records of Dallas County, Texas. The terms of the Operating Agreement as they relate to premises covered by the Ground Lease (other than the payment of rent) are incorporated into the Ground Lease during the term of the Operating Agreement, and the interest of Addison Airport, Inc. has been assigned to Addison Airport of Texas, Inc.

The property covered by the leasehold estate created pursuant to the Ground Lease is as follows:

Description of a 1.5535 acre tract of land in the Town of Addison, Texas, being in the William Lomax Survey, Abstract No. 792, Dallas County, Texas, also being located on Addison Municipal Airport, Addison, Texas and being more particularly described as follows:

BEGINNING, at a 1/2-inch iron rod with "Powell & Powell" cap found for corner at the intersection of the West right-of-way line of Claire Chennault (60-foot wide, undedicated right-of-way) and the South right-of-way line of Westgrove Road (60-foot right-of-way at this point);

THENCE, SOUTH 00 degrees 07 minutes 20 seconds East, with said West line of Claire Chennault, a distance of 260.00 feet to a 1/2-inch iron rod with "Powell & Powell" cap found for corner;

THENCE, WEST, a distance of 260.55 feet to an "x" cut in concrete found for corner, said point being the Southeast corner of that tract of land described in Ordinance No. 085-049 enacted by the City Council of the Town of Addison on the 13th day of August, 1985, to designate said tract as Planned Development, District "PD";

THENCE, NORTH, with the East line of said Planned Development tract, a distance of 260.00 feet to a 1/2-inch iron rod with "Powell & Powell" cap found for corner, said point being in said South right-of-way line of Westgrove Road.

THENCE, EAST, with said South line of Westgrove Road, a distance of 260.00 feet to the POINT OF BEGINNING:

CONTAINING, 67,671 square feet or 1.5535 acres of land, more or less.



Post Office Box 9010 Addison, Texas 75001-9010

5300 Delt Line Road

(972) 450-7000
FAX (972) 450-7043

July 26, 2000

Darlene Reid
Comptroller
Addison Airport
4505 Claire Chennault
Addison, TX 75001

Dear Ms. Reid:

Reference my earlier letter of July 13, 2000, and your letter of June 29, 2000, Item (4), I have enclosed copies for your records of the following on Air 276 I, L.P./Fortune Capital, Inc./ADS Air 2000, L.P.:

1. Assignment of Ground Lease (Air 276 I, L.P. and Fortune Capital, Inc. to ADS Air 2000, L.P.)
2. Assignment of Ground Lease (Air 276 I, L.P., a Texas limited partnership, to Fortune Capital, Inc. as to a 50% Interest)
3. Estoppel letter

If you have any questions, please do not hesitate to call me at (972) 450-7017.

Sincerely,

Bill Shipp
Administrative Assistant
Development Services

cc: Chris Terry

ASSIGNMENT OF GROUND LEASE

(Air 276 I, L.P., a Texas limited partnership to Fortune Capital, Inc. as to a 50% Interest)

THE STATE OF TEXAS §
§ KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF DALLAS §

THIS ASSIGNMENT OF GROUND LEASE (the "Assignment"), is entered into and effective as of July 7, 2000, at Addison, Texas, between AIR 276 I, L.P., a Texas limited partnership ("Assignor"), and FORTUNE CAPITAL, INC., a Texas corporation ("Assignee").

WHEREAS, a Ground Lease was executed on March 2, 1984 between the City of Addison and Addison Airport of Texas as the Landlord and Lawson Ridgeway as the Tenant recorded in Volume 86022, Page 0124, of the Deed Records of Dallas County, Texas, by the terms of which certain real property located on Addison Airport was leased to Lawson Ridgeway; and

WHEREAS, by that Assignment of Lease dated October 23, 1985, recorded in Volume 86022, Page 0124 of the Deed Records of Dallas County, Texas, the above described Ground Lease was assigned from Lawson Ridgeway as assignor to Great Southwest Homes, Inc. as assignee; and

WHEREAS, by that Assignment of Lease dated May 31, 1988, recorded at Volume 90054, Page 1648 of the Deed Records of Dallas County, Texas, the above described Ground Lease was assigned by Great Southwest Homes, Inc. as assignor to Tarfive, Inc. as assignee; and

WHEREAS, by Substitute Trustee's Deed dated September 7, 1988, recorded at Volume 88178, Page 1420 of the Deed Records of Dallas County, Texas, the interest of Tarfive, Inc. was transferred to MCorp Management Solutions, Inc. ("MSI"); and

WHEREAS, by that Assignment of Lease dated September 8, 1988, recorded at Volume 89004, Page 0577 of the Deed Records of Dallas County, Texas, the above described Ground Lease was assigned by MSI as assignor to Realty Alliance of Texas, Ltd. as assignee; and

WHEREAS, by that Assignment of Ground Lease dated March 15, 1990, recorded at Volume 90054, Page 1648 of the Deed Records of Dallas County, Texas, the above described Ground Lease was assigned by Realty Alliance of Texas, Ltd., as assignor to Italix Acquisition Corporation ("Italix") as assignee; and

WHEREAS, by that Assignment of Lease dated March 31, 1999, recorded at Volume 99063, Page 1763 of the Deed Records of Dallas County, Texas, the above described Ground Lease was assigned by Italix as assignor to Air 276 I, L.P.; and

WHEREAS, the Ground Lease (herein so called) is more particularly described in the attached Exhibit A; and

WHEREAS, the Assignor now desires to assign an undivided fifty percent (50%) interest in and to the Ground Lease to Assignee, and Assignee desires to accept the Assignment thereof; and

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and conditions contained herein, the sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound, agree as follows:

AGREEMENT

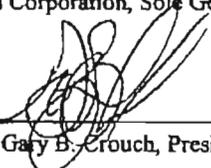
1. Assignor hereby assigns, bargains, sells and conveys to Assignee, effective as of the date above, an undivided fifty percent (50%) interest in and to all of Assignor's rights, title and interest in and to the Ground Lease.
2. Prior to the effective date of this Assignment, Assignor agrees to pay an Assignment Fee in the amount of Four Hundred Fifty Dollars (\$450.00) to Landlord.
3. Assignee hereby agrees to be bound by and to comply with the terms of the Ground Lease.
4. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest, and assigns.

EXECUTED the day and year first above written.

ASSIGNOR:

AIR 276 I, L.P.,
a Texas Limited Partnership

By: Air 276, Inc.,
a Texas Corporation, Sole General Partner

By: 

Gary B. Crouch, President

EXHIBIT A

Being a leasehold estate in and to the real property described below as created by that certain Ground Lease (the "Ground Lease") by and between the City of Addison, Texas, a municipal corporation, and Addison Airport of Texas, Inc., a Texas corporation, collectively as landlord and Lawson Ridgeway and/or assigns ("Lawson"), as tenant, recorded in Volume 86022, Page 0124 of the Deed Records of Dallas County, Texas, and (i) as assigned to Great Southwest Homes, Inc. ("GSW") by Assignment of Lease (a copy of which was attached to the Ground Lease); (ii) as assigned by GSW to Tarfive, Inc. by Assignment of Lease dated May 31, 1988, recorded as an attachment to instrument recorded in Volume 90054, Page 1648, Deed Records, Dallas County, Texas; (iii) as assigned and acquired by MCorp Management Solutions, Inc. ("MCorp") by Substitute Trustee's Deed dated September 7, 1988 recorded in Volume 88178, Page 1420, Deed Records, Dallas County, Texas following foreclosure of that certain Deed of Trust, Security Agreement and Assignment of Rents dated December 1, 1985, recorded in Volume 86007, Page 0906, Deed of Trust Records, Dallas County, Texas; (iv) as assigned by MCorp to Reality Alliance of Texas, Inc. ("Reality") by Assignment of Lease dated September 8, 1988 recorded in Volume 89004, Page 0577, Deed Records, Dallas County, Texas; (v) as assigned by Reality to Italix Acquisition Corporation by Assignment of Ground Lease dated March 15, 1990, recorded in Volume 90034, Page 1648, Deed Records, Dallas County, Texas; and (vi) as assigned to Air 276 L.P., by Assignment of Ground Lease dated March _____, 1999 and filed in the Deed Records of Dallas County, Texas.

Said Ground Lease covers a portion of the property encumbered by that certain lease entitled Agreement for the Operation of the Addison Airport (the "Operating Agreement") between the City of Addison and Addison Airport, Inc. dated December 30, 1976, as amended, filed October 22, 1997, recorded in Volume 97206, Page 5413, Deed Records of Dallas County, Texas. The terms of the Operating Agreement as they relate to premises covered by the Ground Lease (other than the payment of rent) are incorporated into the Ground Lease during the term of the Operating Agreement, and the interest of Addison Airport, Inc. has been assigned to Addison Airport of Texas, Inc.

The property covered by the leasehold estate created pursuant to the Ground Lease is as follows:

Description of a 1.5535 acre tract of land in the Town of Addison, Texas, being in the William Lomax Survey, Abstract No. 792, Dallas County, Texas, also being located on Addison Municipal Airport, Addison, Texas and being more particularly described as follows:

BEGINNING, at a 1/4-inch iron rod with "Powell & Powell" cap found for corner at the intersection of the West right-of-way line of Claire Chermault (60-foot wide, undedicated right-of-way) and the South right-of-way line of Westgrove Road (60-foot right-of-way at this point);

THENCE, SOUTH 00 degrees 07 minutes 20 seconds East, with said West line of Claire Chermault, a distance of 260.00 feet to a 1/4-inch iron rod with "Powell & Powell" cap found for corner;

THENCE, WEST, a distance of 260.55 feet to an "x" cut in concrete found for corner, said point being the Southeast corner of that tract of land described in Ordinance No. 085-049 enacted by the City Council of the Town of Addison on the 13th day of August, 1985, to designate said tract as Planned Development, District "PD";

THENCE, NORTH, with the East line of said Planned Development tract, a distance of 260.00 feet to a 1/2-inch iron rod with "Powell & Powell" cap found for corner, said point being in said South right-of-way line of Westgrove Road.

THENCE, EAST, with said South line of Westgrove Road, a distance of 260.00 feet to the POINT OF BEGINNING:

CONTAINING, 67,671 square feet or 1.5535 acres of land, more or less.

EXHIBIT I

(Executed Assignment to Key Development to be inserted)

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

ASSIGNMENT OF GROUND LEASE

This **ASSIGNMENT OF GROUND LEASE** (the "Assignment") is entered into and effective as of Sept 15 2006, at Addison, Texas, by and between **ADS AIR 2000, L.P.**, a Texas limited partnership (herein referred to as "Assignor") and **KEY DEVELOPMENT, LLC**, a Texas limited liability company (herein referred to as "Assignee").

WHEREAS, a Ground Lease together with the Addendum To Ground Lease was executed on March 2, 1984 between the City of Addison, Texas (the same being the Town of Addison, Texas and sometimes referred to herein as the "City") and Addison Airport of Texas, Inc., as Landlord, and Lawson Ridgeway, as Tenant, recorded in Volume 86022, Page 0124-0133 of the Deed Records of Dallas, County, Texas (the "Ground Lease", a true and correct copy of which Ground Lease is attached hereto as Exhibit A), by the terms of which certain real property now commonly referred to as 4444 Westgrove Dr. at Addison Airport within the Town of Addison, Texas and owned by the City; and

WHEREAS, by that Assignment of Lease dated October 23, 1985, recorded in Volume 86169 Page 5724-5748 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit B), the Ground Lease was assigned from Lawson Ridgeway, as assignor, to Great Southwest Homes, Inc., as assignee; and

WHEREAS, by that Assignment of Lease dated May 31, 1988, recorded as Instrument #198801897613 Volume 88189 Page 1182-1201 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit C), the Ground Lease was assigned from Great Southwest Homes, as assignor, to TARFIVE, Inc., as assignee; and

WHEREAS, by that Substitute Trustee's Deed, recorded as Instrument #198801897613 Volume 88178 Page 1420-1425 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit D), the Ground Lease was assigned to the beneficiary, MCORP MANAGMEMENT SOLUTIONS, INC.; and

WHEREAS, by that Assignment of Lease dated September 8, 1988, recorded as Instrument #198900044704 Volume 89004 Page 577-580 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit E), the Ground Lease was assigned from MCORP MANAGMEMENT SOLUTIONS, INC., a Texas Corporation, as assignor, to REALTY ALLIANCE OF TEXAS, LTD., A Texas limited partnership, as assignee; and

WHEREAS, by that Assignment of Ground Lease dated March 15, 1990, recorded as Instrument #199000545456 Volume 90054 Page 1648-1687 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit F), the Ground Lease was assigned from REALTY ALLIANCE OF TEXAS, LTD., a Texas Corporation, as assignor, to ITALIX ACQUISITION CORPORATION, a Texas corporation, as assignee; and

WHEREAS, by that Assignment of Ground Lease dated March 31, 1999, recorded as Instrument #199900523035 Volume 99063 Page 1763-1767 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit G), the Ground Lease was assigned from ITALIX ACQUISITION CORPORATION, a Texas corporation, as assignor, to AIR 276 I, L.P., a Texas limited partnership, as assignee; and

WHEREAS, by that Assignment of Ground Lease dated July 7, 2000, recorded as Instrument #200001054648 Volume 2000132 Page 07549-07556 of the Deed Records of Dallas County, Texas, (a true and correct copy of which is attached hereto as Exhibit H), the Ground Lease was assigned from AIR 276 I, L.P., a Texas limited partnership, as assignor, to ADS AIR 2000, L.P., a Texas limited partnership, as assignee; and

WHEREAS, by virtue of such assignments, Assignor is the Tenant under the Ground Lease; and

WHEREAS, the Ground Lease provides that, upon the expiration or termination of that certain agreement referred to and defined in the Ground Lease as the "Base Lease" (and being an Agreement for Operation of the Addison Airport between the City and Addison Airport of Texas, Inc.), the City is entitled to all of the rights, benefits and remedies, and will perform the duties, covenants and obligations, of the Landlord under the Ground Lease; and

WHEREAS, the said Base Lease has expired and the City is the Landlord under the Ground Lease; and

WHEREAS, the Ground Lease provides in Section 9 thereof that, without the prior written consent of the Landlord, the Tenant may not assign the Ground Lease or any rights of Tenant under the Ground Lease (except as provided therein), and that any assignment must be expressly subject to all the terms and provisions of the Ground Lease, and that any assignment must include a written agreement from the assignee whereby the assignee agrees to be bound by the terms and provisions of the Ground Lease; and

WHEREAS, Assignor desires to assign the Ground Lease to Assignee, and Assignee desires to accept the Assignment thereof in accordance with the terms and conditions of this Assignment.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and conditions contained herein, the sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound agree as follows:

AGREEMENT

1. Assignor hereby assigns, bargains, sells, and conveys to Assignee, effective as of the date above, all of Assignor's right, title, duties, responsibilities, and interest in and to the Ground Lease, attached hereto as Exhibit A, TO HAVE AND TO HOLD the same, for the remaining term thereof, and Assignor does hereby bind itself and its successors and assigns to warrant and forever defend the same unto Assignee against every person or persons lawfully claiming a part thereof through Assignor.

2. Prior to the effective date of this Assignment, Assignee agrees to pay an Assignment Fee in the amount of Four Hundred Fifty Dollars and no/100 (\$450.00) to Landlord.

3. Assignee hereby agrees to and shall be bound by and comply with all of the terms, provisions, duties, conditions, and obligations of tenant under the Ground Lease. For purposes of notice under the Ground Lease, the address of Assignee is

Key Development, LLC
5907 Gladeside Court
Dallas, Texas 75248

with a copy sent to:

Ms. Terry Thornton, Esq.
Godwin Pappas Langley Ronquillo, LLP
1201 Elm Street, Suite 1700
Dallas, Texas 75270-2041

4. Nothing in this Agreement shall be construed or be deemed to modify, alter, amend or change any term or condition of the Ground Lease, except as set forth herein and in that certain First Amendment To Ground Lease dated 9/15, 2006 which is attached hereto as Exhibit I.

5. Upon execution, this Assignment shall be publicly recorded in the Deed Records of Dallas County, Texas as required by the Town of Addison.

6. The above and foregoing premises to this Assignment and all other statements made herein are true and correct, and Assignor and Assignee both warrant and represent that such premises and statements are true and correct, and that in giving its consent, Landlord (as defined in the Consent of Landlord attached hereto) is entitled to rely upon such representations and statements.

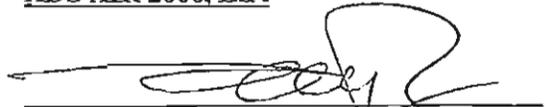
7. The undersigned officers and/or agents of the parties hereto are the properly authorized persons and have the necessary authority to execute this Assignment on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

8. Assignor acknowledges that in addition to any other remedies provided in the Ground Lease or by law, Landlord may at its own option, collect directly from the Assignee all rents becoming due under such assignment and apply such rent against any sums due to Landlord. No such collection by Landlord from any such assignee or subtenant shall release Assignor from the payment or performance of Assignor's obligations under the Ground lease.

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment on the day and the year first set forth above.

ASSIGNOR:

ADS AIR 2000, L.P.



By: THOMAS F. Bxson

ASSIGNEE:

KEY DEVELOPMENT, LLC

By: _____

ACKNOWLEDGMENT

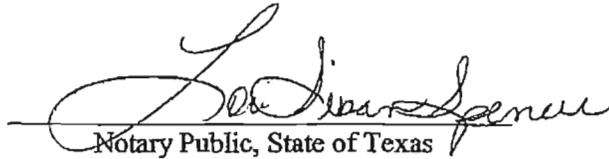
STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Thomas F. Bjov, President known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (he, she) executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this 14th day of September, 2006.

[SEAL]




Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (he, she) executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 2006.

[SEAL]

Notary Public, State of Texas

7. The undersigned officers and/or agents of the parties hereto are the properly authorized persons and have the necessary authority to execute this Assignment on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

8. Assignor acknowledges that in addition to any other remedies provided in the Ground Lease or by law, Landlord may at its own option, collect directly from the Assignee all rents becoming due under such assignment and apply such rent against any sums due to Landlord. No such collection by Landlord from any such assignee or subtenant shall release Assignor from the payment or performance of Assignor's obligations under the Ground lease.

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment on the day and the year first set forth above.

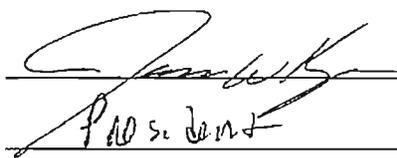
ASSIGNOR:

ADS AIR 2000, L.P.

By:

ASSIGNEE:

KEY DEVELOPMENT, LLC



By:

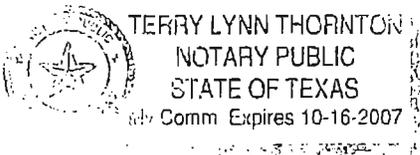
ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared James W. Keys, President of Key Development, LLC known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (he, she) executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this 17th day of September, 2006.

[SEAL]



[Signature]
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (he, she) executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 2006.

[SEAL]

Notary Public, State of Texas

CONSENT OF LANDLORD

The Town of Addison, Texas ("Landlord") is the Landlord in the Ground Lease described in the above and foregoing Assignment. In executing this Consent of Landlord, Landlord is relying upon the warranty and representations made in the foregoing Assignment by both Assignor and Assignee, and in relying upon the same Landlord hereby consents to the foregoing Assignment from Assignor to Assignee. Notwithstanding the foregoing, Landlord does not release Assignor from its obligations under the Ground Lease. In addition, notwithstanding any provision of this Consent of Landlord or the above and foregoing Assignment to the contrary, this Consent shall not operate as a waiver of any prohibition against further assignment, transfer, conveyance, pledge, change of control, or subletting of the Ground Lease or the premises described therein without Landlord's prior written consent.

LANDLORD:

TOWN OF ADDISON, TEXAS

By: 
Ron Whitehead, City Manager

EXHIBIT J

EXHIBIT J

Building Maintenance Reserve

- 1) **Purpose of Reserve Fund:** Tenant, for itself and its successors and assigns, shall maintain a building maintenance reserve fund ("Reserve Fund") solely for the purpose of paying for unexpected and scheduled repairs and expenses, or for capital improvements to the Demised Premises, as the same may be needed or required from time to time pursuant to Paragraph 11 of the Ground Lease, as amended and modified from time to time.
- 2) **Beginning Reserve Fund Balance:** Landlord and Tenant mutually agree that Tenant will commence funding the Reserve Fund within thirty (30) days from the Effective Date of this Agreement so that the Reserve Fund will have the beginning balance of EIGHTY THOUSAND DOLLARS (\$80,000.00).
- 3) **Calculation of Required Reserve Fund:** Commencing on April 1, 2008 (with said date being the same as the adjustment of rental provided for in Paragraph 5 of the Ground Lease, as amended and modified) and on every bi-annual anniversary thereafter and in conjunction with its normal budgetary process, Tenant shall prepare for Landlord's benefit a capital repair and replacement plan (the "Maintenance Plan") documenting (i) qualified repairs and replacements funded from the Reserve Fund previously consented to by Landlord and having been completed, (ii) a schedule of capital improvements, repairs or replacements expected to be completed over the next two (2) years, and (iii) reconciliation and adjustment to the Maintenance Plan funding requirements for the subsequent two year plan covered by the Maintenance Plan. Such review procedures shall calculate the estimated remaining useful life of the major building components including but not limited to roofing, heating, ventilation and air conditioning (HVAC), landscaping, elevator systems, electrical and lighting systems, hangar door systems, painting (exterior/interior), carpet and floor covering, plumbing and, the estimated cost of replacement or repair for each. Based upon this calculation, Tenant shall then adjust and/or maintain a reasonable balance in the Reserve Fund in an amount sufficient to enable Tenant to make said repairs or replacements by or before the expiration of the respective component's useful life.
- 4) **Maintenance of the Reserve Fund:** The Reserve Fund account and all funds in it shall be the property of the Tenant at all times. The Reserve Funds shall be kept in one or more cash, or cash equivalent, interest bearing accounts in a federally insured banking institution. Although Tenant may maintain other funds in these same accounts, Tenant must be able to reconcile and clearly account to Landlord the Reserve Fund balances at all times. In the event Tenant is in default or the Ground Lease is otherwise terminated before the expiration of the Term, as modified, the Reserve Fund shall become due and payable to Landlord as a monetary obligation of Tenant to Landlord under Paragraph 37 of the Ground Lease, as amended or modified.
- 5) **Authorized Expenditures from the Reserve Fund:** Landlord must give its prior written consent to any expenditure reducing the Tenant's Reserve Fund balance except in the event of a bona fide emergency where said expenditures are necessary for the protection of the Demised Premises. In the event of such emergencies, Tenant will give Landlord

prompt written notice thereof as required under Paragraph 14 of the Ground Lease. Landlord's acceptance or consent of planned expenditures from the Reserve Fund may be by way of accepting Tenant's Maintenance Plan, provided Landlord does not give written objection to Tenant's plan within thirty (30) days of its receipt by Landlord. Landlord is not required to give credit (unless otherwise elected at its sole discretion) to any expenditure from the fund reducing the Reserve Fund balance without Landlord's prior written consent, except for where provided for herein.

- 6) **Tenant's Failure to Fund or Properly Give Account For The Reserve Funds:** Tenant's failure to routinely fund or account for the Reserve Fund as required herein, shall constitute as a non-monetary default where in the event such failure continues and not cured within thirty (30) days after written notice thereof is given to Tenant as provided for in Paragraph 22 of the Ground Lease.

EXHIBIT K

EXHIBIT "B"

BUILDING IMPROVEMENTS

Exhibit B - Building Improvements

	Description of Building Improvement	Estimated Improvement Cost
1	Replace 50 ton HVAC unit with 60 ton	\$96,889
2	Upgrade and improve elevator	
	a) Replace Motor and all electrical components	\$55,857
	b) Upgrade cab interior	\$25,777
3	Replace Roof	\$50,000
4	1st floor lobby atrium	
	a) Improve the 3 sets of lobby doors	\$27,670
	b) Polish granite floors, repair broken granite, repair cracks in glass block and seal exterior, improve and replace landscape	\$10,578
	c) Re-lamp with energy efficient light bulbs and paint atrium ceilings	\$3,089
5	Hangar lobby - update restrooms and renovate lobby	\$4,110
6	Hangar - Repair drywall, install new base, repair damaged insulation, seal floor, paint gate and repair door tracks	\$8,955
7	Install new ceiling grid	
	a) New ceiling grid and tiles at 2nd and 3rd floor hallways	\$19,337
	b) New ceiling grid and modern tiles in all suites	\$60,000
8	New window treatments in all suites	\$33,000
	Total Estimated Improvement Cost	\$395,262

EXHIBIT "C"

MEMORANDUM OF LEASE

EXHIBIT C

MEMORANDUM OF LEASE

This Memorandum of Lease is dated as of _____, 2016, and executed by and between the Town of Addison, Texas ("Landlord" or "City") and Key Development, LLC, a Texas limited liability company ("Tenant").

WHEREAS, a Ground Lease, together with the Addendum to Ground Lease, was executed on March 2, 1984 between the City of Addison, Texas (the same being the Town of Addison, Texas and sometimes referred to herein as the "City") and Addison Airport of Texas, Inc. ("AATI") as Landlord, and Lawson Ridgeway as Tenant, recorded in Volume 86022, Pages 0124-0133 of the Deed Records of Dallas County, Texas; and the Easement Agreement entered into on or about April 16, 1984 by and between Lawson Ridgeway as Granter and the City and AATI as Grantee, recorded as Instrument #198601697396 in Volume 861969, Pages 5742-5748 in the Deed Records of Dallas County, Texas, comprising the Ground Lease, as amended or modified, hereinafter referred to as the "Ground Lease" and described in that certain boundary survey dated June 6, 2006 by the terms of which certain real property now commonly referred to as 4500 Westgrove Drive at Addison Airport within the Town of Addison, Texas and owned by the City; and thereafter the Ground Lease:

- the Ground Lease was assigned October 23, 1985, recorded in Volume 86169, Pages 5724-5748 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from LAWSON RIDGEWAY, as assignor, to GREAT SOUTHWEST HOMES, INC., as assignee; and thereafter
- the Ground Lease was assigned May 31, 1988, recorded as Instrument #198801897613, in Volume 88189, Pages 1182-1201 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from GREAT SOUTHWEST HOMES, INC., as assignor, to TARFIVE, Inc., as assignee; and thereafter
- by that Substitute Trustee's Deed, dated September 7, 1988 recorded as Instrument #198801897613 in Volume 88178, Pages 1420-1425 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned to the beneficiary, MCORP MANAGEMENT SOLUTIONS, INC.; and thereafter
- the Ground Lease was assigned September 8, 1988, recorded as Instrument #198900044704 in Volume 89004, Pages 577-580 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from MCORP MANAGEMENT SOLUTIONS, INC., a Texas corporation, as assignor, to REALTY ALLIANCE OF TEXAS, LTD., a Texas limited partnership, as assignee; and thereafter
- the Ground Lease was assigned March 15, 1990, recorded as Instrument #199000545456 in Volume 90054, Pages 1648-1687 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from REALTY ALLIANCE OF

TEXAS. LTD., a Texas corporation, as assignor, to ITALIX ACQUISITION CORPORATION, a Texas corporation, as assignee; and thereafter

- the Ground Lease was assigned March 31, 1999, recorded as Instrument #199900523035 in Volume 99063, Pages 1763-1767 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from ITALIX ACQUISITION CORPORATION, a Texas corporation, as assignor, to AIR 276 I, L.P., a Texas limited partnership, as assignee; and thereafter
- the Ground Lease was assigned July 7, 2000, recorded as Instrument #200001054648 in Volume 2000132, Pages 07549-07556 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from AIR 276 I, L.P., a Texas limited partnership, as assignor, to ADS AIR 2000, L.P. a Texas limited partnership, as assignee; and thereafter
- the Ground Lease was assigned September 15, 2006, recorded as Instrument #200600346255 of the Deed Records of Dallas County, Texas, the Ground Lease was assigned from ADS AIR 2000, L.P., a Texas limited partnership, as assignor, to Key Development LLC., a Texas limited liability company, as assignee; and thereafter
- the lease was modified by that “First Amendment” to Ground Lease made and entered into September 15, 2006, recorded as Instrument #200600346256 of the Deed Records of Dallas County, Texas; and thereafter
- by that certified letter dated September 17, 2008 confirming the lease extension in accordance with the First Amendment so that the Term of the Ground Lease shall end on March 31, 2039, still subject to the termination provisions of the Ground Lease as amended or modified; and

Now let it be known, the said Ground Lease is further amended by that Second Amendment to Ground Lease, entered into and made effective _____, 2015, which, among other things, extends the Term so the Ground Lease shall [Note: strike non-applicable of] a) continue to expire on March 31, 2039 OR b) now expire March 31, 2047 unless otherwise earlier terminated.

This Memorandum of Lease is solely for recording and notice purposes and shall not be construed to alter, modify, expand, diminish or supplement the provisions of the Ground Lease, as amended. In the event of any inconsistency between the provisions of this Memorandum of Lease and the provisions of the Ground Lease (as amended), the provisions of the Ground Lease, as amended, shall govern. Reference should be made to the Ground Lease (and all amendments thereto) for the full description of the rights and duties of Landlord and Tenant thereunder, and this Memorandum of Lease shall in no way affect the terms and conditions of the Ground Lease (including all amendments thereto) or the interpretation of the rights and duties of Landlord and Tenant thereunder.

Upon the expiration or earlier termination of the Ground Lease, Landlord and Tenant agree that they shall execute and record a termination of this Memorandum of Lease.

IN WITNESS WHEREOF, the undersigned parties execute this Memorandum of Lease
this ____ day of _____, 2016.

LANDLORD:

TOWN OF ADDISON, TEXAS

By: _____

_____, City Manager

ATTEST:

By: _____

TENANT:

KEY DEVELOPMENT, LLC

By: _____

James W. Keyes, President

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared James W. Keyes, president of Key Development, LLC, a Texas limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 2016.

[SEAL]

By: _____
Notary Public, State of Texas

My commission expires: _____

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared _____, city manager of the Town of Addison, a home-rule municipality, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated

GIVEN under my hand and seal of office this _____ day of _____, 2016.

[SEAL]

By: _____
Notary Public, State of Texas

My commission expires: _____

EXHIBIT A
to Memorandum of Lease

LEGAL DESCRIPTION OF DEMISED PREMISES

BEING a 1.5538 acre tract of land in the Town of Addison, Texas, in the William Lomax Survey, Abstract No. 792, in Dallas County, Texas and being located on Addison Municipal Airport, Addison, Texas, same being part of Addison Airport, Town of Addison Addition, according to the plat thereof recorded in Volume 2005131, Page 0082, Deed Records, Dallas County, Texas, and being an Assignment of Lessee's Interest Under Ground Lease and Assumption Agreement to ADS Air 2000, L.P., a Texas limited partnership by deed recorded in Volume 2000132, Page 07557, Deed Records, Dallas County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch iron rod found with yellow plastic cap stamped "Powell & Powell" at the intersection of the South right-of-way line of Westgrove Road, (60 foot right-of-way) and the West right-of-way line of Claire Chennault, (a 60 foot ingress and egress easement recorded in said Volume 2005131, Page 0082, Deed Records, Dallas County, Texas;

THENCE South 00 degrees 41 minutes 28 seconds East, along said Claire Chennault West right-of-way line, a distance of 260.10 feet to a 1/2 inch iron rod found with yellow plastic cap stamped "Powell & Powell";

THENCE South 89 degrees 27 minutes 43 seconds West, a distance of 260.60 feet to an "X" found;

THENCE North 00 degrees 33 minutes 43 seconds West, a distance of 259.96 feet to a 1/2 inch iron rod found with yellow plastic cap stamped "Powell & Powell" on aforementioned Westgrove Road South right-of-way line;

THENCE North 89 degrees 25 minutes 55 seconds East, along said Westgrove Road South right-of-way line, a distance of 260.01 feet to the POINT OF BEGINNING and containing 67,685.79 square feet or 1.5538 acres of land.