

## FIRST AMENDMENT TO GROUND LEASE AGREEMENT

**THIS FIRST AMENDMENT TO GROUND LEASE AGREEMENT** (this “Amendment”) is entered into to be effective as of, although not necessarily executed on, the \_\_\_\_ day of November, 2014 (the “Effective Date”), by and between **TOWN OF ADDISON, TEXAS**, a Texas home-rule municipality (“Landlord”), and **SKY B&B, LLC**, a Texas limited liability company (“Tenant”).

**WHEREAS**, Landlord and Tenant entered into that certain Ground Lease Agreement dated effective as of April 23, 2014 (as amended, the “Lease”), pursuant to which Tenant leases from Landlord approximately 3.03 acres at Addison Airport having a street address of 4641 Airport Parkway Drive, Addison, Texas; and

**WHEREAS**, any capitalized term used herein and not otherwise defined shall have the meaning ascribed thereto in the Lease; and

**WHEREAS**, Landlord and Tenant desire to set forth herein certain amendments to the Lease.

**NOW, THEREFORE**, for and in consideration of the recitals hereinabove and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant hereby agree that the Lease should be, and hereby is, amended as follows:

1. **Term**. Subsection (i) of the first (1<sup>st</sup>) unnumbered paragraph of Section 2 of the Lease shall be and is hereby amended to delete the reference to “forty-eight (48)” and substitute in lieu thereof the words “fifty (50)”.

2. **Construction Commencement Date**. The second (2<sup>nd</sup>) sentence of Section 6 D. of the Lease shall be and is hereby amended to delete the (a) words “twenty-four (24)” and substitute in lieu thereof the words “twenty-six (26)” and (b) number “24” and substitute in lieu thereof the number “26”.

3. **Additional Amendments**. The Lease is amended by amending Section 3.A.1. and Section 16 to read as follows:

*Amendment to Section 3.A.1.*

1. **Base Rent**: Tenant agrees to and shall pay Landlord annual rental for the Demised Premises in the amount of Eighty-five Thousand, Seven Hundred and Ninety-One Dollars (\$85,791.00), which amount shall be paid by Tenant in twelve equal monthly installments in advance on the first day of each calendar month (the “Base Rent”, which shall be adjusted as set forth herein). The first monthly payment or installment of Base Rent in the amount of Seven Thousand, One Hundred Forty-Nine and 25/100 (\$7,149.25) is due and payable on or before the Commencement Date. Thereafter, another payment or installment of the Base Rent, subject to adjustment as set forth below, shall be due and payable on the first day of each calendar month during the term hereof; however, after the first monthly payment of

Base Rent, payment of monthly Base Rent shall be abated for that period of time until the monthly Base Rent that would have been paid but for such abatement equals \$344,830.00. All Rent is due on the first of each month and is delinquent after the 10<sup>th</sup> day of each month and subject to the provisions of Section 39.

*Amendment to Section 16*

“Section 16. Utilities:

A. Except as may be otherwise agreed to by Landlord and Tenant, Tenant shall be responsible at 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, impact fees, and services furnished to the Demised Premises during the term hereof. Tenant agrees to contact all utility service providers prior to any excavation or digging on the Demised Premises. Landlord shall in no event be liable or responsible for any cessation or interruption in any such utility services.

B. Tenant shall further be responsible for relocating or causing to be relocated all City or franchise utilities (water, sewer, gas and electrical service) as may be needed to provide service to the respective meter or terminal point as shown in the Design Plans for the Building Improvements (collectively, the “Utilities Relocation Work”). The Utilities Relocation Work shall be further described in and in accordance with a developer participation contract agreed to by Landlord and Tenant

4. **Effectiveness.** Except as expressly provided in this Amendment, the terms and provisions of the Lease, as previously executed by the parties, are hereby ratified and affirmed and shall continue to govern the rights and obligations of the parties and all provisions and covenants of the Lease, as herein amended, remain in full force and effect. The Lease and this Amendment constitute the entire understanding and agreement between Landlord and Tenant regarding the subject matter thereof and supersede all other prior written or oral understandings and agreements between Landlord and Tenant with respect thereto and shall constitute but one instrument.

5. **Time and Governing Law.** Time is of the essence of this Amendment and all of its provisions. The laws of the State of Texas and the United State of America shall govern the rights, remedies, and duties of the parties hereto and the validity, construction, enforcement, and interpretation hereof.

6. **Successors and Assigns.** This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

7. **Illegality.** If any provision of this Amendment is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable; this Amendment shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; and the remaining provisions hereof shall remain in

full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom.

**IN WITNESS WHEREOF**, the parties hereto have executed this Amendment effective as of Effective Date.

**LANDLORD:**

**TOWN OF ADDISON, TEXAS**

By: \_\_\_\_\_  
Name: Lea Dunn  
Its: City Manager

**TENANT:**

**SKY B&B, LLC**

By: \_\_\_\_\_  
Name: Timothy A. Mack  
Its: Manager