



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, Real Estate Manager

CC: Joel Jenkinson, Airport Director

Date: November 2, 2015

Re:

A Request for the Consideration and Consent of the Town of Addison Regarding the Assignment of Ground Lease #0630-3202 (Tailwind Worldwide, LP) commonly known as 4584 Claire Chennault Drive at Addison Airport to Mills Group, Inc. and its creation of a Leasehold Mortgage

Summary of Requested Approval and Recommendation by Airport Manager:

Airport Management is requesting the Town's consideration and consent to the proposed sale and assignment of the Tailwind Worldwide, LP (Tailwind) ground leasehold interests



Figure 1: Aerial View of Subject Property with approximate boundaries

to Mills Group, Inc., a Texas corporation (Mills Group). In association with the assignment of the Ground Lease and the purchase of the improvements, Mills Group is requesting the Town's consent to the creation of a leasehold mortgage pursuant to the terms of an estoppel agreement between the Town and the assignee's lender.

Airport Management has reviewed the above matter and recommends the Town give its consent as requested. The city attorney has reviewed the proposed Assignment to Ground Lease Agreement and the proposed bank estoppel letter and find them acceptable to form (each attached hereto to be substantially in the form of Exhibit 1 and Exhibit 2 respectively).

Background Information:

On June 17, 1981, the City of Addison, Addison Airport of Texas, Inc. (Landlord) and Donham Oil Tool Company (Donham) entered into a ground lease for certain real property located at 4584 Claire Chennault Drive. Donham improved the property as required by the ground lease. By virtue of subsequent assignments and conveyances Tailwind acquired the existing building improvements and underlying leasehold interests from the Estate of James Donaldson d.b.a. Cherry Air, Inc. in December of 2011.

The permitted use of the leased premises as provided for in the Ground Lease includes the typical aeronautical uses found in most other Addison Airport ground leases, however a limiting provision added to the terms further restricts the permitted use to “corporate aircraft storage only.” This provision has proven to be somewhat ambiguous, however, has been interpreted in the past by the Airport to mean for only aircraft owned, leased or “under the operational control” of the tenant or subtenants could be stored on the premises (storage of third-party aircraft not permitted). Cherry Air and Tailwind were both charter/cargo operators and stored and maintained on the premises only the aircraft that were owned, leased or under their direct operational control.

The leased premises are subject to a Reciprocal Easement Agreement with the adjoining and adjacent ground tenant Doyle Hartman (Hartman). Inclusive of the ramp area fronting both hangars, each party gives the right to access the other's aircraft ramp for the purpose of aircraft, vehicular and pedestrian movement (to the extent permitted by the Airport Rules and Regulations). Furthermore, Hartman has ingress/egress for the purpose of vehicular and pedestrian traffic over Tailwind’s dedicated driveway, giving Hartman legal access to his off-street parking directly in front of his hangar facility.

Current Status:

The subject ground lease consists of 35,000 square feet, or .803 acres, of real property located at 4584 Claire Chennault Drive with 12,185 square feet of metal-clad hangar space, 1,500 square feet of office space, limited off-street parking and 11,350 square feet of aircraft ramp subject to the Reciprocal Easement Agreement described above.

The Ground Lease commenced June 30, 1982 and has a forty (40) year term, which is scheduled to expire June 29, 2022, or just less than 7 years from now. Upon the term expiration the ownership of the building improvements are expected to revert to the Town. Presently it is the strategic objective of the Airport not to grant any term extension or renewal of the Ground Lease in order for the Town to take full control of the property, a position consistent with the adopted 2013 Airport Strategic Plan.

The Mill's Group acquisition of the leasehold is with full and complete knowledge and understanding of the Airport's current position. Provided the ground tenant is not in default and remains good standing with the Town, Mills Group could be considered to continue their use and occupancy of the premises subject to an at-market commercial hangar lease arrangement with the Town as landlord.

The current ground rental is \$1,143.04 monthly or \$13,716.48 annually. The rental is regarded to be below the prevailing market, however the contract rate is indicative of the impact the restricted permitted use, Reciprocal Easement Agreement and the smaller than normal aircraft apron and off-street parking has on the leasehold value. The next scheduled rental adjustment (based on CPI) is 7/1/2016 and occurs every other year for the duration of the remaining term.

Property Description		Ground Lease Information	
Date of Report	10/15/2015	Lease #	0630-3202
Property Number	0630-32	Tenant Name	Tailwind Worldwide, LP
Property Address	4584 Claire Chennault Drive	Doing Business As	Tailwind Worldwide, LP
Ramp Address	T-13	Primary Contact:	Michele Wilkinson
Property Type	Hangar with Office	Primary Contact Phone:	972-380-4407
Land Area	35,000	Lease Type	Ground Lease
Hangar Area	12,185	Lease Commencement Date	6/30/1982
Office/Shop Area	1,500	Lease Expiration Date	6/29/2022
Total Building Area	13,685	Years Remaining in Term	6.7
Year Built	1981	Current Monthly Rent	\$1,143.04
Est. Economic Life	40	Current Annual Rent	\$13,716.48
End of Eco. Life	2021	Annual Rent /SF Land	\$0.39
% Obsolescent	85%	Est. Remaining Contract Rent	\$96,480
Ramp Area	11,350	Next Rent Adjustment Date	07/01/16 - CPI every 2 years

The current ground tenant, Tailwind Worldwide, LP has experienced a significant shift and decline in their business operations over the past couple of years. Consequently they have been actively seeking to divest their leasehold interests at Addison Airport in connection with their corporate restructuring.

Background of Proposed Assignee:

Mills Group, Inc., a Texas corporation led by Cameron Leggett, with corporate offices at 10424 Marsh Lane, Dallas, is engaged in real estate investment activities including the construction and renovation of commercial and residential properties. Mills Group's corporate headquarters will relocate to and will occupy part of the office space at 4584 Claire Chennault and the remainder will be subleased. Although not made as a requirement to the Assignment, Mills Group intends to renovate the interior and exterior of the entire facility to improve aesthetics. Mr. Leggett's introduction to the airport was in 1995 when he attended flight school and would earn funds for flight time by cleaning aircraft.

The hangar space will be occupied by RR Investments, Inc. d/b/a Million Air, and will be used solely for the storage of aircraft owned and/or under their direct operational control. Addison Airport will serve as the base for these aircraft. Repair and maintenance is not planned to be provided or performed within the leased premises but, rather, at approved facilities elsewhere on the airfield. Aircraft stored will be those not flown as regularly so the movement of these aircraft should be infrequent and not conflict with the Reciprocal Easement Agreement described above.

The assignee is also requesting the Town to consent to the creation of a leasehold mortgage pursuant to the terms of the proposed bank estoppel letter substantially in the form as attached. The proposed bank estoppel letter is from Texas Security Bank, who intends to make a \$200K loan to the assignee, with the proceeds from the loan to be used for the acquisition of the leasehold interest and building improvements. The note will be secured with a leasehold deed of trust referencing the real property subject to the ground lease. The lien created by the leasehold deed of trust will be subordinate and inferior to the Landlord's lien created by the Ground Lease. The terms and conditions of the estoppel letter is consistent with the Town's practice regarding such matters.

Conclusion and Recommendation of Airport Manager:

Tailwind Worldwide, LP is requesting the Town's consideration and consent to the sell and assignment of their ground leasehold interests located at 4584 Claire Chennault Drive at Addison Airport to Mills Group, Inc., a Texas corporation. Mills Group, Inc. is acquiring the property subject to the current terms and conditions of the Ground Lease, including but not limited to, the remaining lease term of less than 7 years. The proposed transaction does not have any financial or immediate economic impact to the Airport.

Airport Management recommends the Town give its consent to the requested action and authorize the City Manager to execute the Assignment of Ground Lease and bank estoppel letter on behalf of the Town of Addison. The city attorney has reviewed each of the referenced agreements, attached hereto as Exhibit 1 and Exhibit 2, and find them acceptable to form.

Exhibits

- Exhibit 1: Proposed Assignment of Ground Lease Agreement Form and Consent of Landlord
- Exhibit 2: Bank Estoppel Agreement

Exhibit 1

PROPOSED ASSIGNMENT AGREEMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

ASSIGNMENT OF GROUND LEASE

This Assignment of Ground Lease (the "Assignment") is entered into and effective as of _____ 2015, at Addison, Texas, by and between Tailwind Worldwide, LP, a Texas limited partnership (herein referred to as "Assignor") and Mills Group, Inc., a Texas corporation (herein referred to as "Assignee").

WHEREAS, a Ground Lease was executed on June 17, 1981 between the City of Addison, Addison Airport of Texas, Inc., and Donham Oil Tool Company by the terms of which certain real property located at 4584 Claire Chennault (the "Demised Premises"), Addison Airport within the Town of Addison, Texas (the "City") and owned by the City was leased to Donham Oil Tool Company; and

WHEREAS, by that Assignment of Lease dated June 28, 1983, the Ground Lease was assigned from Donham Oil Tool Company, as Assignor, to Airport Associates, LTD., a Texas limited partnership, as Assignee; and

WHEREAS, by that Assignment of Lease dated January 3, 1989, the Ground Lease was assigned from Airport Associates, LTD., as Assignor, to James Donaldson and John Barbee, each Texas individuals d.b.a. Addison Aircraft Storage, as Assignee; and

WHEREAS, by that certain General Warranty Deed executed July 17, 1990, and recorded in the Dallas County Clerk's Official Public Records ("OPR") in Book/Volume 90155, Page 3379 whereby John M. Barbee granted, sold and conveyed to James D. Donaldson any and all right, title and interest, subject to all recorded and unrecorded encumbrances, in and to the Demised Premises; and

WHEREAS, on or before July 9, 2007 James Donald Donaldson died and by that certain Letter Testamentary (No. PB1-359-2007) given by Probate Court No. 1, Collin County, Texas, on said date appointed Kenneth Charles Donaldson as Independent Executor of the Estate of James Donald Donaldson; and

WHEREAS, pursuant to James Donald Donaldson's Last Will and Testament, all right, title and interest, subject to all recorded and unrecorded encumbrances, in and to the Demised Premises were transferred to the James Donald Donaldson Estate Trust; and

WHEREAS, by that Assignment of Lease dated December 20, 2011, the Ground Lease was assigned from the James Donald Donaldson Estate Trust and the Estate of James Donald Donaldson, as Assignor, to Tailwind Worldwide, LP, a Texas limited partnership, as Assignee as recorded in the Dallas County Clerk's Official Public Records ("OPR") as Document #201100339045; and

WHEREAS, pursuant to the Assignment of Lease Dated December 20, 2011 (OPR Instrument #201100339045) the parties acknowledge and agree the boundary survey dated November 7, 2011 prepared by TerraCorp Associates, LLC containing .803 acres described therein is the true and correct legal description of the demised premises (a true and correct copy of said Survey is attached and incorporated herein by reference as **Exhibit "A"**); and

WHEREAS, by virtue of such assignments, amendments and/or modifications made to the Ground Lease, Assignor is the Tenant under the Ground Lease (a true and correct copy of said Ground Lease in its entirety with all hereinabove said assignments, amendments and/modifications made thereto are attached and incorporated herein by reference as **Exhibit "B"**); and

WHEREAS, the Ground Lease is subject to that certain Reciprocal Easement Agreement first entered into and made effective June 28, 1983 by and between Donham Oil Tool Company, Inc. and Airport Associates, Ltd., as filed and recorded in the Dallas County, Texas OPR as Book/Volume 84248 Page 4110, the same having been amended by that certain First Amendment to Reciprocal Easement Agreement entered to and made effective December 19, 2011 by and between Doyle Hartman and Margaret M. Hartman d/b/a Doyle Hartman, Oil Operator and the James Donald Donaldson Estate Trust and the Estate of James Donald Donaldson as filed and record in the Dallas County, Texas OPR as Instrument #201100339044 (the "Reciprocal Easement," which a true and correct copy as amended and modified is attached hereto and incorporated herein by references as **Exhibit "C"**); 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 "B", the same being subject to Reciprocal Easement, attached hereto as Exhibit "C", 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 an 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:

Mills Group, Inc., a Texas corporation
Attn: Cameron Leggett
10424 Marsh Lane
Dallas, TX 75229

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.

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

6. 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 this 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.

7. The undersigned representatives of the Assignor and Assignee have the necessary authority to execute this Assignment on behalf of each of the respective parties hereto, and Assignor and Assignee certify one 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, Assignor and Assignee have executed and delivered this Assignment on the day and the year first set forth above.

ASSIGNOR:

Tailwind Worldwide, LP, a Texas limited partnership

Michele Wilkinson, President of Tailwind International, Inc., a member of Tailwind Worldwide, LP, its general partner

and,

ASSIGNEE:

Mills Group, Inc., a Texas corporation

Cameron Leggett, President of Mills Group, Inc.

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Michele Wilkinson, president of Tailwind International, Inc., a member of Tailwind Worldwide, LP, its general partner known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she 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, Cameron Leggett, president of Mills Group, Inc., a Texas 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 stated.

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

[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 Assignment of Ground Lease (the "Assignment") entered into and effective as of _____ 2015, at Addison, Texas, by and between Tailwind Worldwide, LP, a Texas limited partnership (herein referred to as "Assignor") and Mills Group, Inc., a Texas corporation (herein referred to as "Assignee"). 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 this Consent, Landlord does not waive any of its rights under the Ground Lease as to the Assignor or the Assignee, and does not release Assignor from its covenants, obligations, duties, or responsibilities under or in connection with the Ground Lease, and Assignor shall remain liable and responsible for all such covenants obligations, duties, or responsibilities. In addition, notwithstanding any provisions 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.

This consent is not intended and shall not be construed to waive any rights of the Town under the Ground Lease, to release or waive any claims of the Town against any tenant under or in connection with the Ground Lease or to release any tenant from any duties, obligations or liabilities under or in connection with the Lease.

This Consent shall be and remain valid only if and provided that, by no later than 6:00 o'clock p.m. on _____, _____, 2015:

(i) the Assignment has been executed and notarized by both Assignor and Assignee,

(ii) all other matters in connection with the transfer, sale, and/or conveyance by Assignor to Assignee of the Assignor's interest in the Ground Lease have been fully consummated and completed and the transaction closed as reasonably determined by Landlord (such matters including, without limitation, the full execution and finalization of this Assignment and any other documentation so required by Landlord relating to this transaction) and delivered to Landlord c/o Mr. Bill Dyer, Addison Airport Real Estate Manager, at 16051 Addison Road, Suite 220, Addison, Texas 75001. Otherwise, and failing compliance with and satisfaction of each all of paragraphs (i) and (ii) above, this Consent shall be null and void *ab initio* as if it had never been given and executed.

Signed this _____ day _____, 2015.

LANDLORD:

TOWN OF ADDISON, TEXAS

By: _____
Charles Daniels, City Manager

Exhibit A
to Ground Lease Assignment

SURVEY DATED NOVEMBER 7, 2011

Exhibit B
to Ground Lease Assignment

TRUE AND CORRECT COPY OF GROUND LEASE
AS AMENDED AND MODIFIED

THE STATE OF TEXAS
COUNTY OF DALLAS

GROUND LEASE

This Ground Lease (hereinafter referred to as the "Lease" is made and entered into as of June 17, 1981, 19 , 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 DONHAM OIL TOOL COMPANY, INC. (hereinafter referred to as "Tenant").

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 at 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 June 30, 1982, 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 FIVE HUNDRED TWENTY FIVE AND NO/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 building with attached offices and shops for corporate aircraft storage only. Final construction drawings shall have Airport approval before start of construction.

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 become 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 mortgagee 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 its 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's "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) Workmen'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 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.

(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 if Tenant does not diligently proceed to the completion of same, Landlord shall have the right to commence or complete Restoration. If 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 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 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 arrearages 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 arrearages 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 reletting. In determining the amount of such deficiency, brokerage commissions, attorneys' fees, marketing expenses and other costs of reletting shall be subtracted from the amount of rent received under such reletting.

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 effecting 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 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 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 AATI 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 (of 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 [redacted] se.

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:

TENANT:

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

City of Addison, Texas

P. O. Box 144

Addison, Texas 75001

Donham Oil Tool Company, Inc.
1341 W. Mockingbird Lane
Suite 300-E
Dallas, Texas 75247

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: [Signature]
Its: Vice President

CITY OF ADDISON, TEXAS

By: [Signature]
Its: Mayor

TENANT:

By: [Signature]
Its: Keith Alexander, Jr.
Executive Vice President

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Keith Alexander, Jr.
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 3rd day of August, 1981.

[Signature]
Notary Public
[Signature]
County, Texas

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared [Signature]
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 11th day of August, 1981.

[Signature]
Notary Public
[Signature]
County, Texas

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Jenny Reddery
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 7th day of September, 1981.

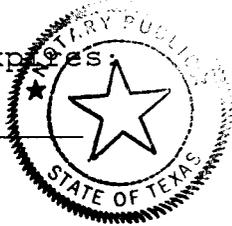
[Signature]
Notary Public
Dallas,
County, Texas

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

BEFORE ME, the undersigned authority, a Notary Public in and for said State, on this day personally appeared Kent Alexander, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said DONHAM OIL TOOL COMPANY, INC., a Texas corporation, and that he executed the same as the act of said corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 28th day of June, 1983.

My commission expires:



Peggy Lehmann
Notary Public, State of Texas

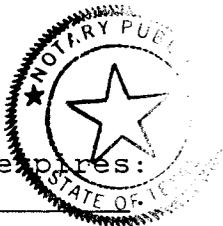
PEGGY LEHRMANN
Notary Public, State of Texas
My Commission Expires Nov. 30, 1984
(print name)

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared DON V. AVERITT, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said AIRPORT ASSOCIATES, LTD., a Texas Limited partnership, and that he executed the same as its General Partner and as the act of such limited partnership for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 28 day of June, 1983.

My commission expires:



Peggy Lehmann
Notary Public, State of Texas

PEGGY LEHRMANN
Notary Public, State of Texas
My Commission Expires Nov. 30, 1984
(print name)

EXHIBIT "B"

BEING a tract of land situated in the William Lomax Survey, Abstract 792, Dallas County, Texas and located on Addison Municipal Airport, Addison Texas and being more fully described as follows:

Commencing at a point for the intersection of the west right-of-way line of Addison Road, a 60-foot street, and the south right-of-way line of Westgrove Road, a 60-foot street;

THENCE S 89° 54' 46" W along the south line of said Westgrove Road a distance of 730.00 feet to a point in the centerline of Claire Chennault Road (an undedicated 60-foot street);

THENCE S 00° 05' 14" E along the centerline of Clair Chennault Road projected a distance of 301.36 feet to an angle point;

THENCE S 43° 26' 09" W along the centerline of Clair Chennault Road projected a distance of 317.27 feet to an angle point in the centerline of Claire Chennault Road;

THENCE S 46° 33' 51" E to the southerly right-of-way of said road a distance of 30.00 feet for the POINT OF BEGINNING of this description;

THENCE S 46° 33' 51" E a distance of 190 feet to a point for a corner;

THENCE N 43° 26' 09" E a distance of 175.00 feet to a point for a corner;

THENCE S 46° 33' 51" E a distance of 160.00 feet to a point for a corner, said point being in the northerly right-of-way line of taxiway (120 feet wide);

THENCE S 43° 26' 09" W along the northerly right-of-way of said taxiway a distance of 195.00 feet to a point for corner;

THENCE N 46° 33' 51" W a distance of 350.00 feet to a point for a corner, said point being in the southerly right-of-way line of Claire Chennault Road;

THENCE N 43° 26' 09" E along said southerly right-of-way line a distance of 20.00 feet to the POINT OF BEGINNING and containing 0.803 acres of land, more or less.

ASSIGNMENT OF LEASE

THIS AGREEMENT is made this the 28th day of June, 1983, at Addison, Texas, between DONHAM OIL TOOL COMPANY, INC., a Texas corporation (hereinafter called "Assignor"), and AIRPORT ASSOCIATES, LTD., a Texas limited partnership (hereinafter called "Assignee").

WHEREAS, a lease (hereinafter called "Lease") was executed on June 17, 1981, between the CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC., as the Lessor, and the Assignor, as Lessee, a copy of which Lease is attached hereto as Exhibit A and made a part hereof for all purposes, by the terms of which Lease certain real property located on the Addison Airport, which real property (hereinafter called the "Property") is described in Exhibit "B" attached hereto and made a part hereof for all purposes, was leased to the Assignor upon the terms and conditions provided therein; and

WHEREAS, as permitted by the Lease, Tenant has constructed an aircraft hangar and other improvements and fixtures on the Property (hereinafter called the "Improvements"); and

WHEREAS, the Assignor now desires to assign the Lease, and convey all of its right, title and interest in the Improvements, to Assignee, and the Assignee desires to accept the assignment and conveyance 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 and the Improvements and all materials, equipment or other property now erected or located on the Property, 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 successors in interest, and assigns.

EXECUTED the day and year first above written.

ASSIGNOR:

DONHAM OIL TOOL COMPANY, INC.

By: Gene Alexander, President
Secretary

ASSIGNEE:

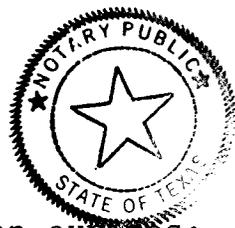
AIRPORT ASSOCIATES, LTD., a Texas limited partnership

By: Don V. Averitt
Don V. Averitt, General Partner

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared DON V. AVERITT, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said AIRPORT ASSOCIATES, LTD., a Texas limited partnership, and that he executed the same as its General Partner and as the act of such limited partnership for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 28 day of June, 1983.

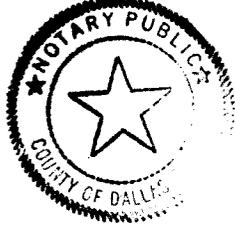


Peggy LeFram
Notary Public, State of Texas
PEGGY LEFRAM
Notary Public, State of Texas
My Commission Expires Nov. 30, 1984
(printed name)

My commission expires: _____.

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on July 8, 1983 by JERRY REDDING as Mayor of the City of Addison.



Jacque Sharp
Notary Public, State of Texas
JACQUE SHARP
(printed name)

My commission expires: 8/83.

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 28 day of June, 1983.

Dorothy L. James
Notary Public, State of Texas
Dorothy L. James
(printed name)

My commission expires: 6-13-84.

ASSIGNMENT OF LEASE

THIS AGREEMENT is made this the 3rd day of January, 1989, at Addison, Texas, between Airport Associates LTD, hereinafter called "Assignor", and James Donaldson and John Barbee DBA Addison Aircraft Storage hereinafter called "Assignee".

WHEREAS, a lease executed on June 17, 1981, between CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC., as the Lessor, and the Assignor as Lessee, by the terms of which certain real property located on the Addison Airport was leased to 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 his 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.

The Assignee does hereby assume all the duties and obligations of the Assignor under the Reciprocal Easement Agreement dated the 28th day of June, 1983 by and between Donham Oil Tool Company, Inc., and Airport Associates, Ltd.

EXECUTED the day and year first above written.

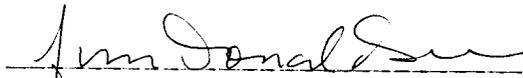
ASSIGNOR:

Airport Associates, LTD



ASSIGNEE:

Addison Aircraft Storage



CONSENT OF LESSOR

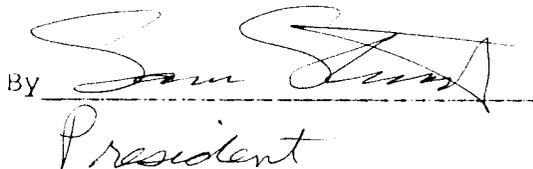
The undersigned is the Lessor in the lease described in the foregoing Assignment and hereby consents to the assignment of the lease to Assignee, waiving none of their rights thereunder as to the Lessee or the Assignee.

LESSOR:

CITY OF ADDISON

By 

ADDISON AIRPORT OF TEXAS, INC.

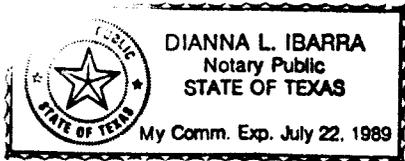
By 
President

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared DON AVERITT
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 9 day of FEBRUARY, 19 89.

Dianna L. Ibarra
Notary Public
Dallas
County, Texas

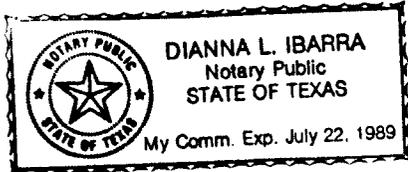


STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Jim Donaldson
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 9 day of FEBRUARY, 19 89.

Dianna L. Ibarra
Notary Public
Dallas
County, Texas



STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared D. Lynn Brown
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 MARCH, 19 89.

Dianna Ibarra
Notary Public
Dallas
County, Texas

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Sam Street
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 16th day of February, 19 89.

Willene Faris
Notary Public
DALLAS
County, Texas



COUNTY CLERK'S MEMO
PORTIONS OF THIS
DOCUMENT NOT
REPRODUCIBLE
WHEN RECORDED

ADDRESS OF GRANTEE:
James D. Donaldson
4584 Claire Chennault
Dallas, Texas 75248

GENERAL WARRANTY DEED

STATE OF TEXAS

§

A

7087

2

11.00 DEED
1 08/09/90

COUNTY OF DALLAS

§

KNOW ALL PERSONS BY THESE PRESENTS:

THAT, JOHN M. BARBEE (hereinafter collectively referred to as "Grantor"), for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other valuable consideration, the receipt and sufficiency of which consideration are hereby acknowledged, has GRANTED, SOLD and CONVEYED and by these presents does GRANT, SELL and CONVEY unto JAMES D. DONALDSON (hereinafter referred to as the "Grantee"), any and all of Grantor's right, title and interest, subject to all recorded and unrecorded encumbrances, in and to the following described property (hereinafter collectively referred to as the "Property"), to-wit:

Those certain tracts or parcels of real property situated in Dallas County, Texas as more particularly described on Exhibit "A" attached hereto and incorporated herein by reference for all purposes (the "Real Property"), together with all improvements thereon and all rights and appurtenances pertaining thereto, and that certain personal property described on Exhibit "B" attached hereto and incorporated herein by reference for all purposes.

The Property described and conveyed herein is the same as the "Mortgaged Property" as that term is defined in that certain Substitute Trustee's Deed dated January 3, 1989 recorded in Volume 89002, Page 7815 of the Deed Records of Dallas County, Texas, which Mortgaged Property was conveyed to Grantor and Jim Donaldson d/b/a Addison Aircraft Storage by Peggy J. Jones as Substitute Trustee.

TO HAVE AND TO HOLD the Property, together with any and all the rights and appurtenances thereto and in anywise belonging to Grantor, unto the said Grantee, his heirs, executors, administrators, legal representatives, successors and assigns forever, and Grantor does hereby bind himself, his heirs, executors, administrators, legal representatives, successors and assigns to WARRANT AND FOREVER DEFEND all and singular the Property unto the said Grantee, his heirs, executors, administrators, legal representatives, successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

20155 3379

EXECUTED the 17th day of July, 1990.

John M. Barbée
JOHN M. BARBEE

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 17th day of July, 1990
by JOHN M. BARBEE.



Leslie D. Brown
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

00155 3380

Unrecorded Document

EXHIBIT "A"

Land Description

TRACT ONE:

BEING a tract of land situated in the William Lomar Survey, Abstract 792, Dallas County, Texas and located on Addison Municipal Airport, Addison Texas and being more fully described as follows:

Commencing at a point for the intersection of the west right-of-way line of Addison Road, a 60-foot street, and the south right-of-way line of Westgrove Road, a 60-foot street;

THENCE S 89° 54' 46" W along the south line of said Westgrove Road a distance of 730.00 feet to a point in the centerline of Claire Chennault Road (an undedicated 60-foot street);

THENCE S 00° 05' 14" E along the centerline of Clair Chennault Road projected a distance of 301.36 feet to an angle point;

THENCE S 43° 26' 09" W along the centerline of Clair Chennault Road projected a distance of 317.27 feet to an angle point in the centerline of Claire Chennault Road;

THENCE S 46° 33' 51" E to the southerly right-of-way of said road a distance of 30.00 feet for the POINT OF BEGINNING of this description;

THENCE S 46° 33' 51" E a distance of 190 feet to a point for a corner;

THENCE N 43° 26' 09" E a distance of 175.00 feet to a point for a corner;

THENCE S 46° 33' 51" E a distance of 160.00 feet to a point for a corner, said point being in the northerly right-of-way line of taxiway (120 feet wide);

THENCE S 43° 26' 09" W along the northerly right-of-way of said taxiway a distance of 195.00 feet to a point for corner;

THENCE N 46° 33' 51" W a distance of 350.00 feet to a point for a corner, said point being in the southerly right-of-way line of Claire Chennault Road;

THENCE N 43° 26' 09" E along said southerly right-of-way line a distance of 20.00 feet to the POINT OF BEGINNING and containing 0.003 acres of land, more or less.

TRACT TWO:

BEING a tract of land situated in the E. Cook Survey, Abstract 326, Town of Addison, Dallas County, Texas, and located on the Addison Municipal Airport, Addison, Texas; said tract being more particularly described as follows:

COMMENCING at the intersection of the centerline of Addison Road and the northern R.O.W. of St. Louis Southwestern Railway Company (100' ROW);

THENCE W 7°38' W, along said centerline a distance of 367.5 ft. to a point;

30155 3381

TRANCE. S 89°48'19" W, a distance of 30.0 ft. to the POINT OF BEGINNING;

TRANCE. S 89°48'19" W, a distance of 70.0 ft. to a point;

TRANCE. N 01°35'29" W, a distance of 22.0 ft. to a point;

TRANCE. N 89°48'10" E, a distance of 70.0 ft. to a point;

TRANCE. S 00°22'40" E, parallel to and 30 feet from centerline of Addison Road (along the right-of-way) a distance of 11.7 ft. to a point;

TRANCE. S 02°38'00" E, a distance of 10.3 ft. along said R.O.W. to the Point Of Beginning and containing 3,536.435 a.f. of land, more or less.

00155 3382

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 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, disposals, 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 Grantors 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, located upon, within or about the Real Property, together with all accessories, replacements and substitutions therefor and the proceeds thereof.

30155 3383

Unofficial Copy

STATE OF TEXAS
COUNTY OF DALLAS
The undersigned, Clerk of the County of Dallas, Texas, do hereby certify that the within and foregoing instrument was duly filed for record in the office of the County Clerk of Dallas County, Texas on the 9th day of August, 1990.

AUG 9 1990

County Clerk Dallas
[Signature]

149-2-1-1

00155 3384

EXCERPTED

3rd

day of January

A.D.

89

James D. Donaldson

John R. Barbee

Addison Aircraft Storage

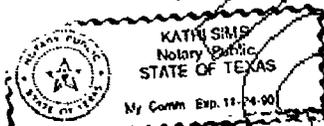
Acknowledgment

THE STATE OF TEXAS
COUNTY OF Dallas

Before me, the undersigned authority, on this day personally appeared **James D. Donaldson and John R. Barbee**

known to me to be the person whose name subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office on this the **3rd** day of **January**, A.D. 19 **89**



Kathi Sims
Notary Public in and for **Dallas** County, Texas

Acknowledgment

THE STATE OF TEXAS
COUNTY OF

Before me, the undersigned authority, on this day personally appeared

known to me to be the person whose name subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office on this the _____ day of _____, A.D. 19 _____

Notary Public in and for _____ County, Texas.

DEED OF TRUST

TO

TRUSTEE FOR

WHEN RECORDED RETURN TO

Addison National Bank
P.O. Box 777
Addison, TX 75001

THE OFFICE COMPANY, Dallas 75240

Corporate Acknowledgment

THE STATE OF TEXAS
COUNTY OF Dallas

Before me, the undersigned authority, on this day personally appeared **Wayne Woodruff**

Sr. Vice President

a corporate 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, in the capacity therein stated and as the act and deed of said corporation.

Given under my hand and seal of office on this the **3rd** day of **January**, A.D. 19 **88**

Notary Public in and for _____ County, Texas

89004 Dallas 3918

LETTERS TESTAMENTARY



NO. PB1-359-2007

ESTATE OF § PROBATE COURT
JAMES DONALD DONALDSON § NO. 1
DECEASED § COLLIN COUNTY, TEXAS

THE STATE OF TEXAS
COUNTY OF COLLIN

I, Stacey Kemp, Clerk of the County Courts and Probate Court No. 1 of Collin County, Texas hereby certify that on the 9th day of July, 2007

KENNETH CHARLES DONALDSON

was duly granted by said Court Letters Testamentary of the Estate of

JAMES DONALD DONALDSON, *Deceased*

and that HE qualified as such INDEPENDENT EXECUTOR of said Estate on the 9th day of July, 2007 as the law requires, and that said appointment is still in full force and effect.

Witness my hand and seal of office at McKinney, Texas on this the 9th day of July, 2007.

*Stacey Kemp, County Clerk
Collin County, Texas*

By Jean Feagins Deputy



ELECTRONICALLY RECORDED 201100333705
12/22/2011 11:20:39 AM AS 1/24

ELECTRONICALLY RECORDED 201100339045

STATE OF TEXAS § 12/29/2011 02:16:02 PM AS 1/25
§
COUNTY OF DALLAS § ASSIGNMENT OF GROUND LEASE

This Assignment of Ground Lease (the "Assignment") is entered into and effective as of December 20, 2011, at Addison, Texas, by and between the James Donald Donaldson Estate Trust and the Estate of James Donald Donaldson (herein referred to as "Assignor") and Tailwind Worldwide, LP, a Texas limited liability company (herein referred to as "Assignee").

WHEREAS, a Ground Lease was executed on June 17, 1981 between the City of Addison, Addison Airport of Texas, Inc., and Donham Oil Tool Company by the terms of which certain real property located at 4584 Claire Chennault (the "Demised Premises"), Addison Airport within the Town of Addison, Texas (the "City") and owned by the City was leased to Donham Oil Tool Company; and

WHEREAS, by that Assignment of Lease dated June 28, 1983, the Ground Lease was assigned from Donham Oil Tool Company, as Assignor, to Airport Associates, LTD., a Texas limited partnership, as Assignee; and

WHEREAS, by that Assignment of Lease dated January 3, 1989, the Ground Lease was assigned from Airport Associates, LTD., as Assignor, to James Donaldson and John Barbee, each Texas individuals d.b.a. Addison Aircraft Storage, as Assignee; and

WHEREAS, by that certain General Warranty Deed executed July 17, 1990, and recorded in the Dallas County Clerk's Official Public Records ("OPR") in Book/Volume 90155, Page 3379 whereby John M. Barbee granted, sold and conveyed to James D. Donaldson any and all right, title and interest, subject to all recorded and unrecorded encumbrances, in and to the Demised Premises; and

WHEREAS, on or before July 9, 2007 James Donald Donaldson died and by that certain Letter Testamentary (No. PB1-359-2007) given by Probate Court No. 1, Collin County, Texas, on said date appointed Kenneth Charles Donaldson as Independent Executor of the Estate of James Donald Donaldson; and

WHEREAS, pursuant to James Donald Donaldson's Last Will and Testament, all right, title and interest, subject to all recorded and unrecorded encumbrances, in and to the Demised Premises were transferred to the James Donald Donaldson Estate Trust; and

WHEREAS, the parties acknowledge and agree the boundary survey dated November 7, 2011 prepared by TerraCorp Associates, LLC containing .803 acres as described therein is the true and correct legal description of the demised premises (a true and correct copy of said Survey is attached and incorporated herein by reference as Exhibit "A"); and

Re-record due to error in recording order

ELECTRONICALLY RECORDED 201100333705
12/22/2011 11:20:39 AM AS 1/24

STATE OF TEXAS §
 § ASSIGNMENT OF GROUND LEASE
COUNTY OF DALLAS §

This Assignment of Ground Lease (the "Assignment") is entered into and effective as of December 20, 2011, at Addison, Texas, by and between the James Donald Donaldson Estate Trust and the Estate of James Donald Donaldson (herein referred to as "Assignor") and Tailwind Worldwide, LP, a Texas limited liability company (herein referred to as "Assignee").

WHEREAS, a Ground Lease was executed on June 17, 1981 between the City of Addison, Addison Airport of Texas, Inc., and Donham Oil Tool Company by the terms of which certain real property located at 4584 Claire Chennault (the "Demised Premises"), Addison Airport within the Town of Addison, Texas (the "City") and owned by the City was leased to Donham Oil Tool Company; and

WHEREAS, by that Assignment of Lease dated June 28, 1983, the Ground Lease was assigned from Donham Oil Tool Company, as Assignor, to Airport Associates, LTD., a Texas limited partnership, as Assignee; and

WHEREAS, by that Assignment of Lease dated January 3, 1989, the Ground Lease was assigned from Airport Associates, LTD., as Assignor, to James Donaldson and John Barbee, each Texas individuals d.b.a. Addison Aircraft Storage, as Assignee; and

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WHEREAS, on or before July 9, 2007 James Donald Donaldson died and by that certain Letter Testamentary (No. PB1-359-2007) given by Probate Court No. 1, Collin County, Texas, on said date appointed Kenneth Charles Donaldson as Independent Executor of the Estate of James Donald Donaldson; and

WHEREAS, pursuant to James Donald Donaldson's Last Will and Testament, all right, title and interest, subject to all recorded and unrecorded encumbrances, in and to the Demised Premises were transferred to the James Donald Donaldson Estate Trust; and

WHEREAS, the parties acknowledge and agree the boundary survey dated November 7, 2011 prepared by TerraCorp Associates, LLC containing .803 acres as described therein is the true and correct legal description of the demised premises (a true and correct copy of said Survey is attached and incorporated herein by reference as Exhibit "A"); and

Re-record due to error in recording order

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

ASSIGNMENT OF GROUND LEASE

This Assignment of Ground Lease (the "Assignment") is entered into and effective as of December 20, 2011, at Addison, Texas, by and between the James Donald Donaldson Estate Trust and the Estate of James Donald Donaldson (herein referred to as "Assignor") and Tailwind Worldwide, LP, a Texas limited liability company (herein referred to as "Assignee").

WHEREAS, a Ground Lease was executed on June 17, 1981 between the City of Addison, Addison Airport of Texas, Inc., and Donham Oil Tool Company by the terms of which certain real property located at 4584 Claire Chennault (the "Demised Premises"), Addison Airport within the Town of Addison, Texas (the "City") and owned by the City was leased to Donham Oil Tool Company; and

WHEREAS, by that Assignment of Lease dated June 28, 1983, the Ground Lease was assigned from Donham Oil Tool Company, as Assignor, to Airport Associates, LTD., a Texas limited partnership, as Assignee; and

WHEREAS, by that Assignment of Lease dated January 3, 1989, the Ground Lease was assigned from Airport Associates, LTD., as Assignor, to James Donaldson and John Barbee, each Texas individuals d.b.a. Addison Aircraft Storage, as Assignee; and

WHEREAS, by that certain General Warranty Deed executed July 17, 1990, and recorded in the Dallas County Clerk's Official Public Records ("OPR") in Book/Volume 90155, Page 3379 whereby John M. Barbee granted, sold and conveyed to James D. Donaldson any and all right, title and interest, subject to all recorded and unrecorded encumbrances, in and to the Demised Premises; and

WHEREAS, on or before July 9, 2007 James Donald Donaldson died and by that certain Letter Testamentary (No. PB1-359-2007) given by Probate Court No. 1, Collin County, Texas, on said date appointed Kenneth Charles Donaldson as Independent Executor of the Estate of James Donald Donaldson; and

WHEREAS, pursuant to James Donald Donaldson's Last Will and Testament, all right, title and interest, subject to all recorded and unrecorded encumbrances, in and to the Demised Premises were transferred to the James Donald Donaldson Estate Trust; and

WHEREAS, the parties acknowledge and agree the boundary survey dated November 7, 2011 prepared by TerraCorp Associates, LLC containing .803 acres as described therein is the true and correct legal description of the demised premises (a true and correct copy of said Survey is attached and incorporated herein by reference as Exhibit "A"); and

WHEREAS, by virtue of such assignments, amendments and/or modifications made to the Ground Lease Assignor is the Tenant under the Ground Lease (a true and correct copy of said Ground Lease in its entirety with all hereinabove said assignments, amendments and/modifications made thereto are attached and incorporated herein by reference as Exhibit "B"); 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 B, 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:

Tailwind Worldwide, LP
Attn: Michele Wilkinson
4600 Claire Chennault, Suite 210
Addison, Texas 75001

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.

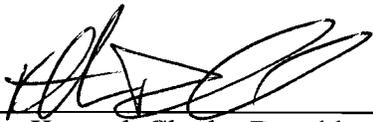
5. Assignor acknowledges that in addition to any other remedies provided in the Ground Lease or by law, Landlord may at its own option, collect directly from the Assignee all rents becoming due under this Assignment and apply such rent against any sums due to Landlord. Assignor acknowledges that it does not owe Landlord any past rent, fees, charges, taxes, insurance payments, penalties or any other amounts at the time of this Assignment. 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.

6. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, ASSIGNOR IS ASSIGNING THIS GROUND LEASE TO ASSIGNEE "AS IS", "WHERE IS", AND WITH ALL FAULTS AND SPECIFICALLY AND EXPRESSLY WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTEES, EITHER EXPRESS OR IMPLIED, OF ANY KIND, NATURE, OR TYPE WHATSOEVER FROM OR ON BEHALF OF THE GRANTOR.

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

ASSIGNOR:

The James Donald Donaldson Estate Trust



By: Kenneth Charles Donaldson, Trustee

and

The Estate of James Donald Donaldson



By: Kenneth Charles Donaldson,
Independent Executor

ASSIGNEE:

Tailwind Worldwide, L.P.



By: Michele Wilkinson,
as the president of Tailwind International,
Inc., a member of Tailwind Worldwide
(GP), LLC, its general partner

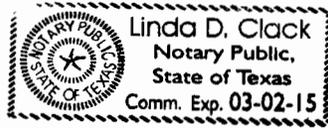
ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Kenneth Charles Donaldson, Trustee for the James Donald Donaldson Estate Trust and Independent Executor of the Estate of James Donald Donaldson 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 20th day of December, 2011.

[SEAL]



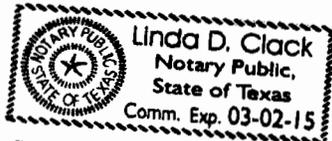
Linda D. Clack
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Michele Wilkinson, as the president of Tailwind International, Inc. a member of Tailwind Worldwide (GP), LLC, the general partner of Tailwind Worldwide, LP 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 20th day of December, 2011.

[SEAL]



Linda D. Clack
Notary Public, State of Texas

CONSENT OF LANDLORD

The Town of Addison, Texas ("Landlord") is the Landlord in the Ground Lease described in the Assignment of Ground Lease (the "Assignment") entered into and effective as of December 20, 2011, at Addison, Texas, by and between the James Donald Donaldson Estate Trust and the Estate of James Donald Donaldson, a _____ trust (herein referred to as "Assignor") and Tailwind Worldwide, LP, a Texas limited liability company (herein referred to as "Assignee"). 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 this Consent, Landlord does not waive any of its rights under the Ground Lease as to the Assignor or the Assignee, and does not release Assignor from its covenants, obligations, duties, or responsibilities under or in connection with the Ground Lease, and Assignor shall remain liable and responsible for all such covenants obligations, duties, or responsibilities. In addition, notwithstanding any provisions 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.

This consent is not intended and shall not be construed to waive any rights of the Town under the Ground Lease, to release or waive any claims of the Town against any tenant under or in connection with the Ground Lease or to release any tenant from any duties, obligations or liabilities under or in connection with the Lease.

This Consent shall be and remain valid only if and provided that, by no later than 6:00 o'clock p.m. on Monday, February 6, 2012:

(i) the Assignment has been executed and notarized by both Assignor and Assignee,

(ii) all other matters in connection with the transfer, sale, and/or conveyance by Assignor to Assignee of the Assignor's interest in the Ground Lease have been fully consummated and completed and the transaction closed as reasonably determined by Landlord (such matters including, without limitation, the full execution and finalization of this Assignment and any other documentation so required by Landlord relating to this transaction) and delivered to Landlord c/o Mr. Bill Dyer, Addison Airport Real Estate Manager, at 16051 Addison Road, Suite 220, Addison, Texas 75001. Otherwise, and failing compliance with and satisfaction of each all of paragraphs (i) and (ii) above, this Consent shall be null and void *ab initio* as if it had never been given and executed.

Signed this 15 day Dec, 2011.

LANDLORD:

TOWN OF ADDISON, TEXAS

By: Ron Whitehead
Ron Whitehead, City Manager

STATE OF TEXAS §
 §
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This instrument was acknowledged before me on DECEMBER 15, 2011,
by Ron Whitehead, City Manager of the TOWN OF ADDISON, a home-rule municipality,
on behalf of said Town.



Michele Loper Hilgart
Notary Public, State of Texas

My Commission Expires:

09/22/2013

MICHELE LOPER HILGART
(Printed or Typed Name of Notary)

THE STATE OF TEXAS
COUNTY OF DALLAS

GROUND LEASE

EXHIBIT "B"

This Ground Lease (hereinafter referred to as the "Lease" is made and entered into as of June 17, 1981, 1981, 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 DONHAM OIL TOOL COMPANY, INC. (hereinafter referred to as "Tenant").

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 at 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 June 30, 1982, 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 FIVE HUNDRED TWENTY FIVE AND NO/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 building with attached offices and shops for corporate aircraft storage only. Final construction drawings shall have Airport approval before start of construction.

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 B 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 mortgages shall in no event become personally liable to perform the obligations of Tenant under this Lease unless and until said mortgagee become 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, 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 mortgagee 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 its 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's "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 8, Tenant shall not create any openings in the roof or exterior walls, or make any alterations, 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) Workmen'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 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.

(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 heretofore 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 timely commence Restoration, or after commencement if Tenant does not diligently proceed to the completion of same, Landlord shall have the right to commence or complete Restoration. 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 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 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 arrearages 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 arrearages 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 reletting. In determining the amount of such deficiency, brokerage commissions, attorneys' fees, moving expense and other costs of reletting shall be subtracted from the amount of rent received under such reletting.

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 effecting 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 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 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.

30. **Rent on Net Return Basis.** Except for the rental due under the Base Lease during the time that AATI 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 the 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:

TENANT:

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

Donham Oil Tool Company, Inc.
1341 W. Mockingbird Lane
Suite 300-E
Dallas, Texas 75247

City of Addison, Texas

P. O. Box 144

Addison, Texas 75001

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: [Signature]

Its: Vice President

CITY OF ADDISON, TEXAS

By: [Signature]

Its: Mayor

TENANT:

By: [Signature]

Its: Keith Alexander, Jr. Executive Vice President

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Walter C. [unclear]
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 3rd day of Aug, 1981.

[Signature]
Notary Public

Dallas
County, Texas

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared [unclear]
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 11th day of [unclear], 19[unclear].

[Signature]
Notary Public

[unclear]
County, Texas

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared JERRY REDBLIN
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 7th day of September, 1981.

[Signature]
Notary Public

Dallas
County, Texas

EXHIBIT "B"

BEING a tract of land situated in the William Lomax Survey, Abstract 792, Dallas County, Texas and located on Addison Municipal Airport, Addison Texas and being more fully described as follows:

Commencing at a point for the intersection of the west right-of-way line of Addison Road, a 60-foot street, and the south right-of-way line of Westgrove Road, a 60-foot street;

THENCE S 89° 54' 46" W along the south line of said Westgrove Road a distance of 730.00 feet to a point in the centerline of Claire Chennault Road (an undedicated 60-foot street);

THENCE S 00° 05' 14" E along the centerline of Clair Chennault Road projected a distance of 301.36 feet to an angle point;

THENCE S 43° 26' 09" W along the centerline of Clair Chennault Road projected a distance of 317.27 feet to an angle point in the centerline of Claire Chennault Road;

THENCE S 46° 33' 51" E to the southerly right-of-way of said road a distance of 30.00 feet for the POINT OF BEGINNING of this description;

THENCE S 46° 33' 51" E a distance of 190 feet to a point for a corner;

THENCE N 43° 26' 09" E a distance of 175.00 feet to a point for a corner;

THENCE S 46° 33' 51" E a distance of 160.00 feet to a point for a corner, said point being in the northerly right-of-way line of taxiway (120 feet wide);

THENCE S 43° 26' 09" W along the northerly right-of-way of said taxiway a distance of 195.00 feet to a point for corner;

THENCE N 46° 33' 51" W a distance of 350.00 feet to a point for a corner, said point being in the southerly right-of-way line of Claire Chennault Road;

THENCE N 43° 26' 09" E along said southerly right-of-way line a distance of 20.00 feet to the POINT OF BEGINNING and containing 0.803 acres of land, more or less.

ASSIGNMENT OF LEASE

THIS AGREEMENT is made this the 28th day of June, 1983, at Addison, Texas, between DONHAM OIL TOOL COMPANY, INC., a Texas corporation (hereinafter called "Assignor"), and AIRPORT ASSOCIATES, LTD., a Texas limited partnership (hereinafter called "Assignee").

WHEREAS, a lease (hereinafter called "Lease") was executed on June 17, 1981, between the CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC., as the Lessor, and the Assignor, as Lessee, a copy of which Lease is attached hereto as Exhibit A and made a part hereof for all purposes, by the terms of which Lease certain real property located on the Addison Airport, which real property (hereinafter called the "Property") is described in Exhibit "B" attached hereto and made a part hereof for all purposes, was leased to the Assignor upon the terms and conditions provided therein; and

WHEREAS, as permitted by the Lease, Tenant has constructed an aircraft hangar and other improvements and fixtures on the Property (hereinafter called the "Improvements"); and

WHEREAS, the Assignor now desires to assign the Lease, and convey all of its right, title and interest in the Improvements, to Assignee, and the Assignee desires to accept the assignment and conveyance 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 and the Improvements and all materials, equipment or other property now erected or located on the Property, 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 successors in interest, and assigns.

EXECUTED the day and year first above written.

ASSIGNOR:

DONHAM OIL TOOL COMPANY, INC.

By: *Gene Alexander*, President
Secretary

ASSIGNEE:

AIRPORT ASSOCIATES, LTD., a Texas limited partnership

By: *Don V. Averitt*
Don V. Averitt, General Partner

ASSIGNMENT OF LEASE

THIS AGREEMENT is made this the 3rd day of January, 1989, at Addison, Texas; between Airport Associates LTD, hereinafter called "Assignor", and James Donaldson and John Barbee DBA Addison Aircraft Storage hereinafter called "Assignee".

WHEREAS, a lease executed on June 17, 1981, between CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC., as the Lessor, and the Assignor as Lessee, by the terms of which certain real property located on the Addison Airport was leased to 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 his 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.

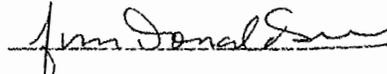
The Assignee does hereby assume all the duties and obligations of the Assignor under the Reciprocal Easement Agreement dated the 28th day of June, 1983 by and between Donham Oil Tool Company, Inc., and Airport Associates, Ltd.

EXECUTED the day and year first above written.

ASSIGNOR:
Airport Associates, LTD



ASSIGNEE:
Addison Aircraft Storage



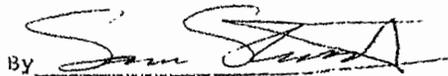
CONSENT OF LESSOR

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 

ADDISON AIRPORT OF TEXAS, INC.

By 
President

Document Receipt Information

Reference Number: 1978006752/LTC - Assignment

Instrument Number:	201100339045
No of Pages:	25
Recorded Date:	12/29/2011 2:16:02 PM
County:	Dallas
Officer Name:	YCRAIG
Volume:	
Page:	
Recording Fee:	\$112.00

**Exhibit C
to Ground Lease Assignment**

RECIPROCAL EASEMENT

SAMPLE BANK ESTOPPEL AGREEMENT FORM

On Bank Letterhead

_____, _____
Town of Addison
P.O. Box 9010
Addison, Texas 75001-9010

RE: Ground Lease dated June 17, 1981 (the "Ground Lease"), by and among the Town of Addison, Texas, a home-rule municipality (the "City", the same being the Town of Addison, Texas) and Addison Airport of Texas, Inc., a Texas corporation, as Landlord (the City now being the sole Landlord under the Ground Lease, the "Base Lease" (as defined in the Ground Lease) having expired, and the City alone being referred to herein as the "Landlord") and Donham Oil Tool Company, as tenant; the said Ground Lease then having been assigned to Airport Associates LTD., a Texas limited partnership by that Assignment of Lease entered into on June 28, 1983; the said Ground Lease then having been assigned to James Donaldson and John Barbee, each Texas individuals d.b.a. Addison Aircraft Storage, as assignee, by that Assignment of Lease dated January 3, 1989; then John Barbee sold and conveyed to James D. Donaldson all his rights, title and interests in the leasehold by that certain General Warranty Deed executed July 17, 1990 as recorded in Book/Volume 90155, Page 3379 of the Official Public Records of Dallas County, Texas (the "OPR"); then the James Donald Donaldson Estate Trust, successor in interest of James D. Donaldson, now deceased assigned the Ground Lease to Tailwind Worldwide, LP., a Texas limited partnership, as recorded in the OPR as Instrument #201100339045 by that Assignment of Lease dated December 20, 2011, the said Ground Lease then having been assigned to Mills Group, Inc., a Texas corporation by that Assignment of Ground Lease entered into and made effective on _____, 2015; and by virtue of the above and foregoing assignments, Mills Group, Inc. is the tenant of the said Ground Lease, as amended and modified and subject to the instruments described herein; and the Ground Lease is subject to that certain Reciprocal Easement Agreement entered into and made effective June 28, 1983 and amended by that certain First Amendment to Reciprocal Easement Agreement entered to and made effective December 19, 2011 by and between Doyle Hartman and Margaret M. Hartman d/b/a Doyle Hartman, Oil Operator and the James Donald Donaldson Estate Trust and the Estate of James Donald Donaldson as filed and record in the Dallas County, Texas OPR as Instrument #201100339044 (the "Reciprocal Easement"); and a true and correct copy of the Ground Lease as described herein is attached hereto **Exhibit "A"** and a true and correct copy of the Reciprocal Easement attached hereto **Exhibit "C"**, each being incorporated herein by reference respectively.

Gentlemen:

Texas Security Bank (the "Bank") intends to make a loan to Mills Group, Inc. a Texas corporation (the "Tenant") in the amount of two hundred thousand dollars (\$200,000.00) (the "Loan") will be secured by, among other things a lien against the leasehold interest of Tenant in the Real Property created pursuant to a leasehold deed of trust (the "Leasehold Deed of Trust") to be executed by Tenant to Craig T. Scheef, as Trustee for the benefit of Bank, which Leasehold Deed of Trust shall be subordinate and inferior to the Ground Lease and Landlord's lien (contractual and statutory) and other rights thereunder and all terms and conditions thereof, which Leasehold Deed of Trust shall be in substantially the form of the Leasehold Deed of Trust attached hereto as **Exhibit "B"**.

The Bank has advised Tenant that Bank requires the written acknowledgment of Landlord to the execution by Tenant of the above-described Leasehold Deed of Trust and the written acknowledgment and consent of the Landlord to the statements set forth in this letter.

Therefore, by executing the enclosed copy of this letter and returning it to the undersigned, Landlord hereby specifically states as follows (and notwithstanding any statement or provision hereof, Landlord's statements herein do not constitute approval by or consent of Landlord of the Leasehold Deed of Trust or of any of the terms and conditions set forth therein, and nothing herein contained shall be deemed a waiver or release of any of the Landlord's rights under the Ground Lease or otherwise):

1. Landlord takes notice of the Leasehold Deed of Trust and the subordinate and inferior lien provided for therein being impressed solely against the leasehold interest of Tenant in the Real Property.
2. The Ground Lease has not been modified, altered or amended to the best of Landlord's actual knowledge except as described herein.
3. Landlord has no actual knowledge of the existence of any default by Tenant under the Ground Lease, or of any lien against the Real Property other than that created by the Ground Lease, any lien for taxes, or as may be otherwise created or provided by law.
4. Landlord will give to Bank, at the address of Bank specified in this letter or at such other address as Bank may hereafter designate in writing to Landlord, prompt written notice of any default by Tenant under the Ground Lease simultaneously with the giving of such notice to Tenant (if such notice is required under the Ground Lease), and Bank shall have the right, but not the obligation, for a period of fifteen (15) days after its receipt of such notice or within any longer period of time specified in such notice, to take such action or to make such payment as may be necessary or appropriate to cure any such default so specified. Landlord shall not exercise Landlord's right to terminate the Ground Lease without first giving Bank the notice provided for herein and affording Bank the right to cure such default as provided for herein.
5. For the purposes of this letter, any notice to Bank may be delivered in person or shall be deemed to be delivered, whether actually received or not, when deposited in United

States mail, postage prepaid, registered, or certified mail, return receipt requested, addressed to Bank at the above-described address.

6. If Bank or a third party (provided such third party is approved by Landlord in accordance with the terms of the Ground Lease for approval of an assignee) succeeds to the interest of Tenant in and to the Ground Lease by means of foreclosure under the Leasehold Deed of Trust, by means of a transfer in lieu of such foreclosure, or by any other lawful means due to the failure or inability of Tenant to pay the Loan secured by the Leasehold Deed of Trust, Landlord shall thereafter accept, recognize and treat Bank or such approved third party as the tenant under the Ground Lease and Landlord shall continue to perform all of its obligations under the Ground Lease subject, however, to the terms and conditions of the Ground Lease. Bank may thereafter, with the written consent of the Landlord, which consent shall not be unreasonably withheld or delayed, assign its leasehold right, title, and interest in and to the Ground Lease. For purposes hereof and any applicable law, and without limitation as to other grounds for Landlord withholding consent, it shall be deemed to be reasonable for Landlord to withhold its consent when any one or more of the following apply:
 - (a) the proposed assignee is of a character or of a reputation or is engaged in a business which is not consistent with the master or strategic plan of Addison Airport as determined by Landlord;
 - (b) the proposed assignee has not demonstrated sufficient financial responsibility or creditworthiness to the satisfaction of Landlord in light of the duties, obligations, and responsibilities of the tenant under the Ground Lease at the time when the consent is requested;
 - (c) the proposed assignee's intended use of the demised premises as defined in the Ground Lease is inconsistent with the Ground Lease;
 - (d) the proposed assignment would cause Landlord to be in violation of another lease or agreement to which Landlord is a party or to which Landlord or the Addison Airport is subject (including, without limitation, any grant agreements or grant assurances of the Federal Aviation Administration or any other governmental entity or agency);
 - (e) if at any time consent is requested or at any time prior to the granting of consent, tenant is in default under the Ground Lease or would be in default under the Ground Lease but for the pendency of a grace or cure period, provided that if such default is cured within such grace or cure period, then Landlord may not continue to withhold its consent solely for this circumstance; or
 - (f) the proposed assignee does not intend to occupy the entire demised premises as described in the Ground Lease and conduct its business therefrom for a substantial portion of the then remaining term of the Ground Lease.

For purposes hereof and any applicable law, and without limitation as to other grounds

for Landlord delaying consent, it shall be deemed to be reasonable for Landlord to delay its consent for a period of 45 days after the receipt by Landlord of all information requested by Landlord regarding or in connection with the proposed assignment and the proposed assignee.

- 7. To the actual knowledge of Landlord no rent has been paid more than thirty (30) days in advance of its due date.

Very truly yours,

_____ (BANK)

By: _____
_____ (Name and Title)

Acknowledged and consented to the _____ day of _____, 2015.

TOWN OF ADDISON, TEXAS

By: _____

By: _____

By: _____

By: _____

Name: _____

Name: _____

Its: _____

Its: _____

cc: Real Estate Manager
Addison Airport
16051 Addison Road, Suite 220
Addison, Texas 75001

ELECTRONICALLY RECORDED 201100333707
12/22/2011 11:20:39 AM AM 1/19

AFTER RECORDING RETURN TO:
Larry O. Littleton
The Law Offices of Larry O. Littleton
5001 Spring Valley Road, Suite 400 East
Dallas, Texas 75244-3947

ELECTRONICALLY RECORDED 201100339044
12/29/2011 02:16:02 PM AM 1/20

FIRST AMENDMENT TO RECIPROCAL EASEMENT AGREEMENT

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

THIS FIRST AMENDMENT TO RECIPROCAL EASEMENT AGREEMENT (this "Agreement") is made and entered into as of the 19th day of December, 2011, by and between DOYLE HARTMAN and MARGARET M. HARTMAN d/b/a DOYLE HARTMAN, OIL OPERATOR ("*Hartman*") and the JAMES DONALD DONALDSON ESTATE TRUST and the ESTATE OF JAMES DONALD DONALDSON ("*Donaldson*").

WITNESSETH:

WHEREAS, Donham Oil Tool Company, Inc., a Texas corporation ("*Donham*"), and Airport Associates, Ltd., a Texas limited partnership ("*Airport Associates*"), executed a Reciprocal Easement Agreement (the "*REA*") dated June 28, 1983, recorded in Volume 83139, Page 1576 of the Deed Records of Dallas County, Texas, and also recorded in Volume 83248, Page 4110 of the Deed Records of Dallas County, Texas (a true and correct copy of the REA is attached hereto as Exhibit "A"); and

WHEREAS, Hartman is the leasehold owner of that certain tract of real property identified as "Tract A" in the REA (the "*Hartman Tract*"), and is the successor in interest to the FDIC, as Receiver for Independence Bank of Plano, the successor in interest by substitute trustee's deed to Flytex, Inc., a Texas corporation, the successor in interest to Donham; and

WHEREAS, by that certain Assignment of Interest In Reciprocal Easement recorded in Volume 84034, Page 1277 of the Deed of Records of Dallas County, Texas, Donham assigned all of its right, title and interest in the REA to Flytex, Inc.; and

WHEREAS, Donaldson is the leasehold owner of that certain tract of real property identified as "Tract B" in the REA (the "*Donaldson Tract*"), and is the successor in interest to James Donaldson, an individual now deceased, the successor in interest to John N. Barbee and James Donaldson, d/b/a Addison Aircraft Storage, the successor in interest to Airport Associates, Ltd., a Texas limited partnership, the successor in interest to Airport Associates, the successor in interest to Donham; and

Re-record due to error in recording order

AFTER RECORDING RETURN TO:
Larry O. Littleton
The Law Offices of Larry O. Littleton
5001 Spring Valley Road, Suite 400 East
Dallas, Texas 75244-3947

FIRST AMENDMENT TO RECIPROCAL EASEMENT AGREEMENT

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

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WITNESSETH:

WHEREAS, Donham Oil Tool Company, Inc., a Texas corporation ("*Donham*"), and Airport Associates, Ltd., a Texas limited partnership ("*Airport Associates*"), executed a Reciprocal Easement Agreement (the "*REA*") dated June 28, 1983, recorded in Volume 83139, Page 1576 of the Deed Records of Dallas County, Texas, and also recorded in Volume 83248, Page 4110 of the Deed Records of Dallas County, Texas (a true and correct copy of the REA is attached hereto as Exhibit "A"); and

WHEREAS, Hartman is the leasehold owner of that certain tract of real property identified as "Tract A" in the REA (the "*Hartman Tract*"), and is the successor in interest to the FDIC, as Receiver for Independence Bank of Plano, the successor in interest by substitute trustee's deed to Flytex, Inc., a Texas corporation, the successor in interest to Donham; and

WHEREAS, by that certain Assignment of Interest In Reciprocal Easement recorded in Volume 84034, Page 1277 of the Deed of Records of Dallas County, Texas, Donham assigned all of its right, title and interest in the REA to Flytex, Inc.; and

WHEREAS, Donaldson is the leasehold owner of that certain tract of real property identified as "Tract B" in the REA (the "*Donaldson Tract*"), and is the successor in interest to James Donaldson, an individual now deceased, the successor in interest to John N. Barbee and James Donaldson, d/b/a Addison Aircraft Storage, the successor in interest to Airport Associates, Ltd., a Texas limited partnership, the successor in interest to Airport Associates, the successor in interest to Donham; and

AFTER RECORDING RETURN TO:
Larry O. Littleton
The Law Offices of Larry O. Littleton
5001 Spring Valley Road, Suite 400 East
Dallas, Texas 75244-3947

FIRST AMENDMENT TO RECIPROCAL EASEMENT AGREEMENT

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

THIS FIRST AMENDMENT TO RECIPROCAL EASEMENT AGREEMENT (this "**Agreement**") is made and entered into as of the 19th day of December, 2011, by and between DOYLE HARTMAN and MARGARET M. HARTMAN d/b/a DOYLE HARTMAN, OIL OPERATOR ("**Hartman**") and the JAMES DONALD DONALDSON ESTATE TRUST and the ESTATE OF JAMES DONALD DONALDSON ("**Donaldson**").

WITNESSETH:

WHEREAS, Donham Oil Tool Company, Inc., a Texas corporation ("**Donham**"), and Airport Associates, Ltd., a Texas limited partnership ("**Airport Associates**"), executed a Reciprocal Easement Agreement (the "**REA**") dated June 28, 1983, recorded in Volume 83139, Page 1576 of the Deed Records of Dallas County, Texas, and also recorded in Volume 83248, Page 4110 of the Deed Records of Dallas County, Texas (a true and correct copy of the REA is attached hereto as Exhibit "A"); and

WHEREAS, Hartman is the leasehold owner of that certain tract of real property identified as "Tract A" in the REA (the "**Hartman Tract**"), and is the successor in interest to the FDIC, as Receiver for Independence Bank of Plano, the successor in interest by substitute trustee's deed to Flytex, Inc. a Texas corporation, the successor in interest to Donham; and

WHEREAS, by that certain Assignment of Interest In Reciprocal Easement recorded in Volume 84034, Page 1277 of the Deed of Records of Dallas County, Texas, Donham assigned all of its right, title and interest in the REA to Flytex, Inc.; and

WHEREAS, Donaldson is the leasehold owner of that certain tract of real property identified as "Tract B" in the REA (the "**Donaldson Tract**"), and is the successor in interest to James Donaldson, an individual now deceased, the successor in interest to John N. Barbee and James Donaldson, d/b/a Addison Aircraft Storage, the successor in interest to Airport Associates, Ltd., a Texas limited partnership, the successor in interest to Airport Associates, the successor in interest to Donham; and

WHEREAS, Kenneth Charles Donaldson was appointed Executor of the Estate of James Donald Donaldson by the Probate Court of Collin County, Texas in Cause No. PB 1-359-2007; and

WHEREAS, Hartman and Donaldson desire to amend the REA in certain respects.

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. The Ramp Area (as such term is defined in the REA) shall mean the portion of the Hartman Tract and the Donaldson Tract of the concrete area on the east side of the hangars within the following four points: (i) the northwest corner of such concrete area, (ii) the northeast corner of such concrete area, (iii) the southeast corner of such concrete area, and (iv) the southwest corner of such concrete area. The Ramp Area is shown on Exhibit "B" attached hereto and made a part hereof for all purposes. The Ramp Area on Exhibit "B" is shaded in blue and marked "**Ramp Area.**"
2. Donaldson hereby confirms and, to the extent legally necessary, does grant and convey to Hartman, his successors and assigns (as owners of the Hartman Tract or any portion thereof), a perpetual, non-exclusive access easement for pedestrian and vehicular ingress and egress between the Hartman Tract and Claire Chennault Street, upon and across the portion of the Donaldson Tract, twenty feet (20') in width, adjacent to the southwest boundary of the Hartman Tract, from Claire Chennault Street 190 feet to the extended southeastern property line of the Hartman Tract. The location of the access easement is shown on Exhibit "B" attached hereto and made a part hereof for all purposes. This area is shaded blue on Exhibit B and marked "**Access Easement.**"
3. Hartman and Donaldson hereby confirm and, to the extent legally necessary, do grant and convey to each other, their successors and assigns (as owners of the Hartman Tract and the Donaldson Tract, respectively, or any portion thereof), a perpetual, non-exclusive access easement for pedestrian, vehicular, and aircraft ingress and egress over the Ramp Area to get from Claire Chennault Road to the taxiway and from the taxiway to Claire Chennault Road.
4. Section 3.03 of the REA is hereby amended by the addition of the following at the end of such Section: "If at any time any such vehicle, aircraft, equipment or other object hinders either party's access to and from the taxiway or to and from Claire Chennault Road, the offending party shall within one hour from notice by the complaining party remove the item to allow access. Subject to the provisions of this Section

3.03 the offending party will be allowed to replace the vehicle, aircraft, or equipment immediately after giving the complaining party access."

5. For purposes of Section 3.08 of the REA, Hartman's address is:

Doyle Hartman and Margaret M. Hartman
d/b/a Doyle Hartman, Oil Operator
c/o Larry O. Littleton
5001 Spring Valley Road, Suite 400 East
Dallas, Texas 75244-3947

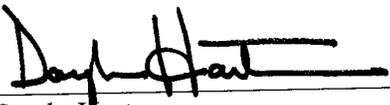
and Donaldson's address is:

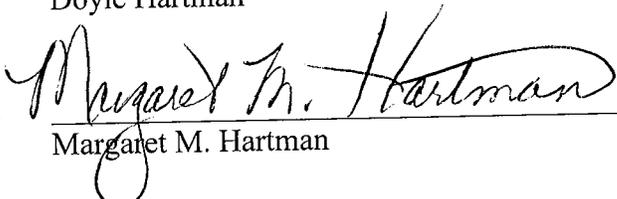
James Donald Donaldson Estate Trust and
The Estate of James Donald Donaldson
c/o Kenneth Donaldson
4584 Claire Chennault Rd.
Addison, Texas 75001

6. To the extent there are any inconsistencies between this Agreement and the REA, the terms of this Agreement will control. Otherwise, nothing in this Agreement shall modify or alter the terms and conditions of the REA.

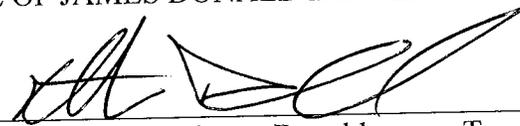
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth above.

DOYLE HARTMAN and MARGARET M. HARTMAN
d/b/a DOYLE HARTMAN, OIL OPERATOR

By: 
Doyle Hartman

By: 
Margaret M. Hartman

JAMES DONALD DONALDSON ESTATE TRUST and
ESTATE OF JAMES DONALD DONALDSON

By: 
Kenneth Charles Donaldson, Trustee and
Independent Executor

CONSENT OF LANDLORD

The undersigned, the Landlord under the Ground Leases covering the Hartman Tract and the Donaldson Tract, hereby consents to the above First Amendment to Reciprocal Easement Agreement waiving none of its rights under said Ground Leases.

TOWN OF ADDISON,
a home-rule municipality

By: *Ron Whitehead*
Ron Whitehead, City Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on DECEMBER 15, 2011, by Ron Whitehead, City Manager of the TOWN OF ADDISON, a home-rule municipality, on behalf of said Town.



Michele Loper Hilgart
Notary Public, State of Texas

My Commission Expires:

09/22/2013

MICHELE LOPER HILGART
(Printed or Typed Name of Notary)

Exhibit A

RECIPROCAL EASEMENT AGREEMENT

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

THIS RECIPROCAL EASEMENT AGREEMENT ("Agreement") is made and entered into as of the ~~23rd~~ day of June, 1983, by and between DONHAM OIL TOOL COMPANY, INC., a Texas corporation ("Donham"), and AIRPORT ASSOCIATES, LTD., a Texas limited partnership ("Associates"),

W I T N E S S E T H :

WHEREAS, Donham is the leasehold owner of that certain tract of real property in Dallas County, Texas, more particularly described in Exhibit "A" attached hereto and incorporated herein for all purposes ("Tract A");

WHEREAS, Associates is the leasehold owner of that certain tract of real property located in Dallas County, Texas, more particularly described in Exhibit "B" attached hereto and incorporated herein for all purposes ("Tract B");

WHEREAS, Tracts A and B are both located within Addison Airport, Addison, Texas.

WHEREAS, Donham and Associates desire that the one hundred seventy-five (175) foot in length ramp area (hereinafter called the "Ramp Area") located between the aircraft hangars which are located on Tract A and Tract B, respectively, should be accessible for ingress and egress to and from the taxiway (hereinafter called the "Taxiway") and Tracts A and B;

WHEREAS, there is an aircraft hangar located on Tract B, and the door of such aircraft hanger (hereinafter called the "Hangar Door"), when opened, slides into a bay which encroaches upon the Donham Ramp Area (as hereinafter defined);

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

Grants of Easements and Rights

1.01. Donham, for itself and its successors and assigns, does hereby grant, sell, convey and deliver to Associates, its successors and assigns, a non-exclusive, perpetual and permanent right-of-way easement, which shall be appurtenant to and inure to the benefit of Tract B, for (i) aircraft, vehicular and pedestrian access over and across that portion of the Ramp Area owned by Donham (the "Donham Ramp Area") in order to provide access to and from Tract B to and from the Taxiway, (ii) Hangar Door opening onto the Donham Ramp Area, and (iii) permanent rights of entry upon the Donham Ramp Area for the purpose of maintaining and repairing the Improvements (hereinafter defined) and the Hangar Door.

1.02. Associates, for itself and its successors and assigns, does hereby grant, sell, convey and deliver to Donham, its successors and assigns, a non-exclusive, perpetual and permanent right-of-way easement, which shall be appurtenant to and inure to the benefit of Tract A, for aircraft, vehicular and pedestrian access over and across that portion of the Ramp

Area owned by Associates (the "Associates Ramp Area") in order to provide access to and from Tract A to and from the Taxiway, together with permanent rights of entry upon the Associates Ramp Area for the purpose of maintaining and repairing the Improvements.

1.03. Donham and Associates hereby reserve the right, for themselves and their respective successors and assigns, to grant such other or similar easements, rights, rights-of-way and privileges over and across their respective Tracts; provided, however, any such other easements, rights, rights-of-way and privileges hereinafter granted over, across or under Tracts A and B shall not interfere with the use of any of the easements, rights, rights-of-way and servitudes herein granted.

1.04. It is the intention of Donham and Associates that this Agreement shall be for the exclusive benefit of the owner(s) of Tracts A and B. Nothing contained herein, express or implied, shall confer upon any person or entity other than said owner(s) any rights or remedies under or by reason of this Agreement. Associates and Donham and any other owner(s) of Tract A or Tract B shall each have the right to grant a license, right or permission to their respective officers, employees, tenants, business invitees and all licensees and guests to use any of the easement areas or avail themselves of any rights granted herein, but any action to enforce any of such rights may be maintained only by Associates, Donham or such other owner(s) or their respective successors and assigns.

ARTICLE II

Maintenance of Improvements

2.01. Donham and Associates hereby covenant and agree to maintain and repair the ramp improvements located on the Ramp Area (the "Improvements"). Such maintenance and repair shall include, but not be limited to, cleaning, sweeping, ice and snow removal, repair of paving and lighting, restriping of paving, and such other necessary maintenance and repairs, including the necessary safety measures, to the extent necessary to maintain the Improvements on the Ramp Area in a condition substantially equivalent to their condition and usefulness when newly constructed. Fifty percent (50%) of all costs and expenses incurred by either party in connection with the maintenance and repair of the Improvements located on the Ramp Area shall be paid by the other party within ten (10) days following receipt of written notice detailing such costs and expenses.

2.02. Donham's covenant to improve, repair and maintain the Improvements on the Donham Ramp Area shall be a covenant running Tract A and shall be for the benefit of Tract B and the owner(s) thereof.

2.03. Associates' covenant to improve, repair and maintain the Improvements on the Associates Ramp Area shall be a covenant running with Tract B and shall be for the benefit of Tract A and the owner(s) thereof.

ARTICLE III

General Provisions

3.01. Donham agrees to secure and maintain as to the Donham Ramp Area and Associates agrees to secure and maintain as to the Associates Ramp Area, sufficient public liability insurance coverage against claims for bodily injury or death and property damage occurring on such Areas and upon reasonable request, each shall furnish to the other a certificate of

insurance, on or before the effective date of such coverage and each renewal date thereafter, evidencing such coverage, together with paid receipts evidencing payment of premiums for all such coverages obtained.

3.02. Donham and Associates hereby covenant and agree that upon the completion of an aircraft hangar on that certain tract of real property located in Dallas County, Texas, contiguous to the Ramp Area (the "Adjacent Tracts"), this Agreement shall be amended to grant the leasehold owners of the Adjacent Tracts a non-exclusive, perpetual and permanent right-of-way easements for aircraft, vehicular and pedestrian access over and across the Ramp Area, provided, however, that such grant shall be contingent upon (i) the leasehold owners of the Adjacent Tracts granting to Donham and Associates non-exclusive, perpetual and permanent right-of-ways and easements for the benefit of Donham and Associates, for aircraft, vehicular and pedestrian access over and across that portion of the ramp areas to be extended at least seventy-five feet (75') from the boundary of the Ramp Area ("Future Ramp Area"), and (ii) all of said leasehold owners agreeing to maintain the Future Ramp Area and the Ramp Area in an equitable manner acceptable to Donham and Associates.

3.03. Donham and Associates agree that no aircraft, vehicle or other equipment will be left unattended on the Ramp Area, thereby hindering the other party's access to and from the Taxiway, other than during periods of normal loading, unloading or refueling.

3.04. Associates and Donham agree that if either of them or any future owner of the Associates Ramp Area or the Donham Ramp Area shall be in default of any of the easements, covenants, agreements, terms or restrictions contained herein, then the owner or owners of the other Area and any mortgagees shall have the right, but shall not be obligated, to cure such default, provided it is a curable default under this Agreement, and provided that such defaulting owner (hereinafter referred to as the "Defaulting Owner"), and any mortgagee having an interest in the Area upon which the default has occurred are notified in writing of such intended cure in the manner provided hereinafter at least ten (10) days prior to the date of effecting any curative action. All expenses and costs incurred by the owner effecting such cure, together with reasonable attorneys' fees and costs for collecting such costs and interest thereon, shall be a demand obligation owing by the Defaulting Owner to the party effecting such cure and such demand obligation shall bear interest at the lesser of eighteen per cent (18%) per annum or the maximum rate then permitted under applicable law. Any such owner or mortgagee electing to effect such cure, its directors, officers, employees, agents, servants and workmen shall have the right of entry and ingress and egress upon that portion of the Area upon which such default occurred as is necessary for effecting any such cure. The Defaulting Owner hereby agrees to indemnify and hold harmless any such party so entering upon such Area from all claims, demands, liabilities and judgments arising from any such entry for the purpose of effecting any such cure. Additionally, such owner or mortgagee effecting such cure, or in the event that breach of such covenant, agreement or term is not subject to cure as provided herein, shall have the right to institute suit and obtain protective or mandatory injunction to prevent a continuing breach of or to enforce the continued observance by such Defaulting Owner of the covenants, agreements, terms, conditions and restrictions contained herein, and such Owner (but not such mortgagee) shall have the right to ordinary damages against such Defaulting Owner occasioned by any such continuing default under this Agreement.

3.05. Associates and Donham covenant and agree that the servitudes, easements, rights, rights-of-way, privileges,

agreements, covenants and restrictions and all other terms hereof shall be binding upon their respective successors and assigns, and all other persons or entities having or hereafter acquiring any right, title or interest in Tract A or Tract B, and all other persons and entities claiming by, through or under said owners and their respective successors and assigns. In the event any owner or future owner of all or any part of either Tract A or Tract B shall convey either all or any portion of such Tract, such owner so conveying shall automatically be freed and relieved, from and after the date of recording of such conveyance, of all liability for future performance of any covenants, agreements or obligations on the part of such owner which are required by this Agreement to thereafter be performed with respect to any such Tract or the portion of any such Tract so conveyed, except as herein otherwise specified. It is intended hereby that the agreements and obligations contained in this Agreement shall be binding on such owner only as to that owner's period of ownership or subsequent periods of ownership, though such conveying owner shall remain liable after the date of recording of such conveyance for any obligations arising or incurred prior to such date of recording during such conveying owner's period of ownership.

3.06. No breach of the covenants, conditions, obligations or restrictions herein contained shall in any way impair, defeat or render invalid the lien or charge of any mortgage or deed of trust made in good faith and for good and valuable consideration encumbering any of the Areas herein described, but all of such covenants, conditions, obligations and restrictions shall be binding upon and effective against the owner of any of such Areas whose title is derived through foreclosure of or sale under any such mortgage or deed of trust, or otherwise.

3.07. Associates and Donham hereby agree that in recognition of the fact that they, or their respective successors and assigns, as owners of the Tracts or Areas, may find it necessary from time to time to establish to banks, mortgagees, accountants or the like, the then current status of performance under this Agreement, that each, upon the written request of the other, will furnish from time to time, with reasonable promptness, a written statement in recordable form on the status of any matter relating to this Agreement.

3.08. Any notice, demand, request or communication required or permitted hereunder shall be in writing and hand delivered or sent by United States mail, postage prepaid, registered or certified mail or by prepaid telegram (provided that such telegram is confirmed by mail in the manner previously described), addressed as follows:

If to Associates: 6336 Greenville Avenue
Dallas, Texas 75206
Attn: Alan T. Gregory or
Don V. Averitt

If to Donham: 16479 N. Dallas Parkway
Suite 400
Dallas, Texas 75248
Attn: Ken Alexander

or to such other address or to the attention of such other person as hereafter shall be designated in writing by the applicable parties sent in accordance herewith. Any such notice, demand, request or communication shall be deemed to have been given as of the date of receipt in the case of hand delivery or, in the case of mailing, as of the first attempted delivery at the address and in the manner provided herein; provided, however, that all notices of completion of cure and

creation of lien shall, in addition to being sent in the manner specified above, be recorded in the Deed Records of Dallas County, Texas, and shall be deemed to be given on the later of (i) the date on which such notice is recorded or (ii) the date the notice of completion of cure is deemed received as provided in this Paragraph 3.08.

3.09. When the context in which words are used in this Agreement indicates that such is the intent, words in the singular number shall include the plural and vice versa, and the words in masculine gender shall include the feminine and neuter genders and vice versa.

3.10. Every provision in this Agreement is intended to be severable. In the event that any provision of this Agreement shall be held to be invalid, the same shall not affect in any respect whatsoever the validity of the remaining provisions of this Agreement.

3.11. This Agreement contains the entire understanding and agreement between the parties hereto and supersedes any prior written or oral agreements between them respecting the subject matter contained herein. There are no representations, agreements, arrangements or understandings, oral or written, between and among the parties hereto relating to the subject matter of this Agreement which are not fully expressed herein.

3.12. The failure of any party hereto or any mortgagee consenting hereto to insist upon strict performance of any of the servitudes, easements, privileges, rights, covenants, agreements, terms and conditions hereunder, irrespective of the length of time for which such failure continues, shall not be a waiver of any of such party's rights. No consent or waiver, express or implied, to or of any breach or default in the performance of any obligation hereunder shall constitute a consent or waiver to or of any other breach or default in the performance of the same or any obligation hereunder.

3.13. This Agreement may be changed, modified, amended, or rescinded only by an instrument in writing duly executed and acknowledged by all of the parties hereto or by the then owner(s) of Tract A and Tract B and consented to by all mortgagees which then hold a first lien against Tract A or B or any part thereof. Any such amendment shall be effective as of such date as may be determined by the parties hereto.

3.14. This Agreement and the rights and obligations hereunder of the parties hereto shall be governed by the laws of the State of Texas.

3.15. This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof it shall only be necessary to produce one such counterpart.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date hereinabove set forth.

DONHAM OIL TOOL COMPANY, INC., a
Texas corporation

By *James Alexander*
President
Secretary
DONHAM

AIRPORT ASSOCIATES, LTD., a Texas
limited partnership

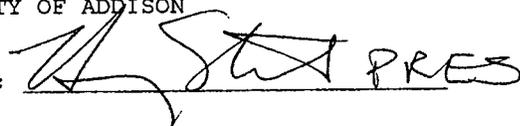
By 
Don V. Averitt, General Partner

CONSENT OF LESSOR

The undersigned is the Lessor under the ground leases covering Tract A and Tract B and the Adjacent Tracts and hereby consents to the foregoing Reciprocal Easement Agreement, waiving none of their rights under said ground leases.

LESSOR:

CITY OF ADDISON

By:  PRES

ADDISON AIRPORT OF TEXAS, INC.

By: 

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

BEFORE ME, the undersigned authority, a Notary Public in and for said State, on this day personally appeared Kent Alexander, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said DONHAM OIL TOOL COMPANY, INC., a Texas corporation, and that he executed the same as the act of said corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 28th day of June, 1983.



Notary Public, State of Texas

PEGGY LEHRMANN
Notary Public, State of Texas
My Commission Expires Nov. 30, 1984
(print name)

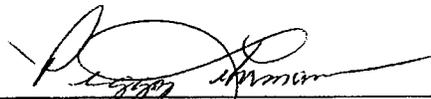
My commission expires _____



THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared DON V. AVERITT, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said AIRPORT ASSOCIATES, LTD., a Texas Limited partnership, and that he executed the same as its General Partner and as the act of such limited partnership for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 28 day of June, 1983.



Notary Public, State of Texas

PEGGY LEHRMANN
Notary Public, State of Texas
(printed name)
My Commission Expires Nov. 30, 1984

My commission expires _____



THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on June 8, 1983 by Jeanie Kidding as Agent of the City of Addison.



Jacqueline Sharp
Notary Public, State of Texas
JACQUELINE SHARP
(printed name)

My commission expires: 8/85.

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 25 day of June, 1983.

Dorothy R. James
Notary Public, State of Texas
DOROTHY R. JAMES
(printed name)

My commission expires: 7/84.

EXHIBIT "B"

BEING a tract of land situated in the William Lomax Survey, Abstract 792, Dallas County, Texas and located on Addison Municipal Airport, Addison Texas and being more fully described as follows:

Commencing at a point for the intersection of the west right-of-way line of Addison Road, a 60-foot street, and the south right-of-way line of Westgrove Road, a 60-foot street;

THENCE S 89° 54' 46" W along the south line of said Westgrove Road a distance of 730.00 feet to a point in the centerline of Claire Chennault Road (an undedicated 60-foot street);

THENCE S 00° 05' 14" E along the centerline of Clair Chennault Road projected a distance of 301.36 feet to an angle point;

THENCE S 43° 26' 09" W along the centerline of Clair Chennault Road projected a distance of 317.27 feet to an angle point in the centerline of Claire Chennault Road;

THENCE S 46° 33' 51" E to the southerly right-of-way of said road a distance of 30.00 feet for the POINT OF BEGINNING of this description;

THENCE S 46° 33' 51" E a distance of 190 feet to a point for a corner;

THENCE N 43° 26' 09" E a distance of 175.00 feet to a point for a corner;

THENCE S 46° 33' 51" E a distance of 160.00 feet to a point for a corner, said point being in the northerly right-of-way line of taxiway (120 feet wide);

THENCE S 43° 26' 09" W along the northerly right-of-way of said taxiway a distance of 195.00 feet to a point for corner;

THENCE N 46° 33' 51" W a distance of 350.00 feet to a point for a corner, said point being in the southerly right-of-way line of Claire Chennault Road;

THENCE N 43° 26' 09" E along said southerly right-of-way line a distance of 20.00 feet to the POINT OF BEGINNING and containing 0.803 acres of land, more or less.

EXHIBIT "A"

BEING a tract of land situated in the William Lomax Survey, Abstract 792, Dallas County, Texas and located on Addison Municipal Airport, Addison, Texas and being more fully described as follows:

Commencing at a point for the intersection of the west Right-of-Way line of Addison Road, a 60 foot street, and the south Right-of-Way line of Westgrove Road, a 60 foot street;

THENCE S 89°54' 46" W along the south line of said Westgrove Road a distance of 730.00 feet to a point in the centerline of Claire Chennault Road (an undedicated 60 foot street);

THENCE S 00°05' 14" E along the centerline of Claire Chennault Road projected a distance of 301.36 feet to an angle point;

THENCE S 43°26' 09" W along the center line of Claire Chennault Road projected a distance of 142.27 feet to an angle point in the centerline of Claire Chennault Road;

THENCE S 46°33' 51" E to the southerly Right-of-Way of said road a distance of 30.00 feet for the POINT OF BEGINNING of this description;

THENCE S 46°33' 51" E a distance of 190.00 feet to a point for a corner;

THENCE S 43°26' 09" W a distance of 175 feet to a point for a corner;

THENCE N 46°33' 51" W a distance of 190.00 feet to a point for a corner, said point being in the southerly Right-of-Way line of Claire Chennault Road;

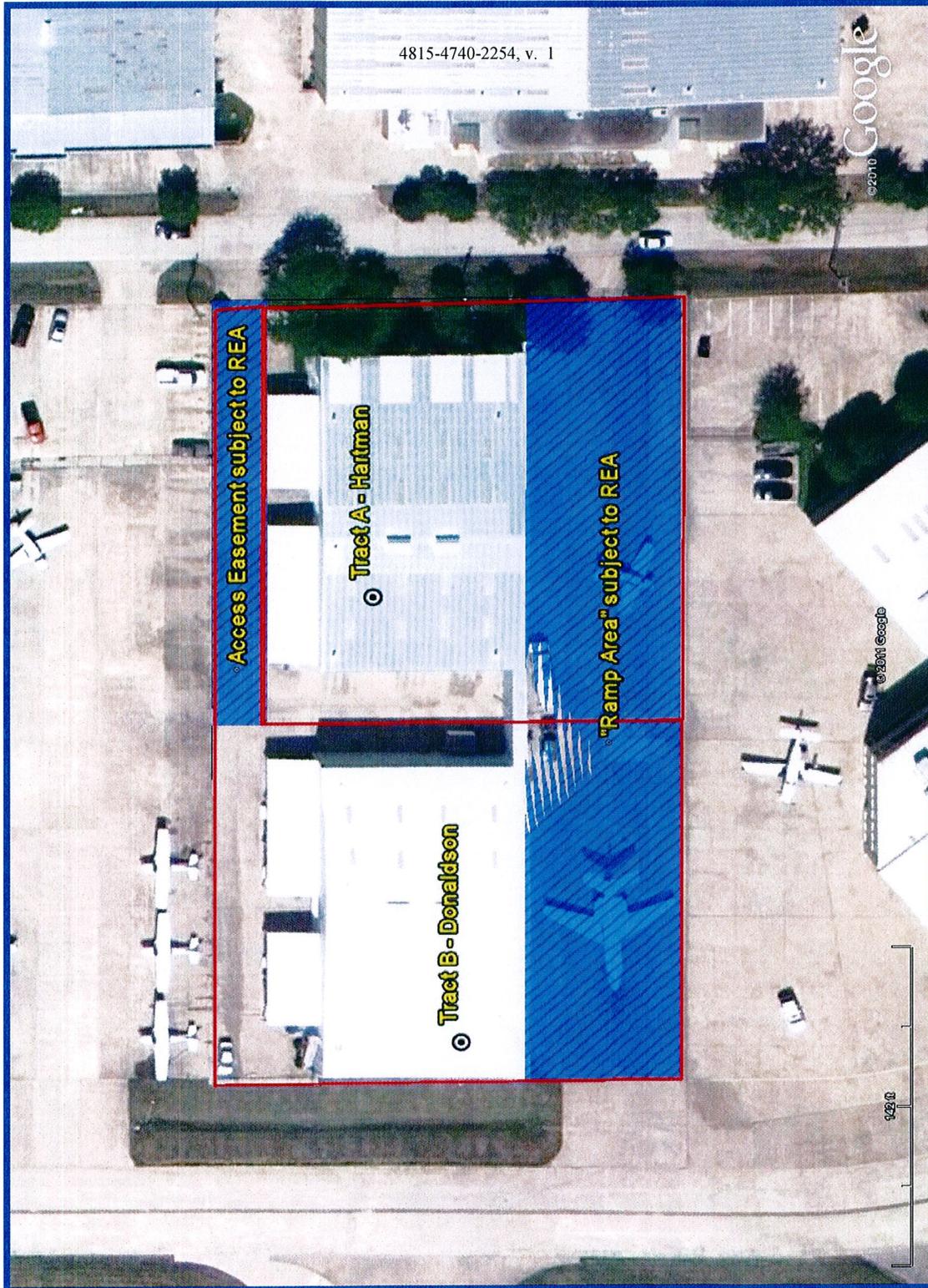
THENCE N 43°26' 09" E along said southerly Right-of-Way line a distance of 175.00 feet to the POINT OF BEGINNING and containing 0.763 acres of land more or less.

Exhibit B

EXHIBIT "B"

(Ramp Area and Location of Access Easement)

Graphic representation depicting easements in relation to the Hartman Tract and the Donaldson Tract



Document Receipt Information

Reference Number: 1978006752/LTC - Amendment

Instrument Number:	201100339044
No of Pages:	20
Recorded Date:	12/29/2011 2:16:02 PM
County:	Dallas
Officer Name:	YCRAIG
Volume:	
Page:	
Recording Fee:	\$92.00

Exhibit 2

BANK ESTOPPEL AGREEMENT

SAMPLE BANK ESTOPPEL AGREEMENT FORM

On Bank Letterhead

_____, _____
Town of Addison
P.O. Box 9010
Addison, Texas 75001-9010

RE: Ground Lease dated June 17, 1981 (the "Ground Lease"), by and among the Town of Addison, Texas, a home-rule municipality (the "City", the same being the Town of Addison, Texas) and Addison Airport of Texas, Inc., a Texas corporation, as Landlord (the City now being the sole Landlord under the Ground Lease, the "Base Lease" (as defined in the Ground Lease) having expired, and the City alone being referred to herein as the "Landlord") and Donham Oil Tool Company, as tenant; the said Ground Lease then having been assigned to Airport Associates LTD., a Texas limited partnership by that Assignment of Lease entered into on June 28, 1983; the said Ground Lease then having been assigned to James Donaldson and John Barbee, each Texas individuals d.b.a. Addison Aircraft Storage, as assignee, by that Assignment of Lease dated January 3, 1989; then John Barbee sold and conveyed to James D. Donaldson all his rights, title and interests in the leasehold by that certain General Warranty Deed executed July 17, 1990 as recorded in Book/Volume 90155, Page 3379 of the Official Public Records of Dallas County, Texas (the "OPR"); then the James Donald Donaldson Estate Trust, successor in interest of James D. Donaldson, now deceased assigned the Ground Lease to Tailwind Worldwide, LP., a Texas limited partnership, as recorded in the OPR as Instrument #201100339045 by that Assignment of Lease dated December 20, 2011, the said Ground Lease then having been assigned to Mills Group, Inc., a Texas corporation by that Assignment of Ground Lease entered into and made effective on _____, 2015; and by virtue of the above and foregoing assignments, Mills Group, Inc. is the tenant of the said Ground Lease, as amended and modified and subject to the instruments described herein; and the Ground Lease is subject to that certain Reciprocal Easement Agreement entered into and made effective June 28, 1983 and amended by that certain First Amendment to Reciprocal Easement Agreement entered to and made effective December 19, 2011 by and between Doyle Hartman and Margaret M. Hartman d/b/a Doyle Hartman, Oil Operator and the James Donald Donaldson Estate Trust and the Estate of James Donald Donaldson as filed and record in the Dallas County, Texas OPR as Instrument #201100339044 (the "Reciprocal Easement"); and a true and correct copy of the Ground Lease as described herein is attached hereto **Exhibit "A"** and a true and correct copy of the Reciprocal Easement attached hereto **Exhibit "C"**, each being incorporated herein by reference respectively.

Gentlemen:

Texas Security Bank (the "Bank") intends to make a loan to Mills Group, Inc. a Texas corporation (the "Tenant") in the amount of two hundred thousand dollars (\$200,000.00) (the "Loan") will be secured by, among other things a lien against the leasehold interest of Tenant in the Real Property created pursuant to a leasehold deed of trust (the "Leasehold Deed of Trust") to be executed by Tenant to Craig T. Scheef, as Trustee for the benefit of Bank, which Leasehold Deed of Trust shall be subordinate and inferior to the Ground Lease and Landlord's lien (contractual and statutory) and other rights thereunder and all terms and conditions thereof, which Leasehold Deed of Trust shall be in substantially the form of the Leasehold Deed of Trust attached hereto as **Exhibit "B"** .

The Bank has advised Tenant that Bank requires the written acknowledgment of Landlord to the execution by Tenant of the above-described Leasehold Deed of Trust and the written acknowledgment and consent of the Landlord to the statements set forth in this letter.

Therefore, by executing the enclosed copy of this letter and returning it to the undersigned, Landlord hereby specifically states as follows (and notwithstanding any statement or provision hereof, Landlord's statements herein do not constitute approval by or consent of Landlord of the Leasehold Deed of Trust or of any of the terms and conditions set forth therein, and nothing herein contained shall be deemed a waiver or release of any of the Landlord's rights under the Ground Lease or otherwise):

1. Landlord takes notice of the Leasehold Deed of Trust and the subordinate and inferior lien provided for therein being impressed solely against the leasehold interest of Tenant in the Real Property.
2. The Ground Lease has not been modified, altered or amended to the best of Landlord's actual knowledge except as described herein.
3. Landlord has no actual knowledge of the existence of any default by Tenant under the Ground Lease, or of any lien against the Real Property other than that created by the Ground Lease, any lien for taxes, or as may be otherwise created or provided by law.
4. Landlord will give to Bank, at the address of Bank specified in this letter or at such other address as Bank may hereafter designate in writing to Landlord, prompt written notice of any default by Tenant under the Ground Lease simultaneously with the giving of such notice to Tenant (if such notice is required under the Ground Lease), and Bank shall have the right, but not the obligation, for a period of fifteen (15) days after its receipt of such notice or within any longer period of time specified in such notice, to take such action or to make such payment as may be necessary or appropriate to cure any such default so specified. Landlord shall not exercise Landlord's right to terminate the Ground Lease without first giving Bank the notice provided for herein and affording Bank the right to cure such default as provided for herein.
5. For the purposes of this letter, any notice to Bank may be delivered in person or shall be deemed to be delivered, whether actually received or not, when deposited in United

States mail, postage prepaid, registered, or certified mail, return receipt requested, addressed to Bank at the above-described address.

6. If Bank or a third party (provided such third party is approved by Landlord in accordance with the terms of the Ground Lease for approval of an assignee) succeeds to the interest of Tenant in and to the Ground Lease by means of foreclosure under the Leasehold Deed of Trust, by means of a transfer in lieu of such foreclosure, or by any other lawful means due to the failure or inability of Tenant to pay the Loan secured by the Leasehold Deed of Trust, Landlord shall thereafter accept, recognize and treat Bank or such approved third party as the tenant under the Ground Lease and Landlord shall continue to perform all of its obligations under the Ground Lease subject, however, to the terms and conditions of the Ground Lease. Bank may thereafter, with the written consent of the Landlord, which consent shall not be unreasonably withheld or delayed, assign its leasehold right, title, and interest in and to the Ground Lease. For purposes hereof and any applicable law, and without limitation as to other grounds for Landlord withholding consent, it shall be deemed to be reasonable for Landlord to withhold its consent when any one or more of the following apply:
 - (a) the proposed assignee is of a character or of a reputation or is engaged in a business which is not consistent with the master or strategic plan of Addison Airport as determined by Landlord;
 - (b) the proposed assignee has not demonstrated sufficient financial responsibility or creditworthiness to the satisfaction of Landlord in light of the duties, obligations, and responsibilities of the tenant under the Ground Lease at the time when the consent is requested;
 - (c) the proposed assignee's intended use of the demised premises as defined in the Ground Lease is inconsistent with the Ground Lease;
 - (d) the proposed assignment would cause Landlord to be in violation of another lease or agreement to which Landlord is a party or to which Landlord or the Addison Airport is subject (including, without limitation, any grant agreements or grant assurances of the Federal Aviation Administration or any other governmental entity or agency);
 - (e) if at any time consent is requested or at any time prior to the granting of consent, tenant is in default under the Ground Lease or would be in default under the Ground Lease but for the pendency of a grace or cure period, provided that if such default is cured within such grace or cure period, then Landlord may not continue to withhold its consent solely for this circumstance; or
 - (f) the proposed assignee does not intend to occupy the entire demised premises as described in the Ground Lease and conduct its business therefrom for a substantial portion of the then remaining term of the Ground Lease.

For purposes hereof and any applicable law, and without limitation as to other grounds

for Landlord delaying consent, it shall be deemed to be reasonable for Landlord to delay its consent for a period of 45 days after the receipt by Landlord of all information requested by Landlord regarding or in connection with the proposed assignment and the proposed assignee.

- 7. To the actual knowledge of Landlord no rent has been paid more than thirty (30) days in advance of its due date.

Very truly yours,

_____ (BANK)

By: _____
_____ (Name and Title)

Acknowledged and consented to the _____ day of _____, 2015.

TOWN OF ADDISON, TEXAS

By: _____

By: _____

By: _____

By: _____

Name: _____

Name: _____

Its: _____

Its: _____

cc: Real Estate Manager
Addison Airport
16051 Addison Road, Suite 220
Addison, Texas 75001