



July 7, 2016

Via CMRRR# 7012 3460 0000 0451 3844

Mr. Todd Prins, Esq.
4940 Broadway St., Suite 108
San Antonio, Texas 78209

Re: **NOTICE OF DEFAULT** – for that certain Ground Lease executed on March 1, 1984 between City of Addison, Texas (“City”), Addison Airport of Texas, Inc. and ComMortgage, Inc. and by virtue of various assignments and modifications to the Ground Lease, the Estate of Jose Ortiz Avila is the successor in interests to the Ground Lease (“Tenant”) (collectively, the “Ground Lease”).

Dear Mr. Prins:

This firm represents the City of Addison, Texas. The City has been advised that you represent the Tenant. This letter hereby serves as written notice of default to Tenant of Tenant's failure to comply with the terms and conditions of the above-referenced Ground Lease (“Notice of Default”). More specifically, Tenant has failed to:

- (i) maintain the property in good repair and condition with a portion of the building improvements left in an unfinished state of repair in violation of local building codes, broken windows have been left unrepaired and the grounds routinely remain unkempt (see Section 11 of the Ground Lease);
- (ii) timely pay property taxes and furnish “paid receipts” or other written evidence that all such taxes have been paid upon Landlord’s request (see Section 10 of the Ground Lease);
- (iii) obtain Landlord’s prior written consent to making any alterations, additions or improvements to the demised premises and such alterations, additions or improvements made have not been performed in a first-class workmanlike manner (see Section 12 of the Ground Lease);
- (iv) maintain, at all times without lapse, at Tenant’s sole cost and expense, property and liability insurance required under the Ground Lease (see Section 13 of the Ground Lease);
- (v) obtain the Landlord’s prior written consent to the assignment of any of Tenant’s rights under the Ground Lease, including but not limited to, to Alamex, CO. N.V. evidenced by a certain Warranty Deed executed December 20, 2001 recorded in the Dallas County, Texas Official Public Records as Instrument #200201768864 (see Section 9 of the Ground Lease);

DALLAS

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(vi) occupy a substantial portion of the demised premises and use the demised premises for the purpose leased (see Section 22 and Section 6 of the Ground Lease); and

(vii) comply at all times with all governmental laws, ordinances and regulations applicable to the use of the demised premises for the correction, prevention and abatement of nuisances in or upon or connected with the demised premises (see Section 8 of the Ground Lease).

The aforementioned actions and/or inactions by Tenant fail to comply with the terms, conditions and/or covenants of the Ground Lease. **Pursuant to Ground Lease Paragraph 22B, your client, the Tenant, has thirty (30) days to cure the issues identified above in (i) – (vii). The Tenant’s failure(s) to comply with any term, condition or covenant of this Lease, other than the payment of rent or other sum of money, is deemed an event of default by Tenant if such failure(s) shall not be cured within thirty (30) days after written notice thereof to Tenant.**

Landlord hereby reserves any and all rights and remedies available to it as permitted under the Ground Lease and/or by law, including but not limited to: (i) Landlord’s right to enter the demised premises to make repairs and maintain the demised premises pursuant to the Ground Lease; (ii) collect from the assignee or subtenant, if any, all rents becoming due under such assignment and apply such rent against any sums due to Landlord as provided for under the above referenced Subparagraph A. of Section 9 to the Ground Lease; and/or (iii) termination of the Ground Lease under Section 23. Pursuit of any remedy shall not constitute a forfeiture or waiver of any rent due to Landlord or of any damages accruing to Landlord by reason of the violation of any terms, conditions and covenants contained in the Ground Lease.

Your prompt attention to this matter is greatly appreciated. Please contact me immediately to advise of your client’s plan to remedy and/or cure the defaults identified herein.

Very Truly Yours,


Courtney A. Kuykendall *by permission*

cc:

Joel Jenkinson, Airport Director

via electronic mail

Lisa Pyles, Director of Infrastructure & Development Services

via electronic mail

William M. Dyer, Real Estate Manager

via electronic mail

Brenda McDonald, City Attorney

via electronic mail

Mr. Carlos Pumaerjo

via electronic mail: grupo.intha@gmail.com