ASSIGNMENT AND AMENDMENT OF LEASE AGREEMENT
EL MERCADO AREA NUMBER IL - 16
(WITH LANDLORD'S CONSENT)

WHEREAS, the City of San Antonio, a Texas Municipal Corporation, acting by and through its City Manager pursuant to Ordinance No. 94567 passed and approved by the City Council on September 20, 2001, as LANDLORD ("**CITY**"), entered into that certain Lease Agreement effective **September 1, 2001** ("**LEASE**") with **Paulino Velazquez d/b/a "Magali Silver International"** ("**ASSIGNOR**"), for the lease of the following described tract or parcel of real property situated in El Mercado at Market Square, San Antonio, Bexar County, Texas to-wit:

> A portion of the real property and improvements owned by **CITY** located at 612 W. Commerce Street, San Antonio Bexar County, Texas within the area commonly known as Farmers Market at Market Square (said real property and improvements hereinafter referred to as the "**Leased Premises**") Said Leased Premises contain approximately 1,044 square feet and is identified as area number IL - 16;

WHEREAS, **Paulino Velazquez d/b/a "Magali Silver International"** desires, as **ASSIGNOR**, to convey and assign **TENANT'S** leasehold interest under the **LEASE** to **Mr. Jules LeBlanc and Ms. Minerva Guerra d/b/a "La Plaza Imports"** as **ASSIGNEE**; and

WHEREAS, said assignment requires the prior approval of **CITY**; and

WHEREAS, ASSIGNEE desires to assume from **ASSIGNOR** all of **ASSIGNOR'S** rights, title, and interest as **TENANT** in and to the **LEASE**, and all of **ASSIGNOR'S** benefits and obligations there under; and

WHEREAS, **ASSIGNEE** has satisfied the **CITY** that they are financially able to undertake the obligations of **TENANT** under said **LEASE**, and **CITY** desires to give its consent to **ASSIGNOR'S** assignment of **ASSIGNOR'S** interest in the **LEASE** to **ASSIGNEE** and to **ASSIGNEE'S** assumption of **TENANT'S** obligations there under; and

WHEREAS, amending the **LEASE** is in **CITY** and **TENANT'S** best interest; **NOW THEREFORE,**

In consideration of the mutual covenants and agreements set forth below the parties agree as follows:

1. CONVEYANCE AND ASSIGNMENT: **ASSIGNOR** does hereby grant, bargain, sell, convey, assign, transfer, set over, and deliver to **ASSIGNEE**, all of **ASSIGNOR'S** rights, title, and interest in and to the **LEASE**, including and also without limitation, all of the rights, duties, obligations, and liabilities of **ASSIGNOR** in, to, and under the **LEASE** to pay rent and to observe and perform all other covenants and duties of **TENANT** there under.

2. ASSUMPTION: By its execution hereof, **ASSIGNEE** hereby assumes and agrees to perform all of the terms, covenants, and conditions of the **LEASE** on the part of the **TENANT** therein required to be performed arising from and after the date hereof, and **ASSIGNEE** releases **ASSIGNOR** from all liability for such obligations.

   ASSIGNEE hereby accepts the assignment of said **ASSIGNOR'S** rights, title and interest in and to the **LEASE** and; **ASSIGNEE** recognizes the superior fee title in and to the land and premises held by the **CITY**, as Landlord, and **CITY'S** right of reversion at the end of the **LEASE** term, whether occasioned by default or passage of time, as well as, the rights and

benefits of every description whatsoever belonging to or accruing to the benefits of the **CITY** under the **LEASE**.

3. CONSENT: **CITY** hereby consents to the assignment by **Paulino Velazquez d/b/a "Magali Silver International"**, as **ASSIGNOR**, and the assumption by **Mr. Jules LeBlanc and Ms. Minerva Guerra d/b/a "La Plaza Imports"**, as **ASSIGNEE** of said **Paulino Velazquez d/b/a "Magali Silver International"**, originally approved by City Council pursuant to Ordinance number 94567 passed and approved on September 20, 2001.

4. REPRESENTATION AND WARRANTIES: **ASSIGNOR** and **ASSIGNEE** represent and warrant that the following statements are true.

   Mr. Jules LeBlanc and Ms. Minerva Guerra, as the **ASSIGNEE**, will be the exclusive owner of the business, formerly owned by **Paulino Velazquez** and operating as **"Magali Silver International"**. **Mr. Jules LeBlanc and Ms. Minerva Guerra** will take full control of the business immediately upon City Council approval and will operate as **"La Plaza Imports"**.

   Paulino Velazquez will not have any ownership or serve as employees, or agents in the new enterprise operating from the premises. These individuals will have no authority, financial or otherwise, in the new enterprise operating from the premises.

   In the event that any such representations and warranties are found by CITY not to be true, then CITY shall have authority to revoke its consent to this assignment and terminate the Lease without allowing ASSIGNOR or ASSIGNEE an opportunity to cure.

USE AND CARE OF PREMISES: **ASSIGNEE** agrees that that the **Leased Premises** shall be utilized for the sole purpose of retail sales of the following products:

- Silver Jewelry
- Mexican and Guatamalan dresses and jackets
- Fashion Accessories to include hats, scarves, belts, purses, hat bands, belt buckles
- Home Furnishings to include wrought iron furniture, ceramics, decorative gifts, crystal, garlic and chili decorations, rugs and blankets
- Seasonal gift baskets with packaged items,
- Southwest theme books
- Southwest and Mexican cookbooks
- Pinatas
- Accordions and flutes
- Collectible gifts

5. AMENDING USE AND CARE OF PREMISES: Section 2.4 of **LEASE** is amended to include the following provisions:

   2.4.1 Further, **TENANT** covenants and agrees, in keeping with the intent and spirit of Farmers Market and Market Square, to operate the business conducted on the **Leased Premises** in an "**OWNER PRESENCE**" capacity, physically participating in the day-to-day operations of **TENANT'S** business, as opposed to employing a non-owner manager of said premises, hence an "absentee owner" posture, unless such management is first approved by the Director, Downtown Operations Department, or her designee. Failure to operate the business on the **Leased Premises** in such a manner will constitute an act of

default hereunder and will be grounds, at **CITY'S** option to terminate this **Lease Agreement** upon ten (10) days written notice to **TENANT**.

7. ACKNOWLEDGEMENT OF READING: The parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto, and have sought and received whatsoever competent advice and counsel which was necessary for them to form a full and complete understanding of their rights and obligations herein, and having done so, do hereby execute this Agreement.

EXECUTED this _____, 2014.

ASSIGNOR:
Paulino Velazquez
d/b/a "Magali Silver International"

_____
Paulino Velazquez

ASSIGNEE:
Mr. Jules LeBlanc and Ms. Minerva Guerra
d/b/a "La Plaza Imports"

_____
Mr. Jules LeBlanc and Ms. Minerva Guerra

217 ZINNIA
Address

MC ALLEN, TX 78504
City, State, Zip Code

210-880-7601
Business Telephone Number

210-776-9698
Other Telephone Number

LANDLORD:
CITY OF SAN ANTONIO, a Texas Municipal Corporation

_____
City Manager

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
City Attorney