

SUBLEASE

THIS SUBLEASE ("Sublease") is made as of the ____ day of _____, 2015, by and between Powers Brown Architecture of Texas, LLC ("Sublessor") and City of San Antonio, a Texas municipal corporation, as sublessee ("Sublessee").

RECITALS

A. Pursuant to a certain lease agreement and amendments thereto by and between Sublessor, as tenant, and SERVICE LIFE & CASUALTY INSURANCE CO., INC., as Lessor ("Lessor"), dated as of December 12, 2012 (the "Prime Lease"), Sublessor leased from Lessor certain premises, including, without limitation, 321 Alamo Plaza, San Antonio, TX 78205, Suite 204, (the "Prime Premises"), of that certain building commonly known as The Crockett Building (the "Building") more particularly described in the Prime Lease and Amendment thereto. A true and complete copy of the Prime Lease and amendments is attached hereto and made a part hereof as Exhibit "A".

B. Sublessor desires to sublet to Sublessee and Sublessee desires to sublease from Sublessor the Prime Premises, which is comprised of approximately 897 rentable square feet of the Prime Premises included in the Prime Lease, subject to and in accordance with the terms and conditions hereof.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties hereto do hereby agree as follows:

1. Premises, Term and Early Termination. Sublessor hereby subleases to Sublessee and Sublessee hereby subleases and takes from Sublessor the Prime Premises, which is comprised of approximately 897, as more particularly reflected on the floor plan attached hereto as Exhibit "B" and all existing leasehold improvements thereto (the "Sublease Premises"). The term of this Sublease ("Term") shall commence on the later of i) February 1, 2015 or ii) the date that Lessor shall grant its consent to the Sublease (the "Commencement Date") and shall terminate on October 31, 2014. (the Termination Date), unless earlier terminated pursuant to the terms of this Sublease or the Prime Lease. Furthermore, Sublessee shall have the right to terminate this sublease at or anytime after June 30, 2015 upon providing Sublessor with not less than 30 days written notice.

2. Incorporation of Prime Lease. Except as otherwise provided herein, all of the terms and conditions of the Prime Lease with respect to the Sublease Premises are hereby incorporated by reference into this Sublease and shall be binding upon the parties hereto. Notwithstanding anything contained in the Prime Lease, Sublessee is not granted hereby an option to extend the term of this Sublease, a right of notice of availability of additional space, parking and signage rights (other than as expressly stated herein), any health club memberships,

and/ or an option to terminate this Sublease. Any conflict between this Sublease and the Prime Lease shall be resolved in favor of this Sublease. The following paragraphs of the Prime Lease shall not apply to this Sublease: 12.1(c), 12.2, 12.3, 13.2, 19.1 (c), 19.1(d), 19.1(f), 19.1(g), 20.1(a), 20.1(b), waiver of jury trial in 21.1, sixth sentence in paragraph 25.1, 30.1, 34.1, and the fifth sentence of paragraph 1 of Exhibit F-2.

3. Base Rent. Commencing on the Commencement Date, Sublessee shall pay monthly rent to Sublessor pursuant to the following schedule:

February 1, 2015 thru March 31, 2015 - \$1,420.25 per month

April 1, 2015 thru October 31, 2015 - \$1,457.63 per month

All payments, except for the February payment shall be in advance, without demand, set off or deduction, on the first day of each and every calendar month during the Term hereof. Rental payments for partial months, if any, shall be prorated on a daily basis.

Sublessee agrees to pay to Sublessor, at the same time and in the same manner as Base Rent and other charges due hereunder, all sales and use taxes and excise taxes imposed or levied upon all payments to be made by Sublessee hereunder by the State of Texas, if any, or any other governmental authority having jurisdiction, and any and all taxes assessed upon all of the equipment, furniture, fixtures and personal property located in the Sublease Premises.

Sublessee shall pay to Sublessor, as additional Base Rent, any increase in Taxes and Operating Costs (as defined in the Prime Lease) at the same times and in the same manner as Sublessor is obligated to make such payments to Lessor pursuant to the Prime Lease in an amount equal to Sublessee's Proportionate Share (as hereinafter defined) of the amount of Tenant's Share (as defined in the Prime Lease) of any increase in estimated Common Area Maintenance Charge, Taxes and Operating Costs for each calendar year of the Term hereof over the amount as shown in Exhibit A. "Sublessee's Proportionate Share" shall mean a fraction, the numerator of which is the net rentable square feet contained in the Sublease Premises, and the denominator of which is the total net rentable square feet being leased by Sublessor pursuant to the Prime Lease.

All payments of Base Rent and other amounts due hereunder from Sublessee to Sublessor shall be made to Sublessor at the address set forth in Paragraph 25 hereof or such other address as Sublessor shall designate from time to time by written notice to Sublessee. Sublessor acknowledges that rent for February 2015 will not be due until the final execution of this Sublease. Commencing with the March 2015 payment and for every monthly payment thereafter, any Base Rent or other amounts owing by Sublessee to Sublessor and not paid within five (5) days of the date due shall bear interest from the sixth date until the date paid at the rate of five percent (5%) per annum.

4. Services. In the event that any additional utilities and/or services are provided by Lessor to Sublessee beyond the times and amounts normally provided by Lessor, such services and/or utilities shall be payable by Sublessee at Lessor's actual cost and any other amounts charged by Lessor. Sublessor shall not be obligated to provide any services to Sublessee. Sublessee's sole source of all services is Lessor, pursuant to the Prime Lease. Sublessor makes

no representation about the availability and adequacy of such services. As of the date of this Sublease, Sublessor has no agreement with Lessor for after-hours air conditioning. Sublessor shall use commercially reasonable efforts to assist Sublessee in obtaining the services required by the Prime Lease from Lessor. Sublessee shall not set up furniture or solicit any business at main entrance to Building, or in main hallway into building. In order to maintain the building entrance is secure during evening hours, Sublessee's business hours shall not extend any longer than the business hours of Sublessor.

5. Security Deposit. Intentionally Omitted.

6. Provisions of Prime Lease. Sublessee covenants that, with respect to the Sublease Premises, Sublessee will: (a) at its own cost and expense, promptly perform and observe all of the duties and obligations of the tenant under the Prime Lease that accrue with respect to the Term of the Sublease (other than the amount of rent) as fully as if Sublessee were said tenant; (b) comply with all restrictions and requirements of the Prime Lease applicable to the tenant thereunder; and (c) not do, cause or omit to do any act or thing whereby an event of default will occur under the Prime Lease or which would, after notice or lapse of time, constitute an event of default under the Prime Lease. Notwithstanding the above, Sublessee shall not be bound by any provisions of the Prime Lease specifically excluded pursuant to Section 2 of this Sublease.

7. Sublessee's Use of the Sublease Premises. Sublessee shall use and occupy the Sublease Premises only for general office purposes and for no other use or purpose whatsoever and Sublessee shall not use or permit the Sublease Premises to be used in any way that would violate the terms of the Prime Lease.

8.

9. Insurance. Sublessor shall continue to maintain the insurance coverages required under Section 12.1 of the Prime Lease and Sublessor shall arrange that each insurance policy of Sublessor required by the Primary Lease must contain the following clauses:

"This insurance cannot be canceled, limited in scope or coverage, or non-renewed until after 30-days' prior written notice has been given to:

City of San Antonio
Leasing Division P.O. Box 839966
San Antonio, Texas 78283-3966
Attention: "Leasing Manager"

"The insurance provided by Landlord is primary to any insurance or self-insurance maintained by the City of San Antonio."

"Any insurance or self-insurance maintained by the City of San Antonio applies in excess of, and does not contribute with, insurance provided by this policy."

Each insurance policy required by this Lease must contain the following clause:

“The City of San Antonio, its officials, employees, representatives and volunteers are added as additional insureds as respects operations and activities of, or on behalf of, the named insured performed under this Lease with the City of San Antonio. This policy cannot be invalidated as to Tenant because of Landlord’s breach of representation, warranty, declaration, or condition of this policy.”

Sublessor must provide a copy of the Certificate of Insurance to Sublessee within 15 days of the Commencement Date. Sublessee, at Sublessee's expense, agrees to maintain in force during the Term of this Sublease, with respect to the Sublease Premises, self-insurance in amounts adequate to cover the insurance requirements of the Prime Lease.

10. No Warranties. Except as otherwise expressly provided herein, Sublessor does not make any representations or warranties of Lessor under the Prime Lease and does not undertake to perform or observe any of the terms, covenants and conditions on the part of Lessor to be performed or observed. Sublessee is fully familiar with the physical condition of the Sublease Premises, accepts possession of the Sublease Premises in its "as is" condition and agrees that Sublessor shall have no obligation to prepare the same for Sublessee's occupancy. Except as otherwise provided herein, Sublessor has made no representations of whatever nature in connection with the condition of the Sublease Premises, and Sublessor shall not be liable for any latent or patent defects therein or for any action or inaction by Lessor with respect to the condition of the Sublease Premises or the Building.

11. Americans With Disabilities Act. Sublessor makes no representations with respect to whether the Sublease Premises are in compliance with the Americans with Disabilities Act ("ADA"). Sublessor hereby disclaims any and all liability associated with ADA compliance in connection with the Sublease Premises.

12. Alterations. Sublessee shall not make any alterations, improvements, additions, installations or decorations in or to the Sublease Premises, except as expressly permitted by the Prime Lease. In the event that Sublessee shall make any alterations, improvements, additions, installations or decorations which, pursuant to the terms of the Prime Lease or pursuant to any consent of or agreement with Lessor are required to be removed upon the expiration of the Term hereof or of the Prime Lease, Sublessee shall remove the same at its own cost.

13. Fire and Casualty. In the event the Sublease Premises shall be destroyed or damaged by fire or other casualty, the following shall be applicable: (a) Lessor, and not Sublessor, shall be responsible for reconstruction if and to the extent required by the Prime Lease; (b) if the Prime Lease is terminated by Lessor or Sublessor as a result of such casualty, this Sublease shall also be terminated as of the same date; and (c) if this Sublease is terminated, Sublessee shall be responsible for all rental and other obligations up to the date of such damage or destruction and all such obligations incurred after the date of such termination shall cease.

14. Sublessor's Performance. The performance by Lessor of its obligations under the Prime Lease shall, for all purposes of this Sublease, be deemed to satisfy all corresponding obligations of Sublessor under this Sublease, and Sublessor's obligations hereunder with respect to the obligations of Lessor shall be limited to the extent to which Lessor performs its obligations under the Prime Lease.

15. Time for Required Action. Whenever any provision of the Prime Lease, which has been incorporated herein by reference, requires the tenant thereunder to take any action within a certain period of time after notice from the Lessor thereunder, then, upon notice from Sublessor to Sublessee, Sublessee shall take such action before the expiration of the period of time set forth in said notice under the Prime Lease; provided however, that in the event of a non-monetary default under the Prime Lease, Sublessee shall cure said default within the earlier of fifteen (15) days from the date of said notice under the Prime Lease or ten (10) days before the expiration of the period of time set forth in said notice.

16. Default. Sublessee shall be in default hereunder if (a) Sublessee fails to pay when due any rent or other sum to be paid by Sublessee hereunder; or (b) Sublessee fails to observe and perform any of the other terms, covenants, conditions, and/or rules and regulations of this Sublease or the Prime Lease and such failure continues for ten (10) days after notice (provided, however, if such default is incapable of being cured within ten (10) days, Sublessee shall not be in default if Sublessee has commenced curative action within such ten (10) day period, continues diligently to complete the cure, and actually completes the cure within the period required by the Prime Lease or if no such period is specified in the Prime Lease, then within a reasonable time; or (c) Sublessee abandons or deserts the Sublease Premises without notice to Sublessor and the continued payment of rent; or (d) if Sublessee assigns this Sublease or sub-lets any portion of the Sublease Premises without the prior written consent of Lessor and Sublessor; or (e) if any petitions shall be filed by or against Sublessee to declare Sublessee bankrupt or to delay, reduce, or modify Sublessee's debts or obligations or if any petition shall be filed or other action taken to reorganize or modify Sublessee's capital structure; or (f) if Sublessee admits in writing its inability to pay its debts, or if a receiver, trustee, or other court appointee is appointed for all or a substantial part of Sublessee's property; or (g) if the leasehold interest of Sublessee is levied upon or attached by process of law; or (h) if Sublessee makes an assignment for the benefit of creditors or takes the benefit of any insolvency act, or if any proceedings are filed by or against Sublessee to declare Sublessee insolvent or unable to meet its debts; or (i) if a receiver or similar type of appointment or court appointee or nominee of any name or character is made for Sublessee or its property.

In the event of any default by Sublessee, Sublessor may have any one or more of the remedies described in the Prime Lease, in addition to all other rights and remedies available at law or in equity.

17. Removal of Sublessee's Personal Property. Upon the Termination Date of the Sublease Term, Sublessee shall remove from the Sublease Premises all of its personal property and shall peaceably surrender such Sublease Premises and the keys thereto to Sublessor in as good order and condition as when delivered to Sublessee, excepting ordinary wear and tear,

repairs required to be made by the Sublessor or Lessor, damage by fire and other unavoidable casualty and damage due to Sublessor or Lessor. Sublessee shall have the right to remove trade fixtures installed and paid for by the Sublessee provided these items can be removed without material damage to the Building or Sublease Premises and provided that any holes or other damage to the Building or Sublease Premises caused by the removal of such items shall be restored or repaired by Sublessee promptly. If Sublessor or Lessor re-enters or retakes possession of the Sublease Premises prior to the normal expiration of this Sublease, Sublessor or Lessor shall have the right, but not the obligation, to remove from the Sublease Premises all personal property located therein belonging to Sublessee, and either party may place the property in storage in a public warehouse at the expense and risk of Sublessee.

18. Holding Over. In no event shall Sublessee remain in possession of the Sublease Premises after the Termination Date of the Sublease. In the event that Sublessee remains in possession of the Sublease Premises after the Termination Date, Sublessee shall be subject to hold over charges equal to 125% of the Base Rent, as well as any damages incurred by Sublessor levied by Lessor, under the Prime Lease, applicable to such holdover. In the event Sublessee creates a Hold Over situation for the entire Premises leased by Sublessor, provided Sublessor has vacated its space in accordance with the terms and conditions of the Prime Lease, Sublessee shall be subject to hold over charges at a rate of one hundred and twenty five percent of the rent stated in the Prime Lease, for the entire Premises leased by Sublessor, for the Hold Over period. In no event shall there be any renewal of this Sublease by operation of law.

19. Assignment of Sublease. Sublessee shall not assign this Sublease, or any part hereof, or further sublet all or any part of the Sublease Premises without obtaining the prior written consent of Sublessor and of Lessor. Notwithstanding any such sublease or assignment, Sublessee shall remain fully liable on this Sublease and shall not be released from performing any of the terms, covenants and conditions hereof. Any attempt by Sublessee to assign or sublease all or any part of the Sublease Premises without obtaining such prior written consent or without Sublessee remaining fully liable on this Sublease shall be null and void and shall confer no rights on any third person.

20. Conflict or Inconsistency. In case of any conflict or inconsistency between the provisions of the Prime Lease and those of this Sublease, the provisions hereof shall, as between the Sublessor and Sublessee, control.

21. Non-Waiver. Failure of Sublessor to declare any default or delay in taking any action in connection herewith shall not waive such default. No receipt of moneys by Sublessor from Sublessee after the termination in any way of the Term of this Sublease or of Sublessee's right of possession hereunder or after the giving of any notice shall reinstate, continue or extend the Term of this Sublease or affect any notice given to Sublessee or any suit commenced or judgment entered prior to receipt of such moneys.

22. Cumulative Rights and Remedies. All rights and remedies of available to the parties under this Sublease shall be cumulative and none shall exclude any other rights or remedies allowed by law.

23. Brokerage. Sublessee and Sublessor represent and warrant to each other that they each have not dealt or consulted with any real estate broker or agent in connection with this Sublease.

24. Attorneys' Fees. In connection with any litigation arising out of this Sublease, the prevailing party shall be entitled to recover all costs incurred, including reasonable attorneys' fees, which include, without limitation, those reasonable attorneys' fees incurred by such prevailing party for the services of its attorneys through all trial and appellate levels and post-judgment proceedings.

25. Notices. All notices, demands, approvals, consents, requests for approval or consents or other writings required in this Sublease or in the Prime Lease to be given, made or sent by either party hereto to the other ("Notice") shall be in writing and shall be deemed to have been fully given, made or sent when made by personal service or deposited in the United States Mail, certified or registered, and postage prepaid and properly addressed as follows:

To Sublessor: _____

To Sublessee: City of San Antonio Leasing Division
114 West Commerce Street, Room 210
San Antonio, TX 78205

With a copy to: City of San Antonio City Clerk
P.O. Box 839966
San Antonio, TX 78283-3966

The address to which any Notice should be given, made or sent to either party may be changed by written notice given by such party as above provided.

26. Entire Agreement. This Sublease and the Consent and Exhibits, attached hereto and forming a part hereof, set forth all of the covenants, promises, agreements, conditions and understandings between Sublessor and Sublessee concerning the Sublease Premises and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than as are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Sublease shall be binding upon Sublessor or Sublessee unless reduced to writing and signed by each of them.

27. Warranty. The individual signing this lease on behalf of Sublessee warrants and represents that he has the authority to so execute on behalf of Sublessee and that this Sublease is a valid and binding obligation of Sublessee.

28. Prohibited Interest in Contracts.

(a) The Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as defined in Section 2-52 of the Ethics Code, from having a financial interest in any contract with the City or any City agency such as city owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale:

(i) a City officer or employee;

(ii) his parent, child or spouse;

(iii) a business entity in which the officer or employee, or his parent, child or spouse owns (i) 10% or more of the voting stock or shares of the business entity, or (ii) 10% or more of the fair market value of the business entity;

(iv) a business entity in which any individual or entity above listed is a (i) subcontractor on a City contract, (ii) a partner, or (iii) a parent or subsidiary business entity.

(b) Sublessor warrants and certifies as follows:

(i) Sublessor and its officers, employees and agents are neither officers nor employees of the City.

(ii) Sublessor has tendered to the City a Discretionary Contracts Disclosure Statement in compliance with the City's Ethics Code.

(c) Sublessor acknowledges that City's reliance on the above warranties and certifications is reasonable.

IN WITNESS WHEREOF, the parties hereto have caused this Sublease to be duly executed and delivered as of the day and year first above written.

SUBLESSOR:

SUBLESSEE:

Powers Brown Architecture of Texas, LLC

City of San Antonio, a Texas
municipal corporation

Signature: _____

Signature: _____

By: _____

By: _____

Its: _____

Its: _____

Approved to Form:

By: _____

City Attorney

Attest:

City Clerk

LESSOR'S CONSENT

The undersigned, Service Life & Casualty Insurance Company, Inc., as Lessor under the Prime Lease **Powers Brown Architecture of Texas, LLC**, as tenant ("Sublessor"), dated December 12, 2012, a copy of which is attached hereto as Exhibit A, hereby agrees and consents to the foregoing Sublease by and between Sublessor, as sublessor, and _____, as sublessee, dated as of _____, subleasing all demised by the aforementioned Prime Lease and Amendments thereto, subject to the terms and conditions set forth in this Sublease. Nothing contained in this consent shall be construed as amending or modifying Sublessor's obligations to Lessor under the Prime Lease.

LESSOR:

Service Life & Casualty Insurance Company, Inc.

Signature: _____

By: J. Kelly Gray

Its: President/CEO

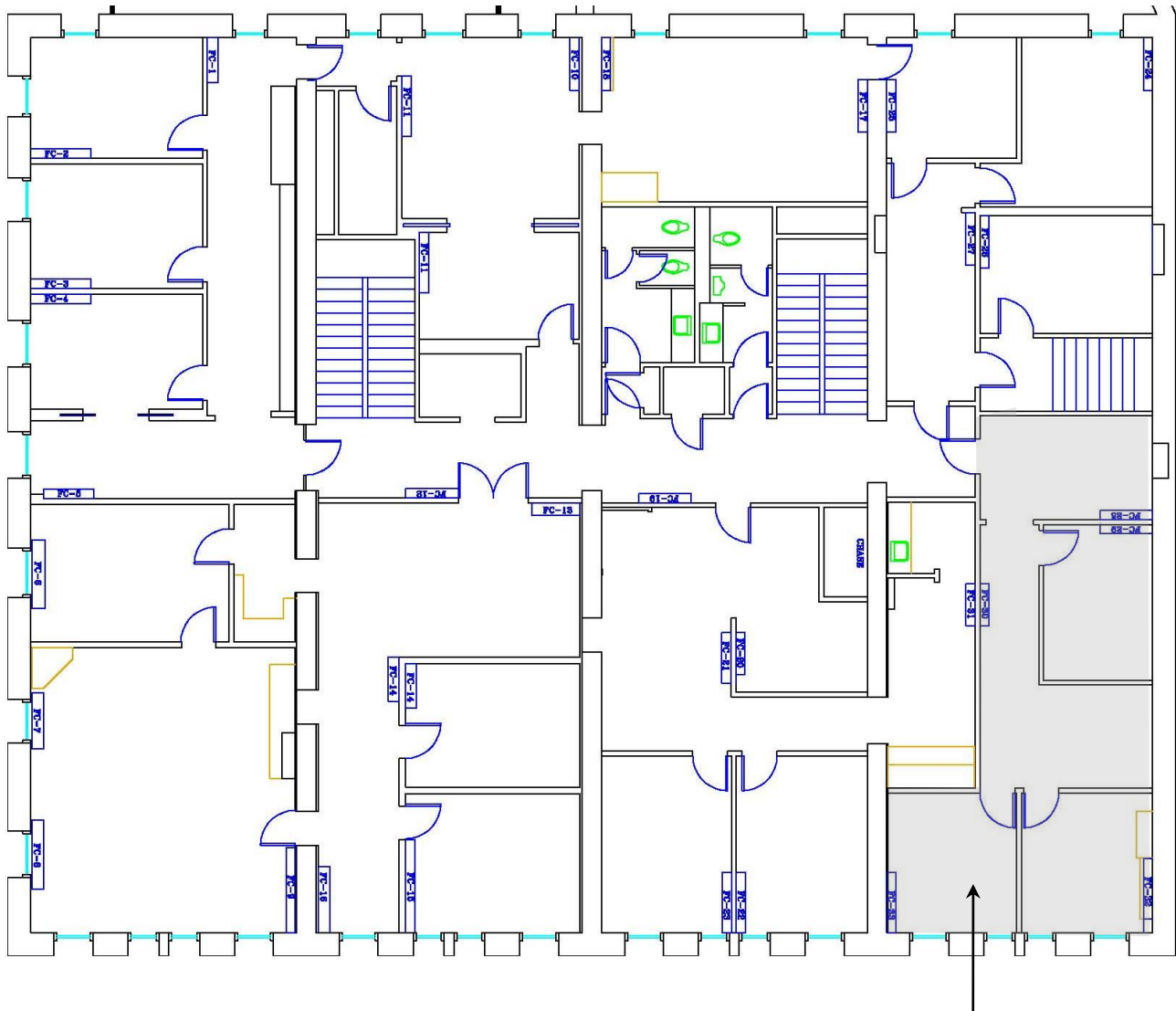
Exhibit A

(Insert “Prime Lease”)

Exhibit B

Sublessee's Office Space

Suite 204 (897 rsf)



Sublessee
Suite 204
897 RSF