

Amendment of Office Lease

(512 E. Highland Blvd – Health)

This Amendment of Office Lease (Amendment) is entered into between Landlord and Tenant.

1. Identifying Information, Definitions.

**Ordinance
Authorizing
Amendment:**

Landlord: Hackberry Investors, Ltd.

Landlord's Address: 7420 Blanco, Suite 125, San Antonio, Texas 78216

Tenant: City of San Antonio

Tenant's Address: P.O. Box 839966, San Antonio, Texas 78283-3966
(Attention: Leasing Manager, Center City Development Office)

Original Lease: Office Lease Agreement between Landlord and Tenant dated August 13, 2013

Original Premises: Approximately 12,251 rentable square feet (RSF) of 1st floor space of the Highland Park Building located at 512 E. Highland Blvd., San Antonio, Texas.

**Ordinance Authorizing
Original Lease:** 2013-08-01-0494

Additional Premises: Approximately 1,662 RSF on the 2nd floor of the Highland Park Building located at 512 E. Highland Blvd., San Antonio, Texas as graphically depicted in **Exhibit A-1**.

No. of Parking Spaces: Ratio of 5 car parking spaces (in the lot immediately adjacent to the Premises) per 1,000 RSF

Commencement Date: The first day of the month after the date of issuance of the Landlord-obtained Certificate of Occupancy, or such earlier date as the parties may agree in writing, the actual date to be memorialized at the time on a Commencement Memorandum substantially in the form attached as **Exhibit B-1**.

Binding Date: This Amendment is binding on the parties on the later of
(A) The effective date of the Ordinance Authorizing Amendment; or
(B) The later of the signatures of the two parties.

Lease Term: Sixty months

Building Operating Hours and Security: 7:00 a.m. to 7:00 p.m., Monday through Friday
8:00 a.m. to 1:00 p.m., Saturday

2. Defined Terms.

2.01. All terms used in this instrument and not otherwise defined herein but defined in the Lease or any previous amendment to it have the meanings previously ascribed to them. References to "Lease" in this Amendment of Office Lease include the Original Lease.

3. Term, Renewal & Extension, Termination.

3.01. The term of the Lease is the Lease Term of sixty months from the Commencement Date, unless sooner terminated as provided in this Lease.

3.02. Tenant shall have the option to renew and extend this lease at the end of the Lease Term as provided in the Original Lease.

3.03 Tenant shall have the annual right to terminate this lease without cause, on not less than 150-days prior written notice to Landlord, as provided in the Original Lease. Tenant may terminate the lease in full or in part, whereas Original Premises and Additional Premises may be terminated independently of each other and the remaining provisions of this Lease remain in full force and effect.

4. Rent.

Effective as of the Commencement Date, Tenant shall pay to Landlord monthly rent at the place, at the intervals, and in the manner described in the Lease for the payment of rent, as follows:

Months	Annual Base Rent Rate RSF		Annual Operating Expense Rate RSF	Monthly Rent		Total Monthly Rent
	Original Premises (12,251 sf)	Additional Premises (1,662 sf)	Original & Additional Premises	Original Premises	Additional Premises	
1 - 12	\$12.85	\$14.06	\$5.39	\$18,621.52	\$2,693.83	\$21,315.35
13 - 24	\$12.85	\$14.06	\$5.55	\$18,784.87	\$2,715.99	\$21,500.86
25 - 36	\$12.85	\$14.06	\$5.73	\$18,958.42	\$2,739.53	\$21,697.95
37 - 48	\$12.85	\$14.06	\$5.89	\$19,131.98	\$2,763.08	\$21,895.06
49 - 60	\$12.85	\$14.06	\$6.07	\$19,315.74	\$2,788.00	\$22,103.74

Prior to the Commencement Date, Tenant shall pay to Landlord rent as provided in the Original Lease.

5. Asbestos Survey.

At Landlord's sole cost and expense, Landlord agrees to deliver to Tenant an Asbestos Survey of the building for the Additional Premises in accordance with the City Code of the City of San Antonio, Texas. The Asbestos Survey shall be completed and a copy provided to Tenant prior to Tenant taking possession of the Additional Premises or payment of any rent, cost or expense of Tenant hereunder.

6. Improvements to Additional Premises – Landlord's Work.

6.01. Landlord shall provide Tenant an improvement allowance not to exceed \$41,550.00 (the "Tenant Improvement Allowance") for architectural fees, a construction management fee of 3% of construction costs, and actual improvements to be made to Tenant's Additional Premises, to be known as Landlord's Work. Landlord will be responsible for the performance and cost of any work related to (i) ADA upgrades to the building of which the Additional Premises is part and; (ii) asbestos removal, if any such work is required, and such costs will not be deducted from the Tenant Improvement Allowance. Tenant may allocate and spend the allowance as it deems appropriate on the Additional Premises covered by this Lease. Landlord will ensure that the approved improvements as listed and depicted in **Exhibit A-1** will be completed to make Additional Premises *Move-in ready* within 120 days of the Binding Date of this Amendment. *Move-in ready* means that a Certificate of Occupancy has been issued for the Additional Premises and the Additional Premises are finished-out according to the requirements of this Lease, except for minor items such as are routinely corrected with a punch list. Tenant may occupy the Additional Premises on the date of issuance of the Certificate of Occupancy. However, Tenant and its contractors shall be granted access to the Additional Premises prior to the Commencement Date for the purpose of installing IT infrastructure, installing furniture and performing any other activities Tenant deems appropriate prior to its actual occupancy of the Additional Premises.

6.02. Tenant may terminate this Amendment and be free of all obligations for the Additional Premises if the Commencement Date has not occurred as a result of the Additional Premises not being *Move-in ready* within 120 days of the Binding Date of this Amendment.

7. Amendments, Premises, Parking.

7.01. *Premises.* The original Lease is hereby amended to add the Additional Premises of 1,662 RSF on the 2nd floor of the Highland Park Building, increasing the total leased space to 13,913 RSF.

7.02. *Parking.* The number of parking spaces is hereby revised to a ratio of five car parking spaces (in the lot immediately adjacent to the Premises) per 1,000 RSF and Section 2.04 of the original Lease is deleted in its entirety and replaced with the following:

2.04. Landlord acknowledges that a portion of the parking will be for clients of Tenant and in the event Landlord decides to begin charging for visitor parking, then Tenant's visitors shall be allowed to park free of charge provided Tenant does not exceed the use of the number of parking spaces indicated above at any one time.

8. No Default.

Neither Landlord nor Tenant is in default under the Lease, and neither party is aware of a cause of action against the other arising out of or relating to the period before this Amendment.

9. Same Terms and Conditions.

This Amendment is a fully integrated statement of the modifications to the Lease. Except as expressly modified by this Amendment, the Lease remains a comprehensive statement of the rights and obligations of Landlord and Tenant. Landlord and Tenant reaffirm the Lease as modified by this agreement and represent to each other that no written right or obligation of either party has been waived such that it would impair exercise of the right or enforcement of the obligation on a future occasion. If this Amendment conflicts with the Lease, this Amendment controls.

10. Public Information.

Landlord acknowledges that this instrument is public information within the meaning of Chapter 552 of the Texas Government Code and accordingly may be disclosed to the public. Nothing in this agreement waives an otherwise applicable exception to disclosure.

In Witness Whereof, the parties have caused their representatives to set their hands.

Tenant

City of San Antonio, a Texas municipal corporation

By: _____

Printed Name: _____

Title: _____

Date: _____

Attest:

City Clerk

Approved as to Form:

City Attorney

Landlord

Hackberry Investors, Ltd., a Texas limited partnership by and through its General Partner,

Partners Investors, LLC, a Texas limited liability company

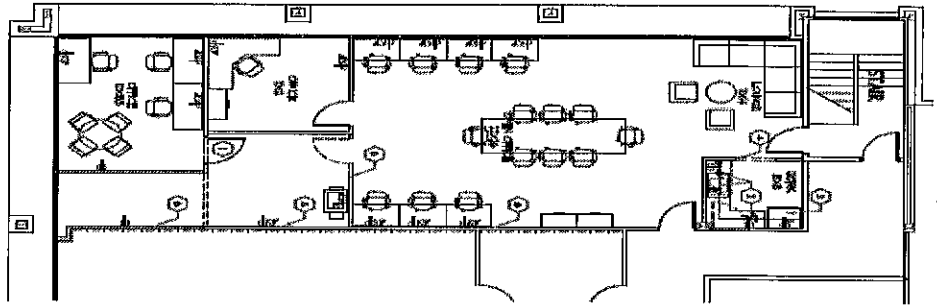
By:  _____

Printed Name: Charles B. Brown, Manager

Title: Manager

Date: 1-10-19 _____

Exhibit A-1: Depiction of Additional Premises – Landlord’s Work



Schematic Plan
 Scale: 3/32" = 1'-0"
 Date: 11.14.18
 Rating: 11.27.18
 Rev: 11.28.18
 Rev: 12.13.18

HEALTH NEIGHBORHOOD
 512E Highlands - Level 2
 1,882 RSF

GENERAL NOTES

1. THESE NOTES ARE FOR PRELIMINARY PROJECT ONLY; NOT FOR CONSTRUCTION. CONSTRUCTION TO VISIT SITE AND VERIFY EXISTING CONDITIONS.
2. MODIFY EXISTING HVAC SYSTEM AS REQUIRED FOR NEW WALL CONFIGURATIONS AND TO MEET ALL APPL. LOADS & CODES.
3. PROVIDE ALL SAFETY SYSTEMS AND ITEMS REQUIRED, SUCH AS EXIT SIGNS, EGRESS LIGHTS, FIRE EXTINGUISHERS, SMOKE DETECTORS, SPRINKLER HEADS AND FIRE ALARMS TO MEET ALL APPL. LOADS & CODES. ALL SYSTEMS TO BE TIED INTO BUILDING SYSTEM AS REQUIRED.
4. ALL NEW INTERIOR PARTITIONS TO MATCH BUILDING STANDARD UNLESS NOTED OTHERWISE. PROVIDE FOR MIN. 1" STYRO-BATT INSULATION FLOOR TO CEILING AT ALL NEW PARTITIONS.
5. ALL NEW INTERIOR DOORS, FRAMES AND HARDWARE TO MATCH BUILDING STANDARD. ALL HARDWARE IS TO BE LEVER TYPE.
6. REMOVE ALL BUILDING STANDARD MATERIALS & SALVAGE WHERE POSSIBLE. COMPENSATE THE USE OF ANY STOCKPILED BUILDING STANDARD MATERIALS WITH BUILDING REPRESENTATIVE.
7. ALL TELEPHONE DATA, SECURITY, & CONTROLLED ACCESS CABLEING & EQUIPMENT BY TENANT. ALL CONSULT FOR VOICE/DATA CABLEING TO BE TYPICAL.
8. REMOVE ALL EXISTING KITCHEN HARDWARE AND REPLACE WITH NEW BUILDING STANDARD LEVER HARDWARE.
9. CHECK FOR OPERABLE CONDITION OF EXISTING FINISHES. REPAIR OR REPLACE AS REQUIRED. REPLACE ANY DAMAGED OR MISSING UNLESS TYP. AT ALL WINDOWS.
10. OUTLETS SHOWN ARE NEW.
11. PROVIDE ALLOWANCE TO RELOCATE (A) EXISTING 20A LIGHT FIXTURE

KEYED NOTES

1. NEW BUILDING STANDARD DOOR ALUMINUM FRAME & LEVER HARDWARE. SEE NOTE DRAWING MAY BE REUSED FROM DIVISION 05-06-00-00.
2. NEW PLASTIC LAMINATE WARETOP WITH PLATE CABINETS & NEW STAINLESS STEEL TOP TUBIN KITCHEN SINK (FINISHED BY ELKAY) TO BE INSTALLED WITH FLOOR BY FLOOR VULCANIZING WITH GROUT. RESISTANT GRANITE ONE-HANDLE FREE-RUNNING PULLDOWN KITCHEN FAUCET. PROVIDE THERMOSTATIC MIXING VALVES AND ABOVE CEILING HOT WATER UNIT. ALSO PROVIDE FOR GAS/WATER DRAINAGE BY SINKER'S REPRESENTATIVE.
3. NEW TENANT PROVIDED REFRIGERATOR. PROVIDE FOR CENTER WATER LINE WITH SHUT-OFF VALVE FOR OPTIMAL ICE MAKER PERFORMANCE.
4. NEW 3'-0" X 8'-0" GLASS LACED GLASS OPENING.
5. NEW 4'-6" X 8'-0" GLASS LACED GLASS OPENING.
6. EXISTING NEW & EXISTING PARTITION TO BE REMOVED. PROVIDE 50/50 TRANSPARENT GLASS AS REQUIRED.

GENERAL FINISH NOTES

1. ALL EXISTING FLOORING & BASE TO BE REMOVED. PROVIDE NEW BUILDING STANDARD CARPET TILE MEMBER BASE AT ALL AREAS EXCEPT FOR OFFICE WHICH IS TO RECEIVE VIT FLOORING.
2. A. CARPET BY: PROVIDE ALLOWANCE OF 200,000.00. V.O. NOT APPLICABLE.
3. LIGHTER VINYL TILE BY: PROVIDE ALLOWANCE OF 140,000.00. V.O. NOT APPLICABLE.
4. PROVIDE 1 PART. ALL NEW & EXISTING PARTITIONS WITH 2 COATS OF INTERIOR LATEX EMULSION, 600-SHORE II FINISH.
5. REMOVE & REPAIR ALL EXISTING CEILING TILE WITH NEW BY: PROVIDE ALLOWANCE OF 100,000.00. ALSO REMOVE & REPAIR & PAINT EXISTING CEILING TILE AND.

Location Map

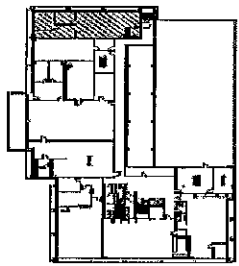


Exhibit B-1: Commencement Memorandum

Landlord: **Hackberry Investors, Ltd.**, a Texas limited partnership by and through its General Partner, **Partners Investors, LLC**, a Texas limited liability company

Tenant: **City of San Antonio**, a Texas municipal corporation

Lease: Office Lease Agreement, as amended, between Landlord and Tenant dated August 13, 2013, pertaining to approximately 12,251 rentable square feet (RSF) of 1st floor space of the Highland Park Building located at 512 E. Highland Blvd., San Antonio, Texas.

Authorizing Ordinance: 2013-08-01-0494

Additional Premises: Approximately 1,662 RSF on the 2nd floor of the Highland Park Building located at 512 E. Highland Blvd., San Antonio, Texas as graphically depicted in **Exhibit A-1**.

Ordinance Authorizing Amendment:

Predicate Facts:

Landlord and Tenant are parties to the Lease, which was authorized by the Authorizing Ordinance and amended by the Ordinance Authorizing Amendment.

For their mutual benefit, the parties now wish to memorialize the actual Commencement Date of the Lease's Term.

Rights and Obligations:

Now Therefore, in consideration of the premises, the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Defined Terms.

All terms used in this memorandum and not otherwise defined herein but defined in the Lease have the meanings ascribed to them in that instrument.

2. Commencement Date.

The Lease term commences: _____

3. Term.

The Term for both the Original Premises and the Additional Premises, as those terms are defined in the Amendment is from _____ to _____

4. Conflict of Terms.

This instrument controls over anything to the contrary in the Lease.

In Witness Whereof, the parties have caused their representatives to set their hands.

Tenant

City of San Antonio, a Texas municipal corporation

By: _____

Printed Name: _____

Title: _____

Date: _____

Attest:

City Clerk

Approved as to Form:

City Attorney

Landlord

Hackberry Investors, Ltd., a Texas limited partnership by and through its General Partner,

Partners Investors, LLC, a Texas limited liability company

By: 

Printed Name: Charles B. Brown

Title: Manager

Date: 1-10-19