

## LEASE AGREEMENT

This Lease Agreement (“**Lease**”) is entered into by and between **COOK CHILDREN’S HEALTH CARE SYSTEM**, a Texas non-profit corporation (“**Landlord**”) and **CITY OF FORT WORTH** (“**Tenant**”), to be effective as of the 1<sup>st</sup> day of June, 2025 (the “**Effective Date**”).

1. **DEFINITIONS:** The following are definitions of some of the defined terms used in this Lease. The definitions of other defined terms are found throughout this Lease.

- (a) “**Building**” shall mean the office building located upon the real property (“**Property**”) described in Exhibit A attached hereto and incorporated herein together with the appurtenances thereto. The address of the Building is 2800 Cherry Lane, in the City of Fort Worth, County of Tarrant, State of Texas. The Rentable Area in the Building is conclusively deemed to contain 23,125 square feet.
- (b) “**Premises**” shall mean the suite of offices known as Suite 104 located within the Building and depicted on the Floor Plan shown on Exhibit B to this Lease. The address of the Premises is 2800 Cherry Lane, Suite 104, in the City of Fort Worth, County of Tarrant, State of Texas. The Premises are stipulated for all purposes to contain 880 square feet of Rentable Area.
- (c) “**Base Rental**” shall mean the amount shown in the following table. Base Rental is and shall be payable monthly in the amounts set forth below during the Lease Term. “**Rent**” shall mean, collectively, the Base Rental and other sums of money becoming due and payable to Landlord hereunder.

<u>Date</u>	<u>Annual Base Rent/SF</u>	<u>Monthly Base Rental</u>
Years 1-5	\$0.00	\$0.00

- (f) “**Security Deposit**” shall mean the sum of \$0.00.
- (g) “**Commencement Date**” shall mean the Delivery Date (as defined in Section 2); provided however, notwithstanding the foregoing or anything to the contrary herein, the Commencement Date will automatically be accelerated by one day for each Tenant Delay Day (as that term is defined in Exhibit C).
- (g) “**Lease Term**” shall mean a term commencing on the Commencement Date and continuing for sixty (60) full calendar months (plus any partial calendar month in which the Commencement Date occurs), as such term may be extended pursuant to Exhibit D.
- (h) “**Rentable Area**” of the Premises shall mean the area contained within the demising walls of the Premises and any other area designated for the exclusive use of Tenant plus an allocation of the Tenant’s pro rata share of the Common Areas and the Service Areas as measured in square feet, according to the building measurement standards published by the Building Owners and Managers Association (BOMA).
- (i) “**Common Areas**” shall mean those areas devoted to corridors, elevator foyers, mail rooms, restrooms, mechanical rooms, elevators, janitorial closets, electrical and telephone closets, vending areas, atriums, lobby areas (whether at ground level or otherwise), driveways, parking lots, sidewalks, curbs, storm water drainage areas, grounds, landscaped areas, and other facilities provided for the common use or benefit of tenants generally and/or the public.

- (j) **“Service Areas”** shall mean those areas within the outside walls of the Building used for stairs, elevator shafts, flues, vents, stacks, pipe shafts and other vertical penetrations (but shall not include any such areas for the exclusive use of a particular tenant).

2. **LEASE OF PREMISES; DELIVERY DATE.** Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises which are located in the Building. EXCEPT AS OTHERWISE PROVIDED IN THIS LEASE, TENANT SHALL BE DEEMED TO HAVE ACCEPTED THE PREMISES IN ITS AS IS, WHERE IS CONDITION AS OF THE DELIVERY DATE. Landlord will use commercially reasonable efforts to deliver the Premises, with the Landlord Work (as defined in Exhibit C) Substantially Completed (as defined in Exhibit C), to Tenant on or before June 1, 2025 The date that Landlord actually delivers the Premises to Tenant with the Landlord Work Substantially Completed is the **“Delivery Date.”** If Landlord is unable to deliver the Premises to Tenant with the Landlord Work Substantially Completed on or before the Target Delivery Date, then (1) the validity of this Lease shall not be affected or impaired thereby, (2) Landlord will not be in default hereunder or be liable for damages therefor, and (3) Tenant shall accept possession of the Premises when Landlord tenders possession thereof to Tenant with the Landlord Work Substantially Completed; provided, however, in the event the delay in the Delivery Date is due to a Tenant Delay Day (as defined in Exhibit C), the Commencement Date shall be accelerated by the number of days construction is delayed due to any Tenant Delay Days.

3. **LANDLORD'S COVENANTS; EARLY OCCUPANCY.** Landlord covenants that it has the right to enter into this Lease for the term hereof and any renewals and extensions thereof, and that so long as Tenant fully and timely pays the rental herein reserved and fully performs all of the terms and conditions of this Lease, Landlord, and its affiliated companies and partners and their agents, directors, officers and employees, shall not interfere with the peaceful and quiet occupation and enjoyment of the Premises. If Landlord grants Tenant early access to the Premises prior to the Commencement Date, Tenant will comply with all of the terms of this Lease, except the terms requiring the payment of Rent.

4. **TERM.** This Lease shall continue in force during a period beginning on the Commencement Date and continuing until the expiration of the Lease Term, unless this Lease is sooner terminated or extended to a later date under any other term or provision hereof.

5. **RENT.**

- (a) **Base Rental.** Base Rental shall be paid by Tenant to Landlord monthly in advance without abatement, deduction, offset or other credit, except as specifically provided herein, starting on the Commencement Date and continuing to be due and payable on or before the first day of each calendar month thereafter. The parties agree that the Base Rental to be paid is based upon fair market value for the Premises under this Lease. Anything in this Lease to the contrary notwithstanding, the Base Rental payable to Landlord hereunder is based upon a fair market value determination and shall in no way be tied or in any manner connected to the volume or value of referrals between the parties or to any referral relationship between the parties, or to any business otherwise generated between the parties for which payment may be made in whole or in part under Medicare or a state health care program. Rent due for the first month during the Lease Term will be deposited with Landlord by Tenant contemporaneously with the execution hereof. Rent shall be paid to Landlord and sent to:

Cook Children's Health Care System  
Attn: Real Estate Department  
801 Seventh Avenue  
Fort Worth, Texas 76104

- (b) Proration. If the Lease Term begins other than on the first day of a month or ends other than on the last day of a month, the Rent is to be prorated for the portion of such month during which this Lease is in effect.
- (c) Late Charge; Late Interest. All past due payments required of Tenant hereunder shall bear interest from the date due until paid at the lesser of eighteen percent (18%) per annum or the highest non-usurious interest rate permitted by Applicable Law (the “**Default Rate**”). “**Applicable Law**” means with all applicable statutes, laws, ordinances, regulations, rules, rulings, orders, writs, codes, decrees or other official acts of or by any governmental authority or common law. Additionally, Landlord, in addition to all other rights and remedies available to it, may charge Tenant a late fee equal to ten percent (10%) of the total delinquent payment amount (the “**Late Charge**”) to reimburse Landlord for its cost and inconvenience incurred as a consequence of Tenant’s delinquency. The parties agree that the Late Charge represents a fair and reasonable estimate of the cost Landlord will incur by reason of such late payment. In no event, however, shall the charges permitted under this Section 5(c) or elsewhere in this Lease, to the extent they are considered to be interest under Applicable Law, exceed the maximum lawful rate of interest. Acceptance of Late Charges by Landlord shall in no event constitute a waiver of any default with respect to any overdue amount, or be construed as liquidated damages, or prevent Landlord from exercising any of the other rights and remedies granted to Landlord under this Lease.
- (d) Administrative Fee. Further, in addition to all other rights and remedies available to it, if Landlord performs any act Tenant is obligated to perform under the terms of this Lease on Tenant’s behalf, or Landlord otherwise incurs costs on Tenant’s account due to Tenant’s act or omission, Tenant shall reimburse Landlord on demand for any and all costs and expenses which Landlord incurs (including, but not limited to, collection costs and legal expenses), plus the “**Administrative Fee**”, which means an administrative fee equal to ten percent (10%) of Landlord’s total costs and expenses incurred as described hereinabove, to reimburse Landlord for its excess efforts and inconvenience. The parties agree that the Administrative Fee represents a fair and reasonable estimate of the cost Landlord will incur by reason of its performance of obligations on Tenant’s behalf or otherwise by reason of incurring costs on Tenant’s account due to Tenant’s act or omission. In no event, however, shall the charges permitted under this Section 5(d) or elsewhere in this Lease, to the extent they are considered to be interest under Applicable Law, exceed the maximum lawful rate of interest.
6. SECURITY DEPOSIT. The Security Deposit will be deposited with Landlord by Tenant contemporaneously with the execution hereof, and shall be held by Landlord without liability for interest and as security for the performance by Tenant of Tenant’s covenants and obligations under this Lease, it being expressly understood that the Security Deposit shall not be considered an advance payment of Rent or a measure of Tenant’s liability for damages in case of default by Tenant. Landlord may commingle the Security Deposit with Landlord’s other funds. Landlord may, from time to time, without prejudice to any other remedy, use the Security Deposit to the extent necessary to make good any arrearages of Rent or to satisfy any other covenant or obligation of Tenant hereunder. Following any such application of Security Deposit, Tenant shall pay to Landlord on demand the amount so applied in order to restore the Security Deposit to its original amount. If Tenant is not in default at the termination of this Lease, the balance of the Security Deposit remaining after such application shall be returned by Landlord to Tenant within sixty (60) days following the later of termination or Tenant’s fulfillment of all of its obligations under this Lease. If Landlord transfers its interest in the Premises during the Lease Term, Landlord may assign the Security Deposit to the transferee and thereafter shall have no further liability for the return of such Security Deposit.

7. HOLDING OVER. In the event of holding over by Tenant after expiration or other termination of this Lease or in the event Tenant continues to occupy the Premises after the termination of Tenant's right of possession, Tenant shall, throughout the entire holdover period, pay rent equal to one hundred fifty percent (150%) of the sum of Base Rental and Additional Rent which would have been applicable had the Lease Term continued through the period of such holding over by Tenant. Such holding over shall constitute a tenancy at sufferance, subject to all the terms and provisions of this Lease, terminable at any time by Landlord on written notice. No holding over by Tenant or payment of money by Tenant to Landlord after the expiration of the Lease Term shall be construed to extend the Lease Term or prevent Landlord from recovery of immediate possession of the Premises by summary proceedings or otherwise unless Landlord has sent written notice to Tenant that Landlord has elected to permit Tenant's holdover. Tenant also shall be liable for any loss or damage incurred by Landlord arising or resulting from Tenant's failure to timely surrender the Premises to Landlord, including, without limitation, loss or damage from Landlord's inability to deliver the Premises to a new tenant.

8. USE.

- (a) Permitted Use. Tenant may use the Premises only as a office space and uses incidental thereto unless a written exception for some other use is obtained by Tenant from Landlord. Tenant agrees that Tenant and Tenant's agents and employees will at all times comply with all Applicable Laws governing Tenant and its operations at the Premises. Tenant will comply with the Rules and Regulations for the Building attached hereto as Exhibit E, as well as any new or modified Rules and Regulations from time to time adopted by Landlord. Tenant will not make any use of the Premises, other than the permitted use employed by Tenant as of the Commencement Date, which would increase the insurance rates covering the Premises.
- (b) Common Areas. Tenant and Tenant's agents, employees, and invitees will have the non-exclusive license, in common with others permitted by Landlord, to use the Common Areas of the Property as they may from time to time exist, but all such Common Areas will remain within the exclusive control of Landlord.
- (c) Access by Landlord. Subject to the other terms of this Lease, Landlord may at any reasonable time following written or verbal notice to Tenant (except in the case of an emergency or if Tenant is in default of this Lease) enter the Premises for inspection, to show the Premises to existing or prospective mortgagees or tenants (during the last six (6) months of the Lease Term), to permit inspections by insurance carriers or their agents or employees, to repair the Premises or alter or repair any portion of the Building, or any other reasonable purpose, and Tenant may not as a result thereof attempt to reduce the Rent or claim an actual or constructive eviction. Landlord shall use reasonable efforts to perform or cause to be performed such repairs or alterations in a manner that does not unreasonably interfere with Tenant's use of the Premises (except in the case of an emergency or casualty).
- (d) Peaceful Enjoyment. Tenant shall, and may peacefully have, hold, and enjoy the Premises, subject to the other terms hereof, provided that Tenant pays the Rent and other sums herein recited to be paid by Tenant and performs all of Tenant's covenants and agreements herein contained.

9. SERVICES AND UTILITIES.

- (a) Services and Utilities Provided. Landlord agrees to furnish or cause to be furnished water, heating, air conditioning, electricity, trash removal, dumpster services, and sewage service to the Property and the Premises, including the necessary mains, conduits and other facilities. Additionally, in a manner and frequency consistent with comparable

properties in the same geographic area as the Property, Landlord shall provide lawn maintenance and other building services Landlord deems necessary or advisable, to the Property and the Premises. Landlord's failure or inability to comply, in any material respect, with the preceding obligations will not enable Tenant to reduce the Rent or claim any damages or an actual or constructive eviction.

- (b) Direct Obligations of Tenant; Taxes. Tenant shall promptly pay for all services billed directly to Tenant or furnished for the exclusive benefit of Tenant or the Premises. Tenant shall be responsible for establishing and paying for janitorial, alarm service, phone and data service, and appropriate medical waste disposal services for the Premises, with vendors designated or approved by Landlord. Tenant shall also pay all property taxes assessed against Tenant's personal property (including fixtures) located in the Premises and any applicable sales or other taxes attributable to Tenant's use of the Premises.

10. DELIVERY CONDITION; MAINTENANCE AND REPAIRS OF THE PREMISES.

- (a) Acceptance of Premises; Delivery Condition. EXCEPT AS SPECIFICALLY PROVIDED IN THIS LEASE, TENANT SHALL BE DEEMED TO HAVE ACCEPTED THE PREMISES IN ITS AS IS, WHERE IS CONDITION AS OF THE DELIVERY DATE AND LANDLORD MAKES NO WARRANTY OR REPRESENTATION WITH RESPECT TO THE PREMISES, EXPRESSED OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT IN NO WAY LIMITED TO, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, OR FITNESS OR SUITABILITY FOR A PARTICULAR PURPOSE. ANY WARRANTIES, REPRESENTATIONS, COVENANTS OR AGREEMENTS, WRITTEN OR ORAL, EXPRESS OR IMPLIED, OF LANDLORD AND/OR LANDLORD'S AGENTS WHICH ARE NOT EXPRESSLY INCORPORATED IN THIS LEASE SHALL NOT BE BINDING UPON LANDLORD, ARE UNAUTHORIZED AND ARE NULL AND VOID FOR ALL PURPOSES, AND TENANT HAS NOT RELIED ON ANY SUCH REPRESENTATIONS OR WARRANTIES. Except as specifically provided in this Lease, Tenant acknowledges and agrees that Landlord has no obligation to construct or install tenant improvements to the Premises.
- (b) Maintenance and Repairs of the Premises. Tenant shall not permit or allow to remain any waste or damage to any portion of the Premises. Landlord shall perform any necessary or advisable maintenance and repairs within the interior of the Premises in order to keep the Premises in a first-class, clean, safe and operable condition. Tenant shall reimburse Landlord for the cost of all maintenance and repairs to the Premises, If Landlord determines that any Tenant Party has negligently or deliberately damaged the Premises or permitted waste, in addition to all other remedies of Landlord, Tenant shall reimburse Landlord for the cost of all such maintenance and repairs plus the Administrative Fee within thirty (30) days of Landlord's invoice. "**Tenant Party**" means Tenant and its affiliates, agents, contractors, employees, licensees, guests and invitees. Tenant is solely responsible for the maintenance and repairs of its furniture, trade fixtures, and equipment.
- (c) Alterations. Tenant may not make any alterations, additions, or improvements to the Premises without first receiving Landlord's written consent, not to be unreasonably withheld. Title to all alterations, additions, or improvements to the Premises (except for Tenant's trade fixtures and furniture) shall vest in Landlord upon the termination of this Lease, unless Landlord requires such alterations, additions or improvements to be removed upon termination of this Lease, in which event Tenant shall upon termination of the Lease promptly remove the same and restore the Premises to their original condition on the Delivery Date, at Tenant's sole cost and expense.

- (d) No Mechanic's Liens. Tenant agrees to prevent any mechanic's, materialmen's, laborer, or other lien from being placed upon all or any portion of the Building or Tenant's improvements or personal property (including fixtures) as a result of alterations, additions, improvements, maintenance, or repairs undertaken by Tenant. If any such lien arises and is not removed or bonded around to Landlord's satisfaction by Tenant within ten (10) business days after written notice from Landlord, Landlord may (but will have no obligation to) make payment to permit the removal of such lien in which event Tenant shall pay to Landlord, as Rent, within ten (10) days after being billed therefor, the total amount so paid by Landlord, plus the Administrative Fee.
- (e) Surrender of Premises. Upon termination of this Lease, Tenant shall deliver the keys to the Premises and surrender the Premises to Landlord broom-clean and in as good of condition in which it existed on the Delivery Date, excepting only ordinary wear and tear and casualty damage. Wiring, conduits, and cabling shall remain upon and be surrendered with the Premises and become the property of Landlord at the termination of this Lease, unless Landlord requests their removal, in which event Tenant shall remove the same and repair and restore the Premises to its original condition at Tenant's expense. Tenant shall pay to Landlord, within thirty (30) days after being billed therefor, the cost of any alterations or repairs necessary to restore the condition of the Premises to that required in the preceding sentence, plus the Administrative Fee.
- (f) Disposition of Tenant's Property. If, after any default or after the expiration or any earlier termination of the Lease Term, Tenant vacates the Premises or is dispossessed of the Premises and fails to remove any trade fixtures, furniture, equipment, signs or other property of Tenant prior to such vacation or dispossession, all such trade fixtures, furniture, equipment, signs and other property of Tenant conclusively and irrevocably shall be deemed abandoned by Tenant and shall, at Landlord's option, be deemed to have been abandoned by Tenant and may be appropriated, sold, stored, destroyed, or otherwise disposed of by Landlord, at Tenant's sole cost and expense, without notice to Tenant and without any obligation to account for such items. Tenant shall pay to Landlord upon demand, the expenses and storage charges incurred for removing, selling, storing, destroying, and/or otherwise disposing of Tenant's property, plus the Administrative Fee. To the fullest extent permitted by Applicable Law, any unused portion of the Security Deposit may be applied to offset Landlord's costs set forth above. The provisions of this Section 10(f) shall survive the termination or expiration of this Lease. Landlord shall not be liable for trespass, conversion or negligence by reason of Landlord's actions or the actions of anyone claiming under Landlord with respect to the acquisition and/or disposition of any such trade fixtures, furniture, equipment, signs or other property of Tenant.
11. MAINTENANCE AND REPAIRS BY LANDLORD. Landlord shall keep the Property in good order, condition and shall repair the roof, roof membrane, rain gutters, foundation, exterior walls, elevators (if any), structural portions of the Building and the Premises, and all Building-wide systems not exclusively serving the Premises (including without limitation, heating, ventilation, air conditioning, mechanical, electrical, plumbing, water, sewer, sprinkler and life-safety systems). Landlord shall keep the Common Areas in good order, condition and repair. Landlord's obligations under this Section 11 will be at Landlord's expense. Tenant shall promptly give Landlord notice of any damage, maintenance, repair, or replacements which is required by this Lease to be repaired by Landlord, and Landlord shall complete the maintenance, repairs, and/or replacements within a commercially reasonable timeframe. If Landlord determines that any Tenant Party has negligently or deliberately damaged the Common Areas or any portion of the Property, in addition to all other remedies of Landlord, Tenant shall reimburse Landlord for the cost of all such maintenance and repairs plus the Administrative Fee within thirty (30) days of Landlord's invoice.

12. LIABILITY AND INSURANCE.

- (a) During the Lease Term, Landlord must maintain the following coverages in full force and effect from an insurer authorized to operate in Texas, and shall furnish evidence satisfactory to Tenant of the maintenance and timely renewal of such insurance:
  - (i) Property Insurance providing fire and extended coverage insurance in the amount of actual replacement cost (without deduction for depreciation) covering the Building, including all improvements and fixtures which were installed by Landlord and will revert as part of the Building at the end of the Lease Term. Said policy shall contain a waiver of subrogation in favor of Tenant; and
  - (ii) Liability Insurance, with coverage limits deemed appropriate by Landlord (which in no event shall be less than one million dollars (\$1,000,000) combined single limit per accident and three million dollars (\$3,000,000) in the aggregate) covering Landlord for claims arising out of Landlord's ownership of the Building.
- (b) During the Lease Term, Tenant must, at Tenant's expense, maintain the following coverages in full force and effect from an insurer authorized to operate in Texas (or through self-insurance) and shall furnish evidence satisfactory to Landlord of the maintenance and timely renewal of such insurance:
  - (i) Worker's Compensation and Employers' Liability Insurance covering any applicable statutory and legal obligations for employee job related injuries. Said policy shall contain minimum limits of liability of one hundred thousand dollars (\$100,000) per accident and one hundred thousand dollars (\$100,000) per disease. Said worker's compensation policy shall contain a waiver of subrogation in favor of Landlord;
  - (ii) General Liability Insurance covering third party claims for bodily injury and property damage arising from the Premises and operations of Tenant. Such policy shall contain minimum limits of liability of one million dollars (\$1,000,000) combined single limit per accident and one million dollars (\$1,000,000) in the aggregate. Said policy shall name Landlord as an additional insured;
  - (iii) Tenant shall maintain at its expense, in an amount equal to full replacement cost, standard fire and extended coverage insurance on all of its personal property, including movable trade fixtures, equipment, furniture and leasehold improvements (if any), located in the Premises ("**Personalty**"). Said policy shall contain a waiver of subrogation in favor of Landlord.
- (c) Each of Landlord and Tenant hereby waive any claim it might have against the other for any damage to or theft, destruction, loss, or loss of use of any property, to the extent the same is insured against under any insurance policy of the types described in this Section 12 that covers the Building, the Premises, Landlord's or Tenant's fixtures, personal property, leasehold improvements, or business, or is required to be insured against under the terms hereof, REGARDLESS OF WHETHER THE NEGLIGENCE OF THE OTHER PARTY CAUSED SUCH LOSS. Each party shall cause its insurance carrier to endorse all applicable policies waiving the carrier's rights of recovery under subrogation or otherwise against the other party.

13. **DAMAGE OR CONDEMNATION.** If any portion or all the Building is damaged by fire or other casualty or is taken under any eminent domain proceedings so as to render the Premises unusable for their intended purpose, then Landlord may elect within a reasonable time not to exceed ninety (90) days following the occurrence of the damage or taking, by written notice forwarded to Tenant, to terminate this Lease. In such event, no Rent will be owing by Tenant to Landlord for the period beginning on the day of such damage or taking. If after any such damage or taking Landlord does not elect to terminate this Lease, then Landlord shall proceed with reasonable diligence to restore the damaged portion of the Building to substantially its previous condition as of the day of such damage, not including Tenant's leasehold improvements. In the event the Premises were damaged and are included as part of such restoration, then the Rent will be reduced (proportionately according to the portion of the Premises unusable during such restoration) for the period beginning on the day of such damage and ending upon completion of such restoration. Following such restoration, Tenant shall restore all leasehold improvements (if any) at Tenant's expense, recognizing that Tenant has primary responsibility for insuring leasehold improvements installed by Tenant and Tenant's personal property. Tenant agrees that during any period of reconstruction or repair of the Premises it will continue the operation of its business within the Premises to the extent practicable. In the event of a condemnation which results in the termination of this Lease, Tenant, at its sole cost, may seek recovery from the condemning authority of an award for the taking of any tenant improvements installed by Tenant which would not have otherwise reverted to Landlord upon expiration of the Term, moving costs and value of Tenant's leasehold.

14. **WAIVER AND INDEMNITY.**

(a) To the fullest extent permitted by law, Tenant, on its behalf and on behalf of the Tenant Parties, waives all fines, suits, losses, costs, liabilities, claims, demands, actions, and judgments of every kind and character, whether at law or in equity (collectively, the **"Waived Claims"**) against Landlord, its authorized representatives, and their respective officers, directors, owners, agents, employees, and contractors (the **"Landlord Parties"**), knowingly and voluntarily assumes the risk of, and agrees that Landlord Parties are not liable to any Tenant Parties for any of the following, **EVEN IF THE WAIVED CLAIMS ARE CAUSED SOLELY OR IN PART BY THE NEGLIGENCE OF ANY LANDLORD PARTY:**

- (i) any injury or damage to person or property (including the resulting loss of use, economic losses and consequential or resulting damages of any kind from any cause) due to the condition or design of, or any defect in, the Premises or the Property that exists now or occurs in the future;
- (ii) any injury or damage to person or property (including the resulting loss of use, economic losses and consequential or resulting damages of any kind from any cause) due to the Premises or the Property or related improvements or appurtenances being out of repair, or defects in or failure of pipes or wiring, or backing up of drains, or the bursting or leaking of pipes, faucets, and plumbing fixtures, or gas, water, steam, electricity, or oil leaking, escaping, or flowing into the Premises;
- (iii) any loss or damage caused by the acts or omissions of other tenants in the Property or of any other third parties;
- (iv) any loss or damage to property or person occasioned by theft, fire, act of God, public enemy, injunction, riot, insurrection, war, court order, requisition, or order of governmental authority; or



- (v) any loss or damage to property or person, loss of use of any property, or loss of use of the Premises, occasioned by any interruption in any utilities or building services provided by third parties.
- (B) EXCEPT TO THE EXTENT LIABILITY OF TENANT MAY BE WAIVED UNDER SECTION 12(C), TENANT SHALL INDEMNIFY, DEFEND, AND HOLD ALL LANDLORD PARTIES HARMLESS (AND TENANT WAIVES ANY CLAIM AGAINST ANY LANDLORD PARTY WITH RESPECT THERETO) FROM ALL CLAIMS, DEMANDS, LIABILITIES, CAUSES OF ACTION, SUITS, JUDGMENTS, DAMAGES, AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES), INCLUDING THOSE CLAIMS RESULTING SOLELY OR IN PART FROM THE NEGLIGENCE OF ANY LANDLORD PARTY, ARISING OUT OF OR RELATING TO THIS LEASE, THE TENANCY CREATED UNDER THIS LEASE, OR THE PREMISES, INCLUDING, WITHOUT LIMITATION: (I) ANY BODILY INJURY, DEATH AND/OR PROPERTY DAMAGE OCCURRING IN OR RESULTING FROM AN OCCURRENCE IN THE PREMISES; (II) ANY BREACH OR DEFAULT IN PERFORMANCE OF ANY OBLIGATION ON TENANT'S PART TO BE PERFORMED UNDER THIS LEASE; (III) ANY ACT, OMISSION, NEGLIGENCE, OR MISCONDUCT OF ANY TENANT PARTY, OR OF ANY OTHER PERSON ENTERING UPON THE PREMISES (OTHER THAN LANDLORD'S EMPLOYEES OR AGENTS); (IV) ANY ALTERATIONS, ACTIVITIES, WORK, OR THINGS DONE, PERMITTED, ALLOWED, OR SUFFERED BY TENANT PARTIES IN, AT, OR ABOUT THE PREMISES OR THE PROPERTY, INCLUDING THE VIOLATION BY ANY TENANT PARTY OF ANY APPLICABLE LAW; AND (V) THE OCCUPANCY OR USE BY ANY TENANT PARTY OF THE PREMISES OR THE PROPERTY. THE INDEMNITIES SET FORTH IN THIS LEASE SHALL SURVIVE TERMINATION OR EXPIRATION OF THIS LEASE AND SHALL NOT TERMINATE OR BE WAIVED, DIMINISHED OR AFFECTED IN ANY MANNER BY ANY ABATEMENT OR APPORTIONMENT OF RENT UNDER ANY PROVISION OF THIS LEASE. IF ANY PROCEEDING IS FILED FOR WHICH INDEMNITY IS REQUIRED HEREUNDER, TENANT AGREES, UPON REQUEST THEREFOR, TO DEFEND LANDLORD IN SUCH PROCEEDING AT TENANT'S SOLE COST UTILIZING COUNSEL SATISFACTORY TO LANDLORD.

15. ASSIGNMENTS. Tenant shall not, without the prior written consent of Landlord, which may be withheld at the sole discretion of Landlord, assign this Lease or sublet the Premises or any part thereof or permit the Premises to be occupied by anyone other than Tenant or Tenant's employees. If Landlord's withholding of consent is found to be wrongful by any court of competent jurisdiction, Tenant's sole remedy shall be to have the proposed assignment or subletting be declared valid as if Landlord's consent had been given. If Tenant is comprised of more than one (1) party, any change in the composition of the parties comprising Tenant shall be deemed an assignment of this Lease. If Tenant is an entity, any change in the ownership or control of Tenant shall be deemed an assignment of this Lease. If Tenant is an individual and dies, Landlord shall have the option to terminate this Lease, but, if Landlord does not exercise such option, Landlord shall be furnished with court orders or letters testamentary establishing who has authority to act on behalf of Tenant's estate. Any assignment or subletting shall be expressly subject to all the terms and provisions of this Lease, including the provisions pertaining to the use of the Premises. No such assignment or subletting shall constitute a novation. In the event of any assignment, Tenant shall not assign Tenant's rights hereunder without first obtaining and delivering to Landlord a written agreement from the assignee whereby such assignee agrees to be bound by the terms and provisions of this Lease. No assignment of this Lease shall release Tenant from liability for the payment and performance of Tenant's obligations hereunder. In the event of the occurrence of a default while the Premises are sublet, Landlord, in addition to any other remedies provided herein or by law, may, at Landlord's option, collect directly from the subtenant all rents becoming due under the sublease and apply such rent against any sums due to

Landlord hereunder. No direct collection by Landlord from any subtenant shall release Tenant from liability for the payment or performance of Tenant's obligations hereunder.

16. CONTRACTUAL LANDLORD'S LIEN. TO SECURE THE PAYMENT OF ALL RENT AND OTHER SUMS OF MONEY DUE AND TO BECOME DUE HEREUNDER AND THE FAITHFUL PERFORMANCE OF THIS LEASE BY TENANT, TENANT GRANTS LANDLORD A FIRST CONTRACTUAL LIEN ON ALL PROPERTY TO THE EXTENT THERE IS NOT ALREADY A PERFECTED LIEN ON SUCH PROPERTY (INCLUDING FIXTURES, EQUIPMENT, CHATTELS AND MERCHANDISE) WHICH MAY BE PLACED ON THE PREMISES AND ALSO ON ALL PROCEEDS OF ANY INSURANCE WHICH MAY ACCRUE TO TENANT BY REASON OF DESTRUCTION OF OR DAMAGE TO ANY SUCH PROPERTY. SUCH PROPERTY SHALL NOT BE REMOVED WITHOUT THE WRITTEN CONSENT OF LANDLORD UNTIL ALL ARREARAGES IN Rent AND OTHER SUMS OF MONEY THEN DUE TO LANDLORD SHALL FIRST HAVE BEEN PAID. ALL EXEMPTION LAWS ARE HEREBY WAIVED IN FAVOR OF SAID LIEN. THIS LIEN IS GIVEN IN ADDITION TO LANDLORD'S STATUTORY LIEN AND SHALL BE CUMULATIVE THERETO. UPON DEFAULT, THIS LIEN MAY BE FORECLOSED, WITH OR WITHOUT COURT PROCEEDINGS, BY PUBLIC OR PRIVATE SALE PROVIDED LANDLORD GIVES TENANT AT LEAST FIFTEEN (15) DAYS WRITTEN NOTICE OF THE TIME AND PLACE OF SAID SALE, AND LANDLORD SHALL HAVE THE RIGHT TO BECOME THE PURCHASER UPON BEING THE HIGHEST BIDDER AT SUCH SALE. CONTEMPORANEOUSLY WITH THE EXECUTION OF THIS LEASE (OR THEREAFTER IF REQUESTED BY LANDLORD), TENANT SHALL EXECUTE AND DELIVER TO LANDLORD UNIFORM COMMERCIAL CODE FINANCING STATEMENTS IN SUFFICIENT FORM SO THAT, WHEN PROPERLY FILED, THE SECURITY INTEREST HEREBY GIVEN SHALL BE PERFECTED. UPON REQUEST BY LANDLORD, TENANT SHALL ALSO EXECUTE AND DELIVER TO LANDLORD UNIFORM COMMERCIAL CODE FINANCING STATEMENT CHANGE INSTRUMENTS IN SUFFICIENT FORM TO REFLECT ANY PROPER AMENDMENT OR MODIFICATION IN OR EXTENSION OF THE CONTRACTUAL LIEN AND SECURITY INTEREST HEREBY GRANTED. LANDLORD SHALL, IN ADDITION TO ALL OF LANDLORD'S RIGHTS HEREUNDER, HAVE ALL THE RIGHTS AND REMEDIES OF A SECURED PARTY UNDER THE UNIFORM COMMERCIAL CODE AS ADOPTED IN THE STATE IN WHICH THE PREMISES ARE LOCATED.

17. DEFAULT.

- (a) Default by Tenant. Tenant will be deemed to be in default under this Lease if:
- i) Tenant fails to pay any Rent or other payment within five (5) days following written notice of non-payment from Landlord (provided that Landlord shall not be required to provide such written notice of non-payment and opportunity to cure more than once in a twelve (12) month period);
  - ii) Tenant fails to comply fully with any provision of this Lease (other than the payment of Rent or other sums due), including Tenant's failure to obtain the Landlord's consent when required, and has not cured such failure within thirty (30) days;
  - iii) In the event Tenant is an individual, Tenant dies, or in the event Tenant is an entity, Tenant is dissolved or terminates its existence;
  - iv) Tenant becomes insolvent, makes a transfer in fraud of creditors, makes an assignment for the benefit of creditors, files a petition under any section or

chapter of the Bankruptcy Code or any similar law or statute of the United States or of any state;

- v) Tenant is adjudged bankrupt or insolvent in proceedings filed against Tenant and such proceedings are not dismissed within thirty (30) days;
- vi) A receiver or trustee is appointed for all or substantially all of Tenant's assets, and such appointment is not dismissed within thirty (30) days; or
- vii) Tenant abandons any substantial portion of the Premises or ceases operations at the Premises for the permitted use.

(b) Landlord's Remedies Upon Tenant's Default. All rights, elections and remedies of Landlord contained in this Lease are cumulative and in addition to all remedies provided by law. Upon the occurrence of any default, Landlord shall have the option to pursue any one or more of the following remedies:

- i) Terminate this Lease by giving written notice thereof, in which event Tenant immediately shall surrender possession of the Premises to Landlord.
- ii) Enter upon and take custodial possession of the Premises, without being guilty of trespass or liable for any loss or damage and without causing a termination of this Lease.
- iii) Enter the Premises and take possession of and remove any inventory, equipment, fixtures and other personal property of Tenant. Landlord may retain such property for the purpose of foreclosing Landlord's liens and may store such property at Tenant's cost, plus the Administrative Fee.
- iv) Perform any obligation of Tenant under this Lease which Tenant has failed to perform (and enter upon the Premises in connection therewith if necessary) without being liable for any claim for damages therefor, and Tenant shall reimburse Landlord on demand for any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease (including, but not limited to, collection costs and legal expenses), plus the Administrative Fee, plus interest thereon at the Default Rate.
- v) With or without notice, and to the extent permitted by Applicable Law, Landlord may alter locks or other security devices at the Premises to deprive Tenant of access thereto, and Landlord shall not be required to provide a new key or right of access to Tenant.

(c) Repayment Obligation. After the occurrence of a default, the total amount of (i) any free Rent, Rent abatements, concessions, reductions or discounts granted to Tenant hereunder, plus (ii) any unamortized Tenant finish costs funded by Landlord in connection with this Lease, plus (iii) any unamortized leasing commission paid by Landlord in connection with this Lease shall be due and payable in full within ten (10) days after the date of delivery to Tenant of a written demand for payment from Landlord and, if not paid from and after the end of such ten (10) day period until paid.

(d) Termination of Possession. If Landlord terminates Tenant's right to possess the Premises upon a default without terminating this Lease, Tenant shall pay to Landlord (1) all Rent and other amounts accrued hereunder to the date of termination of possession, (2) all amounts due from time to time under Sections 17(c), 17(g), and 17(i), and (3) all Rent and other net sums required hereunder to be paid by Tenant during the remainder of the

Term, diminished by any net sums thereafter received by Landlord through reletting the Premises during such period, after deducting all costs incurred by Landlord in reletting the Premises. If Landlord elects to proceed under this Section 17(d), Landlord may remove all of Tenant's property from the Premises and store the same in a public warehouse or elsewhere at the cost of, and for the account of, Tenant, without becoming liable for any loss or damage which may be occasioned thereby. Landlord shall use reasonable efforts to relet the Premises on such terms as Landlord in its sole discretion may determine (including a term different from the Term, rental concessions, and alterations to, and improvement of, the Premises); however, Landlord shall not be obligated to relet the Premises before leasing other portions of the Property and Landlord shall not be obligated to accept any prospective tenant proposed by Tenant unless such proposed tenant meets all of Landlord's leasing criteria. Landlord shall not be liable for, nor shall Tenant's obligations hereunder be diminished because of, Landlord's failure to relet the Premises or to collect rent due for such reletting. Tenant shall not be entitled to the excess of any consideration obtained by reletting over the Rent due hereunder. Reentry by Landlord in the Premises shall not affect Tenant's obligations hereunder for the unexpired Term; rather, Landlord may, from time to time, bring an action against Tenant to collect amounts due by Tenant, without the necessity of Landlord's waiting until the expiration of the Term. Unless Landlord delivers written notice to Tenant expressly stating that it has elected to terminate this Lease, all actions taken by Landlord to dispossess or exclude Tenant from the Premises shall be deemed to be taken under this Section 17(d). If Landlord elects to proceed under this Section 17(d), it may at any time elect to terminate this Lease under Section 17(e).

- (e) Termination of Lease. If Landlord terminates this Lease upon a default by giving Tenant written notice thereof, Tenant shall pay to Landlord the sum of: (1) all Rent accrued hereunder through the date of termination; (2) all amounts due under Sections 17(c), 17(g), and 17(i); (3) all unamortized tenant improvement allowance amounts and any outstanding commission obligations of Landlord with respect to this Lease; and (4) an amount equal to (A) the total Rent that Tenant would have been required to pay for the remainder of the Term discounted to present value at a per annum rate equal to the "prime rate" as published by the Wall Street Journal on the date that this Lease is terminated or, in the event that such rate is no longer available, at a comparable rate determined by Landlord (the "**Prime Rate**"), minus (B) the future rent for such period that Landlord estimates in its reasonable discretion will be collected by Landlord by reletting the Premises, taking into account all relevant factors, and similarly discounted at a per annum rate equal to the Prime Rate. For purposes of determining the future rent to be collected by Landlord by reletting under the preceding sentence, consideration shall be made and the amount of anticipated future rent shall be reduced for attorneys' fees that will be required to be paid in connection with the reletting, free rent, new leasing commissions that will be required to be paid, and other concessions and tenant improvement allowances which are generally prevailing in the market place as of the date of the termination of this Lease, as well as the period of time the Premises may reasonably be expected to remain vacant before Landlord is able to relet the Premises to an acceptable new tenant. It will be assumed that Landlord is not required to relet the Premises when other comparable space in the Property is available for lease and Landlord will not be required to incur any cost to relet the Premises, other than customary leasing commissions.
- (f) No Implied Termination. After a default, no re-entry or re-letting or filing of a detainer or similar action shall be construed as an election by Landlord to terminate this Lease, but Landlord may at any time thereafter elect to terminate this Lease by giving Tenant express written notice of termination.

- (g) Expenses/Costs. Tenant shall pay to Landlord: (i) such expenses as Landlord may incur in recovering possession of the Premises, placing the Premises in good order and condition and altering or repairing the same for re-letting; (ii) all other expenses, commissions and charges incurred by Landlord in exercising any remedy or as a result of any default; and (iii) any reasonable amount necessary to compensate Landlord for any detriment caused by Tenant's failure to perform Tenant's obligations under this Lease together with interest thereon at the Default Rate.
- (h) Default Interest. Subject to the provisions contained in Section 5(c) hereof, any Monthly Base Rent, Additional Rent or other amounts required to be paid by Tenant hereunder which shall not be paid when due shall bear interest at the Default Rate.
- (i) Attorneys' Fees. If, on account of any breach or default by Tenant of the terms, covenants and conditions of this Lease, the Landlord incurs any expense, including attorneys' fees, Tenant shall reimburse Landlord for such expense.
- (j) Waivers. No waiver by Landlord of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Tenant. Landlord's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act. The acceptance of Rent by Landlord shall not be a waiver of any default, regardless of Landlord's knowledge of such default at the time of acceptance of such Rent. No payment by Tenant of a lesser amount than the amount due shall be deemed to be other than on account applied to the earliest amount due, and no endorsement or statement on any letter accompanying any payment shall be deemed a waiver of default or an accord and satisfaction, and Landlord may accept such payment without prejudice to Landlord's right to hold Tenant in default and recover the balance and pursue any other remedy. Landlord's failure to take any action in regard to any default will not constitute a waiver. Any waiver of a default or waiver of any other term or provision of this Lease must be in writing and signed by Landlord.
18. NOTICE. All notices shall be given to the respective parties in writing either by personal delivery, overnight delivery service, or certified mail, return receipt requested. Notices shall be sufficient if placed in the United States mail, postage prepaid, addressed to the appropriate party at the address set out below. Any such notice given by overnight delivery shall be deemed to have been received by the other party one (1) day after it is delivered to an overnight delivery service. Any such notice given by certified mail, return receipt requested, shall be deemed to have been received by the other party three (3) days after it is deposited in a proper receptacle of the United States mail. From time to time either party may designate another address for notice by giving the other party not less than twenty (20) days' advance written notice of such change of address in accordance with the provisions hereof. The addresses for notice are as follows:
- |                                    |                                |
|------------------------------------|--------------------------------|
| Landlord:                          | Tenant:                        |
| Cook Children's Health Care System | City of Fort Worth             |
| Attn: Real Estate                  | Attn: Property Management      |
| 801 Seventh Avenue                 | 100 Fort Worth Trail, Fl 10    |
| Fort Worth, Texas 76104            | Fort Worth, TX 76102           |
| With a copy to:                    | With a copy to:                |
| Cook Children's Health Care System | City of Fort Worth             |
| Attn: Legal Department             | Attn: FWPD Contract Compliance |
| 801 Seventh Avenue                 |                                |
| Fort Worth, Texas 76104            |                                |

19. LANDLORD ASSIGNMENT/LIABILITY OF LANDLORD. Landlord may assign this Lease at any time upon written notice to Tenant. In the event of the transfer and assignment by Landlord of its interest in this Lease, Landlord shall thereby be released from any further obligations accruing after such assignment or transfer and such transferee shall thereupon succeed to Landlord's obligations and rights hereunder. The liability of Landlord (and its partners, shareholders or members) to Tenant (or any person or entity claiming by, through or under Tenant) for any default by Landlord under the terms of this Lease or any matter relating to or arising out of the occupancy or use of the Premises and/or other areas of the Property shall be limited to Tenant's actual direct, but not consequential, damages and shall be recoverable only from the interest of Landlord in the Building and Property, and Landlord (and its partners, shareholders or members) shall not be personally liable for any deficiency. Additionally, Tenant hereby waives its statutory lien under Section 91.004 of the TPC.
20. ESTOPPEL CERTIFICATES. Tenant agrees upon the request of Landlord to execute an Estoppel Certificate certifying whether or not this Lease is in full force and effect and other factual certifications and representations within ten (10) days of written request.
21. FORCE MAJEURE. Neither Landlord nor Tenant shall be in default on account of any delay or failure to perform any term, condition, or covenant in this Lease so long as such performance is delayed or prevented by force majeure, which shall mean acts of God, strikes, lockouts, material, or labor restrictions by any governmental authority, civil riot, floods, and any other cause not reasonably within the control of the Landlord or Tenant and which by the exercise of due diligence, Landlord or Tenant is unable, either wholly or in part, to prevent or overcome. However, in no event shall this section operate to extend the time for the payment of any monetary obligations of Tenant hereunder, including the payment of any Base Rental, Additional Rent or other Rent.
22. HAZARDOUS MATERIALS. Tenant represents and warrants that Tenant and all of its agents, servants, employees, customers, invitees, licensees or any other persons on or adjacent to the Building for the purpose of engaging in business or providing services for the Tenant, shall not (either with or without negligence) cause or permit the escape, disposal or release of any biologically or chemically active or other hazardous substances or material in violation of Applicable Law. Tenant shall not allow the storage or use of such substances or materials in any manner not sanctioned by law, nor allow to be brought into the Building any such materials or substances except to use in the ordinary course of Tenant's business. Without limitation, hazardous substances and materials shall include those described in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq., any applicable state or local laws and the regulations adopted under these acts. In the event of a release of any hazardous substances or material, Tenant, in addition to complying with all Applicable Laws concerning such release, immediately shall notify Landlord and take such measures as required under all Applicable Laws and, consistent with such laws, shall remove or cause the removal and appropriate disposition of such hazardous substances or material, all at Tenant's sole cost and expense. If Tenant breaches or violates any provision contained in this Section 22, or if the Property becomes contaminated as a result of any act, omission or breach by Tenant or any Tenant Parties, Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, damages, fines, judgments, penalties, costs, liabilities or losses (including, without limitation, a decrease in value of the Property, damages caused by loss or restriction of rentable or usable space or any damages caused by adverse impact on marketing of the space, and any and all sums paid for settlement of claims, attorneys' fees, consultant and expert fees) arising during or after the Lease Term. Landlord is the sole party entitled to conduct any inspection, investigation, study, monitoring, assessment, audit, sampling, testing, laboratory or other analysis, or any other evaluation relating to any hazardous substances or material, in or around the Premises or the Property, and neither Tenant nor any of Tenant's

contractors shall conduct any of such activities without Landlord's prior written consent. This indemnification contained in this Section 22 includes, without limitation, any and all costs incurred because of any investigation of the Property, or any cleanup, removal or remediation mandated by any local, state or federal department or agency. Should any cleanup, removal and/or remediation be mandated by any local, state or federal department or agency as a result of any act, omission or breach by Tenant or any Tenant Parties (including without limitation, as a result of any alterations or improvements), Landlord is the sole party entitled to conduct such activities, at Tenant's cost (and Tenant shall reimburse Landlord on demand for all costs and expenses which Landlord incurs in such activities, plus the Administrative Fee), unless Landlord otherwise directs Tenant to conduct such cleanup, removal and/or remediation activities, at Tenant's cost. Tenant shall execute affidavits, representations and the like from time to time at Landlord's request concerning Tenant's best knowledge and belief regarding the presence of hazardous substances or materials on the Premises. In the event that Tenant receives any notice from any governmental authority with regard to biologically or chemically active or other hazardous material, or substances on, from or affecting the Building, Tenant shall promptly notify Landlord.

23. AMERICANS WITH DISABILITIES ACT AND TEXAS ARCHITECTURAL BARRIERS ACT. With respect to the Americans with Disabilities Act (Public Law 101-336 (July 26, 1990)) and the Texas Architectural Barriers Act (Article 9102, Tex. Rev. Civ. St. (1991)) applicable to the Premises, Tenant agrees that it will be responsible for compliance with such Acts with respect to the Premise and the operation of Tenant's business in the Premises. No provision in this Lease should be construed in any manner as permitting, consenting to or authorizing Tenant to violate requirements under either such Act and any provision of the Lease which could arguably be construed as authorizing a violation of either Act shall be interpreted in a manner which permits compliance with such Act and is hereby amended to permit such compliance.
24. EXHIBITS AND ATTACHMENTS. Each of the exhibits, attachments, schedules, and lists called for by this Lease is made a part of this Lease for all purposes, the same as if set out verbatim at each point where reference is made to it.
25. CAPTIONS. The headings and captions contained in this Lease are inserted for convenience of reference only and are not to be deemed a part of or to be used in construing this Lease. The captions in no way define, describe, amplify, limit the scope of, or the intent of this Lease or any of the provisions hereof.
26. USE OF GENDER, NUMBER, AND REFERENCES. All personal pronouns used in this Lease whether used in the masculine, feminine, or neuter gender, shall include all other genders. Unless the context otherwise requires, words of the singular number include the plural and in the plural include the singular. Whenever the terms "hereof," "hereby," "herein," or words of similar import are used in this Lease, they shall be construed as referring to this Lease in its entirety rather than to a particular section or provision, unless the context specifically indicates the contrary.
27. TEXAS LAW TO APPLY. This Lease shall be construed under and in accordance with the laws of the State of Texas and all monetary obligations of Landlord and Tenant (including, without limitation, any monetary obligation of Landlord or Tenant for damages for any breach of the respective covenants, duties or obligations of Landlord or Tenant hereunder) are performable in the County in which the Property is located. The parties consent that venue for any action brought under this Lease be in the County in which the Property is located (provided, however, that venue of such action is permissible therein).

28. TIME OF ESSENCE. In all instances where Landlord or Tenant is required hereunder to pay any sum or do any act at a particular indicated time or within any indicated period, it is understood that time is of the essence. However, if the last day of any time period stated herein shall fall on a Saturday, Sunday, legal, or banking holiday, then the duration of such time period shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday, legal, or banking holiday.
29. PARTIES BOUND. This Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties, but this provision shall in no way alter the restrictions on assignment and subletting applicable to Tenant hereunder.
30. REAL ESTATE COMMISSIONS. Each party hereto warrants and represents to the other that such party has not worked with any agent or broker and no brokers', agents' or finders' fees or commissions are due arising from the execution of this Lease or the performance of the terms and provisions contained herein.
31. SURVIVAL. Landlord and Tenant expressly agree that all provisions of this Lease which contemplate performance after the expiration or early termination hereof shall survive such expiration or earlier termination of this Lease.
32. ENTIRE AGREEMENT. It is expressly agreed by the parties hereto, as a material consideration for the execution of this Lease, that this Lease, including the Plans, is the entire agreement of the parties, and, as such, supersedes any oral or written representations, warranties, understandings, stipulations, agreements, or promises pertaining to the Building, the Premises or this Lease.
33. AMENDMENT. This Lease may not be altered, waived, amended, or extended except by a written instrument signed by Landlord and Tenant, dated subsequent to the date hereof.
34. NO PARTNERSHIP OR JOINT UNDERTAKING. Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto.
35. ATTACHMENTS. The following exhibits, schedules, and addenda are attached to this Lease and hereby made a part hereof for all purposes:
- Exhibit A: Property Description
  - Exhibit B: Premises
  - Exhibit C: Work Letter Agreement
  - Exhibit D: Renewal Option
  - Exhibit E: Building Rules and Regulations
36. SEVERABILITY/MODIFICATION OF AGREEMENT FOR CONTINUED COMPLIANCE. In the event that any one or more of the provisions contained in this Lease shall for any reason be held to be invalid, illegal, unenforceable in any respect, or otherwise adversely impacts upon the tax-exempt status of Landlord or Tenant, or its affiliates as a provider under the federal Medicare or Texas Medicaid programs, or violates any other requirements of applicable federal, state or local law relating to health care entities and/or operations, such invalidity, illegality, unenforceability or adverse impact shall not affect any other provision hereof, and this Lease shall be construed as if such invalid, illegal, unenforceable or adverse provision had never been contained herein.



37. PARKING. Landlord shall make available for Tenant's use during the Lease Term, including any extension thereof, unreserved spaces for parking in the parking areas adjacent to the Building, at no cost to Tenant.
38. RECORDING. Tenant shall not record this Lease without the written consent of Landlord. If Landlord requests, the parties shall execute and acknowledge a short form of lease for recording purposes which shall be recorded at Tenant's expense.
39. LIMITED LIABILITY. All liability of Landlord for damages for breach of any covenant, duty or obligation of Landlord hereunder may be satisfied only out of the interest of Landlord in the Building existing at the time any such liability is adjudicated in a proceeding as to which judgment adjudicating such liability is non-appealable and not subject to further review. In no event will Tenant be entitled to execution under any judgment against any assets of the Landlord, or any partners, shareholders, policyholders, or other persons or entities having an interest in the Landlord, except as to their interest in the Building as set forth above, and no deficiency judgment or money judgment of any kind shall be sought or entered against Landlord, Tenant agreeing that Landlord shall have no personal liability hereunder. All obligations of Landlord hereunder will be construed as covenants, not conditions. **IN NO EVENT SHALL THE LANDLORD PARTIES BE LIABLE FOR, AND TENANT HEREBY WAIVES ANY CLAIM FOR, ANY INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING LOSS OF PROFITS OR BUSINESS OPPORTUNITY, ARISING UNDER OR IN CONNECTION WITH THIS LEASE.**
40. NO REFERRALS. No provision of this Lease is intended to create any obligation or requirement that either party (or any affiliate of such party) refer patients to the other party (or any affiliate of the other party). It is the intent of the parties hereto that any referral that may be made directly or indirectly by Landlord to Tenant's business, or vice versa, shall be based solely upon the medical judgment and discretion of a patient's physician while acting in the best interest of the patient.
41. OFAC COMPLIANCE. Tenant represents and warrants to Landlord that Tenant is not a party with whom Landlord is prohibited from doing business pursuant to the regulations of the Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury, including those parties named on OFAC's Specially Designated Nationals and Blocked Persons List. Tenant is currently in compliance with, and shall at all times during the Lease Term remain in compliance with, the regulations of OFAC and any other governmental requirement relating thereto. In the event of any violation of this section, Landlord shall be entitled to immediately terminate this Lease and take such other actions as are permitted or required to be taken under law or in equity. **TENANT SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS LANDLORD FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LOSSES, RISKS, LIABILITIES AND EXPENSES (INCLUDING ATTORNEYS' FEES AND COSTS) INCURRED BY LANDLORD ARISING FROM OR RELATED TO ANY BREACH OF THE FOREGOING CERTIFICATIONS.** These indemnity obligations shall survive the expiration or earlier termination of this Lease.
42. PARTICIPATION IN FEDERALLY FUNDED HEALTH CARE PROGRAMS. The parties hereby represent and warrant to each other that each party (including any owner of each party) has not at any time been excluded from participation in any federally funded health care program, including Medicare and Medicaid. Each party hereby agrees to notify the other party immediately of any threatened, proposed or actual exclusion of such party or any owner of such party from any federally funded health care program, including Medicare and Medicaid. In the event that a party or any owner of a party is excluded from participation in any federally funded health care program during the Term, or if at any time after the Effective Date of this Lease it is determined that a party or any owner of a party is in breach of this Section, the other party shall have the right

to terminate this Lease immediately; provided, however, that if a party immediately removes any owner of such party who is so excluded or has otherwise breached the provisions of this Section from ownership of such party, this Lease shall not be subject to immediate termination by the other party.

43. FEDERAL CONTRACTOR. Landlord is an equal opportunity employer and federal contractor or subcontractor. Consequently, the parties agree that, as applicable, they will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.S(a) and 41 CFR 60- 741.S(a) and that these laws are incorporated herein by reference. **These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.** The parties also agree that, as applicable, they will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.

44. HEALTHCARE LAW COMPLIANCE.

- (a) The parties agree to comply with the applicable provisions of Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) the American Recovery and Reinvestment Act of 2009, Medicare and Medicaid programs, and any other requirements of applicable federal, state or local law relating to healthcare entities and/or operations.
- (b) Notwithstanding any access or inspection rights of Landlord in this Lease, Landlord recognizes that the Tenant provides medical services to patients. HIPAA requires health providers to protect the patients’ medical records and confidentiality. Notwithstanding the Landlord’s right to enter the Premises pursuant to this Lease, Landlord recognizes that the Tenant must protect the patients’ medical records and confidentiality and agrees that neither Landlord nor any of Landlord’s agents may: (i) enter any examination room when Tenant’s patients are present; (ii) enter any other area of the Premises if such entry would jeopardize the privacy or confidentiality of the Tenant’s patients or such patients’ medical records; or (iii) take possession or restrict Tenant’s access to any medical records located within the Premises. Landlord agrees that the provisions of this subsection are intended to protect the medical records and confidentiality of the Tenant’s patients and comply with the requirements of HIPAA.
- (c) Notwithstanding anything to the contrary contained herein, in the event of any repossession or re-entering upon the Premises or any part thereof by reason of Tenant’s default or expiration or other termination of this Lease, (i) Tenant shall be entitled, upon twenty-four (24) hours’ prior notice to Landlord, to enter the Premises during normal business hours (or at any other time to the extent required by HIPAA and/or state or federal regulations applicable thereto or any other Applicable Law) for the purposes of gaining access to any “health information”, as such term is defined in HIPAA (such health information, the “**Protected Health Information**”) that is located within the Premises, provided Tenant is accompanied by a representative of Landlord during any such entry; and (ii) Tenant shall, within three (3) business days after receipt of Landlord’s written request, remove all Protected Health Information from the Premises. If Tenant fails to remove Protected Health Information from the Premises within the timeframe stated herein, Landlord may treat the Protected Health Information as abandoned personal property pursuant to Section 10(f). Nothing in this Lease shall create a “business associate” (as defined in HIPAA) relationship between Landlord and Tenant.

This Lease is made, entered into and effective as of the Effective Date.

LANDLORD:  
**COOK CHILDREN'S HEALTH CARE  
SYSTEM**

TENANT:  
**CITY OF FORT WORTH**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Spencer Seals

Name: \_\_\_\_\_

Title: VP - Construction & Real Estate

Title: \_\_\_\_\_

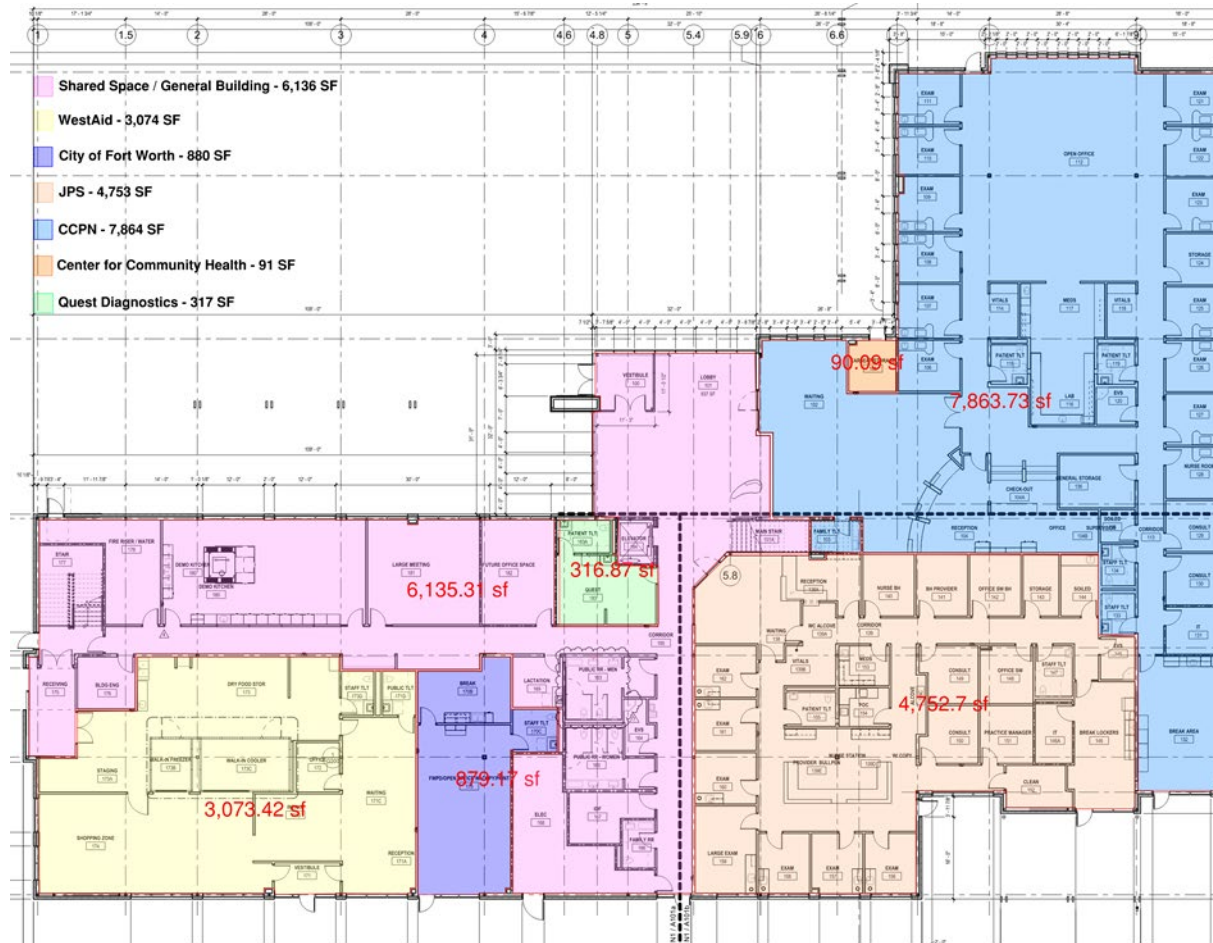
## **EXHIBIT A**

### **Property Legal Description**

COOK CHILDREN'S LVT Block 1 Lot 1, City of Fort Worth, Tarrant County, Texas,  
also known as 2800 Cherry Lane, Fort Worth, Texas 76116.

# EXHIBIT B

## Premises Floor Plan



## EXHIBIT C

### Work Letter Agreement (Turn-Key)

1. Performance of Landlord Work. As used in this Work Letter Agreement, the “**Premises**” shall be deemed to mean the Premises, as initially defined in the Lease. “**Landlord Work**” means the improvements specified below, to be performed at Landlord’s expense in substantial accordance with this Work Letter Agreement, using Building Standard materials and finishes and contractors and subcontractors selected by Landlord:
  - a. Construction Drawings and Specifications prepared by Oculus, Inc. and dated October 23, 2023; Project Number 67022-TX01, which are incorporated herein by reference.
2. Change Orders. Tenant may request changes in the Landlord Work. Each such change must receive the prior written approval of Landlord, such approval not to be unreasonably withheld or delayed; however, Landlord may withhold its consent in its sole and absolute discretion if such requested change requires non-Building Standard materials, would increase the cost of the Landlord Work, or would adversely affect (in the discretion of Landlord) (1) the Building’s structure or systems (including the Building’s restrooms or mechanical rooms), (2) the exterior appearance of the Building, or (3) the appearance of the Common Areas. “**Building Standard**” means the type, grade, brand, quality and/or quantity of materials Landlord designates from time to time to be the minimum or exclusive type, grade, brand, quality and/or quantity of material to be used in the Building.
3. Walk-Through; Punchlist. When Landlord considers the Landlord Work in the Premises to be Substantially Completed (defined below), Landlord will notify Tenant and, within three (3) business days thereafter, Landlord’s representative and Tenant’s representative shall conduct a walk-through of the Premises and identify in writing any necessary touch-up work, repairs and minor completion items that are necessary for final completion of the Landlord Work (i.e., the punchlist). “**Substantially Completed**” and any derivations thereof mean the Landlord Work in the Premises is substantially completed (as determined by Landlord) in substantial accordance with this Work Letter Agreement. Substantial Completion shall have occurred even though minor details, touch-ups, and punchlist items remain to be completed by Landlord. Neither Landlord’s representative nor Tenant’s representative shall unreasonably withhold his or her agreement on punchlist items. Landlord shall use reasonable efforts to cause the contractor performing the Landlord Work to complete all punchlist items within a reasonable time after agreement thereon; however, Landlord shall not be obligated to engage overtime labor in order to complete such items.
4. No Liability. Landlord and Tenant agree to cooperate with each other in order to enable the Landlord Work to be performed in a timely manner and with as little inconvenience to Tenant as is reasonably possible. Notwithstanding anything herein to the contrary, any delay in the completion of the Landlord Work or inconvenience or damage suffered by Tenant during the performance of the Landlord Work shall not subject Landlord to any liability for any loss or damage resulting therefrom or entitle Tenant to any credit, abatement or adjustment of Rent or other sums payable under the Lease.
6. Tenant Delay. A “**Tenant Delay Day**” means each day that the Landlord Work is delayed due to: (i) Tenant’s failure to timely respond or approve any information, (ii) Tenant’s failure to meet any other deadline specified in this Work Letter Agreement, or (iii) Tenant or its agents, employees, or contractors causing a delay in obtaining a construction permit or certificate of occupancy or other applicable government-issued certificate required for Tenant’s occupancy of the Premises or otherwise causing a delay in the commencement or performance of the Landlord Work.

5. This Exhibit shall not be deemed applicable to any additional space added to the Premises at any time or from time to time, whether by any options under the Lease or otherwise, or to any portion of the original Premises or any additions to the Premises in the event of a renewal or extension of the original Term of the Lease, whether by any options under the Lease or otherwise, unless expressly so provided in the Lease or any amendment or supplement to the Lease.

## EXHIBIT D

### Renewal Option

This Exhibit D describes and specifies the option, granted by Landlord to Tenant to extend and renew this Lease. Provided that, at the time in question, this Lease is then in full force and effect and there is no uncured event of default under this Lease, Tenant shall have the option ("**Option**") to renew this Lease as follows:

1. DEFINED TERMS. For purposes of this Exhibit, all terms defined in the Lease will be utilized herein without further definition. Terms specifically applicable to this Exhibit shall be herein defined and shall be delineated by initial capitals.

2. EXERCISE OF OPTION.

Tenant may, by notifying Landlord of its election in writing not less than six (6) months prior to the end of the Lease Term (or the then-current Renewal Lease Term, as applicable), renew this Lease for one (1) additional term of sixty (60) months (each, a "**Renewal Lease Term**") beginning on the date next following the expiration date of the Lease Term (or the then-current Renewal Lease Term, as applicable). The renewals of this Lease will be upon the same terms, covenants, and conditions applicable during the Lease Term, as provided in the Lease, except that (a) the defined term "Lease Term" shall be deemed to include the "Renewal Lease Term" and (b) with no additional Tenant Improvement Allowance unless mutually agreed upon.

3. TERMINATION OF OPTION. The failure of Tenant to exercise the Option herein granted within the time period set forth herein shall constitute a waiver and termination of such Option. In addition, any termination of this Lease during the Lease Term or any assignment, subletting, or other transfer by Tenant, shall terminate the Option contained in this Exhibit.



## **EXHIBIT E**

### **Building Rules and Regulations**

The following rules and regulations shall apply to Tenant, where applicable, to the Premises, the Building, the parking areas associated therewith, if any, the land situated beneath the Building and the appurtenances thereto:

1. Sidewalks, doorways, vestibules, halls, stairways and other similar areas shall not be obstructed by Tenant or used for any purpose other than ingress and egress to and from the Premises and for going from one to another part of the Building.
2. Plumbing fixtures and appliances shall be used only for the purposes for which designed, and no sweepings, rubbish, rags or other unsuitable material shall be thrown or placed therein. Damage resulting to any such fixtures or appliances from misuse by Tenant or Tenant's agents, employees or invitees, shall be paid by Tenant, and Landlord shall not in any case be responsible therefor.
3. Tenant shall procure, at Tenant's sole cost and expense, a professionally designed and manufactured sign for the front door of the Premises, such sign to consist of white vinyl lettering and to bear Tenant's trade name or principal type of business. The signage is subject to Landlord's approval, with such approval not to be unreasonably withheld by Landlord. Further, it will be Tenant's sole responsibility, at Tenant's sole expense, to keep said signage in good condition at all times. Except for the signage described above, no signs, advertisements or notices shall be painted or affixed on or to any windows, doors or other parts of such Building except those of such color, size, style and in such places as shall be first approved in writing by Landlord. No nails, hooks or screws shall be driven or inserted in any part of the Building except by the Building maintenance personnel nor shall any part of the Building be defaced by Tenant. No curtains or other window treatments shall be placed between the glass and the Building Standard window treatment.
4. Landlord will provide and maintain a listing for Tenant, and permitted subtenants, on an alphabetical directory board near the front entry of the Building at no cost to Tenant, and no other directory shall be permitted unless previously consented to by Landlord in writing.
5. Landlord shall provide all locks for doors in Tenant's Premises, at the cost of Tenant, and Tenant shall not place any additional lock or locks on any door in the Premises without Landlord's prior written consent. A reasonable number of keys to the locks on the doors in Tenant's Premises shall be furnished by Landlord to Tenant, at the cost of Tenant, and the Tenant shall not have any duplicate keys made.
6. Tenant will refer all contractors, contractors' representatives and installation technicians to Landlord for Landlord's supervision, approval and control before the performance of any contractual services. This provision shall apply to all work performed in the Building including, but not limited to installations of telephones, telegraph equipment, electrical devices and attachments, doors, entranceways, and any and all installations of every nature affecting floors, walls, woodwork, trim windows, ceilings, equipment and any other physical portion of the Building.
7. Movement in or out of the Building of furniture, office equipment, safes, heavy equipment, bulky material, merchandise or materials which require the use of elevators or stairways, or movements through the building entrances or lobby shall be restricted to such hours as Landlord shall reasonably designate. All such movement shall be under the supervision of Landlord and shall proceed in a manner agreed upon between the Tenant and Landlord by prearrangement before

performance so as to arrive at the optimum time, method and routing of such movement; subject, however, to Landlord's decision and control, to prohibit any such article from being brought into the Building for safety or other concerns. Tenant is to assume all risks as to the damage to articles moved and injury to persons or public engaged or not engaged in such movement, including equipment, property and personnel of Landlord if damaged or injured as a result of acts in connection with carrying out this service for Tenant from the time of entering the property to completion of work. Landlord shall not be liable for acts of any person engaged in, or any damage or loss to any of said property or persons resulting from, any act in connection with such service performed for Tenant.

8. Landlord shall have the power to prescribe the weight and position of safes and other heavy equipment or items which shall in all cases, to distribute weight, stand on supporting devices approved by Landlord. All damages done to the Building by the installation or removal of any property of Tenant, or done by Tenant's property while in the Building, shall be repaired at the expense of Tenant.
9. Corridor doors, when not in use, shall be kept closed.
10. Tenant shall cooperate with Landlord's employees in keeping its Premises neat and clean. Nothing shall be swept or thrown on or into any Common Area. Trash shall be properly disposed of in the dumpster provided near the rear of the Building.
11. Should Tenant require telegraphic, telephonic, annunciator or other communication service, Landlord will direct the electrician where and how wires are to be introduced and placed and none shall be introduced or placed except as Landlord shall direct. Electric current shall not be used for power generating equipment or supplemental heating without Landlord's written permission.
12. Tenant shall not make or permit any improper, objectionable or unpleasant noises or odors in the Building or otherwise interfere in any way with other tenants or persons having business with them.
13. No birds or animals shall be brought into or kept in, on or about Tenant's Premises.
14. No inflammable or explosive fluid or substance shall be used or kept in Tenant's Premises.
15. No portion of Tenant's Premises shall at any time be used or occupied as sleeping or lodging quarters.
16. Landlord reserves the right to rescind any of the rules and regulations and to make such other and further reasonable, uniform and non-discriminatory rules and regulations as in its judgement shall from time to time be needful for the safety, protection, care and cleanliness of the Building, the operation thereof, the preservation of good order therein and the protection and comfort of the tenants, including Tenant, and their agents, employees, licensees and invitees, which rules and regulations, when made and written notice thereof is given to Tenant, shall be binding upon it in like manner as if originally herein prescribed.