

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Aviation

**AGENDA DATE:** April 9, 2013

**CONTACT PERSON NAME AND PHONE NUMBER:** Monica Lombraña, 780-4724

**DISTRICT(S) AFFECTED:**

**SUBJECT:**

**APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.**

This item is a Resolution to authorize the City Manager to sign a Certificate Concerning Ground Lease (A Lessor's Approval of Assignment) by and between the City of El Paso (Lessor); Richard N. Azar Testamentary Trust, Jerry M. Coleman, Azar Coleman Properties (successor-in-interest to Richard N. Azar), and Richard N. Azar Testamentary Trust (Azar Trust) as Trustee of the Estate of Richard N. Azar (Assignee) for the following described properties:

10.782 acres, more or less, being a portion of Lot 1, Block 19, El Paso International Airport Tracts Unit 10, an Addition to the City of El Paso, El Paso County, Texas, according to the Map thereof on file in Book 53, Page 12, Plat Records of El Paso County, Texas; and

8.272 acres, more or less, being a portion of Lot 4A25, Block 2, Ascarate Grant, City of El Paso, El Paso County, Texas.

**BACKGROUND / DISCUSSION:**

**Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?**

The Department of Aviation recommends approval of the Lessee's (Azar Coleman Properties) request of the Certificate Concerning Ground Lease (A Lessor's Approval of Assignment). In March 2012, the Sublessee filed for bankruptcy under Chapter 11 to protect the property (Chase Suites Hotel). To complete the transaction in the bankruptcy court, this document is required to accomplish the following:

- Recognize the Azar Testamentary Trust as successor-in-interest to Richard N. Azar, deceased, partner in Azar Coleman Properties (Lessee);
- Provide approval of assignment of the interest in the Ground Lease and the Sublease to the Azar Testamentary Trust
- Provide approval of the interest in the Sublease to Hardage Hotels I, LLC (Sublessee) for the property on which the Chase Suite Hotel is located to the Azar Testamentary Trust;
- Support Hardage Hotel's request to refinance the existing loan from One West Bank for the Chase Suites Hotel; and,
- Certify that the City, as sole Lessor, will not oppose the finding of the United States Bankruptcy Court for the Western District of Texas El Paso Division that Azar Coleman Properties is the sole Lessee and that Hardage Hotels I, LLC is the sole Sublessee of the property on which the Chase Suites Hotel is located.

The Sublessee currently pays to the Airport a minimum annual rental of \$101,054.57 plus percentage of room, food, beverage, and miscellaneous revenues. In the year ended December 31, 2012, the total amount of revenue paid was \$198,768.81. The Sublessee currently owes \$16,228.06 for the month of March 2012, which will be paid upon approval of the Bankruptcy Court.

**PRIOR COUNCIL ACTION:**

**Has the Council previously considered this item or a closely related one?**

2/3/2004 – Sixth Amendment to the Ground Lease

5/17/1994 – Fifth Amendment to the Ground Lease

6/30/1987 – Fourth Amendment to the Ground Lease

12/16/1986 – Third Amendment to the Ground Lease

5/8/1984 – Second Amendment to the Ground Lease

11/23/1982 – Lessor’s approval of assignment of Partial Assignment of Leasehold Interest and Partnership agreement ½ undivided interest in the Ground Lease from Richard N. Azar to Jerry M. Coleman, partners in Azar Coleman Properties

11/23/1982 – First Amendment to the Ground Lease

6/8/1982 – Ground Lease for a period of forty years by and between the City of El Paso and Richard N. Azar.

**AMOUNT AND SOURCE OF FUNDING:**

**How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?**

N/A – this is a revenue generating item

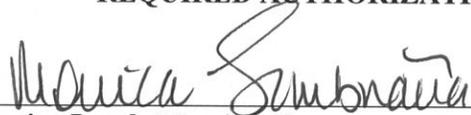
**BOARD / COMMISSION ACTION:**

**Enter appropriate comments or N/A**

N/A

**\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\***

**DEPARTMENT HEAD:**

  
\_\_\_\_\_  
Monica Lombraña, A.A.E.  
Director of Aviation

**(If Department Head Summary Form is initiated by Purchasing, client department should sign also)**  
*Information copy to appropriate Deputy City Manager*

**RESOLUTION**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

That the City Manager be authorized to sign a Certificate Concerning Ground Lease (a Lessor's Approval of Assignment) by and between the City of El Paso ("Lessor"); Richard N. Azar Testamentary Trust, Jerry M. Coleman, Azar-Coleman Properties (successor-in-interest to Richard N. Azar), and Richard N. Azar Testamentary Trust ("Azar Trust") as Trustee of the estate of Richard N. Azar ("Assignee") for the following described properties:

10.782 acres, more or less, being a portion of Lot 1, Block 19, El Paso International Airport Tracts Unit 10, an Addition to the City of El Paso, El Paso County, Texas, according to the Map thereof on file in Book 53, Page 12, Plat Records of El Paso County, Texas; and

8.272 acres, more or less, being a portion of Lot 4A25, Block 2, Ascarate Grant, City of El Paso, El Paso County, Texas.

**ADOPTED this the \_\_\_\_ day of \_\_\_\_\_ 2013.**

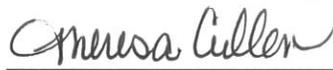
THE CITY OF EL PASO

\_\_\_\_\_  
John F. Cook  
Mayor

ATTEST:

\_\_\_\_\_  
Richarda Duffy Momsen  
City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Theresa Cullen  
Deputy City Attorney

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
Monica Lombraña, A.A.E.  
Director of Aviation

**CERTIFICATE CONCERNING  
GROUND LEASE  
(A Lessor's Approval of Assignment)**

The undersigned, being the **CITY OF EL PASO** ("*Lessor*"), **RICHARD N. AZAR TESTAMENTARY TRUST** ("*Azar Testamentary Trust*") and **JERRY M. COLEMAN** ("*Coleman*"), individually and as general partner of **AZAR-COLEMAN PROPERTIES**, a Texas general partnership ("*Azar-Coleman*") (Azar Testamentary Trust and Azar-Coleman are referred to herein, collectively, as "*Lessee*") hereby represent, certify and agree as follows:

**Ground Lease Documents.**

1. Attached hereto as Exhibit A is a full, true and correct copy of the Lease Agreement, dated June 8, 1982 (the "*Original Ground Lease*") between Lessor and Richard N. Azar, covering two tracts or parcels of land located in El Paso County, Texas (a certain 8.272 acre tract and a certain 10.782 acre tract ) as more particularly described therein.
2. Attached hereto as Exhibit B is a full, true and correct copy of that certain First Amendment to the Lease Agreement ("*First Amendment*"), dated November 23, 1982;
3. Attached hereto as Exhibit C is a full, true and correct copy of that certain Second Amendment to Lease Agreement ("*Second Amendment*"), dated May 8, 1984;
4. Attached hereto as Exhibit D is a full, true and correct copy of that certain Third Amendment to Lease Agreement ("*Third Amendment*"), dated December 16, 1986;
5. Attached hereto as Exhibit E is a full, true and correct copy of that certain Fourth Amendment to Lease Agreement ("*Fourth Amendment*"), dated June 30, 1987;
6. Attached hereto as Exhibit F is a full, true and correct copy of that certain Fifth Amendment to Lease Agreement ("*Fifth Amendment*"), dated as of May 17, 1994; and
7. Attached hereto as Exhibit G is a full, true and correct copy of that certain Sixth Amendment to Lease Agreement ("*Sixth Amendment*"), executed February 3, 2004.

Except for the six amendments attached hereto, the Original Ground Lease has not been modified or amended and the Original Ground Lease, as amended by such six amendments and is in full force and effect on the date hereof. The Original Ground Lease, as amended by such six (6) amendments, is referred to herein as the "*Ground Lease*". The documents comprising the Ground Lease, as identified above, are in full force and effect and enforceable in accordance with their terms and on the date hereof, to the knowledge of the undersigned, no default, offset or defense exists under the Ground Lease. Both Lessor and Lessee acknowledge that the legal descriptions for Parcel 1 and Parcel 3 of the Original Ground Lease and its six amendments had been inadvertently mislabeled and did not correspond with the legal descriptions for Parcel 1 and Parcel 3 contained in the Original Ground Lease and the six amendments. Lessor and Lessee confirm that the attached Exhibits A-G include the proper exhibits for Parcel 1 and Parcel 3.

**Ground Lease Assignments.** The interest of the lessee under the Ground Lease has been assigned as follows:

1. Partial Assignment of Leasehold Interest and Co-Ownership Agreement, dated December 23, 1982, executed by Richard N. Azar, as assignor therein, and Jerry M. Coleman, as assignee therein, recorded in book 2523, Page 1572, Real Property records of El Paso County, Texas, wherein, among other things, Richard N. Azar assigned to Coleman an undivided one-half (1/2) interest in the Ground Lease, as ratified by Ratification of Assignment and Ownership of Leasehold Interest, dated January 21, 1993, executed by Richard N. Azar, as assignor therein, Jerry M. Coleman, as assignee therein and Azar-Coleman Properties, a Texas partnership, recorded in Book 2523, Page 1568, Real Property Records of El Paso County, Texas, wherein, among other things, the parties thereto acknowledged that they were the sole owners of Azar-Coleman, each owning a 50% interest therein and that their entire interest in the Ground Lease was held in Azar-Coleman; and

2. Partial Assignment of Ground Lease, Assignment of Sublease, and Assumption Agreement (the "**1994 Partial Assignment**"), to be effective as of September 1, 1994, by and between Azar-Coleman Properties, a Texas general partnership, and Richard N. Azar, as assignee therein, wherein, among other things, Azar-Coleman assigned to Richard N. Azar Azar-Coleman's entire interest in the Ground Lease, insofar as it is associated solely and exclusively related to a certain 5.005 acre parcel of land more particularly described therein. Azar-Coleman confirms and represents that its intent in entering into the 1994 Partial Assignment was to assign to Richard N. Azar the entire interest of Azar-Coleman in the Ground Lease and the Sublease insofar as it related to land covered by the Sublease. As used herein, the "**Sublease**" means Sublease Agreement dated November 15, 1982 (as amended) between Azar Testamentary Trust (as successor-in-interest to the original sublessor thereunder) and Hardage Hotels I, L.L.C., a Delaware limited partnership ("**Hardage**") (as successor-in-interest to the original sublessee thereunder).

3. Azar Testamentary Trust represents that, pursuant to that certain Assignment and Assumption of Lease, dated as of June 1, 2011, the independent executrix of the Estate of Richard Nathan Azar, deceased (the "**Azar Estate**"), Cause No. 2009-P00569 in the Probate Court #1 of El Paso County, Texas, conveyed to the Azar Testamentary Trust the entire interest of the Azar Estate in the Ground Lease and that pursuant to that certain Assignment and Assumption of Sublease dated as of June 1, 2011, the independent executrix of the Azar Estate conveyed to the Azar Testamentary Trust the entire interest of the Azar Estate in the Ground Lease and Sublease. Azar Testamentary Trust hereby warrants and represents that it is the owner of (i) the entire interest of the lessee under the Ground Lease, insofar as such interest Ground Lease relates to the land covered by the Sublease; and (ii) the entire interest of the sublessor under the Sublease.

Lessor hereby consents to and approves each of the assignments referred to above and recognizes Azar Testamentary Trust as the sole lessee under the Ground Lease with respect to the land covered by the Sublease, subject to the following:

**Ground Lease**

- Azar Coleman and Azar Testamentary Trust assume and become liable to pay any and all sums owing or becoming due Lessor under terms of the Ground Lease from and after the effective date of the assignment of the Ground Lease to Azar Coleman and Azar Testamentary Trust, and upon the further condition that Azar Coleman and Azar Testamentary Trust agree to accept and abide by all the terms, covenants, and conditions of the Ground Lease.
- Azar Coleman and Azar Testamentary Trust provide a certificate of insurance to evidence compliance with the insurance requirements of the Ground Lease and expressly agree to be bound by the indemnification provisions contained in the Ground Lease.
- Lessor's consent herein does not alter or modify any of the terms and conditions of the Ground Lease and all other terms and conditions of the Ground Lease shall remain in full force and effect.
- Notices to Azar Coleman and Azar Testamentary Trust shall be sufficient if sent by certified mail, postage prepaid, addressed to:

Azar Coleman  
c/o Merton B. Goldman, P.C.  
5915 Silver Springs Drive, Suite 8B  
El Paso, Texas 79912

Azar Testamentary Trust  
2424 Altura  
El Paso, Texas 79930.

- Lessor's Approval of Assignment hereby given by Lessor shall not end the need for Lessor's consent for any future assignments.

**Sublease**

- Azar Testamentary Trust assumes and becomes liable to pay any and all sums owing or becoming due Lessor under terms of the Sublease from and after the effective date of the assignment of the Sublease to Azar Testamentary Trust, and upon the further condition that Azar Testamentary Trust agree to accept and abide by all the terms, covenants, and conditions of the Ground Lease.
- Azar Testamentary Trust provides a certificate of insurance to evidence compliance with the insurance requirements of the Sublease and expressly agrees to be bound by the indemnification provisions contained in the Sublease.
- Lessor's consent herein does not alter or modify any of the terms and conditions of the Sublease and its amendments and all other terms and conditions of the Sublease shall remain in full force and effect.
- Notices to Azar Testamentary Trust shall be sufficient if sent by certified mail, postage prepaid, addressed to:

Azar Testamentary Trust  
2424 Altura  
El Paso, Texas 79930.

- Lessor's Approval of Assignment hereby given by Lessor shall not end the need for Lessor's consent for any future assignments.

**Lessor and Lessee.**

1. Lessor represents that Lessor owns the entire interest of the lessor under the Ground Lease.

2. Azar Testamentary Trust and Azar-Coleman represent that they, collectively, own the entire interest of the lessee under the Ground Lease, with Azar Testamentary Trust owning the entire interest of the lessee under the Ground Lease as it relates to land covered by the Sublease and Azar-Coleman owning the remaining interest of the lessee under the Ground Lease.

3. Jerry Coleman and Azar Testamentary Trust hereby warrant and represent that they are all of the partners of Azar-Coleman with authority to enter into this Certificate on behalf of Azar Coleman. Coleman hereby warrants and represents that he neither owns nor claims any interest in the Ground Lease except through his interest in Azar-Coleman.

4. Azar-Coleman represents that, with respect to its interest in the Ground Lease, being all land covered by the Ground Lease except the portion thereof that is covered by the Sublease, there exist no defaults under the Ground Lease and no events have occurred which, with the giving of notice or the passage of time, would be a default under the Ground Lease, except as follows:

List of defaults or potential defaults: There is a delinquency of \$16,241.29 due Lessor.

5. Azar-Coleman represents that, with respect to the Ground Lease as a whole, except as noted in the space provided following this paragraph, to the best of its knowledge, there exist no defaults under the Ground Lease and no events have occurred which, with the giving of notice or the passage of time, would be a default under the Ground Lease.

List of defaults or potential defaults: There is a delinquency of \$16,241.29 due Lessor.

6. The Azar Testamentary Trust represents that, with respect to its interest in the Ground Lease, being all land covered by the Sublease, there exist no defaults under the Ground Lease and no events have occurred which, with the giving of notice or the passage of time, would be a default under the Ground Lease, except as follows:

List of defaults or potential defaults: There is a delinquency of \$16,241.29 due Lessor.

7. The Azar Testamentary Trust represents that, with respect to the Ground Lease as a whole, except as noted in the space provided following this paragraph, to the best of its knowledge, there exist no defaults under the Ground Lease and no events have occurred which, with the giving of notice or the passage of time, would be a default under the Ground Lease.

List of defaults or potential defaults: There is a delinquency of \$16,241.29 due Lessor.

**Term.**

1. The initial term of the Ground Lease commenced on May 1, 1982 (the "**Commencement Date**"). With respect to Parcel 1, the initial term of the Ground Lease shall terminate on the date that is forty three (43) years four (4) months after the Commencement Date.

2. With respect to Parcel 3, the initial term of the Ground Lease shall terminate on the date that is forty (40) years after the Commencement Date.

3. With respect to Parcel 1 and Parcel 3, the Lessee has the option to renew the term of the Ground Lease for two (2) additional periods of ten (10) years each, as more specifically described in the Ground Lease.

**Reliance.** This Certificate is executed and delivered with the understanding and intent that OneWest Bank ("**OWB**") will rely upon the statements set forth herein in renewing or extending credit to Hardage. Additionally, this Certificate may be relied upon by OWB and any purchaser in foreclosure from OWB, and each of the parties hereto. Lessor, Lessee, and Coleman each hereby agree not to object to the assumption of the Sublease by Hardage and further agree not to oppose the finding of the United States Bankruptcy Court for the Western District of Texas El Paso Division that, (i) Hardage is the sole, current holder of all right title and interest of the sublessee under the Sublease, (ii) Azar is the sole, current holder of all right, title and interest of the sublessor under the Sublease and (iii) the premises currently subleased by Azar to Hardage pursuant to the Sublease is the real property described in Exhibit H attached hereto, being a portion of Parcel 3.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the \_\_\_\_ day of \_\_\_\_\_, 2013.

**LESSOR:**

**CITY OF EL PASO**

\_\_\_\_\_  
Joyce A. Wilson  
City Manager

**APPROVED AS TO FORM:**



\_\_\_\_\_  
Teresa Cullen  
Deputy City Attorney

**APPROVED AS TO CONTENT:**



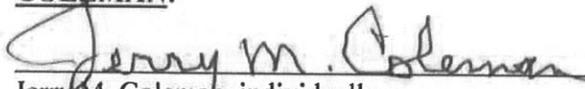
\_\_\_\_\_  
Monica Lombraña, A.A.E.  
Director of Aviation

**LESSEE:**

**RICHARD N. AZAR TESTAMENTARY TRUST**

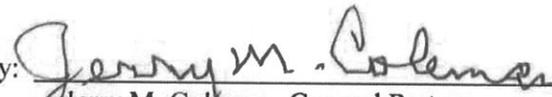
By:   
Suzanne S. Azar, Trustee

**COLEMAN:**

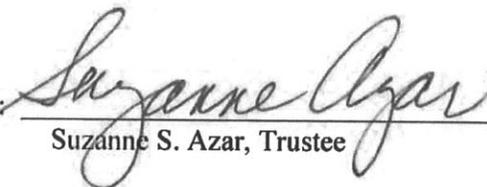
  
Jerry M. Coleman, individually

**AZAR-COLEMAN:**

**AZAR-COLEMAN PROPERTIES,  
a Texas general partnership**

By:   
Jerry M. Coleman, General Partner

By: Richard N. Azar Testamentary Trust, General Partner

By:   
Suzanne S. Azar, Trustee

**Exhibits:**

- Exhibit A - Original Ground Lease
- Exhibit B - First Amendment
- Exhibit C - Second Amendment
- Exhibit D - Third Amendment
- Exhibit E - Fourth Amendment
- Exhibit F - Fifth Amendment
- Exhibit G - Sixth Amendment
- Exhibit H - Legal Description of Sublease Premises

STATE OF TEXAS           §  
  §  
COUNTY OF EL PASO       §

This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 2013,  
by \_\_\_\_\_, \_\_\_\_\_ of the City of El Paso, on behalf of said  
City.

\_\_\_\_\_  
Notary Public in and for the State of Texas

My Commission Expires:  
\_\_\_\_\_

(SEAL)

STATE OF TEXAS           §  
  §  
COUNTY OF EL PASO       §

This instrument was acknowledged before me on this 1<sup>st</sup> day of April, 2013,  
by Suzanne S. Azar, Trustee of the Richard N. Azar Testamentary Trust, on behalf of said Trust  
and on behalf of said Trust, as General Partner of Azar-Coleman Properties, a Texas general  
partnership.

Mariann Porter  
\_\_\_\_\_  
Notary Public in and for the State of Texas

My Commission Expires:  
9/4/16

(SEAL)



STATE OF TEXAS

§

COUNTY OF EL PASO

§

§

This instrument was acknowledged before me on this 1<sup>ST</sup> day of April, 2013, by Jerry M. Coleman, individually and as General Partner of Azar-Coleman Properties, a Texas general partnership, on behalf of said partnership.

*Mariann Porter*

Notary Public in and for the State of Texas

My Commission Expires:

9-4-16

(SEAL)



EXHIBIT A  
ORIGINAL GROUND LEASE  
(See Attached)

PROPERTIES *S.B. 1012* DIST/TENANT *attached notes*  
 ACCOUNTING *1/10/82* CHARGE/FILE *attached*  
 LEGAL *FB* INFORMATION  
 ADMIN ASST *one* DIST/FILE  
 DATE *6.9.2* AIRPORT MANAGER *W.D. Jones*

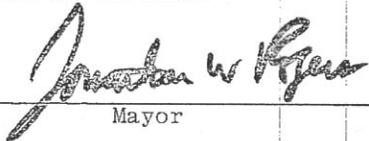
RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the Mayor be authorized to sign a lease between the City of El Paso, as Lessor, and Richard N. Azar, as Lessee, for the property described as Parcel No. 1, and Parcel No. 3, a Portion of Tract 4A25, Block 2, Ascarate Grant, El Paso County, Texas, for a period of forty years.

ADOPTED this 8<sup>th</sup> day of June, 1982.

CITY OF EL PASO:

  
 \_\_\_\_\_  
 Mayor

ATTEST:

  
 \_\_\_\_\_  
 City Clerk

APPROVED AS TO FORM:

  
 \_\_\_\_\_  
 John B. Bright  
 Assistant City Attorney

[JUN 9 1982]

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LEASE AGREEMENT

This Lease Agreement, made as of this 1st day of May, 1982 by and between the City of El Paso (hereinafter referred to as "Lessor"), and Richard N. Azar, an individual residing in El Paso, Texas (hereinafter referred to as "Lessee").

WITNESSETH:

WHEREAS, Lessor owns and operates the El Paso International Airport, located in the County of El Paso, Texas; and

WHEREAS, Lessor deems it advantageous to itself and to its operation of the Airport to lease unto Lessee the parcel of land described herein, together with certain privileges, rights, uses and interests therein, as hereinafter set out; and

WHEREAS, Lessee proposes to lease on a net basis from Lessor certain ground area and to avail itself of certain privileges, rights and uses pertaining thereto; and

WHEREAS, Lessee has indicated a willingness and ability to properly develop, keep, maintain and improve said ground in accordance with standards established by Lessor, if granted a lease of sufficient term on said ground area;

NOW, THEREFORE:

Article I

Premises and Privileges

For and in consideration of the terms, conditions and covenants of this lease to be performed by Lessee, all of which Lessee accepts, Lessor hereby leases to Lessee, and Lessee hereby hires and takes from Lessor certain property, together with improvements thereon (hereinafter called

"leased premises"), and certain attendant privileges, uses and rights, as hereinafter specifically set out.

A. Description of Premises Leased. The premises hereby leased are: approximately 829,980.492 square feet as described by metes and bounds on Exhibit "A" attached hereto and made a part hereof by reference. Such leased premise are sometimes referred to herein in part as "Parcel 1" and "Parcel 3".

B. Description of General Privilege, Uses and Rights. Lessor hereby grants to Lessee the following general privileges, uses and rights, all of which shall be subject to the terms, conditions and covenants hereinafter set forth and all of which shall be nonexclusive on the Airport:

(1) The general use of all public Airport facilities and improvements which are now or may hereafter be connected with or appurtenant to said Airport, except as hereinafter provided, to be used by Lessee and/or its sublessees for permitted uses as herein defined.

For the purpose of this lease "public Airport facilities" shall include, without limiting the generality of the foregoing, all necessary landing area appurtenances including but not limited to approach areas, runways, taxiways, aprons, aircraft and automobile parking areas, roadways, sidewalks, navigational and avigational aids, lighting facilities, terminal facilities, or other public facilities appurtenant to said Airport.

(2) The right of ingress to and egress from the leased premises over and across public roadways serving the Airport for Lessee, his agents and servants, patrons and invitees, suppliers of service and furnishers of material. Said right shall be subject to such ordinances, rules and regulations as now or may hereafter have application at the Airport.

C. Description of Specific Privileges, Uses and Rights. In addition to the general privileges, uses and rights hereinbefore described, and without limiting the generality thereof, Lessor hereby grants to Lessee, its tenants and sublessees the right to engage in permitted uses of the premises, as defined in paragraph D below. The

rights granted under this lease are specifically limited to said permitted uses, as defined below, and for no other purpose.

D. Permitted Uses. "Permitted uses" are hereby defined as development activities, the permitted uses established by the comprehensive land use study obtained by Lessee and approved or modified by the Airport Board, including without limiting the foregoing, office/park, light commercial, industrial/park and business/park buildings, hotel, motel, restaurant and uses mutually agreeable to Lessor and Lessee, provided, however, there shall be no commercial vehicle parking on the leased premises which would be in competition with airport public fee parking facilities.

## Article II

### Obligations of Lessor

A. Clear Title. Lessor covenants and agrees that at the granting and delivery of this lease it is well seized of the leased premises and has good title thereto, free and clear of all liens and encumbrances having priority over this lease; and that Lessor has full right and authority to lease the same as herein set forth.

Lessor further covenants that all things have happened and been done to make its granting of said lease effective, and Lessor warrants to Lessee peaceful possession and quiet enjoyment of the leased premises during the term hereof, upon performance of Lessee's covenants herein.

B. Operation as Public Airport. Lessor covenants and agrees that during the term hereof, and any lawful option periods, it will operate and maintain the Airport and its public Airport facilities as a public Airport consistent with and pursuant to the sponsor's assurances given

by Lessor to the United States government under the Federal Airport Act. Thereafter, Lessor may, but shall not be obligated to maintain the Airport under the terms of this lease.

C. Condition and Maintenance of Premises. Lessor has prepared the site of which the leased premises are a part by doing rough grading and by installing water, gas, sewer and electricity to the boundary of the premises. Lessor has constructed curbs and gutters on American Drive (relocated), Piper Court (new), Boeing Drive (relocated) and Terminal Drive (existing) to the extent that such thoroughfares abut the leased premises.

After said site preparation is completed, Lessor assumes no further responsibility as to the condition of the leased premises and shall not assume responsibility for maintenance, upkeep or repair necessary to keep the leased premises in a safe and serviceable condition.

Lessor shall, however, maintain all streets giving access to the leased premises in good and adequate condition for use by cars and trucks and shall maintain free and uninterrupted access to the leased premises over said streets at all times.

Lessor will grant or join in granting, provided that such granting is at no cost to Lessor, such rights-of-way, easements and other interests as may be required to provide the leased premises with ingress and egress, electric, telephone, gas, water, sewer, other public utilities useful or necessary to the proper economic development of the leased premises and the improvements thereon. At Lessee's request Lessor shall execute or join in execution of such instruments as may be necessary or appropriate to relocate, terminate or alter any easement or right-of-way relating to the leased premises.

Lessee agrees to prepare plans for a southward extension of American Drive to intersect with Montana Avenue. Lessor agrees to use its best efforts to construct and pay for the extension of America Drive in accordance with the plans, as approved by Lessor, and that such street extension shall define the boundaries between Parcels 2 (as identified in the April 11, 1978 Contract between Lessor and Lanward Corporation) and 3 upon completion. Any portion of any parcel encompassed within the street extension shall not be the subject of any lease by, or rental provisions incumbent upon, Lessee.

### Article III

#### Obligations of Lessee

A. Net Lease. This lease in every sense shall be without cost to the Lessor for the development, maintenance and improvement of the leased premises. It shall be the sole responsibility of the Lessee to keep, maintain, repair and operate the entirety of the leased premises and all improvements and facilities placed thereon at Lessee's sole cost and expense. Lessee may require its tenants and/or sublessees to keep, maintain, repair and operate all or portions of the leased premises and all or part of the improvements and facilities placed thereon, provided that such requirement will not relieve Lessee of the primary responsibility to Lessor under the terms of this provision. This paragraph is not intended, and it shall not be interpreted, as a provision for the benefit of Lessee's tenants or sublessees.

B. Condition of Premises. Lessee accepts the leased premises in their present condition. The term "present condition" as used in this paragraph shall not be construed to relieve Lessor of its obligations for site preparation.

C. Permitted Uses. Lessee covenants and agrees that in no event will it engage in any activities other than permitted uses as herein defined, and that it shall exercise no privilege or right reserved to fixed base operators and other commercial aviation operators on said Airport. Lessee agrees that no business which rents automobiles from the premises shall be permitted on Parcels 1 or 3. The term "rent automobiles" shall mean renting or offering for rent to the public or to any member of the public any automobile, without the services of a driver, except those automobiles not regularly available for rental for less than one month. These provisions are for the benefit of Lessor only and not for the benefit of any third party.

D. Right to Construct. Lessee shall have the right, subject to full compliance with applicable law and with the "Lease Restrictions and Covenants" attached hereto as Exhibit "B" and incorporated herein by reference, at any time and from time to time during the term of the Lease to locate, construct, alter, repair, remodel and/or replace any and all improvements on the leased premises and demolish, raze, and otherwise remove the same. All of such improvements and any and all subsequent alterations, modifications, enlargements, additions and replacements made by Lessee during the Initial Term and any Extended Term shall be deemed to be a part of Lessee's investment as defined in Article VII, paragraph G. Such construction shall not, however, exceed the maximum allowable elevations provided for in section 3-22 of the El Paso City Code.

E. Maintenance. Lessee shall at its sole cost and expense maintain the leased premises and the buildings, improvements and appurtenances thereto in a presentable condition consistent with good business practice and equal in appearance and character to other similar improvements on said Airport. Lessee shall repair all damages to said

leased premises caused by its employees, patrons or its operations thereon; shall maintain and repair all equipment thereon, including any drainage installations, paving, curbs, islands, buildings and improvements; and shall repaint its own buildings as necessary. If said maintenance is not undertaken by Lessee within thirty days after receipt of written notice, Lessor shall have the right to enter upon the leased premises and perform the necessary maintenance, the cost of which shall be borne by Lessee.

F. Utilities. Lessee shall assume and pay for all costs or charges for utility services furnished to Lessee during the term hereof, provided, however, that Lessee shall have the right to connect to any and all storm and sanitary sewers and water and utility outlets at its own cost and expense; and Lessee shall pay for any and all services charges incurred therefor.

If Lessor operates or maintains water or other utility services to the leased premises, it will continue to furnish such services at Lessee's request, provided that Lessee shall assume and pay for necessary meters for measuring said service and the charges for providing such service.

G. Trash, Garbage, Etc. Lessee shall provide a complete and proper arrangement for the adequate sanitary handling and disposal away from the Airport of all trash, garbage and other refuse caused as a result of the operation of its business. Lessee shall provide and use suitable covered metal receptacles for all such garbage, trash, and other refuse. Piling of boxes, cartons, barrels or other similar items on or about the leased premises shall not be permitted.

H. Signs. Lessee shall not maintain upon the outside of any improvements on the leased premises any bill-

boards or advertising signs; provided, however, that Lessee may maintain on the outside of such buildings its name(s) in accordance with the standards prescribed in the "Lease Restrictions and Covenants" attached hereto as Exhibit "B".

I. Field Use Charges. Nothing herein shall be deemed to relieve Lessee and its tenants, sublessees, patrons invitees and others from field use charges as are levied generally by Lessor directly upon the operation of the aircraft.

J. Tenants and Sublessees. Lessee may require any of its tenants or sublessees to perform any of Lessee's obligations under this lease agreement, provided that any such requirement shall not relieve Lessee of its primary responsibility to Lessor for compliance with the terms and provisions hereof.

K. Compliance with Laws. Lessee may, after written notice to Lessor, by appropriate proceedings conducted promptly at Lessee's expense, in Lessee's name, and/or wherever necessary in Lessor's name with Lessor's written consent which shall not be unreasonably withheld, contest in good faith the validity, application or enforcement of any law or regulation, affecting its use and the occupancy of the leased premises.

L. Right to Close for Repairs. Lessee shall have the right from time to time to close the leased premises or parts thereof for such reasonable periods of time as may be required to make repairs, alterations, remodeling, or for any reasonably necessary reconstruction.

M. Operational Licenses and Permits. Lessee may apply for restaurant and alcoholic beverage licenses and other permits or licenses necessary for the operation of the leased premises from time to time as development occurs. Lessor agrees upon request of Lessee to sign

promptly and without charge therefor any applications for such licenses and permits as may be required by Lessee for the construction, conduct and operation on the leased premises of the permitted uses and the business as contemplated by this lease, including, without limitation, applications for licenses and permits for the sale of alcoholic beverages, signs, and any other licenses where the signature of Lessor or owner is required by applicable laws in force at the time, or as may be reasonably desired by Lessee. The cost of obtaining any such licenses and permits shall be borne by the Lessee. Lessee shall indemnify and hold Lessor harmless from all liabilities, claims, costs and expenses which Lessor may incur by reason of having signed any such application or applications.

#### Article IV

##### Term of Leasehold

- A. Term. The term of the lease shall be for a period of forty years commencing on the 1st day of May, 1982.
- B. Right of Early Entry. Notwithstanding the commencement of the term hereof, Lessee shall have the right of entry and access to the premises for the purpose of construction of approved facilities as herein provided for.
- C. Extensions of Term. Lessor hereby grants Lessee two consecutive ten-year options to renew this lease ("Extended Terms"); the first, upon its termination of the Initial Term and the second, upon the termination of the first option term, such options to be subject to all applicable laws and statutes, and on such terms and conditions as are mutually agreeable to Lessor and Lessee.
- D. National Emergency. In the event of national emergency, war, or the lawful assumption by the United States government, or any authorized agency thereof of the

operation, control or use of the Airport, or any substantial part or parts thereof, wherein such national emergency, war, or assumption substantially restricts the Lessee's rights, privileges or use of the leased premises, then this lease and the rights, privileges and use thereunder shall be suspended for the period of time the leased premises are restricted in connection with such national emergency, war, or assumption by the United States government or authorized agency thereof, provided, however, that the term of this lease shall be extended thereafter by the amount of the period of such suspension. In the event such suspension continues for a period of more than ninety days, then Lessee, at its option, may cancel this lease in its entirety subject to other terms and provisions herein. In the event of any such suspension or cancellation, Lessee shall be entitled to such compensation for loss of the value of its then remaining leasehold (including lost profits) and loss of the then undepreciated portion of Lessee's investment, as allowed under applicable law, provided that Lessor shall not be liable to Lessee for any losses suffered by Lessee under this provision.

#### Article V

##### Rentals and Fees

###### A. Ground Rental for First Ten Years of the Term.

During the first ten years of the term hereof, for the gross land area leased hereunder, shown on Exhibit "A", containing approximately 829,980.492 square feet and as defined in Article I, paragraph A, a ground rental of 7.2¢ per square foot per annum shall be paid to Lessor by Lessee for parcel 1, and 7.0¢ per square foot per annum shall be paid for parcel 3 (if parcel 3 is used for office park and/or business park purposes and 16¢ per square foot per annum if used for light commercial purposes. Such annual

ground rental is equal to 6% of the fair market value of parcel 1 and 8% of the fair market value of parcel 3, which have been established by the appraisal(s) which have been obtained substantially as provided for in Article V, paragraphs B(1), (2), (3) and (4) hereof. If a hotel or motel is built on the leased premises, the percentage and minimum rents shall be as set forth in paragraph C below.

All of such rents shall be payable in advance on the first of each and every month in equal monthly installments.

B. Readjustment of Ground Rental. Within ninety days prior to the tenth anniversary of this lease, and within ninety days prior to each tenth anniversary after said tenth anniversary, including any extension hereof, the ground rental payments set forth in paragraph A above shall be adjusted as follows:

(1) Lessor shall select a qualified appraiser who shall reappraise the leased premises and determine the current fair market value of the land. The cost of said appraisal shall be borne by Lessor.

(2) Lessor shall then submit to Lessee in writing the current fair market value of the land as established by said appraisal. If Lessee does not object to said reappraisal within thirty days, the current fair market value of the land shall be established in accordance with Lessor's appraisal, and the basic land rental as described in paragraph A above shall then be adjusted to equal 6% of the current market value of the land, as determined by Lessor's appraisal, for parcel 1 and 8% for parcel 3, for the next succeeding ten-year period. In no case shall the readjusted rental for the ten-year period immediately succeeding the tenth anniversary of this lease be less than the rental for the immediately preceding rental period, nor shall it exceed 20% more than the rental for the immediately preceding rental period. *Parcel 1*  
*Parcel 3*

For each succeeding ten-year period the rental shall be readjusted by appraisal as aforesaid and in no case shall the readjusted rental be 20% more than the rental for the preceding rental period. In no case will the rental be less than the rental for the immediately preceding rental period.

(3) If Lessee does not concur in the current fair market value of the land as established by Lessor's reappraisal, Lessee shall so state in

written notice to Lessor within thirty days after receipt of Lessor's notice. In this event, Lessee shall then select a qualified appraiser who shall reappraise the leased premises and submit his determination of the current fair market value of the land in writing to both Lessee and Lessor within thirty days after Lessee's notice of objection. The cost of said appraisal shall be borne by Lessee.

(4) Upon receipt of the appraisal by Lessee's appraiser, Lessor shall call the two appraisers together in order that a fair appraisal can be agreed upon. Once the appraisal value is established, the basic land rental as described in paragraph A above shall then be adjusted to equal the appropriate percentage of the current fair market value of the land, based on the aforesaid appraisal, as above provided.

C. Rental on Portion of Premises Used for Hotel or Motel Site. Notwithstanding the preceding provisions of this Article V to the contrary, in the event any portion of the leased premises is used for or in conjunction with a hotel or motel, then Lessee shall pay to Lessor for such portion of the leased premises so used during each partial or full fiscal year commencing on the opening date of such facility and continuing so long as such use continues throughout the term of this lease, as the same may be extended; rent equal to the greater of (1) 35¢ per square foot per annum for such portion of the leased premises so used or (2) percentage rental equal to five percent of the gross revenues from room rentals, four percent of the gross revenues from all alcoholic beverage sales, two percent of the gross revenues from food sales and six percent of the gross revenues from miscellaneous sales and services.

Rental for the leased premises for the period prior to the hotel or motel opening date shall be at the established ground rental rate.

For the purpose of computing percentage rental hereunder gross revenues derived from room sales, beverage sales and food sales shall include the gross revenues and receipts, including both cash and credit transactions, of Lessee and all subtenants, licensees, concession-

aires, permittees and others conducting business on the leased premises, derived from room rentals, food sales and beverage sales. Gross revenues from miscellaneous sales and services shall include the gross revenues and receipts of Lessee and of all subtenants, licensees, concessionaires, permittees for such miscellaneous sales and services and others doing business on the leased premises from the sale of merchandise or rentals or services on the leased premises, other than room rentals, beverage sales and food sales; provided, however, that in the case of miscellaneous sales and services by Lessee's subtenants, licensees, concessionaires, or permittees, only the net revenues and receipts received by Lessee from such subtenants, licensees, concessionaires or permittees shall be considered gross revenues from miscellaneous sales and services. In every event, however, gross revenues shall not include:

(1) Refunds, credits or allowances to customers of those operating the leased premises;

(2) The amounts of any federal, state, county, municipal or other sales, excise, admission, entertainment, gross receipts or transaction taxes, however called, now or hereafter levied or imposed upon or requested to be paid or otherwise collected from customers by Lessee or those under it, and the amounts expended by any of them for federal, state, county or local revenue or excise stamps to be affixed to merchandise sold on the premises, or any like taxes, all irrespective of whether required to be or in fact collected from customers or absorbed by the seller. The excise and like taxes excluded in computing gross revenues do not include such taxes incurred while the merchandise was in the hands of the manufacturer, wholesaler, or other predecessor in title of Lessee (or its subtenant or concessionaire); although included in the price paid by Lessee (or its subtenant or concessionaire); but do include such taxes incurred while the merchandise is in the hands of Lessee (or its subtenant or concessionaire) or in connection with the sale to the guests or other customer and passed on to him;

(3) Receipts from the sale of fixtures, suppliers or equipment of Lessee or those under it, not constituting part of the regular stock of merchandise for sale in the ordinary course of business, receipts and charges by Lessee and

those under it for sales to employees of theirs;

(4) Interest in credit sales or past due accounts which may be collected by Lessee or others under it;

(5) Monies repaid to Lessee or those operating under it by hotel guests solely in reimbursement for advancement or outlays of cash made by Lessee or those under it for guests, for service gratuities, C.O.D. packages delivered to the hotel for said guests, or solely in reimbursement of Lessee for other actual advances or outlays of cash made as an accommodation to guests or customers;

(6) Receipts of sales from postage stamps, government postcards and stamped envelopes;

(7) The value of any goods, wares or merchandise transferred by Lessee from the leased premises to any other hotel, motel or business operated by Lessee, or by any subsidiary of Lessee for its own use or use of the subsidiary;

(8) Bad debt write-offs;

(9) The value of meals, uniforms and the like given to the hotel's employees in the course of their employment;

(10) Gratuities to hotel employees;

(11) Telephone, telex and similar charges and rentals collected by Lessee to the extent such charges and rentals are paid over by Lessee to the third party actually providing the equipment or services in question.

Lessee agrees that he will keep a true and accurate set of books, accounts and records for all leased property subject to percentage rent, and that on or before the twenty-eighth day of each calendar month he will furnish to Lessor a verified statement showing the gross revenues from room rentals, beverage sales and food sales, and the gross revenues from miscellaneous sales and services, for the month immediately preceding said statement, and enclose check for payment. Within ninety days following the close of each fiscal year after the opening date of a hotel or motel, Lessee will furnish the Lessor a statement, certified by a certified public accountant, certifying all gross revenues and deductions in accordance

herewith, and such other facts as may be necessary to determine accurately the gross revenues of Lessee upon which the rentals are to be calculated, and covering the preceding year, and certifying the amount of the rentals due for the preceding year over and above the minimum monthly rentals, and will accompany said statement with a check in payment of all excess rentals due by virtue of these provisions.

D. Time and Place of Payment. Said rental shall be paid to Lessor at the address set forth in Article XII, paragraph F, monthly in advance on the first day of each month in a sum equal to one-twelfth of the annual rental hereunder. In the case of percentage rental, the monthly installments shall be paid by the 28th day of each calendar month as provided for herein.

E. Records, Reports of Sales. Lessee covenants and agrees to keep at its principal business office records of the gross revenues of any hotel or motel for a period of not less than five years after the expiration of the fiscal year to which such records relate and to furnish Lessor true and accurate statements thereof. Lessee shall either keep, or make available at the hotel or motel, records sufficient to determine gross revenues for a period of at least one year. Within ninety days following the close of each fiscal year after the opening date, Lessee shall deliver to Lessor, a statement certified by a certified public accountant, certifying the hotel or motel's annual gross revenues for the partial fiscal year or the fiscal year ended. If Lessor desires at its own expense to audit the statement of such annual gross revenues and supporting records and data, Lessor shall cause such audit to commence within sixty days following delivery of such statement to

Lessor and to be completed within ninety days following the commencement of said audit. If the audit discloses an underpayment of rental, Lessee shall immediately pay Lessor the additional rent found to be due, and if such underpayment exceeds five percent of the partial rent payment, Lessee shall immediately pay any outside audit expense incurred by Lessor. However, if the audit discloses rental hereunder has been overpaid by Lessee, the excess shall be applied to any amounts then due Lessor by Lessee, and the balance, if any, shall be refunded to Lessee. All underpayments and overpayments of rent shall draw interest at the rate of twelve percent per annum. Lessor shall keep all information regarding gross revenues of the hotel or motel in strict confidence and shall not divulge said information to third parties, insofar as it is legally able to do so.

#### Article VI

##### Insurance and Indemnification

A. Fire Insurance. Lessee shall procure from a company authorized to do business in the State of Texas and keep in full force and effect fire insurance including extended coverage upon the buildings located on the leased premises for at least eighty percent of the full insurable value thereof and shall furnish Lessor with evidence that such coverage has been procured and is being maintained. Further, Lessee shall be required to expend the necessary funds not covered by this insurance to restore the buildings, if same are damaged by fire and other causes.

B. Indemnification. Lessor shall stand indemnified by Lessee as herein provided. Lessee is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and Lessor shall in no way be responsible therefor. In the

use of the Airport in the erection, construction or removal of any improvements thereon, and in the exercise or enjoyment of the privileges herein granted, Lessee shall indemnify and save harmless the Lessor from any and all losses that may proximately result to the Lessor because of any negligence on the part of the Lessee.

Lessee shall promptly after the execution of this lease provide public liability insurance for personal injuries/death growing out of any one accident or other cause in a minimum sum of Two Hundred Fifty Thousand Dollars (\$250,000.00) for one person and Five Hundred Thousand Dollars (\$500,000.00) for two or more persons; and in addition shall provide property damage liability insurance in a minimum sum of One Hundred Thousand Dollars (\$100,000.00) for property damages growing out of any one accident or other cause.

Lessee shall maintain said insurance with insurance underwriters authorized to do business in the State of Texas. All policies shall name Lessor, its officers, servants, agents and employees as additional insureds. Lessee shall furnish Lessor with a certificate from the insurance carrier showing such insurance to be in full force and effect during the entire term of this lease, or shall deposit with Lessor copies of said policies. Said policies or certificates shall contain a provision that written notice of cancellation or of any material change in said policy by the insurer shall be delivered to Lessor thirty days in advance of the effective date thereof.

C. Destruction Within Last Five Years of Term.

Notwithstanding anything contained herein to the contrary, if during the last five years of the Initial Term or each of the Extended Terms, if any, any improvements on the leased premises shall be damaged by fire or other casualty so that the cost of repairing or replacing the same shall

equal or exceed thirty percent of the fair market value of the leasehold improvements, as reasonably estimated by Lessee, Lessee shall have the option, upon written notice given within thirty days after such casualty:

1. To repair or restore such damaged improvements; or

2. To terminate the Lease by written notice thereof to Lessor. Lessee's option to terminate shall be conditioned upon Lessee's safeguarding the portion of the improvements not damaged from further damage because of the effects of such casualty, or, at Lessor's election, removing all such improvements and restoring the leased premises to substantially the same condition it is in the lease commencement date at no cost to Lessor. Lessee shall assign to Lessor Lessee's rights to the insurance proceeds payable on account of such casualty not required to pay principal and interest on the leasehold mortgage within fifteen days after giving said notice of termination. The lease shall terminate upon receipt by Lessor of said notice and satisfactory evidence that the leasehold mortgage has been paid and released, and payment by Lessee to Lessor of all rents and other amounts owing to Lessor under the lease to the date of termination have been paid. The leased premises and all improvements remaining thereon shall be surrendered to Lessor.

Lessor may avoid termination by Lessee as herein provided, by offering Lessee an extension of term of sufficient duration to allow, in Lessee's reasonable judgment, the amortization of any additional investment Lessee would make to repair or restore the damaged improvements.

## Article VII

### Financing, Subordination

A. No Mortgaging or Encumbrancing by Lessor. On the effective date of this lease the leased premises shall be free and clear of all mortgage liens and like encumbrances other than those expressly agreed to in accordance with this Lease. Thereafter, Lessor shall not mortgage or otherwise encumber its interest in the leased premises

without the prior written consent of Lessee and Lessee's leasehold mortgagee, if any.

B. No Subordination of Lessor's Fee. Lessor shall not be required to subordinate its fee, reversionary interest, or estate in and to any land, buildings or improvements now or hereafter erected on the leased premises.

C. Financing of Lessee's Leasehold Interest. Lessee shall have the absolute right at any time and from time to time to mortgage its leasehold interest herein upon such terms, conditions and maturity as Lessee shall determine, and to enter into any and all extensions, modifications, amendments and replacements of any such leasehold mortgage(s) as may be required. If Lessee, or Lessee's successor or assigns, shall mortgage its leasehold interest, then, as long as any such leasehold mortgage(s) shall remain unsatisfied of record, Lessor agrees that the following provisions shall apply:

(1) Lessor will not cancel, accept a surrender of or modify this lease or attornment of any sublease in the absence of a default by Lessee without the prior consent in writing of the leasehold mortgagee.

(2) If the holder of any mortgage on Lessee's leasehold interest shall register with the Lessor his or its name and address in writing, no notice by Lessor to Lessee shall be deemed to have been duly given hereunder unless and until a copy thereof has been mailed to the holder of the leasehold mortgage by registered or certified mail at the address registered with Lessor.

(3) In the event Lessee shall be in default hereunder the leasehold mortgagee shall, within the period and otherwise, as herein provided, have the right to remedy such default, or cause the same to be remedied and Lessor shall accept such performance by or at the instigation of such leasehold mortgagee as if the same had been done by Lessee. No default on the part of Lessee shall be deemed to exist if steps shall in good faith have been commenced promptly by Lessee or by the leasehold mortgagee to rectify the same and shall be prosecuted to completion with diligence. Lessee hereby constitutes and appoints the leasehold mortgagee Lessee's agent and attorney-in-fact with full power, in Lessee's name, place and stead, and at Lessee's cost and expense, to enter upon the leased premises and

perform all acts required to be performed hereunder or in any sublease made hereby by Lessee.

(4) If Lessor elects to terminate this lease pursuant to any right of termination resulting from Lessee's being in default hereunder, then any leasehold mortgagee, in addition to all other rights herein granted such holder, shall have the right to postpone and extend the specified date of termination of this lease fixed by Lessor in a notice given pursuant to the applicable provisions of this lease, for a period of not more than six months (subject to extension as provided below), provided such holder shall promptly thereafter initiate steps to acquire Lessee's interest herein by foreclosure of its mortgage or otherwise. Such right shall be exercised by the leasehold mortgagee giving Lessor notice of the exercise of same prior to the time of termination otherwise established by Lessor's notice of termination. The aforesaid six-month period shall be extended for such time as is reasonably necessary for the leasehold mortgagee to acquire Lessee's interest herein, provided such leasehold mortgagee has initiated and is diligently pursuing foreclosure, summary dispossession or like proceedings to acquire such interest, and further provided that all rents or other amounts due Lessor under this Lease are fully paid.

(5) Any action to be taken by leasehold mortgagee hereunder a prerequisite to keeping this lease in effect shall be deemed to have been taken properly by such leasehold mortgagee if such action is taken by a nominee, agent or assignee of the leasehold mortgagee.

(6) The parties hereto shall give the leasehold mortgagee notice of any condemnation proceedings affecting the hotel. The leasehold mortgagee shall have the right to intervene and be made a party to any such condemnation proceedings and the parties hereto do hereby consent that the leasehold mortgagee may be made such party, or intervenor.

(7) No leasehold mortgagee shall become liable to perform Lessee's obligations under the agreements, terms, covenants or conditions of this lease unless and until such time as it acquires Lessee's leasehold estate hereunder by foreclosure or otherwise, after which time it shall fully comply with all the terms, covenants and conditions of this lease for so long as it remains owner of the leasehold estate. Upon any assignment of this lease by any owner of the leasehold estate whose interest shall have been acquired by, through or under any leasehold mortgage or shall have been derived immediately from any holder thereof, the assignor shall be relieved of any further liability which may accrue hereunder from and after the date of such assignment, provided that the assignee shall execute and deliver to Lessor a recordable instrument of assumption wherein such assignee shall assume the rights and obligations of Lessee and agree to perform and observe all covenants

and conditions and provisions of this lease as they are applicable to Lessee.

(8) Anything herein contained to the contrary notwithstanding, the provisions of this Article VII shall inure to the benefit of the holders of leasehold mortgages. If the holders of more than one such leasehold mortgage shall make written requests upon Lessor in accordance with this lease, the request of the holder whose leasehold mortgage shall be prior in lien shall have the first opportunity to exercise the rights of a leasehold mortgagee hereunder, and thereupon the requests of each holder of a leasehold mortgage junior in lien shall be deemed to be void and of no force or effect. In the event of a dispute or disagreement as to the respective priorities of any such leasehold mortgages, the certification as to such priorities by any reputable title insurance company doing business in El Paso, Texas shall be conclusively binding upon all the parties concerned.

Lessor agrees to execute, acknowledge and deliver such documents as may be reasonably required by any leasehold mortgagee in order to evidence and effectuate the purpose and intent of this Section C; provided that such documents contain no more than the usual and customary provisions as are then found in documents relating to similar financial transactions; and provided further that no provisions contained in such documents materially and adversely effect Lessor's rights under this lease.

D. Lessor's Right to Cure Default Under Leasehold Mortgage(s). Lessee agrees to use its best efforts to have any leasehold mortgages made pursuant to this lease provide that the mortgagee therein shall by certified mail and in writing give Lessor notice of the occurrence of any event of default, and shall further provide that Lessor shall be given at least thirty days notice of default in debt service payments before the leasehold mortgagee will initiate any mortgage foreclosure action. If any payments required under the provisions of the leasehold mortgage(s) shall not be made or any covenants shall not be kept which shall constitute a default under the terms of the leasehold mortgage, Lessor may cure said default, provided it gives

Lessee ten days notice of its intention to cure such default. If Lessor shall elect to cure such default, Lessee shall pay the cost thereof to Lessor, together with interest thereon at the rate of State National Bank of El Paso prime plus one and one-half percent as additional rent, unless Lessee shall cure such default within said ten-day period, or (1) if compliance requires more than ten days and Lessee shall have commenced compliance within a reasonable time after such notice and shall have cured such default within thirty days after commencing compliance, or (2) Lessee shall obtain from the leasehold mortgagee a written extension of time in which to cure such default together with a separate written extension of time granting Lessor a reasonable additional time to cure said default if said default is not cured within said extended time and copies thereof are delivered to Lessor. Lessee does hereby authorize Lessor, in Lessor's name, without any obligation or duty on it to do so, to do any act or thing required of or permitted to Lessee to prevent any default under said leasehold mortgage, or any acceleration thereof, or the taking of any foreclosure or other action to enforce the collection of the indebtedness, and Lessee agrees to indemnify and hold Lessor harmless and to reimburse Lessor upon demand for all reasonable costs, charges and expenses incurred by Lessor in such connection. If Lessee at any time shall request any leasehold mortgage to grant a moratorium on payment, to waive payment or to extend the time for payment, Lessee shall give Lessor written notice thereof by certified mail concurrently with the making of said request and shall further give Lessor written notice by certified mail of the granting or denial of said request.

E. Revenue Bond Financing. Lessor may issue Special Facilities Revenue Bonds, Industrial Development

Bonds or similar instruments (hereinafter called "Bonds") to finance all or a portion of the improvements to the leased premises and may enter into a Special Facilities Lease or similar arrangement (hereinafter called "Special Facilities Lease"), which will provide for payments by Lessee sufficient to amortize such Bonds and/or Additional Parity Bonds issued pursuant to the ordinance that authorized the Bonds (hereinafter called "Additional Parity Bonds"). To that end, Lessor may adopt such resolutions, ordinances and the like, and generally may do such acts as may be necessary or desirable when requested by Lessee, to facilitate and accomplish such financing if available, and the issuance of such Bonds and/or any bonds which are issued as Additional Parity Bonds for further improvements to the leased premises pursuant to the bond ordinance that authorized such bonds including Bonds issued to refund such Bonds.

F. Equipment Leasing. Lessee represents that some of the equipment, fixtures and furniture (collectively designated herein as "Trade Equipment), now or hereafter to be installed by Lessee in and used upon the leased premises, may or will be directly financed by a lender or owned by an equipment rental company ("Equipment Lessor") and leased to Lessee either directly from the Equipment Lessor or by way of equipment sublease or assignment of equipment lease from an Equipment Sublessor, and Lessor hereby agrees to recognize the rights therein of any such lender or Equipment Lessor or Sublessor (or assignee). Lessor agrees that all such items of financed or leased Trade Equipment installed or to be installed on the real property constituting the leased premises shall be and remain personal property and not real property, notwithstanding the fact that the same may be nailed or screwed or otherwise attached or affixed to such real property, and

further agrees to recognize the rights therein of any such lender or Equipment Lessor or Sublessor (or assignee). Lessee shall have the right at any time to remove or replace any and all such financed or leased Trade Equipment regardless of whether annexed or attached to the leased premises, and to the extent of their respective interests therein such lender or Equipment Lessor or Sublessor (or assignee) shall also have such a right. Any damage to the leased premises caused by such a removal shall be repaired by and at the expense of Lessee or other party removing it. Lessor waives any claim arising by reason of any Lessor's lien or otherwise with respect to the financed or leased Trade Equipment or to Trade Equipment upon which Lessee has granted a security interest to a bona fide lender, and agrees that any such lender or Equipment Lessor or Sublessor (or assignee) may remove and dispose of the same without reference to, and free and clear of, any or other demand of Lessor, provided that said disposal or sale shall not be made on the leased premises. With respect to any Trade Equipment which is not leased, or subject to a security interest, Lessor agrees that as long as Lessee is not in default under the terms of the lease, Lessee shall have the right to replace the same irrespective of whether annexed or attached to the leased premises. Any damage to the leased premises caused thereby shall be promptly and effectively repaired by and at the expense of Lessee.

G. Lessee's Investment. Any construction of improvements upon the leased premises or alterations to such improvements made by Lessee shall be collectively referred to herein as "Lessee's Investment". Lessee's investment shall be and remain the property of Lessee during the term of the lease. Lessee shall have no right to remove Lessee's investment or allow or permit the same to be removed from the leased premises except for the purpose

of replacement when such items are replaced by items of similar use and purpose having an equal or greater value and then only in accordance with the provisions of this lease. Title to Lessee's Investment upon termination of the lease, whether by expiration of its term or otherwise, shall thereupon vest in Lessor. Lessee shall retain all rights to depreciation deductions and tax credits arising from ownership of Lessee's Investment and Lessee's Investment shall be included as part of Lessee's leasehold interest in the property for purposes of Article XI.

#### Article VIII

##### Termination of Lease, Cancellation, Assignment and Transfer

A. Termination. This lease shall terminate at the end of the full term, or any extension thereof, and Lessee shall have no further right or interest in any of the lands or improvements hereby leased, except as provided in Article IX.

B. Cancellation by Lessee. This lease shall be subject to cancellation by Lessee after the default by Lessor in the performance of any covenant or agreement herein required to be performed by Lessor and the failure of Lessor to remedy such default for a period of sixty days after receipt from Lessee of written notice to remedy the same.

Lessee may exercise such right of termination by written notice to Lessor at any time after the elapse of the applicable period of time and this lease shall terminate as of that date. Rental due hereunder shall be payable only to the date of said termination.

C. Cancellation by Lessor. The following shall constitute acts of default by Lessee:

- (1) Lessee shall fail to pay rental or any part thereof, when due, and such failure shall

continue for a period of twenty days following written notice to Lessee and leasehold mortgagee from Lessor; or

(2) Lessee shall default under any provision of any leasehold mortgage and such failure shall continue for a period of twenty days following written notice to Lessee from Lessor or such mortgagee; or

(3) Lessee shall fail to observe or perform any of the other covenants, terms and conditions contained in the lease on Lessee's part to be performed and such failure shall continue and not be cured for a period of thirty days after written notice to Lessee by Lessor, or if more than thirty days is reasonably required to cure such matter and Lessee shall commence to correct the same within thirty days but shall thereafter fail to complete same with reasonable diligence.

In the event of default by Lessee or at any time thereafter during the continuance of such default, Lessor may elect to terminate the Lease by giving written notice thereof to Lessee, and upon such termination Lessor may then or at any time thereafter:

(1) Re-enter and take possession of the leased premises or any part thereof and all improvements thereon and expel or remove Lessee from the leased premises without resort to any legal proceedings and without being deemed guilty of any trespass or becoming liable for any loss or damage which may be occasioned thereby; or

(2) Bring an action for summary possession of the leased premises or any part thereof as provided by law;

(3) Bring an action to recover money damages for default(s) of Lessee hereunder provided, however, that such recovery shall be limited to those defaults, including failure to pay rent, occurring prior to the date of actual termination. Lessee shall not be liable for any prospective rentals otherwise accruing after the date of actual termination for the remainder of the Initial or Extended Terms.

The failure of Lessor or Lessee to insist upon strict performance of any of the covenants or conditions of the Lease or to exercise any option herein conferred in any one or more instances shall not be construed as a waiver or relinquishment for the future of any such covenant, condition, or option, but the same shall be and remain in full

force and effect. Acceptance by Lessor of rent from Lessee with knowledge of the existence of a breach of the Lease by Lessee shall not constitute a waiver of such breach, nor a waiver of the right of Lessor to insist upon Lessee's curing such breach or default.

If Lessor declares this lease terminated upon the default of Lessee for any of the reasons set out in Article VIII, paragraph C hereof, Lessor shall enter into a new lease of any subleased portion of the leased premises with any subtenant not then in default under a sublease which conforms with the requirements elsewhere specified herein for the remainder of the term of such sublease and subject to the terms and conditions contained in such sublease.

D. Assignment and Transfer. Lessee shall have the right and privilege of sale, assignment or transfer of this lease for the conduct of the permitted uses stated herein subject to the prior written approval of Lessor which shall not be unreasonably withheld. After a sale or assignment by Lessee of its interests herein, Lessee shall be relieved from liability for rental payments accruing thereafter.

E. Subleasing. Lessee shall have the right to sublease all or any part of the space leased hereunder for the same purposes permitted under Article I, paragraph C hereof without Lessor's prior written consent. Any sublessee shall be subject to the same, or more restrictive, conditions, obligations and terms set forth herein and Lessee shall be responsible for the observance by its tenants and sublessees of the terms and covenants of this lease. Lessee shall include in all subleases a provision that if the Lessor declares this lease terminated because of the default of Lessee, the sublessee, if not in default, shall enter into a new lease of the subleased portion of the leased premises with Lessor for the remainder of the term of the sublease, and subject to the terms and condition

contained therein, so as to establish direct privity of contract and estate between Lessor and such sublessee.

#### Article IX

##### Rights Upon Termination

A. General. At the termination of this lease for any reason except as outlined in paragraph B below, Lessor shall be entitled to have the land leased herein returned to it clear of all improvements above ground level which have been constructed by Lessee, provided, however, that Lessee may have ninety days after termination in which finally to remove any such improvements, and provided that such occupancy for the purposes of removal shall be subject to rentals due hereunder. If Lessee fails so to remove said improvements, they may thereupon be removed by Lessor at Lessee's expense.

Lessor may, at its option, take title to said improvements in lieu of removal by or for Lessee. In that event, Lessor shall notify Lessee of its decision at least thirty days prior to termination of this lease.

#### Article X

##### Encumbrances

A. Encumbrance. Lessee may encumber its leasehold estate and its interest in the buildings and improvements on the leased premises by mortgage, deed of trust or other instrument in the nature of a mortgage or deed of trust. In such event the trustee in said instrument or payee or beneficiary in the note or other obligation secured by such instrument may deliver to Lessor written notice showing (a) the amount of the obligation secured by such instrument and date of the maturity or maturities thereof, and (b) name and post office address of such beneficiary, payee or trustee. In the event such notice shall be given,

then thereafter Lessor shall serve on such mortgagee, beneficiary, payee or trustee, by certified mail at the address given or to any subsequent address thereafter given, a copy of every notice thereafter served by Lessor upon Lessee, under the terms of this lease, during the existence of such mortgage or deed of trust. Such copy shall be mailed not later than one day after service of the original upon Lessee.

B. Mortgagee's Rights. In the event of the nonperformance or default in the performance of any covenant or provision hereof to be performed by Lessee during the existence of any such mortgage or deed of trust which Lessee may place upon the leasehold estate or Lessee's interest in the improvements thereon, the beneficiary, mortgagee, trustee or payee named in any such mortgage or deed of trust or their nominee shall have the right, within the time hereinafter provided, to perform and comply with all the covenants and provisions of this lease to be performed by the Lessee and to make all payments required of Lessee by this lease, and by so doing thus cure and remove any such default or nonperformance of the terms hereof as if the same had been done and performed by Lessee; provided such beneficiary, mortgagee, trustee or payee so named in any such mortgage or deed of trust has first served notice of the existence of such mortgage or deed of trust on Lessor as herein provided. Any such beneficiary, mortgagee, trustee or payee named in any mortgage or deed of trust upon whom notice has been served by the Lessor that the Lessee is in default, may have 180 days after the expiration of the time limit prescribed in any notice of default in which to cure any such default after the failure of the Lessee so to do. If the nature of the default is such that it cannot be cured within 180 days, such beneficiary, mortgagee, trustee or payee shall be deemed to

have cured such default if it, or its nominee, shall within such 180-day period commence performance, and thereafter diligently prosecute the same to completion.

C. Rights of Foreclosure. In the event of the foreclosure of the lien secured by any mortgage or deed of trust on the leased premises, the purchaser in foreclosure shall have the right to be considered as the Lessee herein for all purposes the same as though he were the original party hereto.

## Article XI

### Condemnation

A. Definitions. The following definitions apply in construing provisions of the lease relating to a taking of or damage to all or any part of the leased premises or improvements or any interest in them by eminent domain or condemnation.

(1) Taking means taking or damaging, including severance damage, by eminent domain or by condemnation or for any public or quasi-public use under any statute. The transfer of title may be either a transfer resulting from the recording of a final order in condemnation or a voluntary transfer or conveyance to the condemning agency or entity under threat of condemnation, in avoidance of an exercise of eminent domain, or while condemnation proceedings are pending. The taking shall be considered to take place as of the later of (i) the date actual physical possession is taken by the condemnor or (ii) the date on which the right to compensation and damages accrues under the law applicable to the leased premises.

(2) Total taking means the taking of the fee title to all the leased premises and the improvements on the leased premises, which shall be considered to include any improvements on the leased premises or any offsite improvements effected by Lessee to serve the leased premises.

(3) Substantial taking means the taking of the leased premises or improvements or both if the following conditions result:

(i) Such taking, in the reasonable judgment of Lessee, materially prevents or impedes Lessee in the conduct of its business on the leased premises in substantially the same manner as before the taking, and

(ii) The cost of repairing or replacing the improvements shall exceed thirty percent of the fair market value of the leasehold improvements as reasonably estimated by Lessee.

(4) Partial taking means any taking of the fee title that is not either a total or a substantial taking.

(5) Notice of intended taking means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of taking as distinguished from a mere preliminary inquiry or proposal. It includes but is not limited to the service of a condemnation summons and complaint on a party to the lease. The notice is considered to have been received when a party to the lease receives from the condemning agency or entity a notice of intent to take, in writing, containing a description or map of the taking reasonably defining the extent of the taking.

(6) Award means compensation paid for the taking whether pursuant to judgment or by agreement or otherwise.

B. Notice of Taking; Representation.

(1) The party receiving any notice of the kinds specified below shall promptly give the other party notice of the receipt, contents and date of the notice received;

(i) Notice of intended taking;

(ii) Service of any legal process relating to condemnation of the leased premises or improvements;

(iii) Notice in connection with any proceedings or negotiations with respect to such condemnation; or

(iv) Notice of intent or willingness to make or negotiate a private purchase, sale, or transfer in lieu of condemnation.

(2) Lessor, Lessee, and all persons and entities holding under Lessee shall each have the right to represent his or its respective interest in each proceeding or negotiation with respect to a taking or intended taking and to make full proof of his or its claims. No agreement, settlement, sale or transfer to or with the condemning authority shall be made without the consent of Lessor and Lessee. Lessor and Lessee each agree to execute and deliver to the other any instruments that may be required to effectuate or facilitate the provisions of the lease relating to condemnation.

C. Total Taking. Upon the occurrence of a total taking, the lease shall terminate and the award shall be allocated as follows:

(1) First, to Lessor in an amount equal to the fair market value of the leased premises (excluding improvements thereon) subject to the lease.

(2) The balance to Lessee or to any leasehold mortgagee, as their interests may appear.

D. Substantial Taking. Upon the occurrence of a substantial taking, Lessee shall have the option to terminate the lease by giving written notice thereof to Lessor not later than sixty days after the date of the taking. If Lessee does not elect to terminate the lease, such taking shall be deemed a partial taking. If Lessee elects to terminate this lease, the award shall be allocated among the leasehold mortgagee (if any), Lessor and Lessee as the parties may then determine to be just and equitable under all the circumstances.

E. Partial Taking. In the event of a partial taking, the lease shall not terminate nor shall there be any abatement of rent and the award shall be paid to Lessee and shall be used to repair and restore the leased premises in accordance with the provisions of Article VI relating to damage and destruction. Any excess proceeds shall be allocated among the leasehold mortgagee (if any), Lessor and Lessee in the same manner as set forth in Article XI, paragraph D.

## Article XII

### General Provisions

A. Restrictions and Covenants. Lessee agrees that Lessee's use and occupancy of the premises shall be governed by the restrictions and covenants set forth in

Exhibit "B" attached hereto, the same as if the restrictions and covenants had been expressly set forth herein. It is agreed, however, that Lessor and Lessee may amend such restrictions and covenants by mutual agreement at any time without the consent of any third party who may be benefited thereby.

B. Attorneys' Fees. In any action brought by either party for the enforcement of the obligations of this lease, the successful party shall be entitled to recover interest and reasonable attorneys' fees.

C. Taxes.

(1) Lessee agrees to pay any taxes or assessments which may be lawfully levied against Lessee's occupancy or use of the leased premises or any improvements placed thereon as a result of Lessee's occupancy, except real estate taxes on land.

(2) Anything in the lease to the contrary notwithstanding, Lessee shall not be required to pay any tax or imposition in the nature of an income, estate, tax on rental payments, or inheritance tax imposed because of Lessor's ownership of the fee title to the leased premises or because of Lessor's interest in the lease.

(3) Lessee covenants to comply with the provisions of any mortgage of Lessee's on the leased premises which requires the payment of taxes into a separate tax escrow.

(4) Lessee may, at any time, in good faith and upon reasonable grounds, dispute or contest the validity of the whole or any part of any taxes, assessments, charges, penalties or claims, upon the leased premises and improvements thereon, defend against the same, and may in good faith diligently conduct any necessary proceedings to prevent and avoid the same, provided that Lessee shall first give adequate notice to Lessor of Lessee's intention to dispute or contest the same. It is understood that Tenant shall not, in the event of and during the bona fide and diligent prosecution of such proceeding, be taken to be in default in respect to the subject matter of such proceeding so long as Lessee complies with the provisions of this section. Lessee further agrees that any such contest shall be prosecuted to a final conclusion as speedily as is reasonably possible. Any rebate made on account of any taxes or charges paid on the leased premises shall belong and be repaid to the party having made such payment. Upon reasonable consent of Lessor which shall not be unreasonably withheld, Lessor further agrees to render to Lessee any and all reasonable assistance, at no cost to Lessee, (so long

as no expense shall be incurred by Lessor) in contesting the validity or amount of any such taxes, assessments, or charges, including (if required) joining in the signing of any reasonable protests or pleadings which Lessee may reasonably deem advisable to file. During any such contest, Lessee will (by payment of such disputed taxes, assessments, or charges, if necessary) prevent any foreclosure of, or any divesting thereby of Lessor's title, reversion, or other interest in or to the leased premises and will further (by the payment of such disputed taxes, assessments, or charges, if necessary) prevent the public sale or foreclosure of any lien for any such taxes, assessments, or charges and take whatever action is necessary to prevent Lessor from incurring or being exposed to any criminal or civil liability with respect to any such contested taxes, assessments or charges. Lessor shall promptly reimburse Lessee for any such payment made by Lessee for impositions attributable to the leased premises which are the responsibility of Lessor hereunder, including any payments applicable to any period subsequent to termination of the lease.

D. Continued Operation of El Paso International Airport. In the event that the City of El Paso discontinues the operation of El Paso International Airport at its present location, and such action has a demonstrable adverse effect upon the revenue produced by the hotel or motel the Lessor shall, at the option of Lessee, purchase all improvements constructed in connection with such hotel, or motel at the depreciated value of such improvements if allowed by law. This provision shall not apply to any temporary interruption in the operation of El Paso International Airport caused by an act of God, war, disaster or accident not within the control of the Lessor.

E. Paragraph Headings. The paragraph headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision of this lease.

F. Notices. Notices to Lessor provided for herein shall be sufficient if sent by certified mail, postage prepaid, addressed to: Airport Manager, El Paso International Airport, El Paso, Texas 79925, and notices to Lessee, if sent by certified mail, postage prepaid, addressed to: Richard N. Azar, ~~P. O. Box 10073~~, El Paso,   
2424 Altima Ave. (79930)

Texas 79991 or to such other addresses as the parties may designate to each other in writing from time to time.

G. Successors and Assigns. All of the terms, covenants and agreements herein contained shall be binding upon and shall inure to the benefit of successors and assigns of the respective parties hereto.

H. Right of Flight. Lessor reserves the right of flight for the passage of aircraft above the surface of the leased premises, together with the right to cause in such airspace such noise as may be inherent to the operation of aircraft now known or hereafter used; and Lessor reserves the right of using said airspace for landing at, taking off from, or operating aircraft on said Airport.

I. Nondiscrimination. The Lessee, for itself, its successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as follows:

(1) That in the event facilities are constructed, maintained, or otherwise operated on the property described in this lease for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(2) That no person on the grounds of race, color or national origin or sex shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

(3) That in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, color, national origin or sex shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination.

(4) That the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal

Regulations, Department of Transportation, Subtitle A, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

J. Partial Invalidity. If any provision of the lease shall be invalid or unenforceable it shall not affect the validity of any other provision of lease.

K. Recording. Lessor and Lessee will execute for purposes of recordation in the appropriate recording office a memorandum or short form of the lease containing the names of the parties, a description of the leased premises, the term of the lease, and such other provisions as either party may require. The cost and expenses of recording the memorandum or short form of the lease shall be born by the party asking for the memorandum to be recorded. Each party agrees that it will not record the lease in its entirety unless such a recording is required to protect the rights of Lessor and Lessee hereunder or unless required by the leasehold mortgagee. The memorandum or short form of Lease shall not be recorded until the Lease Commencement Date.

L. Headings. Headings as to contents of particular sections herein are inserted only for convenience, and are in no way to be construed as a part of the lease or as a limitation on the scope of the particular section to which they refer.

M. Applicable Law. The laws of the State of Texas shall govern the validity, performance and enforcement of this lease.

N. Binding Effect. The covenants, conditions and agreements contained in the lease shall bind, apply to and inure to the benefit of the parties hereto and to their respective heirs, estates, successors and assigns.

O. Authority to Execute. The officers of Lessor and Lessee are, individually and severally, duly authorized to execute the lease on behalf of their respective principals.

P. Estoppel Certificates. Lessor and Lessee will, at any time and from time to time within fifteen days of the request of the other party, execute, acknowledge, and deliver to the other party a certificate certifying:

(1) That the lease is unmodified and in full force and effect (or, if there have been modifications, that the same are in full force and effect as modified and stating such modifications);

(2) The dates, if any, to which the annual minimum rental, percentage rental and any additional rental and charges have been paid;

(3) Whether there are any existing defaults by the other party to the knowledge of the party making such certification specifying the nature of such default, if any; and

(4) Such other matters as may be reasonably requested.

Any such certificate may be relied upon by any party to whom the certificate is directed.

Q. Holding Over. Except as set forth in Article IV, paragraph C, the lease shall terminate without further notice at expiration of the term. Any holding over by Lessee after expiration shall not constitute a renewal or extension or give Lessee any rights in or to the leased premises except as otherwise expressly provided in the lease.

R. Entire Agreement. This lease together with all exhibits constitutes the entire undertaking of the parties and shall not be amended or modified except by written instrument signed by both parties.

IN WITNESS WHEREOF, the parties have hereunto set  
their hands this 8<sup>TH</sup> day of JUNE, 1982.

LESSOR:

The City of El Paso

Attest:

W. B. [Signature]  
City Clerk

By [Signature]  
Mayor

LESSEE

Richard A. [Signature]

Attest:

Jerry M. [Signature]

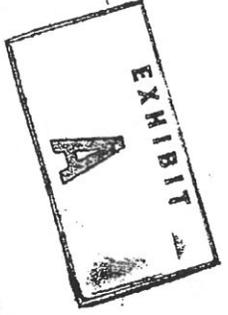
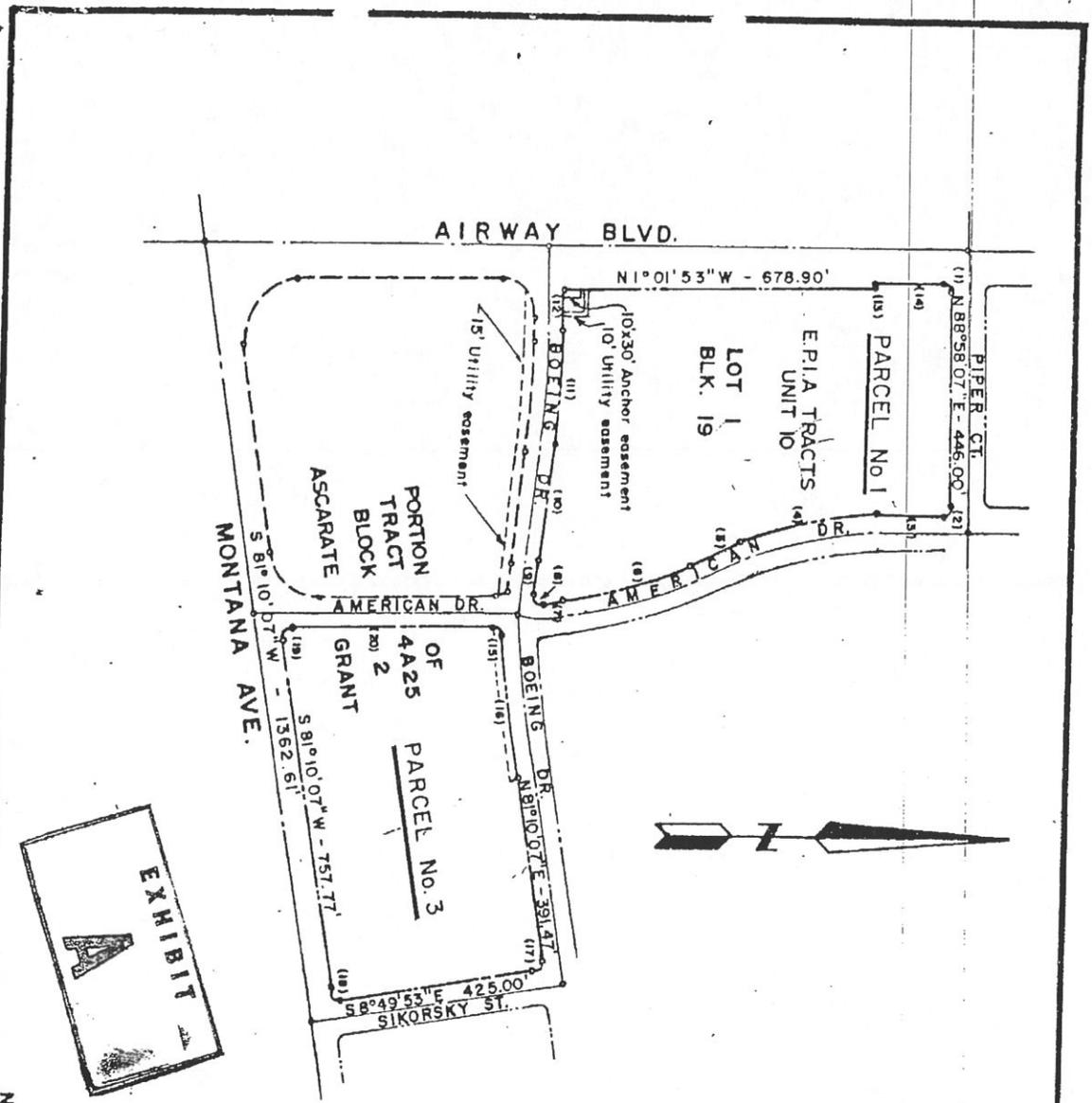
By \_\_\_\_\_

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Title)

APPROVED AS TO FORM:

[Signature]  
Assistant City Attorney



NOTE: This exhibit is correct. It correctly depicts Parcels 1 and 3 as referred to in the Ground Lease. (GM-4/9/2013)

NOT A SURVEY

PARCEL No. 1 - LOT 1, BLOCK 19, E.P.I.A. TRACTS, UNIT 10

No.	BEARING	DIST.	No.	R	A	CH.	A	T
(3)	51° 01' 53" E	145.00'	(1)	20.00'	31.42'	28.28'	90° 00' 00"	20.00'
(8)	522° 32' 14" E	100.01'	(2)	20.00'	31.42'	28.28'	90° 00' 00"	20.00'
(7)	51° 01' 53" E	41.34'	(4)	820.96'	308.15'	306.34'	219° 30' 21"	155.91'
(10)	N 88° 58' 07" W	228.32'	(6)	782.96'	282.62'	280.97'	95° 43' 23"	142.99'
(12)	588° 58' 07" W	91.88'	(8)	20.00'	33.41'	28.87'	95° 43' 23"	22.10'
(13)	588° 58' 07" W	5.00'	(9)	1713.06'	44.16'	44.16'	192° 37' 00"	22.08'
(14)	N 1° 01' 53" W	148.85'	(11)	1861.85'	233.97'	233.97'	7° 42' 00"	117.14'

AREA = 469,662.668 SQ. FT. OR 10.782 AC. ±

PARCEL No. 3 - EAST PORTION OF TRACT 4A25, BLK. 2, ASCARATE GRANT

No.	BEARING	DIST.	No.	R	A	CH.	A	T
(20)	N 0° 01' 53" W	425.15'	(15)	20.00'	32.09'	28.76'	91° 56' 08"	20.69'
			(16)	1781.06'	302.27'	302.27'	9° 44' 08"	151.88'
			(17)	20.00'	31.42'	28.28'	90° 00' 00"	20.00'
			(18)	20.00'	31.42'	28.28'	90° 00' 00"	20.00'
			(19)	20.00'	34.14'	30.14'	97° 48' 00"	22.93'

AREA = 360,317.824 SQ. FT. OR 8.272 AC. ±

REVISED: 5/10/82

PLAT

BEING A PORTION OF TRACT 4A25, BLK 2, ASCARATE GRANT B ALL OF LOT 1, BLK 19, E.P.I.A. TRACTS, UNIT 10, EL PASO COUNTY, TEXAS.

DATE: AUGUST 15, 1980

SCALE: 1" = 300'

CREMANS, INC.  
ENGINEERS PLANNERS  
EL PASO, TEXAS

PREPARED FOR: El Paso International Airport  
N.E. Corner American Drive and Montana Ave.  
Being a Portion of Tract 4A25  
Block 2, Ascarate Grant  
El Paso County, Texas

PARCEL NO. 1

PROPERTY DESCRIPTION

Description of a parcel of land being a Portion of Tract 4A25, Block 2, Ascarate Grant, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a City monument located at the centerline intersection of Boeing Drive and American Drive; thence South  $1^{\circ} 01' 53''$  East along the centerline of American Drive a distance of 53.30 feet; thence South  $85^{\circ} 14' 15''$  East a distance of 34.17 feet to a point lying on the east right-of-way line of American Drive projected, said point being THE POINT OF BEGINNING;

Thence 32.09 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $91^{\circ} 56' 08''$ , and whose chord bears North  $44^{\circ} 56' 11''$  East a distance of 28.76 feet to a point said point lying on the south right-of-way line of Boeing Drive;

Thence, along said right-of-way, 302.63 feet along the arc of a curve to the left whose radius is 1781.06 feet, whose chord bears North  $86^{\circ} 02' 11''$  East a distance of 302.27 feet;

Thence continuing on said right-of-way North  $81^{\circ} 10' 07''$  East a distance of 391.44 feet;

Thence 31.42 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , whose chord bears South  $53^{\circ} 49' 53''$  East a distance of 31.42 feet to a point lying on the west right-of-way line of Sikorsky Street;

Thence South  $8^{\circ} 49' 53''$  East along said right-of-way line a distance of 425.00 feet;

Thence 31.42 feet along the arc of a curve to the right, whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , and whose chord bears South  $36^{\circ} 10' 07''$  West a distance of 28.28 feet to a point lying on the north right-of-way line of Montana Avenue;

Thence South  $81^{\circ} 10' 07''$  West along said right-of-way line a distance of 757.77 feet;

Thence 34.14 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $97^{\circ} 48' 00''$ , whose chord bears North  $49^{\circ} 55' 53''$  West a distance of 30.14 feet to a point lying on the easterly right-of-way line of American Drive projected;

Thence North  $1^{\circ} 01' 53''$  West a distance of 455.15 feet along the east right-of-way line of American Drive projected to a point said point being THE POINT OF BEGINNING and containing in all 360317.824 square feet or 8.272 acres of land more or less.



Ramon E. Lara, P.E.  
CREMANS, INC.

February 1, 1980

NOTE: This Exhibit is incorrectly identified as Parcel No. 1. This is the legal description of Parcel No. 3 depicted on Page 1 of this Exhibit.  
(GM-4/9/2013)

PREPARED FOR: El Paso International Airport  
Being all of Block 19,  
El Paso International Airport Tracts, Unit 10  
El Paso County, Texas

PARCEL NO. 3

PROPERTY DESCRIPTION

Description of a parcel of land being all of Block 19, El Paso International Airport Tracts, Unit 10, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a point, said point being a U.S. Government monument at the intersection of the north right-of-way line of Montana Avenue and the easterly right-of-way line of the Texas and New Orleans Railroad, thence North  $81^{\circ} 10' 07''$  East along the north right-of-way line of Montana Avenue a distance of 988.80 feet thence North  $1^{\circ} 01' 53''$  West along the east right-of-way line of Airway Blvd a distance of 721.31 feet; thence North  $88^{\circ} 58' 07''$  East a distance of 21.69 feet to THE POINT OF BEGINNING;

Thence, continuing along the east right-of-way line of Airway Blvd; North  $1^{\circ} 01' 53''$  West a distance of 678.90 feet;

Thence South  $88^{\circ} 58' 07''$  West a distance of 5.00 feet;

Thence North  $1^{\circ} 01' 53''$  West a distance of 148.86 feet;

Thence 31.42 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , and whose chord bears North  $43^{\circ} 58' 07''$  East a distance of 28.28 feet to a point lying on the south right-of-way line of Piper Court;

Thence, North  $88^{\circ} 58' 07''$  East along the south right-of-way line of Piper Court a distance of 446.00 feet;

Thence 31.42 feet along the arc of a curve to the right, whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , and whose chord bears South  $46^{\circ} 01' 53''$  East a distance of 28.28 feet to a point lying on the westerly right-of-way line of American Drive;

Thence, along the westerly right-of-way line of American Drive, South  $1^{\circ} 01' 53''$  East a distance of 146.00 feet;

Thence, continuing along the westerly right-of-way line of American Dr, 308.15 feet along the arc of a curve to the left, whose radius is 820.96 feet, whose interior angle is  $21^{\circ} 30' 21''$ , and whose chord bears South  $11^{\circ} 47' 03''$  East a distance of 306.34 feet;

Thence, continuing along the westerly right-of-way line of American Drive, South  $22^{\circ} 32' 14''$  East a distance of 100.01 feet;

Thence, continuing along the westerly right-of-way line of American Drive, 282.62 feet along the arc of a curve to the right, whose radius is 752.96 feet, whose interior angle is  $21^{\circ} 30' 21''$ , and whose chord bears South  $11^{\circ} 47' 03''$  East a distance of 280.97 feet;

Thence, continuing along the westerly right-of-way line of American Drive, South  $1^{\circ} 01' 53''$  East a distance of 41.34 feet;

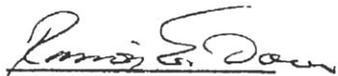
Thence 33.41 feet along the arc of a curve to the right, whose radius is 20.00 feet, whose interior angle is  $95^{\circ} 43' 23''$ , and whose chord bears South  $46^{\circ} 49' 48''$  West a distance of 29.67 feet to a point lying on the north right-of-way line of Boeing Drive;

Thence, along the north right-of-way line of Boeing Drive, 44.16 feet along the arc of a curve to the right, whose radius is 1713.06 feet, whose interior angle is  $1^{\circ} 28' 37''$ , and whose chord bears North  $84^{\circ} 34' 11''$  West a distance of 44.16 feet;

Thence, continuing along the north right-of-way line of Boeing Drive, North  $83^{\circ} 49' 53''$  West a distance of 238.32 feet;

Thence, continuing along the north right-of-way line of Boeing Drive, 233.97 feet along the arc of a curve to the left, whose radius is 1861.86 feet, whose interior angle is  $7^{\circ} 12' 00''$ , and whose chord bears North  $87^{\circ} 25' 53''$  West a distance of 233.81 feet;

Thence, continuing along the north right-of-way line of Boeing Drive, South  $88^{\circ} 58' 07''$  West a distance of 91.58 feet to THE POINT OF BEGINNING and containing 469,662.668 square feet, or 10.782 acres of land, more or less, subject to all easements of record.



Ramon E. Lara, P.E.  
CREMANS, INC.

March 5, 1979

**NOTE: This Exhibit is incorrectly identified as Parcel No. 3. This is the legal description of Parcel No. 1 depicted on Page 1 of this Exhibit. (GM-4/9/2013)**



LEASE RESTRICTIONS AND COVENANTS

Lessor and Lessee hereby agree that the property more particularly described below shall be used and occupied, subject to the restrictions and covenants hereinafter set forth:

ARTICLE I

PROPERTY

The real property subject to these Restrictions and Covenants is more particularly described as follows:

The demised premises described in Article I, paragraph A of the attached lease.

ARTICLE II

DEFINITIONS

Whenever used in these Restrictions and Covenants, the following terms shall have the following meanings:

A. "PERMITTED USES" shall mean the uses which may be engaged in upon the demised premises under Article I, paragraph D of the attached lease.

B. "BUILDING" shall include both the main portion of such building and all projections or extensions therefrom, including garages, outside platforms and docks, carports, canopies and porches. Ground cover shall not be included.

C. "LOT" shall mean a parcel of land recognized by the City as an acceptable site for use or buildings.

D. "BUILDING SITE" shall mean the entire lot or lots (if contiguous) leased by one tenant.

E. "STREET" shall mean any street, highway or other public thoroughfare recognized by the City.

F. "SETBACK" shall mean the distance a building must be set back from the property line of the parcel.

G. "FRONT LOT LINE" shall mean the property line where a lot abuts a street.

H. "REAR LOT LINE" shall mean the property line which does not abut a street, and which usually is opposite the "FRONT LOT LINE".

I. "CITY" shall mean the City of El Paso, Texas, its duly elected Council, or any duly constituted agent/committee appointed through said Council to fulfill the obligations herein required.

### ARTICLE III

#### PERMITTED USES

No land or structure shall be used or occupied in any manner so as to create any dangerous, noxious, or otherwise objectionable conditions which may affect any other property, including, but not limited to:

fire, explosive or other hazard

noise, vibration or shock

smoke, dust, odor or other forms of air pollution

heat

glare

electrical or other disturbance

liquid or solid refuse or wastes

other substance, condition or element in such manner or in such amount as to affect the surrounding area or adjoining premises.

A. Fire and Explosive Hazards. No activity shall be undertaken involving fire or explosive hazard which shall endanger the property, improvements or employees of any other property owner or tenant.

B. Noise. At no point on any property line shall the sound pressure level of any individual operation (other than the operation of motor vehicles, aircraft, or other transportation facilities) exceed the decibel levels in the designated octave bands shown below:

Octave Band Cycles Per Second	Maximum Permitted Sound Level in Decibels Re 0.0002 dynes/cm <sup>2</sup>
0-300	75
300-1200	55
1200-4800	45
4800 and above	40

C. Air Pollution.

1. Any use producing smoke, gas, dust, odor, fumes, aerosols, particulates, products of combustion, or any other atmospheric pollutant, shall be conducted within a completely enclosed building.
2. Visible emissions of smoke will not be permitted which exceed Ringlemann No. 1 on the Ringlemann Chart of the U. S. Bureau of Mines other than the exhausts emitted by motor vehicles or other transportation facilities. This requirement shall also be applicable to the disposal of trash and waste materials. Wind-borne dust, sprays and mists will not be permitted.
3. No operation shall discharge into the atmosphere toxic or noxious matter.
4. The emission of odors which are detectable at any point beyond the property line of any operation will not be permitted.

D. Dust Control. All developed ground areas not covered by structures shall be landscaped or surfaced with concrete, asphalt oil or other comparable dust free surfacing; shall be maintained in good condition, free of weeds, dust, trash and other debris; and shall be properly drained and graded. Such development shall be accomplished before issuance of a certificate of occupancy.

E. Heat or Glare. Any operation producing intense glare or heat shall be performed within an enclosed or screened area in such manner that the glare or heat emitted will not be discernible from the property line.

F. Illumination.

1. Exterior Lighting. The design and location of exterior lighting shall comply in all respects to the requirements of the City, the Federal Aviation Agency or any successor agencies, and other governmental agencies having applicable jurisdiction with respect to height, type, and placement of lighting

standards as they may affect the safety of flight operations into, from and around the airport.

2. Interior Lighting. The source of illumination of any kind within any building on the site shall not be visible at the property line except for normal installation of standard interior lighting fixtures within buildings.

G. Signs. The following regulations shall apply to all signs displayed for observation from outside a building whether displayed on, near or within a building:

1. Permitted Signs. Signs on the demised premises shall be limited to those identifying the uses conducted on the site to those necessary for directional purposes, and to those required to advertise the rental of the specific property on which the sign is displayed. The size, design and location of all signs shall require the written approval of the Airport Manager prior to installation.

Outdoor advertising, billboards or flashing lighting shall not be permitted.

2. Lighting and Construction. All signs shall comply with all building codes of the City of El Paso and with all rules and regulations of the Federal Aviation Agency and its successor agencies.

H. Refuse or Trash. No refuse or trash shall be unreasonably kept, stored or allowed to accumulate on any parcel.

I. Storage. All storage of every type, except of autos or aircraft, shall be within the buildings or enclosures approved in writing by the Airport Manager. Storage of aircraft parts, service equipment or similar items shall be expressly prohibited outside buildings or such enclosures.

J. Sewage Disposal Systems. No cesspool, septic tank or other sewage disposal system or device shall be installed, maintained or used upon any parcel without the written approval of the Airport Manager.

## ARTICLE V

### DEVELOPMENT OF SITE-REQUIRED IMPROVEMENTS

A. Offstreet Parking. All provisions of automobile parking for employees and visitors of the tenant shall be placed on the lot(s) leased. No parking whatsoever shall be

permitted on the streets.

Offstreet parking facilities shall be provided generally in accordance with the City of El Paso Offstreet Parking Ordinance No. 1653 and any amendments or successor ordinances thereto, and shall be sufficient for the parking of all automobiles necessary to the conduct of the business.

Each parking space shall be designated by white lines painted upon the paved surface.

B. Vehicle Loading. All provisions for the loading and maneuvering of vehicles incidental to the operation of the business shall be placed on lot(s) leased; onstreet vehicle loading shall not be permitted.

C. Setbacks. All buildings shall be set back a minimum of twenty-five feet from the lot line(s) facing the street; the area between the lot line(s) and the setbacks shall be landscaped. If visitor parking is provided in the front setback, all buildings shall be setback a minimum of fifty feet from the lot line. At least twenty percent of the required minimum front setback area and side setback areas facing the street shall be landscaped and planted. Side setbacks (not facing the street) shall be a minimum of fifteen feet, and fifty percent of the required minimum setbacks shall be landscaped and planted. Rear setbacks shall be ten feet from the lot line or utility easement line, provided such construction does not interfere with utility services.

D. Landscaping. A reasonable amount of landscaping, including the planting of ground covers, shrubs and trees, shall be required, such landscaping to be in accordance with standards established herein. The first phase of such landscaping, as approved, shall be installed within a period not to exceed 180 days after the notice of completion has been filed on the initial building.

Setback areas shall be landscaped to the minimum extent outlined in paragraph D, above. In addition, paving or landscaping shall extend from the property line to the curb, such paving or landscaping to be compatible with treatment for this area on other lots on the same block.

All trees shall be limited to a height of thirty-five feet above the curb line.

Desert planting, defined as native desert plants set in a ground cover of boulders, pebbles and/or sand, shall not comprise more than twenty percent of any given set back area planting program.

Tenants are encouraged to expand landscape development plans to include such elements as pool, fountains, sculpture, rock arrangements, sheltered outdoor seating areas, all subject to design approval, before installation, by the Airport Board.

Within setback areas fronting on streets labeled "Fine Textured Plants", planting must be selected from the following list:

Trees

Albizzia julibrissin  
Cupressus arizonica  
Juniperus scopulorum  
Pinus halepensis  
Elaeagnus Angustifolia  
Chilopsis linearis  
Prosopis glandulosa  
Parkinsonia aculeata  
Punica granatum  
Juniperus chinensis  
Thuja orientalis  
Glenditsia triacanthos inermis  
Pinus pinea  
Cupressus sempervirens glauca  
Pinus nigra

Shrubs

Cortaderia selloana  
Juniperus varieties  
Thuja varieties  
Caesalpinia gilliesi  
Cotoneaster pannosa and p. nana  
Fouquieria splendens  
Leucophyllum frutescens  
Spartium junceum  
Tamarix sp.  
Buxus japonica  
Dasylyrion texanum  
Punica granatum nana  
Rosamarinus officinalis

Low Planting

Cotoneaster adpressa  
Cotoneaster horizontalis  
Juniperus varieties  
Lavandula officinalis  
Punica chico  
Santolina chamaecyparissus  
Yucca filamentosa  
Gelsemium sempervirens  
Liriope sp.  
Rosmarinus prostrate varieties

Vines

Gelsemium

Within setback areas fronting on streets labeled "Medium Textured Plants", planting must be selected from the following list:

Trees

Fraxinus velutina  
Lagerstroemia indica  
Ulmus parvifolia  
Carya illinoensis  
Ulmus pumila  
Malus in variety  
Prunus cerasifera varieties  
Prunus persica  
Zizyphus jujuba  
Melia azedarach  
Koelreuteria paniculata

Shrubs

Ligustrum sp.  
Vitex sp.  
Sambucus glauca  
Hibiscus syriacus  
Lonicera sp.  
Rosa multiflora and others  
Xylosma japonica  
Chaenomeles lagenaria  
Cotoneaster parneyi  
Elaeagnus fruitlandi  
Euonymus japonicus  
Forsythia intermedia  
Jasminum humile  
Nandina domestica  
Pyracantha in variety  
Raphiolepis sp.  
Spiraea van houltei  
Ternstroemia japonica  
Abelia grandiflora  
Jasminum floridum  
Jasminum nudiflorum  
Robinia hispida

Low Planting

Chaenomeles japonica  
Convolvulus cneorum  
Plumbago capensis  
Salvia coccinea  
Ajuga reptans  
Euonymus fortunei  
Lonicera sp.  
Teucrium chamaedrys  
Vinca major

Vines

Campsis radicans  
Lonicera  
Parthenocissus lowi  
Polygonum auberti  
Rosa varieties  
Trachelospermum asiaticum  
Wisteria sp.

Within setback areas fronting on streets labeled "Coarse Textured Plants", planting must be selected from the following list:

Trees

Morus sibirica  
Maclura pomifera  
Photinia serrulata  
Ailanthus altissima  
Magnolia grandiflora  
Phoenix canariensis  
Washingtonia robusta  
Ficus carica

Shrubs

Buddleia in variety  
Eriobotrya japonica  
Nerium oleander  
Philadelphus virginialis  
Pittosporum tobira  
Viburnum sp.  
Aucuba japonica in variety  
Ilex cornuta rotunda

Low Planting

Hedera helix

Vines

Parthenocissus quinquefolia  
Parthenocissus tricuspidata

E. Building Heights. All building heights shall conform to FAA rules and regulations. The term "building height" shall include any building equipment, extrusions, etc.

F. Site Coverage. All buildings and structures, or portions thereof, placed on the lot(s) shall not cover more of the total lot area than the Airport Board shall approve.

G. Type of Construction. All buildings shall be framed with reinforced concrete or masonry, structural steel or structural aluminum. Siding shall be masonry, glass or enameled steel. Concrete or masonry units shall be kept neatly painted, if used.

All buildings shall conform to applicable laws, ordinances and building codes of the City of El Paso.

H. Storage. All storage, except of autos or aircraft, shall be within buildings or an enclosure.

I. Pipes. No water pipe, sewer pipe or drainage pipe (other than those within structures) shall be installed or maintained upon any parcel above the surface of the ground, except hoses and moveable pipes used for irrigation or similar purposes, as approved by the Airport Manager.

J. Fencing. Fencing between buildings shall be constructed as required by the City. The placement and design of such construction shall be in accordance with plans and specifications prescribed by the City or its authorized agent.

#### ARTICLE VI

##### PREPARATION AND SUBMISSION OF PLANS FOR IMPROVEMENT

A. General. All plans for improvement shall be prepared by registered engineers and architects, shall be of a contemporary design, and shall require a prior written approval by the Airport Board before any construction can take place.

Upon the execution of a lease for a building site, the Airport Manager and the tenant shall jointly determine a

reasonable period of time in which final plans and specifications shall be submitted, such period to be set forth in writing by the Airport Manager.

The following plans shall be required for submission to the Airport Board within the time period determined.

1. A plot plan at a scale not smaller than one inch equals one hundred feet showing the relationship of the proposed improvements to the lot(s) demised and to the improvements on adjacent lots, utilities and access thereto, curbs, walks, driveways, parking areas, etc.
2. Building plans and specifications of sufficient detail to permit the Airport Board to determine compliance with all applicable laws and ordinances and with the restrictions herein. These plans and specifications may be manufacturers' standard plans, if such are sufficient as aforesaid.
3. Ground cover plans, including landscaping.
4. A true architectural rendering of the proposed buildings, including the proposed exterior color scheme, style, materials and design and placement of signs.
5. Any other plans, specifications or design features which the City or its authorized agent may deem necessary and request.

B. Form and Content of Plans. The Airport Board may promulgate rules governing the form and content of plans to be submitted for its approval, and may issue statements of its policy with respect to approval or disapproval of architectural styles, details or other matters pertaining to the plans.

Such rules and such statements of policy may be amended or revoked by the Airport Board at any time; and no inclusion in, omission from, or amendment of any such rules shall be deemed to bind the Airport Board to its approval or disapproval of any matter subject to its approval or to waive the exercise of the City's discretion as to any such matter.

C. Codes and Regulations. All improvements shall be planned and constructed in accordance with rules and regulations prescribed by the City or its authorized agent; with the laws

and ordinances of the City of El Paso; with applicable building codes; and in compliance with the rules and regulations of the Federal Aviation Agency or any successor agencies, where applicable.

D. Approval of Plans. Approval of plans and specifications shall be at the sole discretion of the Airport Board.

Approval of any plans and specifications for use on any one parcel shall not be deemed a waiver of the Airport Board's right, in its discretion, to disapprove the same plans or specifications if such plans or specifications are subsequently submitted for approval for use on any other parcel or parcels.

E. Commitment to Construct. Upon approval by the Airport Board of plans for construction of any structure, a copy of the approved plans shall be deposited for permanent record with the Airport Manager.

Approval of these plans by the Airport Board shall constitute a commitment on the part of the tenant to erect and maintain the improvements as proposed and approved and within a reasonable time period, such period to be determined jointly by the Airport Manager and the tenant and to be set forth in writing by the Airport Manager.

F. Construction Within Time Specified. Any approved construction shall be prosecuted diligently in accordance with the approved plans and specifications and shall be completed within the time specified. Failure to complete such work in the time specified shall cause such approval to be automatically withdrawn unless the Airport Board grants written extension of such approval. After such automatic withdrawal of approval, the tenant will be considered in default of its lease for such property and the City may terminate such lease in accordance with the provisions set forth in that document.

G. Landscaping Plans. Trees, shrubs, fences, hedges or

other landscaping shall not be planted, placed or maintained upon any parcel until a complete plan thereof has been submitted to and approved by the Airport Board in a manner similar to that required for architectural plans.

All plans for landscape improvements shall be prepared by registered or approved landscape architects. Approval shall be by the Airport Board.

H. Plans for Alterations In Improvements. All plans for alterations to the leased lot(s), either for the construction of additional facilities or alterations to existing buildings, shall be prepared, submitted and approved as outlined in paragraphs A through G above, and shall be subject to the same restrictions as herein provided. This paragraph shall apply only to exterior or structural changes; alterations to the interior of the buildings shall not be considered unless they affect the performance standards set forth in Article IV.

I. Construction Without Approval. If any structure shall be altered, erected, placed or maintained upon any parcel other than in accordance with plans and specifications approved by the Airport Board, such alterations, erection and maintenance shall be deemed to have been undertaken without the approval required herein. This restriction shall be applicable to landscaping plans, as well as architectural plans.

In the event of such construction without approval, the tenant will be considered in default of the lease for such property and the City may terminate the lease in accordance with the provisions set forth in that document.

J. Fee for Examination of Plans and Specifications. The City may charge and collect a fee of not more than Two Hundred Fifty Dollars (\$250) for the examination of any plans and specifications submitted for approval pursuant to this article. Such fee shall be payable at the time such plans and specifications are submitted.

The amount of such fee shall not exceed the actual

cost to the City of making such examination, including the cost of any architect's or engineer's fees incurred in connection therewith.

K. Right of Entry and Inspection. Any authorized agent of the City may, at any reasonable time and without notice, enter upon and inspect any parcel for the purpose of ascertaining whether the maintenance of such parcel and the maintenance, construction or alteration of structures thereon are in compliance with the provisions hereof; and neither the City nor such authorized agent shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

## ARTICLE VII

### GENERAL PROVISIONS

A. Cutting and Filling. The City or any authorized agent thereof may at any time make such cuts and fills upon any parcel or other part of said property and do such grading and moving of earth as, in its judgment, may be necessary to improve or maintain the streets in or adjacent to any property and to drain surface waters therefrom; provided, however, that after the principal structure upon a parcel shall have been completed in accordance with approved plans, the rights of the City under this paragraph shall terminate with respect to such parcel, except that the City shall thereafter have the right to maintain existing streets and drainage structures.

B. Housekeeping. If accumulations of weeds, rubbish, or items of equipment or supplies are permitted to remain on a parcel more than ten days after a request in writing from the City to have them removed, the City or its authorized agent may enter upon any parcel for the purpose of removing same by whatever means it deems necessary. Such entry shall not be deemed a trespass and the City shall not be subject to any liability therefor. The cost of such work shall be borne by the tenant.

C. Maintenance of Landscaping. If landscaping areas are not maintained in accordance with the standards prescribed by the City and the condition is not corrected within ten days after written notice from the City, the City or its authorized agent shall have the right to enter on any of the lot(s) leased and plant or replant such areas without being deemed guilty of trespass. The costs therefor, as determined by the City, shall be paid by the tenant.

D. Use Permits. Such use and occupancy permits as may be required by the Building Code of the City of El Paso shall be maintained in force at all times by each tenant.

EXHIBIT B  
FIRST AMENDMENT  
(See Attached)

11/30/82 PROPE  
 ACCC  
 LEGAL  
 ADMIN ASST  
 DATE

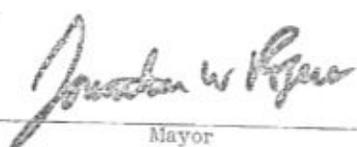
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 DIST/FILE  
 AIRPORT MANAGER

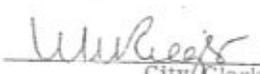
RESOLUTION

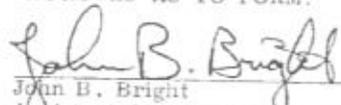
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the Mayor be authorized to sign a First Amendment to Lease Agreement, amending that certain Lease Agreement by and between the City of El Paso and Richard N. Azar dated May 1, 1982, for Lot 1, Block 19, El Paso International Airport Tracts, Unit 10, and the east portion of Tract 4A25, Block 2, Ascarate Grant, known as Parcels 1 and 3, respectively, such Amendment providing for the addition to the leased premises of the land previously designated for the extension of American Drive and the discharge of the Lessor and Lessee from the obligations contained in Article II, Paragraph C of the Lease Agreement relating to the engineering and construction of said extension.

ADOPTED this 26<sup>th</sup> day of NOVEMBER, 1982.

  
 Mayor

  
 City Clerk

APPROVED AS TO FORM:  
  
 John B. Bright  
 Assistant City Attorney

RECEIVED  
 P. 730

NOV 29 1982

FIRST AMENDMENT TO LEASE AGREEMENT

First Amendment executed this 23d day of November, 1982, but effective as of the 30th day of September, 1982, by and between THE CITY OF EL PASO, TEXAS (hereinafter referred to as "Lessor") and RICHARD N. AZAR, a resident of El Paso, Texas (hereinafter referred to as "Lessee").

W I T N E S S E T H:

WHEREAS, in accordance with the terms of that certain Lease Agreement between Lessor and Lessee dated as of May 1, 1982 (hereinafter called "Ground Lease Agreement"), Lessee leased from Lessor those certain tracts of land, designated as Parcels No. 1 and No. 3, being more particularly described on Exhibit "A" attached hereto and made a part hereof (hereinafter called "Originally Leased Land");

WHEREAS, the terms of the Ground Lease Agreement afford the right of the parties hereto to consider whether the southward extension of American Drive to its intersection with Montana Avenue is necessary or appropriate for the proper development of the Originally Leased Land and other property owned or leased by Lessor;

WHEREAS, the parties hereto have carefully considered such proposed extension and have determined not to construct, or permit the construction of, such extended roadway, and amend the Ground Lease Agreement to (i) expand the leased land covered by the Ground Lease Agreement to include the land over which the proposed southward extension of American Drive was to be situated, such additional property being more particularly described and designated as Parcel No. 4, on Exhibit "B" attached hereto and made a part hereof for all purposes (hereinafter called "Additional Leased Land"); and (ii) release each party from any obligation contained in the Ground Lease Agreement to construct such extension.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, IT IS AGREED AS FOLLOWS:

1. Lessor hereby leases to Lessee, and Lessee hereby hires and takes from Lessor certain real property together with improvements thereon, hereinabove designated as the Additional Leased Land, more particularly described on Exhibit "B" attached hereto, in accordance with the terms, provisions and conditions of the Ground Lease Agreement, and this First Amendment to Lease Agreement. It is agreed and understood that for purposes of calculating the amount of rent due Lessor by Lessee and other matters contained in the Ground Lease Agreement, the Additional Leased

*RMA*

Land shall constitute a portion of Parcel No. 3, which tract of land, including the Additional Leased Land, is more particularly described in its entirety on Exhibit "B" attached hereto and made a part hereof for all purposes.

2. In respect to the matters contained in the last paragraph of Article II, paragraph C (on page 5) of the Ground Lease Agreement relating to the extension of American Drive, it is hereby covenanted and agreed that Lessee is hereby released and discharged from any further obligation or liability for the preparation of plans for the southward extension of American Drive to its intersection with Montana, and Lessor is hereby released and discharged from any obligation or liability for the construction of the extension of such roadway, and the payment of any costs therefor, unless otherwise mutually agreed to in the future by the parties.

3. The parties hereto covenant and agree to execute, or join in the execution of, any other documents necessary to effectuate the intent of the parties to abandon the extension of American Drive, as described above, which may be required by any other party, including any other municipal authority having jurisdiction over such matters.

4. Except as the Ground Lease Agreement is expressly amended hereby, the Ground Lease Agreement shall remain in full force and effect and is hereby ratified and confirmed by the parties.

5. The provisions contained herein shall be binding upon and shall inure to the benefit of the successors, heirs, assigns and representatives of the parties hereto.

EXECUTED the day, month and year first written above in multiple original counterparts, each of which shall have the force and effect of an original.

LESSOR: THE CITY OF EL PASO

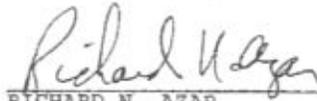
By

  
Mayor

ATTEST:

  
City Clerk

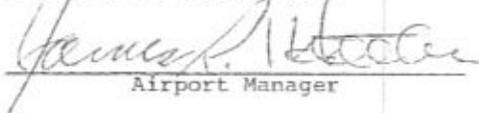
LESSEE:

  
RICHARD N. AZAR

APPROVED AS TO FORM:

  
Assistant City Attorney

APPROVED AS TO CONTENT:

  
Airport Manager

STATE OF TEXAS        )  
                              :  
COUNTY OF EL PASO    )

The foregoing instrument was acknowledged before me this the  
23rd day of March, 1982, by Jonathan Rogers, Mayor of  
THE CITY OF EL PASO, on behalf of said municipality.

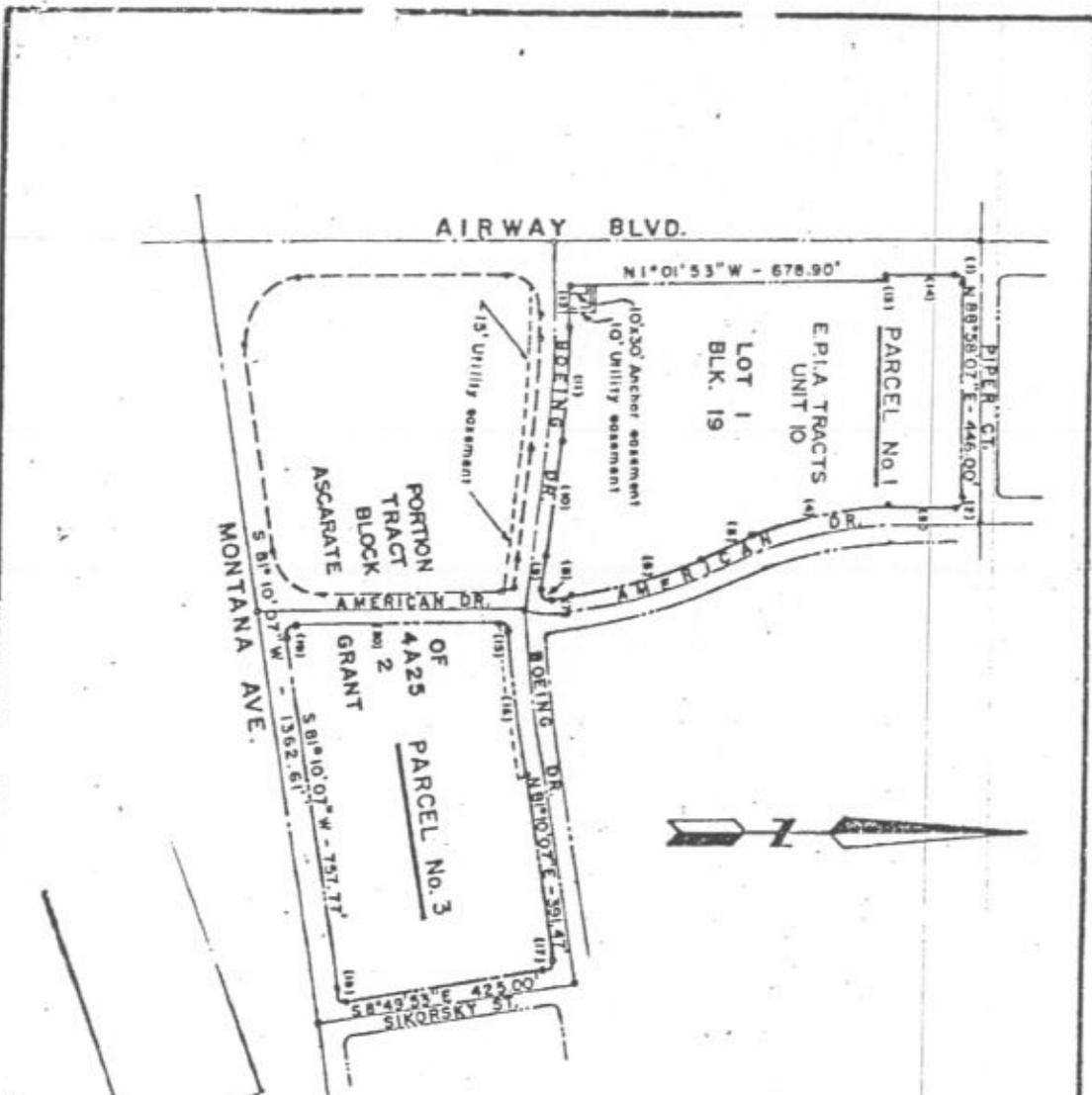
Billie Jean Brankam  
Notary Public in and for El Paso  
County, State of TEXAS

STATE OF TEXAS        )  
                              :  
COUNTY OF EL PASO    )

The foregoing instrument was acknowledged before me this the  
25 day of October, 1982, by RICHARD N. AZAR.

Isabel O'Brien  
Notary Public in and for El Paso  
County, State of TEXAS

ISABEL O'BRIEN  
Notary Public State of Texas  
My Commission Expires May 4, 1985



NOTE: This exhibit is correct. It correctly depicts Parcels 1 and 3 as referred to in the Ground Lease. (GM-4/9/2013)

PARCEL No. 1 - LOT 1, BLOCK 19, E.P.I.A. TRACTS, UNIT 10

No.	BEARING	DIST.	No.	R	A	CH.	A	T
(131)	N 88° 58' 07" E	446.00'	(11)	80.00'	31.42'	28.28'	80° 00' 00"	80.00'
(132)	S 22° 32' 14" E	100.01'	(12)	80.00'	31.42'	28.28'	80° 00' 00"	80.00'
(133)	S 1° 01' 52" E	41.34'	(14)	820.84'	308.18'	308.34'	81° 50' 51"	188.81'
(134)	N 83° 48' 52" W	238.32'	(15)	782.98'	282.42'	300.97'	81° 50' 51"	142.98'
(135)	S 88° 24' 07" W	81.88'	(16)	20.00'	33.41'	29.41'	89° 43' 33"	82.10'
(136)	S 88° 24' 07" W	8.00'	(17)	1715.05'	44.14'	44.14'	P 88° 37' 1"	122.08'
(137)	N 1° 01' 53" W	678.90'	(18)	1881.84'	223.97'	223.81'	77° 12' 00"	117.14'

AREA = 469,662.668 SQ. FT. OR 10.782 AC. ±

PARCEL No. 3 - EAST PORTION OF TRACT 4A25, BLK. 2, ASCARATE GRANT

No.	BEARING	DIST.	No.	R	A	CH.	A	T
(120)	N 07° 00' 33" W	455.16'	(13)	30.00'	32.09'	28.76'	81° 34' 02"	20.45'
(121)	S 11° 10' 07" W	757.71'	(14)	1781.04'	302.45'	302.22'	84° 44' 08"	151.88'
(122)	S 81° 10' 07" W	1362.61'	(15)	80.00'	31.42'	28.28'	80° 00' 00"	80.00'
(123)	S 81° 10' 07" W	1362.61'	(16)	80.00'	31.42'	28.28'	80° 00' 00"	80.00'
(124)	S 81° 10' 07" W	1362.61'	(17)	80.00'	31.42'	28.28'	80° 00' 00"	80.00'
(125)	S 81° 10' 07" W	1362.61'	(18)	80.00'	31.42'	28.28'	80° 00' 00"	80.00'
(126)	S 81° 10' 07" W	1362.61'	(19)	80.00'	31.42'	28.28'	80° 00' 00"	80.00'

AREA = 360,317.824 SQ. FT. OR 8.272 AC. ±

NOT A SURVEY

PLAT

BEING A PORTION OF TRACT 4A25, BLK. 2, ASCARATE GRANT & ALL OF LOT 1, BLK. 19, E.P.I.A. TRACTS, UNIT 10, EL PASO COUNTY, TEXAS.

DATE: AUGUST 15, 1980

SCALE: 1" = 300'

CREMANS, INC.

ENGINEERS & PLANNERS

EL PASO, TEXAS

REVISED: 5/10/82

PREPARED FOR: El Paso International Airport  
N.E. Corner American Drive and Montana Ave.  
Being a Portion of Tract 4A25  
Block 2, Ascarate Grant  
El Paso County, Texas

PARCEL NO. 1

PROPERTY DESCRIPTION

Description of a parcel of land being a Portion of Tract 4A25, Block 2, Ascarate Grant, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a City monument located at the centerline intersection of Boeing Drive and American Drive; thence South  $1^{\circ} 01' 53''$  East along the centerline of American Drive a distance of 53.30 feet; thence South  $85^{\circ} 14' 15''$  East a distance of 34.17 feet to a point lying on the east right-of-way line of American Drive projected, said point being THE POINT OF BEGINNING;

Thence 32.09 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $91^{\circ} 56' 08''$ , and whose chord bears North  $44^{\circ} 56' 11''$  East a distance of 28.76 feet to a point said point lying on the south right-of-way line of Boeing Drive;

Thence, along said right-of-way, 302.63 feet along the arc of a curve to the left whose radius is 1781.06 feet, whose chord bears North  $86^{\circ} 02' 11''$  East a distance of 302.27 feet;

Thence continuing on said right-of-way North  $81^{\circ} 10' 07''$  East a distance of 391.44 feet;

Thence 31.42 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , whose chord bears South  $53^{\circ} 49' 53''$  East a distance of 31.42 feet to a point lying on the west right-of-way line of Sikorsky Street;

Thence South  $8^{\circ} 49' 53''$  East along said right-of-way line a distance of 425.00 feet;

Thence 31.42 feet along the arc of a curve to the right, whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , and whose chord bears South  $36^{\circ} 10' 07''$  West a distance of 28.28 feet to a point lying on the north right-of-way line of Montana Avenue;

Thence South  $81^{\circ} 10' 07''$  West along said right-of-way line a distance of 757.77 feet;

Thence 34.14 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $97^{\circ} 48' 00''$ , whose chord bears North  $49^{\circ} 55' 53''$  West a distance of 30.14 feet to a point lying on the easterly right-of-way line of American Drive projected;

Thence North  $1^{\circ} 01' 53''$  West a distance of 455.15 feet along the east right-of-way line of American Drive projected to a point said point being THE POINT OF BEGINNING and containing in all 360317.824 square feet or 8.272 acres of land more or less.



Ramon E. Lara, P.E.  
CREMANS, INC.

February 1, 1980

NOTE: This Exhibit is incorrectly identified as Parcel No. 1. This is the legal description of Parcel No. 3 depicted on Page 1 of this Exhibit. (GM-4/9/2013)

PREPARED FOR: El Paso International Airport  
Being all of Block 19,  
El Paso International Airport Tracts, Unit 10  
El Paso County, Texas

PARCEL NO. 3

PROPERTY DESCRIPTION

Description of a parcel of land being all of Block 19, El Paso International Airport Tracts, Unit 10, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a point, said point being a U.S. Government monument at the intersection of the north right-of-way line of Montana Avenue and the easterly right-of-way line of the Texas and New Orleans Railroad, thence North  $81^{\circ} 10' 07''$  East along the north right-of-way line of Montana Avenue a distance of 988.80 feet thence North  $1^{\circ} 01' 53''$  West along the east right-of-way line of Airway Blvd a distance of 721.31 feet; thence North  $88^{\circ} 58' 07''$  East a distance of 21.69 feet to THE POINT OF BEGINNING;

Thence, continuing along the east right-of-way line of Airway Blvd; North  $1^{\circ} 01' 53''$  West a distance of 678.90 feet;

Thence South  $88^{\circ} 58' 07''$  West a distance of 5.00 feet;

Thence North  $1^{\circ} 01' 53''$  West a distance of 148.86 feet;

Thence 31.42 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , and whose chord bears North  $43^{\circ} 58' 07''$  East a distance of 28.28 feet to a point lying on the south right-of-way line of Piper Court;

Thence, North  $88^{\circ} 58' 07''$  East along the south right-of-way line of Piper Court a distance of 446.00 feet;

Thence 31.42 feet along the arc of a curve to the right, whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , and whose chord bears South  $46^{\circ} 01' 53''$  East a distance of 28.28 feet to a point lying on the westerly right-of-way line of American Drive;

Thence, along the westerly right-of-way line of American Drive, South  $1^{\circ} 01' 53''$  East a distance of 146.00 feet;

Thence, continuing along the westerly right-of-way line of American Dr, 308.15 feet along the arc of a curve to the left, whose radius is 820.96 feet, whose interior angle is  $21^{\circ} 30' 21''$ , and whose chord bears South  $11^{\circ} 47' 03''$  East a distance of 306.34 feet;

Thence, continuing along the westerly right-of-way line of American Drive, South  $22^{\circ} 32' 14''$  East a distance of 100.01 feet;

Thence, continuing along the westerly right-of-way line of American Drive, 282.62 feet along the arc of a curve to the right, whose radius is 752.96 feet, whose interior angle is  $21^{\circ} 30' 21''$ , and whose chord bears South  $11^{\circ} 47' 03''$  East a distance of 280.97 feet;

Thence, continuing along the westerly right-of-way line of American Drive, South  $1^{\circ} 01' 53''$  East a distance of 41.34 feet;

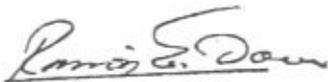
Thence 33.41 feet along the arc of a curve to the right, whose radius is 20.00 feet, whose interior angle is  $95^{\circ} 43' 23''$ , and whose chord bears South  $46^{\circ} 49' 48''$  West a distance of 29.67 feet to a point lying on the north right-of-way line of Boeing Drive;

Thence, along the north right-of-way line of Boeing Drive, 44.16 feet along the arc of a curve to the right, whose radius is 1713.06 feet, whose interior angle is  $1^{\circ} 28' 37''$ , and whose chord bears North  $84^{\circ} 34' 11''$  West a distance of 44.16 feet;

Thence, continuing along the north right-of-way line of Boeing Drive, North  $83^{\circ} 49' 53''$  West a distance of 238.32 feet;

Thence, continuing along the north right-of-way line of Boeing Drive, 233.97 feet along the arc of a curve to the left, whose radius is 1861.86 feet, whose interior angle is  $7^{\circ} 12' 00''$ , and whose chord bears North  $87^{\circ} 25' 53''$  West a distance of 233.81 feet;

Thence, continuing along the north right-of-way line of Boeing Drive, South  $88^{\circ} 58' 07''$  West a distance of 91.58 feet to THE POINT OF BEGINNING and containing 469,662.668 square feet, or 10.782 acres of land, more or less, subject to all easements of record.



Ramon E. Lara, P.E.  
CREMANS, INC.

March 5, 1979

EXHIBIT "A" - Page 4

NOTE: This Exhibit is incorrectly identified as Parcel No. 3. This is the legal description of Parcel No. 1 depicted on Page 1 of this Exhibit.  
(GM-4/9/2013)

Agreement. It is agreed and understood that for purposes of calculating the amount of rent due Lessor by Lessee and other matters contained in the Ground Lease Agreement, the Additional Leased Land shall constitute a portion of Parcel 3.

2. Article I, Paragraph A, as amended by the First Amendment to Lease Agreement, is hereby further amended by changing the approximate total square footage figure contained therein from 829,980.492 to 866,195.207; and by substituting for the original Ground Lease Agreement Exhibit "A," a new revised Exhibit "A," attached hereto and by this reference made a part hereof, reflecting the provisions of the Ground Lease Agreement and the First and Second Amendments to Lease Agreement.

3. Except as the Ground Lease Agreement is expressly amended hereby, the Ground Lease Agreement as previously amended shall remain in full force and effect and is hereby ratified and confirmed by the parties.

4. The provisions contained herein shall be binding upon and shall inure to the benefit of the successors, heirs, assigns and representatives of the parties hereto.

EXECUTED the day, month and year first written above in multiple original counterparts, each of which shall have the force and effect of an original.

ATTEST:

  
City Clerk

CITY OF EL PASO

By

  
Mayor

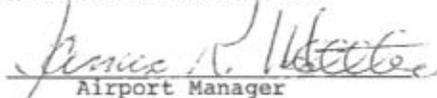
LESSEE:

By

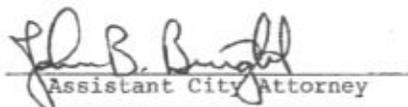
  
Title

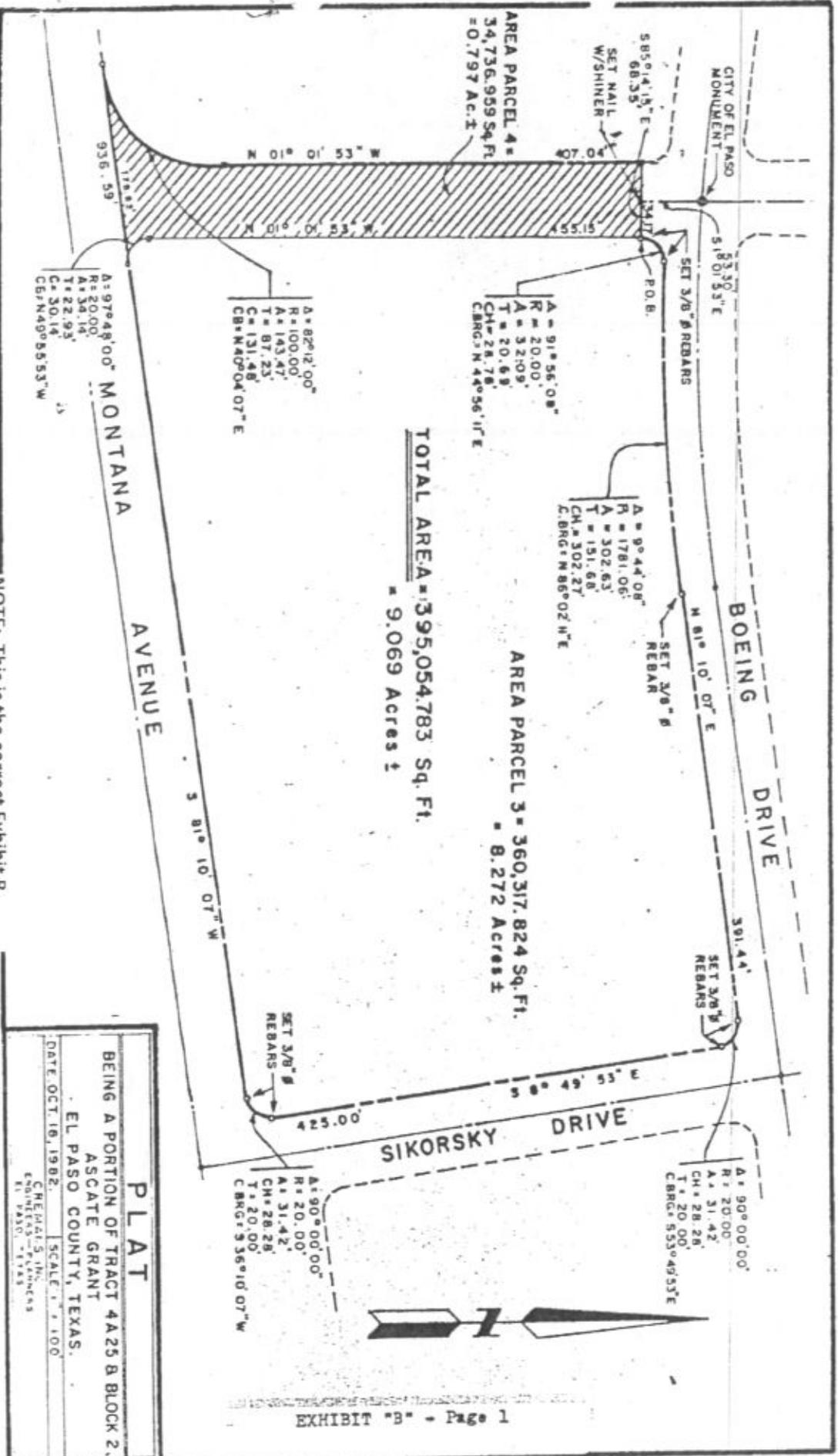
ATTEST:

APPROVED AS TO CONTENT:

  
Airport Manager

APPROVED AS TO FORM:

  
Assistant City Attorney



NOTE: This is the correct Exhibit B,

Page 1.  
(GM-4/9/2013)

**PLAT**

BEING A PORTION OF TRACT 4A25 B BLOCK 2,  
ASCATE GRANT  
EL PASO COUNTY, TEXAS.

DATE: OCT. 10, 1982. SCALE: 1" = 100'

CHIEF: S. J. [Name]  
EL PASO, TEXAS

PREPARED FOR: El Paso International Airport  
N.E. Corner American Drive and Montana Ave.  
Being a Portion of Tract 4A25  
Block 2, Ascarate Grant  
El Paso County, Texas

PARCEL NO. 4

PROPERTY DESCRIPTION

Description of a parcel of land being a Portion of Tract 4A25, Block 2, Ascarate Grant, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a City Monument located at the centerline intersection of Boeing Drive and American Drive; thence South  $1^{\circ} 01' 53''$  East along the centerline of American Drive a distance of 53.30 feet; thence South  $85^{\circ} 14' 15''$  East a distance of 34.17 feet to a point lying on the east right-of-way line of American Drive projected, said point being THE POINT OF BEGINNING;

Thence South  $01^{\circ} 01' 53''$  East along the easterly right-of-way line of American Drive projected a distance of 455.15 feet;

Thence 34.14 feet along the arc of a curve to the left, whose interior angle is  $97^{\circ} 48' 00''$ , whose radius is 20.00 feet and whose chord bears South  $49^{\circ} 55' 53''$  East a distance of 30.14 feet to a point lying on the northerly right-of-way line of Montana Avenue;

Thence South  $81^{\circ} 10' 07''$  West along said northerly right-of-way line a distance of 178.82 feet;

Thence 143.47 feet along the arc of a curve to the left, whose interior angle is  $82^{\circ} 12' 00''$ , whose radius is 100.00 feet and whose chord bears North  $40^{\circ} 04' 07''$  East a distance of 131.48 feet to a point lying on the westerly right-of-way line of American Drive projected;

Thence North  $01^{\circ} 01' 53''$  West along said westerly right-of-way line a distance of 407.04 feet;

Thence South  $85^{\circ} 14' 15''$  East a distance of 68.35 feet to the POINT OF BEGINNING and containing in all 34,736.959 or 0.797 acres of land, more or less.

  
Ramon E. Lara, P.E.  
CREMANS, INC.

October 20, 1982

NOTE: This is the correct Exhibit B,  
Page 2.  
(GM-4/9/2013)

EXHIBIT C  
SECOND AMENDMENT  
(See Attached)

5/16/84

PROF. 3 DIST/TENANT  
 ACCOUNTING MAA CHARGE/FILE  
 LEGAL 83 INFORMATION  
 ADMIN ASST \_\_\_\_\_ DIST/FILE  
 DATE 17 MAY 84 Arthur B. Bright  
 AIRPORT MANAGER

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the Mayor be authorized to sign the Second Amendment to Lease Agreement, further amending that certain Lease Agreement dated May 1, 1982, by and between the City of El Paso and Richard N. Azar, by adding to the Originally Leased Land that portion of Boeing Drive which was vacated, closed and abandoned by act of City Council on February 15, 1983, and adjusted the total square footage figure under said Lease Agreement, known as Parcels 1 and 3, to reflect the provisions of the Lease Agreement and the First and Second Amendments thereto.

ADOPTED this 17th day of May, 1984.

Jonathan W. Rogers  
Mayor

R. H. Gabel  
Acting City Clerk

APPROVED AS TO FORM:

John B. Bright  
John B. Bright  
Assistant City Attorney



SECOND AMENDMENT TO LEASE AGREEMENT

SECOND AMENDMENT, executed this 23 day of May, 1984, by and between THE CITY OF EL PASO, TEXAS (hereinafter referred to as "Lessor") and RICHARD N. AZAR, as a resident of El Paso, Texas (hereinafter referred to as "Lessee").

WITNESSETH:

WHEREAS, in accordance with the terms of that certain Lease Agreement between Lessor and Lessee dated as of May 1, 1982 (hereinafter called "Ground Lease Agreement"), Lessee leased from Lessor those certain tracts of land, designated as Parcel 1 and Parcel 3, being more particularly described on Exhibit "A," attached hereto and by this reference made a part hereof (hereinafter called "Originally Leased Land"); and

WHEREAS, said Ground Lease Agreement was amended on November 23, 1982, by adding to the Originally Leased Land as described therein the land over which the proposed southward extension of American Drive was to be situated, such property being more particularly described as "Parcel 4" on Exhibit "B" attached hereto; and

WHEREAS, the parties hereto desire to further amend said Ground Lease Agreement by adding to the Originally Leased Land as described therein and amended by the First Amendment thereto, that portion of Boeing Drive which was vacated, closed and abandoned by act of City Council on February 15, 1983, such property being more particularly described in Exhibit "C," attached hereto and by this reference made a part hereof for all purposes (hereinafter called "Additional Leased Land").

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, IT IS AGREED AS FOLLOWS:

1. Lessor hereby leases to Lessee, and Lessee hereby hires and takes from Lessor certain real property together with improvements thereon, hereinabove designated as the Additional Leased Land, more particularly described in Exhibit "C" hereto, in accordance with the terms, provisions and conditions of the Ground Lease Agreement, and this Second Amendment to Lease



PREPARED FOR: El Paso International Airport  
N.E. Corner American Drive and Montana Ave.  
Being a Portion of Tract 4A25  
Block 2, Ascarate Grant  
El Paso County, Texas

PARCEL NO. 1

PROPERTY DESCRIPTION

Description of a parcel of land being a Portion of Tract 4A25, Block 2, Ascarate Grant, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a City monument located at the centerline intersection of Boeing Drive and American Drive; thence South  $1^{\circ} 01' 53''$  East along the centerline of American Drive a distance of 53.30 feet; thence South  $85^{\circ} 14' 15''$  East a distance of 34.17 feet to a point lying on the east right-of-way line of American Drive projected, said point being THE POINT OF BEGINNING;

Thence 32.09 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $91^{\circ} 56' 08''$ , and whose chord bears North  $44^{\circ} 56' 11''$  East a distance of 28.76 feet to a point said point lying on the south right-of-way line of Boeing Drive;

Thence, along said right-of-way, 302.63 feet along the arc of a curve to the left whose radius is 1781.06 feet, whose chord bears North  $86^{\circ} 02' 11''$  East a distance of 302.27 feet;

Thence continuing on said right-of-way North  $81^{\circ} 10' 07''$  East a distance of 391.44 feet;

Thence 31.42 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , whose chord bears South  $53^{\circ} 49' 53''$  East a distance of 31.42 feet to a point lying on the west right-of-way line of Sikorsky Street;

Thence South  $8^{\circ} 49' 53''$  East along said right-of-way line a distance of 425.00 feet;

Thence 31.42 feet along the arc of a curve to the right, whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , and whose chord bears South  $36^{\circ} 10' 07''$  West a distance of 28.28 feet to a point lying on the north right-of-way line of Montana Avenue;

Thence South  $81^{\circ} 10' 07''$  West along said right-of-way line a distance of 757.77 feet;

Thence 34.14 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $97^{\circ} 48' 00''$ , whose chord bears North  $49^{\circ} 55' 53''$  West a distance of 30.14 feet to a point lying on the easterly right-of-way line of American Drive projected;

Thence North  $1^{\circ} 01' 53''$  West a distance of 455.15 feet along the east right-of-way line of American Drive projected to a point said point being THE POINT OF BEGINNING and containing in all 360317.824 square feet or 8.272 acres of land more or less.



Ramon E. Lara, P.E.  
CREMANS, INC.

February 1, 1980

NOTE: This Exhibit is incorrectly identified as Parcel No. 1. This is the legal description of Parcel No. 3 depicted on Page 1 of this Exhibit.  
(GM-4/9/2013)

PREPARED FOR: El Paso International Airport  
Being all of Block 19,  
El Paso International Airport Tracts, Unit 10  
El Paso County, Texas

PARCEL NO. 3

PROPERTY DESCRIPTION

Description of a parcel of land being all of Block 19, El Paso International Airport Tracts, Unit 10, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a point, said point being a U.S. Government monument at the intersection of the north right-of-way line of Montana Avenue and the easterly right-of-way line of the Texas and New Orleans Railroad, thence North  $81^{\circ} 10' 07''$  East along the north right-of-way line of Montana Avenue a distance of 988.80 feet thence North  $1^{\circ} 01' 53''$  West along the east right-of-way line of Airway Blvd a distance of 721.31 feet; thence North  $88^{\circ} 58' 07''$  East a distance of 21.69 feet to THE POINT OF BEGINNING;

Thence, continuing along the east right-of-way line of Airway Blvd; North  $1^{\circ} 01' 53''$  West a distance of 678.90 feet;

Thence South  $88^{\circ} 58' 07''$  West a distance of 5.00 feet;

Thence North  $1^{\circ} 01' 53''$  West a distance of 148.86 feet;

Thence 31.42 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , and whose chord bears North  $43^{\circ} 58' 07''$  East a distance of 28.28 feet to a point lying on the south right-of-way line of Piper Court;

Thence, North  $88^{\circ} 58' 07''$  East along the south right-of-way line of Piper Court a distance of 446.00 feet;

Thence 31.42 feet along the arc of a curve to the right, whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , and whose chord bears South  $45^{\circ} 01' 53''$  East a distance of 28.28 feet to a point lying on the westerly right-of-way line of American Drive;

Thence, along the westerly right-of-way line of American Drive, South  $1^{\circ} 01' 53''$  East a distance of 146.00 feet;

Thence, continuing along the westerly right-of-way line of American Dr, 308.15 feet along the arc of a curve to the left, whose radius is 820.96 feet, whose interior angle is  $21^{\circ} 30' 21''$ , and whose chord bears South  $11^{\circ} 47' 03''$  East a distance of 306.34 feet;

Thence, continuing along the westerly right-of-way line of American Drive, South  $22^{\circ} 32' 14''$  East a distance of 100.01 feet;

Thence, continuing along the westerly right-of-way line of American Drive, 282.62 feet along the arc of a curve to the right, whose radius is 752.96 feet, whose interior angle is  $21^{\circ} 30' 21''$ , and whose chord bears South  $11^{\circ} 47' 03''$  East a distance of 280.97 feet;

Thence, continuing along the westerly right-of-way line of American Drive, South  $1^{\circ} 01' 53''$  East a distance of 41.34 feet;

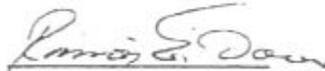
Thence 33.41 feet along the arc of a curve to the right, whose radius is 20.00 feet, whose interior angle is  $95^{\circ} 43' 23''$ , and whose chord bears South  $46^{\circ} 49' 48''$  West a distance of 29.67 feet to a point lying on the north right-of-way line of Boeing Drive;

Thence, along the north right-of-way line of Boeing Drive, 44.16 feet along the arc of a curve to the right, whose radius is 1713.06 feet, whose interior angle is  $1^{\circ} 28' 37''$ , and whose chord bears North  $84^{\circ} 34' 11''$  West a distance of 44.16 feet;

Thence, continuing along the north right-of-way line of Boeing Drive, North  $83^{\circ} 49' 53''$  West a distance of 238.32 feet;

Thence, continuing along the north right-of-way line of Boeing Drive, 233.97 feet along the arc of a curve to the left, whose radius is 1861.86 feet, whose interior angle is  $7^{\circ} 12' 00''$ , and whose chord bears North  $87^{\circ} 25' 53''$  West a distance of 233.81 feet;

Thence, continuing along the north right-of-way line of Boeing Drive, South  $88^{\circ} 58' 07''$  West a distance of 91.58 feet to THE POINT OF BEGINNING and containing 469,662.668 square feet, or 10.782 acres of land, more or less, subject to all easements of record.



Ramon E. Lara, P.E.  
CREMANS, INC.

March 5, 1979

NOTE: This Exhibit is incorrectly identified as Parcel No. 3. This is the legal description of Parcel No. 1 depicted on Page 1 of this Exhibit. (GM-4/9/2013)



PREPARED FOR: El Paso International Airport  
N.E. Corner American Drive and Montana Ave.  
Being a Portion of Tract 4A25  
Block 2, Ascarate Grant  
El Paso County, Texas

PARCEL NO. 4

PROPERTY DESCRIPTION

Description of a parcel of land being a Portion of Tract 4A25, Block 2, Ascarate Grant, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a City Monument located at the centerline intersection of Boeing Drive and American Drive; thence South  $1^{\circ} 01' 53''$  East along the centerline of American Drive a distance of 53.30 feet; thence South  $85^{\circ} 14' 15''$  East a distance of 34.17 feet to a point lying on the east right-of-way line of American Drive projected, said point being THE POINT OF BEGINNING;

Thence South  $01^{\circ} 01' 53''$  East along the easterly right-of-way line of American Drive projected a distance of 455.15 feet;

Thence 34.14 feet along the arc of a curve to the left, whose interior angle is  $97^{\circ} 48' 00''$ , whose radius is 20.00 feet and whose chord bears South  $49^{\circ} 55' 53''$  East a distance of 30.14 feet to a point lying on the northerly right-of-way line of Montana Avenue;

Thence South  $81^{\circ} 10' 07''$  West along said northerly right-of-way line a distance of 178.82 feet;

Thence 143.47 feet along the arc of a curve to the left, whose interior angle is  $82^{\circ} 12' 00''$ , whose radius is 100.00 feet and whose chord bears North  $40^{\circ} 04' 07''$  East a distance of 131.48 feet to a point lying on the westerly right-of-way line of American Drive projected;

Thence North  $01^{\circ} 01' 53''$  West along said westerly right-of-way line a distance of 407.04 feet;

Thence South  $85^{\circ} 14' 15''$  East a distance of 68.35 feet to the POINT OF BEGINNING and containing in all 34,736.959 or 0.797 acres of land, more or less.

  
Ramon E. Lara, P.E.  
CREMANS, INC.

October 20, 1982

NOTE: This is the correct Exhibit B,  
Page 2.  
(GM-4/9/2013)

PREPARED FOR: El Paso International Airport  
portions of Boeing Drive Right-of-Way in  
El Paso International Airport Tracts Unit 10,  
El Paso County, Texas

EXHIBIT "C"  
Property Description

Description of a parcel of land being a portion of Boeing Drive Right-of-Way in El Paso International Airport Tracts Unit 10, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a City monument at the intersection of the centerline of American Drive with the centerline of Boeing Drive; thence South  $01^{\circ} 01' 53''$  East along the centerline of American Drive a distance of 34.07 feet to the POINT OF BEGINNING:

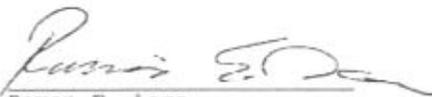
Thence 54.74 feet along the arc of a curve to the left whose interior angle is  $01^{\circ} 45' 40''$ , whose radius is 1,781.06 feet and whose chord bears South  $88^{\circ} 12' 55''$  East a distance of 54.74 feet:

Thence 32.09 feet along the arc of a curve to the left whose interior angle is  $91^{\circ} 56' 08''$  whose radius is 20.00 feet and whose chord bears South  $44^{\circ} 56' 11''$  West a distance of 28.76 feet:

Thence North  $85^{\circ} 14' 15''$  West a distance of 68.35 feet:

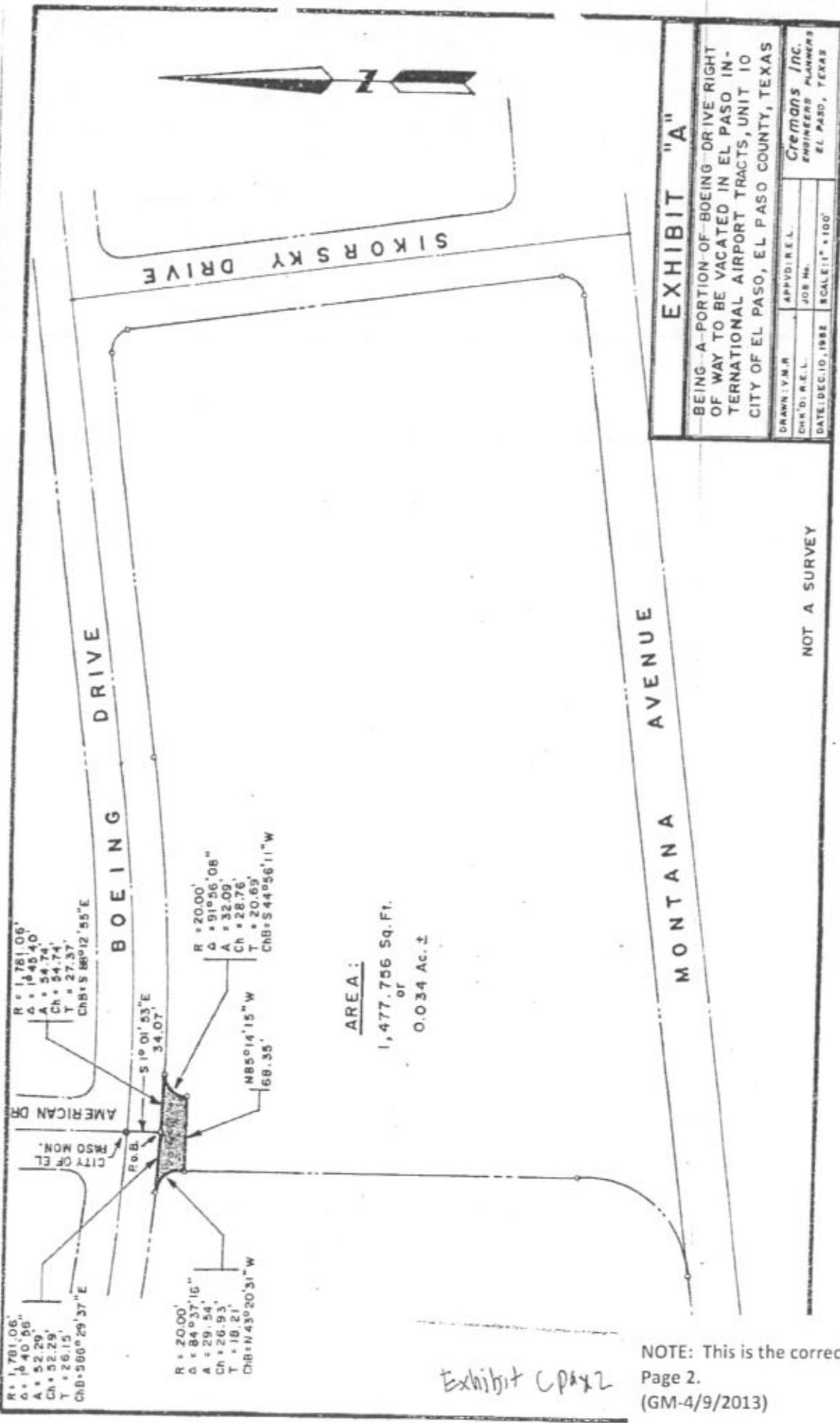
Thence 29.54 feet along the arc of a curve to the left whose interior angle is  $84^{\circ} 37' 16''$ , whose radius is 20.00 feet and whose chord bears North  $43^{\circ} 20' 31''$  West a distance of 26.93 feet:

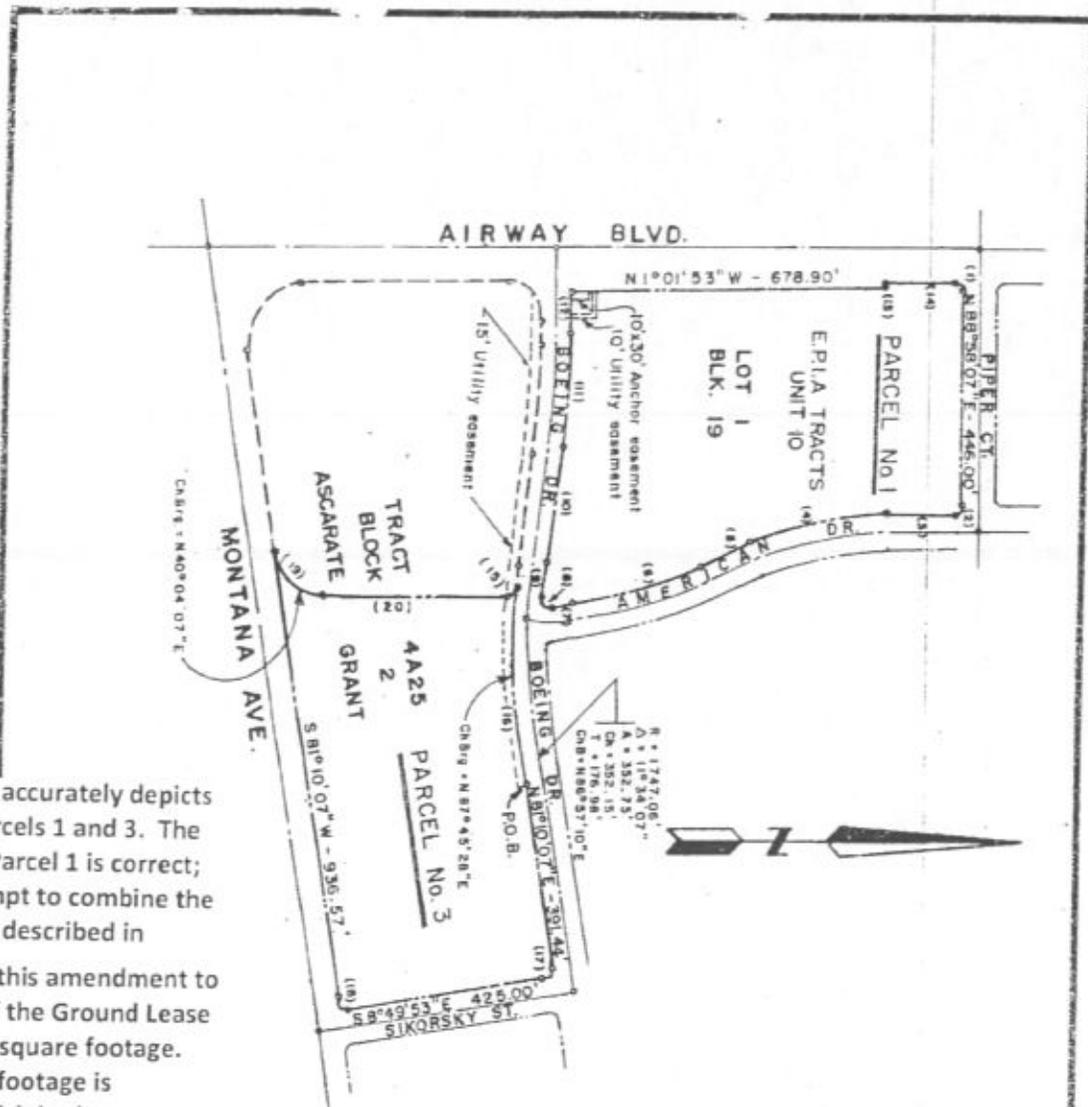
Thence 52.29 feet along the arc of a curve to the left whose interior angle is  $01^{\circ} 40' 56''$ , whose radius is 1,781.06 feet and whose chord bears South  $86^{\circ} 29' 37''$  East a distance of 52.29 feet to the POINT OF BEGINNING and containing in all 1,477.756 square feet or 0.034 acres of land, more or less.



Ramon E. Lara  
CREMANS, INC.

December 10, 1982





DTE: This Exhibit accurately depicts the locations of Parcels 1 and 3. The square footage of Parcel 1 is correct; however, the attempt to combine the additional portions described in Exhibits B and C of this amendment to place Exhibit A of the Ground Lease shows an incorrect square footage. The correct square footage is 469,662.668 SF, which is also

correctly noted on Page 2 of the amendment.  
DATE: 4/9/2013

PARCEL No. 1 - LOT 1, BLOCK 19, E.P.I.A. TRACTS, UNIT 10

No.	BEARING	DIST.	No.	R	A	CH	A	T
(1)	4°01'30"E	146.00'	(11)	20.00'	31.42'	28.28'	90°00'00"	20.00'
(2)	52°23'21"W	100.01'	(12)	30.00'	31.42'	28.28'	90°00'00"	20.00'
(3)	81°01'30"E	41.34'	(13)	820.86'	308.18'	308.14'	21°50'21"	166.81'
(4)	48°48'49"W	238.32'	(14)	783.96'	282.62'	280.97'	21°30'21"	142.99'
(5)	588°25'07"W	81.88'	(15)	20.00'	33.41'	29.67'	89°43'23"	32.10'
(6)	500°06'07"W	5.00'	(16)	1713.08'	44.16'	44.16'	182°37'37"	32.08'
(7)	N10°01'53" W	148.88'	(17)	1081.88'	333.07'	333.07'	79°18'00"	117.14'

AREA = 469,662.668 SQ. FT. OR 10.782 AC. ±

PARCEL No. 3 - EAST PORTION OF TRACT 4A25, BLK 2, ASCARATE GRANT

No.	BEARING	DIST.	No.	R	A	CH	A	T
(18)	H 0°01'03" W	407.04'	(18)	20.00'	25.54'	26.93'	84°37'16"	18.21'
(19)			(19)	1781.08'	403.67'	408.76'	15°10'43"	205.74'
(20)			(20)	20.00'	31.42'	28.28'	90°00'00"	20.00'
(21)			(21)	20.00'	31.42'	28.28'	90°00'00"	20.00'
(22)			(22)	100.00'	143.43'	131.48'	82°12'00"	87.24'

AREA = 396,505.44 SQ. FT. OR 9.102 AC. ±

(PARCEL No. 3) REVISED : 8/24/83  
REVISED : 3/21/83  
REVISED : 5/10/82

**PLAT**

BEING A PORTION OF TRACT 4A25, BLK 2,  
ASCARATE GRANT & ALL OF LOT 1, BLK 19, E.P.I.A.  
TRACTS, UNIT 10, EL PASO COUNTY, TEXAS

DATE : AUGUST 15, 1980 SCALE : 1" = 300'

CHEMANS, INC.  
ENGINEERS PLANNERS  
EL PASO, TEXAS

PREPARED FOR: El Paso International Airport  
N.E. Corner American Drive and Montana Ave.  
Being a Portion of Tract 4A25  
Block 2, Ascarate Grant  
El Paso County, Texas

PARCEL NO. 1  
PROPERTY DESCRIPTION

Description of a parcel of land being a Portion of Tract 4A25, Block 2, Ascarate Grant, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a City monument located at the centerline intersection of Boeing Drive and American Drive; thence South  $1^{\circ} 01' 53''$  East along the centerline of American Drive a distance of 53.30 feet; thence South  $85^{\circ} 14' 15''$  East a distance of 34.17 feet to a point lying on the east right-of-way line of American Drive projected, said point being THE POINT OF BEGINNING;

Thence 32.09 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $91^{\circ} 56' 08''$ , and whose chord bears North  $44^{\circ} 56' 11''$  East a distance of 28.76 feet to a point said point lying on the south right-of-way line of Boeing Drive;

Thence, along said right-of-way, 302.63 feet along the arc of a curve to the left whose radius is 1781.06 feet, whose chord bears North  $86^{\circ} 02' 11''$  East a distance of 302.27 feet;

Thence continuing on said right-of-way North  $81^{\circ} 10' 07''$  East a distance of 391.44 feet;

Thence 31.42 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , whose chord bears South  $53^{\circ} 49' 53''$  East a distance of 31.42 feet to a point lying on the west right-of-way line of Sikorsky Street;

Thence South  $8^{\circ} 49' 53''$  East along said right-of-way line a distance of 425.00 feet;

Thence 31.42 feet along the arc of a curve to the right, whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , and whose chord bears South  $36^{\circ} 10' 07''$  West a distance of 28.28 feet to a point lying on the north right-of-way line of Montana Avenue;

Thence South  $81^{\circ} 10' 07''$  West along said right-of-way line a distance of 757.77 feet;

Thence 34.14 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $97^{\circ} 48' 00''$ , whose chord bears North  $49^{\circ} 55' 53''$  West a distance of 30.14 feet to a point lying on the easterly right-of-way line of American Drive projected;

Thence North  $1^{\circ} 01' 53''$  West a distance of 455.15 feet along the east right-of-way line of American Drive projected to a point said point being THE POINT OF BEGINNING and containing in all 360317.824 square feet or 8.272 acres of land more or less.



Ramon E. Lara, P.E.  
CREMANS, INC.

February 1, 1980

*756, 823.264 sf*

NOTE: This Exhibit is incorrectly identified as Parcel No. 1. This is the legal description of Parcel No. 3 depicted on Page 1 of this Exhibit. (GM-4/9/2013)

PREPARED FOR: El Paso International Airport  
Being a portion of Tract 4A25, Block 2  
Ascarate Grant, City of El Paso, El Paso County, Texas

Revised Parcel No. 3  
PROPERTY DESCRIPTION

Description of a parcel of land being a portion of Tract 4A25, Block 2 Ascarate Grant, City of El Paso, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a point, said point being a City Monument at the intersection of the Centerline of American Drive with the centerline of Boeing Drive; thence 352.75 feet along the centerline of Boeing Drive and along the arc of a curve to the left whose interior angle is  $11^{\circ} 34' 07''$  whose radius is 1747.06 feet whose chord bears North  $87^{\circ} 57' 10''$  East a distance of 325.15 feet; thence South  $08^{\circ} 49' 53''$  East a distance of 34.00 feet to a point lying on the southerly right-of-way line of Boeing Drive and said point being the POINT OF BEGINNING;

Thence North  $81^{\circ} 10' 07''$  East along the southerly right-of-way line of Boeing Drive a distance of 391.44 feet;

Thence 31.42 feet along the arc of a curve to the right whose interior angle is  $90^{\circ} 00' 00''$  whose radius is 20.00 feet and whose chord bears South  $53^{\circ} 49' 53''$  East a distance of 28.28 feet to a point lying on the Westerly right-of-way line of Sikorsky Street;

Thence South  $08^{\circ} 49' 53''$  East along said right-of-way line a distance of 425.00 feet;

Thence 31.42 feet along the arc of a curve to the right whose interior angle is  $90^{\circ} 00' 00''$  whose radius is 20.00 feet and whose chord bears South  $36^{\circ} 10' 07''$  West a distance of 28.28 feet to a point lying on the northerly right-of-way line of Montana Avenue;

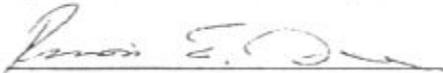
Thence South  $81^{\circ} 10' 07''$  West along said northerly right-of-way line a distance of 936.57 feet;

Thence 143.57 feet along the arc of a curve to the left, whose interior angle is  $82^{\circ} 12' 00''$ , whose radius is 100.00 feet, and whose chord bears North  $40^{\circ} 04' 07''$  East a distance of 131.48 feet;

Thence North  $01^{\circ} 01' 53''$  West a distance of 407.04 feet;

Thence 23.45 feet along the arc of a curve to the left whose interior angle is  $84^{\circ} 37' 16''$ , whose radius is 20.00 feet and whose chord bears North  $43^{\circ} 20' 31''$  West a distance of 26.93 feet to a point lying on the Southerly right-of-way line of Boeing Drive;

Thence 409.67 feet along the southerly right-of-way line of Boeing Drive and along the arc of a curve to the left whose interior angle is  $13^{\circ} 10' 43''$  whose radius is 1,781.06 feet and whose chord bears North  $87^{\circ} 45' 29''$  East a distance of 408.76 feet to the POINT OF BEGINNING and containing in all 396,505.440 square feet or 9.102 acres of land, more or less, subject to all easements of record.



CREMANS INC.

August 24, 1983

NOTE: This Exhibit correctly describes Parcel 3; however, the square footage of the lot does not coincide with that which is noted on Page 2 of this amendment. There is a discrepancy of 27.099 SF when you take the legal descriptions of the original Parcel 3 and add the legal descriptions of Parcel 4 (Exhibit C) and the property described as Exhibit C. (GM-4/9/2013)

EXHIBIT D  
THIRD AMENDMENT  
(See Attached)

PROPEL ; PW DIST/TENANT  
ACCOUNTING step CHARGE/FILE  
LEGAL 4 INFORMATION  
ADMIN     DIST/FILE

RESOLUTION 12/2/86 In H. E. Perryman  
DATE AIRPORT MANAGER

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the Mayor be authorized to sign a Third Amendment to Lease amending the Ground Lease Agreement, dated May 1, 1982, between the City of El Paso and Richard N. Azar by deleting from the Originally Leased Land, a portion of Tract 4A25, Block 2, Ascarate Grant containing 52,846.456 square feet of land more or less, therefrom.

ADOPTED this 16<sup>th</sup> day of December 1986.

Jonathan W. Perryman  
Mayor

ATTEST:

Carole Hunter  
City Clerk

APPROVED AS TO FORM:

Amoracion  
Assistant City Attorney

RSL4/CW1 12/3/86

THIRD AMENDMENT TO LEASE AGREEMENT

THIRD AMENDMENT, executed <sup>PG of</sup> this 16<sup>th</sup> day of DECEMBER, 1986,

by and between THE CITY OF EL PASO, TEXAS (hereinafter referred to as "Lessor") and RICHARD N. AZAR, as a resident of El Paso, Texas (hereinafter referred to as "Lessee").

WITNESSETH:

WHEREAS, in accordance with the terms of that certain Lease Agreement between Lessor and Lessee dated as of May 1, 1982 (hereinafter called "Ground Lease Agreement"), Lessee leased from Lessor those certain tracts of land, designated as Parcel 1 and Parcel 3, being more particularly described on Exhibit "A," attached hereto and by this reference made a part hereof (hereinafter called "Originally Leased Land"); and

WHEREAS, said Ground Lease Agreement was amended on November 23, 1982, (First Amendment To The Lease) by adding to the Originally Leased Land as described therein the land over which the proposed southward extension of American Drive was to be situated, such property being more particularly described as "Parcel 4" on Exhibit "B" attached hereto; and

WHEREAS, said Ground Lease Agreement was amended (Second Amendment to the Lease) on May 8, 1984 by adding to the Originally Leased Land as described therein 1,477.756 square feet of land, such property being more particularly described in Exhibit "C" of said Amendment attached hereto; and

WHEREAS, said Ground Lease Agreement was partially assigned on March 31, 1986 from Richard N. Azar to Richard N. Azar and Jerry M. Coleman as co-owners of undivided interests and using the assumed name of Azar-Coleman Properties; and

WHEREAS, the parties hereto desire to further amend said Ground Lease Agreement by deleting from the Originally Leased Land as described therein and amended by the First and Second Amendments thereto, a portion of Tract 4A25, Block 2, Ascárate Grant, El Paso County Texas, containing 52,846.456 square feet of land, such property being more particularly described in Exhibit "D," attached hereto and by this reference made a part hereof for all purposes (hereinafter called "Deleted Leased Land").

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, IT IS AGREED AS FOLLOWS:

1. It is agreed and understood that for purposes of calculating the amount of rent due Lessor by Lessee and other matters contained in the Ground Lease Agreement, the Deleted Leased Land shall constitute a portion of Parcel 3.

2. Article I, Paragraph A, as amended by the First and Second Amendments to Lease Agreement, is hereby further amended by changing the approximate total square footage figure contained therein from 866,195.207 to 813,348.751; and by adding to the original Ground Lease Agreement Exhibit "A," an Exhibit "B, C & D" attached hereto and by this reference made a part hereof, reflecting the provisions of the Ground Lease Agreement and the First through Third Amendments to Lease Agreement.

3. Except as the Ground Lease Agreement is expressly amended hereby, the Ground Lease Agreement as previously amended shall remain in full force and effect and is hereby ratified and confirmed by the parties.

4. The provisions contained herein shall be binding upon and shall inure to the benefit of the successors, heirs, assigns and representatives of the parties hereto.

EXECUTED the day, month and year first written above in multiple original counterparts, each of which shall have the force and effect of an original.

Regardless of the date this Amendment is executed by the parties, the effective date of this Amendment shall be December 1, 1986.

ATTEST:

*A. Carol Hunter*  
City Clerk

CITY OF EL PASO

By *[Signature]*  
Mayor

ATTEST:

RICHARD N. AZAR

Richard N. Azar  
By Jerry Colman

APPROVED AS TO CONTENTS:

APPROVED AS TO FORM:

[Signature]  
Airport Manager

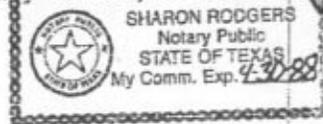
[Signature]  
Assistant City Attorney

THE STATE OF TEXAS )

COUNTY OF EL PASO )

This instrument was acknowledged before me on this 17<sup>th</sup>  
day of December, 1986, by JONATHAN ROGERS  
as Mayor of the City of El Paso, Texas.

Sharon Rodgers  
Notary Public, State of Texas



My Commission Expires:

THE STATE OF TEXAS )

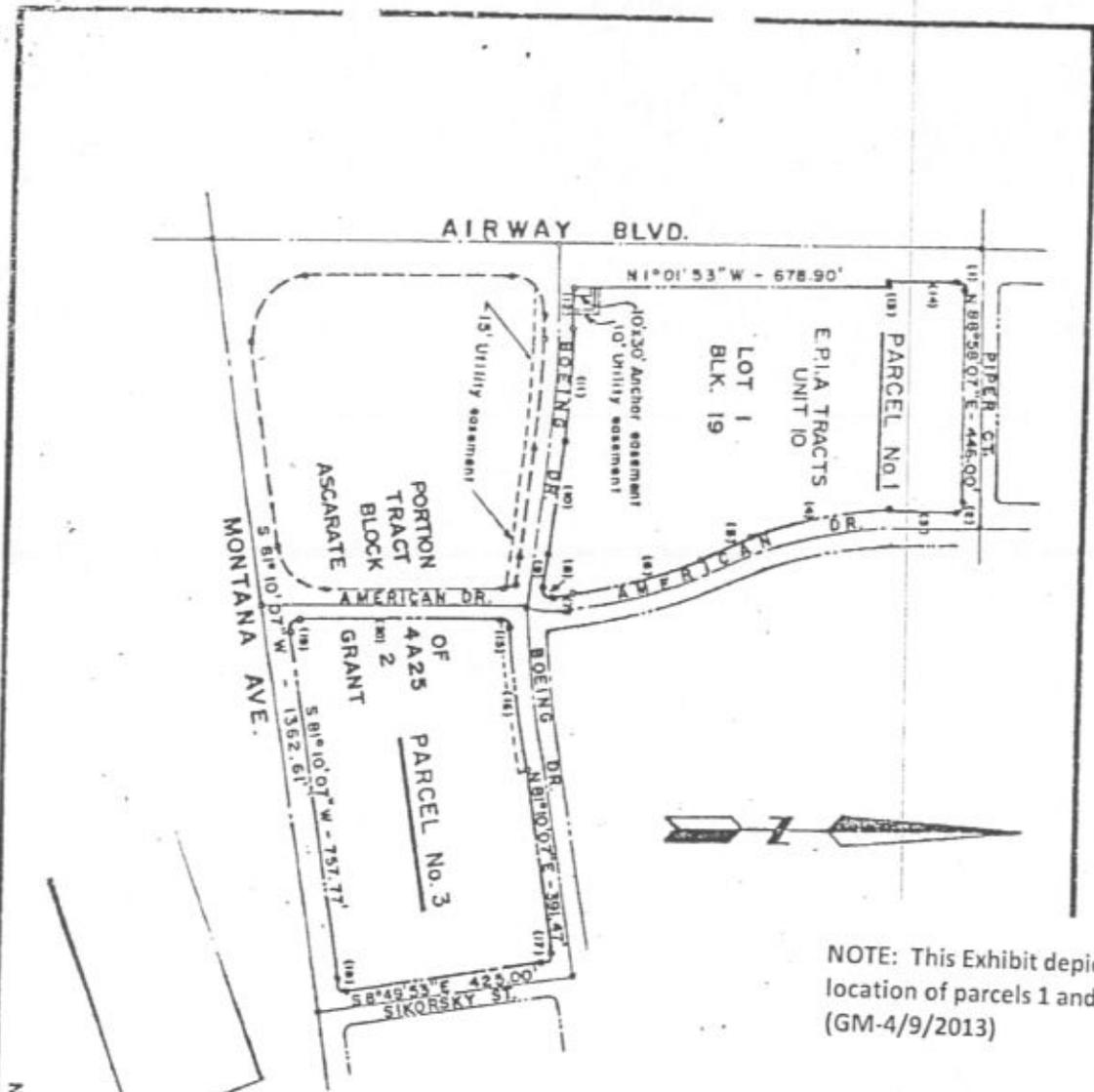
COUNTY OF EL PASO )

This instrument was acknowledged before me on this 11<sup>th</sup>  
day of December, 1986, by Richard N. Azar  
signing on behalf of Richard N. Azar. and Jerry Colman

[Signature]  
Notary Public, State of Texas

My Commission Expires:

3-27-88



NOTE: This Exhibit depicts the correct location of parcels 1 and 3. (GM-4/9/2013)

PARCEL No. 1 - LOT 1, BLOCK 19, E.P.I.A. TRACTS, UNIT 10

No.	BEARING	DIST.	No.	R	A	CH.	A	T
131	1°01'53"E	148.00'	111	80.00'	31.42'	28.23'	90°00'00"	80.00'
132	322°32'42"E	100.00'	121	80.00'	31.42'	28.23'	90°00'00"	80.00'
133	322°32'42"E	100.00'	131	80.00'	31.42'	28.23'	90°00'00"	80.00'
134	322°32'42"E	100.00'	141	80.00'	31.42'	28.23'	90°00'00"	80.00'
135	322°32'42"E	100.00'	151	80.00'	31.42'	28.23'	90°00'00"	80.00'
136	322°32'42"E	100.00'	161	80.00'	31.42'	28.23'	90°00'00"	80.00'
137	322°32'42"E	100.00'	171	80.00'	31.42'	28.23'	90°00'00"	80.00'
138	322°32'42"E	100.00'	181	80.00'	31.42'	28.23'	90°00'00"	80.00'
139	322°32'42"E	100.00'	191	80.00'	31.42'	28.23'	90°00'00"	80.00'
140	322°32'42"E	100.00'	201	80.00'	31.42'	28.23'	90°00'00"	80.00'
141	322°32'42"E	100.00'	211	80.00'	31.42'	28.23'	90°00'00"	80.00'
142	322°32'42"E	100.00'	221	80.00'	31.42'	28.23'	90°00'00"	80.00'
143	322°32'42"E	100.00'	231	80.00'	31.42'	28.23'	90°00'00"	80.00'
144	322°32'42"E	100.00'	241	80.00'	31.42'	28.23'	90°00'00"	80.00'
145	322°32'42"E	100.00'	251	80.00'	31.42'	28.23'	90°00'00"	80.00'
146	322°32'42"E	100.00'	261	80.00'	31.42'	28.23'	90°00'00"	80.00'
147	322°32'42"E	100.00'	271	80.00'	31.42'	28.23'	90°00'00"	80.00'
148	322°32'42"E	100.00'	281	80.00'	31.42'	28.23'	90°00'00"	80.00'
149	322°32'42"E	100.00'	291	80.00'	31.42'	28.23'	90°00'00"	80.00'
150	322°32'42"E	100.00'	301	80.00'	31.42'	28.23'	90°00'00"	80.00'

AREA = 469,662.668 SQ. FT. OR 10.782 AC. ±

PARCEL No. 3 - EAST PORTION OF TRACT 4A25, BLK. 2, ASCARATE GRANT

No.	BEARING	DIST.	No.	R	A	CH.	A	T
101	N0°01'53"W	455.15'	113	30.00'	32.09'	28.76'	91°36'00"	20.66'
102	N0°01'53"W	455.15'	123	30.00'	32.09'	28.76'	91°36'00"	20.66'
103	N0°01'53"W	455.15'	133	30.00'	32.09'	28.76'	91°36'00"	20.66'
104	N0°01'53"W	455.15'	143	30.00'	32.09'	28.76'	91°36'00"	20.66'
105	N0°01'53"W	455.15'	153	30.00'	32.09'	28.76'	91°36'00"	20.66'
106	N0°01'53"W	455.15'	163	30.00'	32.09'	28.76'	91°36'00"	20.66'
107	N0°01'53"W	455.15'	173	30.00'	32.09'	28.76'	91°36'00"	20.66'
108	N0°01'53"W	455.15'	183	30.00'	32.09'	28.76'	91°36'00"	20.66'
109	N0°01'53"W	455.15'	193	30.00'	32.09'	28.76'	91°36'00"	20.66'
110	N0°01'53"W	455.15'	203	30.00'	32.09'	28.76'	91°36'00"	20.66'
111	N0°01'53"W	455.15'	213	30.00'	32.09'	28.76'	91°36'00"	20.66'
112	N0°01'53"W	455.15'	223	30.00'	32.09'	28.76'	91°36'00"	20.66'
113	N0°01'53"W	455.15'	233	30.00'	32.09'	28.76'	91°36'00"	20.66'
114	N0°01'53"W	455.15'	243	30.00'	32.09'	28.76'	91°36'00"	20.66'
115	N0°01'53"W	455.15'	253	30.00'	32.09'	28.76'	91°36'00"	20.66'
116	N0°01'53"W	455.15'	263	30.00'	32.09'	28.76'	91°36'00"	20.66'
117	N0°01'53"W	455.15'	273	30.00'	32.09'	28.76'	91°36'00"	20.66'
118	N0°01'53"W	455.15'	283	30.00'	32.09'	28.76'	91°36'00"	20.66'
119	N0°01'53"W	455.15'	293	30.00'	32.09'	28.76'	91°36'00"	20.66'
120	N0°01'53"W	455.15'	303	30.00'	32.09'	28.76'	91°36'00"	20.66'

AREA = 360,317.824 SQ. FT. OR 8.272 AC. ±

NOT A SURVEY

REVISED: 5/10/82

PLAT

BEING A PORTION OF TRACT 4A25, BLK. 2,  
ASCARATE GRANT B ALLOF LOT 1, BLK. 19, E.P.I.A.  
TRACTS, UNIT 10, EL PASO COUNTY, TEXAS.  
DATE: AUGUST 15, 1980 SCALE: 1" = 300'  
GREMANS, INC.  
ENGINEERS, PLANNERS  
EL PASO, TEXAS

PREPARED FOR: El Paso International Airport  
N.E. Corner American Drive and Montana Ave.  
Being a Portion of Tract 4A25  
Block 2, Ascarate Grant  
El Paso County, Texas

PARCEL NO. 1  
PROPERTY DESCRIPTION

Description of a parcel of land being a Portion of Tract 4A25, Block 2, Ascarate Grant, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a City monument located at the centerline intersection of Boeing Drive and American Drive; thence South  $1^{\circ} 01' 53''$  East along the centerline of American Drive a distance of 53.30 feet; thence South  $85^{\circ} 14' 15''$  East a distance of 34.17 feet to a point lying on the east right-of-way line of American Drive projected, said point being THE POINT OF BEGINNING;

Thence 32.09 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $91^{\circ} 56' 08''$ , and whose chord bears North  $44^{\circ} 56' 11''$  East a distance of 28.76 feet to a point said point lying on the south right-of-way line of Boeing Drive;

Thence, along said right-of-way, 302.63 feet along the arc of a curve to the left whose radius is 1781.06 feet, whose chord bears North  $86^{\circ} 02' 11''$  East a distance of 302.27 feet;

Thence continuing on said right-of-way North  $81^{\circ} 10' 07''$  East a distance of 391.44 feet;

Thence 31.42 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , whose chord bears South  $53^{\circ} 49' 53''$  East a distance of 31.42 feet to a point lying on the west right-of-way line of Sikorsky Street;

Thence South  $8^{\circ} 49' 53''$  East along said right-of-way line a distance of 425.00 feet;

Thence 31.42 feet along the arc of a curve to the right, whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , and whose chord bears South  $36^{\circ} 10' 07''$  West a distance of 28.28 feet to a point lying on the north right-of-way line of Montana Avenue;

Thence South  $81^{\circ} 10' 07''$  West along said right-of-way line a distance of 757.77 feet;

Thence 34.14 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $97^{\circ} 48' 00''$ , whose chord bears North  $49^{\circ} 55' 53''$  West a distance of 30.14 feet to a point lying on the easterly right-of-way line of American Drive projected;

Thence North  $1^{\circ} 01' 53''$  West a distance of 455.15 feet along the east right-of-way line of American Drive projected to a point said point being THE POINT OF BEGINNING and containing in all 360317.824 square feet or 8.272 acres of land more or less.



Ramon E. Lara, P.E.  
CREMANS, INC.

February 1, 1980

NOTE: This Exhibit is incorrectly identified as Parcel No. 1. This is the legal description of Parcel No. 3 depicted on Page 1 of this Exhibit. (GM-4/9/2013)

PREPARED FOR: El Paso International Airport  
Being all of Block 19,  
El Paso International Airport Tracts, Unit 10  
El Paso County, Texas

PARCEL NO. 3

PROPERTY DESCRIPTION

Description of a parcel of land being all of Block 19, El Paso International Airport Tracts, Unit 10, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a point, said point being a U.S. Government monument at the intersection of the north right-of-way line of Montana Avenue and the easterly right-of-way line of the Texas and New Orleans Railroad, thence North  $81^{\circ} 10' 07''$  East along the north right-of-way line of Montana Avenue a distance of 988.80 feet thence North  $1^{\circ} 01' 53''$  West along the east right-of-way line of Airway Blvd a distance of 721.31 feet; thence North  $88^{\circ} 58' 07''$  East a distance of 21.69 feet to THE POINT OF BEGINNING;

Thence, continuing along the east right-of-way line of Airway Blvd; North  $1^{\circ} 01' 53''$  West a distance of 678.90 feet;

Thence South  $88^{\circ} 58' 07''$  West a distance of 5.00 feet;

Thence North  $1^{\circ} 01' 53''$  West a distance of 148.86 feet;

Thence 31.42 feet along the arc of a curve to the right whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , and whose chord bears North  $43^{\circ} 58' 07''$  East a distance of 28.28 feet to a point lying on the south right-of-way line of Piper Court;

Thence, North  $88^{\circ} 58' 07''$  East along the south right-of-way line of Piper Court a distance of 446.00 feet;

Thence 31.42 feet along the arc of a curve to the right, whose radius is 20.00 feet, whose interior angle is  $90^{\circ} 00' 00''$ , and whose chord bears South  $46^{\circ} 01' 53''$  East a distance of 28.28 feet to a point lying on the westerly right-of-way line of American Drive;

Thence, along the westerly right-of-way line of American Drive, South  $1^{\circ} 01' 53''$  East a distance of 146.00 feet;

Thence, continuing along the westerly right-of-way line of American Dr, 308.15 feet along the arc of a curve to the left, whose radius is 820.96 feet, whose interior angle is  $21^{\circ} 30' 21''$ , and whose chord bears South  $11^{\circ} 47' 03''$  East a distance of 306.34 feet;

Thence, continuing along the westerly right-of-way line of American Drive, South  $22^{\circ} 32' 14''$  East a distance of 100.01 feet;

Thence, continuing along the westerly right-of-way line of American Drive, 282.62 feet along the arc of a curve to the right, whose radius is 752.96 feet, whose interior angle is  $21^{\circ} 30' 21''$ , and whose chord bears South  $11^{\circ} 47' 03''$  East a distance of 280.97 feet;

Thence, continuing along the westerly right-of-way line of American Drive, South 1° 01' 53" East a distance of 41.34 feet;

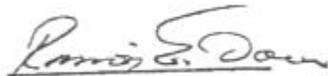
Thence 33.41 feet along the arc of a curve to the right, whose radius is 20.00 feet, whose interior angle is 95° 43' 23", and whose chord bears South 46° 49' 48" West a distance of 29.67 feet to a point lying on the north right-of-way line of Boeing Drive;

Thence, along the north right-of-way line of Boeing Drive, 44.16 feet along the arc of a curve to the right, whose radius is 1713.06 feet, whose interior angle is 1° 28' 37", and whose chord bears North 84° 34' 11" West a distance of 44.16 feet;

Thence, continuing along the north right-of-way line of Boeing Drive, North 83° 49' 53" West a distance of 238.32 feet;

Thence, continuing along the north right-of-way line of Boeing Drive, 233.97 feet along the arc of a curve to the left, whose radius is 1861.86 feet, whose interior angle is 7° 12' 00", and whose chord bears North 87° 25' 53" West a distance of 233.81 feet;

Thence, continuing along the north right-of-way line of Boeing Drive, South 88° 58' 07" West a distance of 91.58 feet to THE POINT OF BEGINNING and containing 469,662.668 square feet, or 10.782 acres of land, more or less, subject to all easements of record.

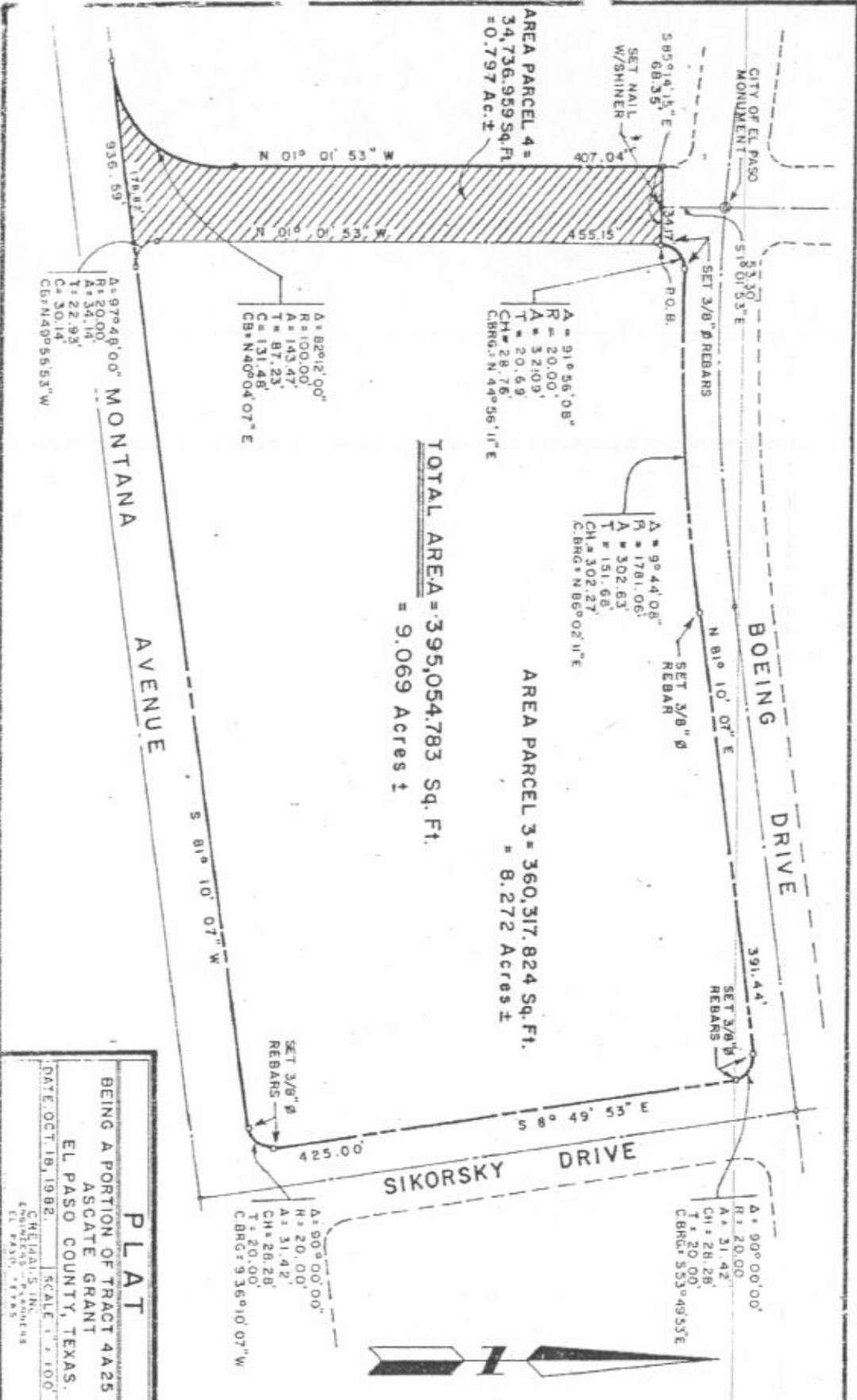


Ramon E. Lara, P.E.  
CREMANS, INC.

March 5, 1979

EXHIBIT "A" - Page 4

NOTE: This Exhibit is incorrectly identified as Parcel No. 3. This is the legal description of Parcel No. 1 depicted on Page 1 of this Exhibit. (GM-4/9/2013)



**PLAT**

BEING A PORTION OF TRACT 4A25 B BLOCK 2,  
ASCATE GRANT  
EL PASO COUNTY, TEXAS.

DATE: OCT. 19, 1982. SCALE: 1" = 100'

CHEIDAL'S, INC.  
ENGINEERS & SURVEYORS  
EL PASO, TEXAS



NOTE: This is the correct Exhibit B, page 1. (GM-4/9/2013)

PREPARED FOR: El Paso International Airport  
N.E. Corner American Drive and Montana Ave.  
Being a Portion of Tract 4A25  
Block 2, Ascarate Grant  
El Paso County, Texas

PARCEL NO. 4

PROPERTY DESCRIPTION

Description of a parcel of land being a Portion of Tract 4A25, Block 2, Ascarate Grant, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a City Monument located at the centerline intersection of Boeing Drive and American Drive; thence South  $1^{\circ} 01' 53''$  East along the centerline of American Drive a distance of 53.30 feet; thence South  $85^{\circ} 14' 15''$  East a distance of 34.17 feet to a point lying on the east right-of-way line of American Drive projected, said point being THE POINT OF BEGINNING;

Thence South  $01^{\circ} 01' 53''$  East along the easterly right-of-way line of American Drive projected a distance of 455.15 feet;

Thence 34.14 feet along the arc of a curve to the left, whose interior angle is  $97^{\circ} 49' 00''$ , whose radius is 20.00 feet and whose chord bears South  $49^{\circ} 55' 53''$  East a distance of 30.14 feet to a point lying on the northerly right-of-way line of Montana Avenue;

Thence South  $81^{\circ} 10' 07''$  West along said northerly right-of-way line a distance of 178.82 feet;

Thence 143.47 feet along the arc of a curve to the left, whose interior angle is  $82^{\circ} 12' 00''$ , whose radius is 100.00 feet and whose chord bears North  $40^{\circ} 04' 07''$  East a distance of 131.48 feet to a point lying on the westerly right-of-way line of American Drive projected;

Thence North  $01^{\circ} 01' 53''$  West along said westerly right-of-way line a distance of 407.04 feet;

Thence South  $85^{\circ} 14' 15''$  East a distance of 68.35 feet to the POINT OF BEGINNING and containing in all 34,736.959 or 0.797 acres of land, more or less.

  
Ramon E. Lara, P.E.  
CREMANS, INC.

October 20, 1982

PREPARED FOR: El Paso International Airport  
portions of Boeing Drive Right-of-Way in  
El Paso International Airport Tracts Unit 10,  
El Paso County, Texas

EXHIBIT "C"  
Property Description

Description of a parcel of land being a portion of Boeing Drive Right-of-Way in El Paso International Airport Tracts Unit 10, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a City monument at the intersection of the centerline of American Drive with the centerline of Boeing Drive; thence South  $01^{\circ} 01' 53''$  East along the centerline of American Drive a distance of 34.07 feet to the POINT OF BEGINNING:

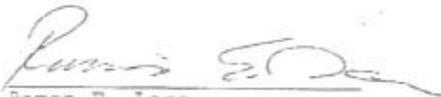
Thence 54.74 feet along the arc of a curve to the left whose interior angle is  $01^{\circ} 45' 40''$ , whose radius is 1,781.06 feet and whose chord bears South  $88^{\circ} 12' 55''$  East a distance of 54.74 feet:

Thence 32.09 feet along the arc of a curve to the left whose interior angle is  $91^{\circ} 56' 08''$  whose radius is 20.00 feet and whose chord bears South  $44^{\circ} 56' 11''$  West a distance of 28.76 feet:

Thence North  $85^{\circ} 14' 15''$  West a distance of 58.35 feet:

Thence 29.54 feet along the arc of a curve to the left whose interior angle is  $84^{\circ} 37' 16''$ , whose radius is 20.00 feet and whose chord bears North  $43^{\circ} 20' 31''$  West a distance of 26.93 feet:

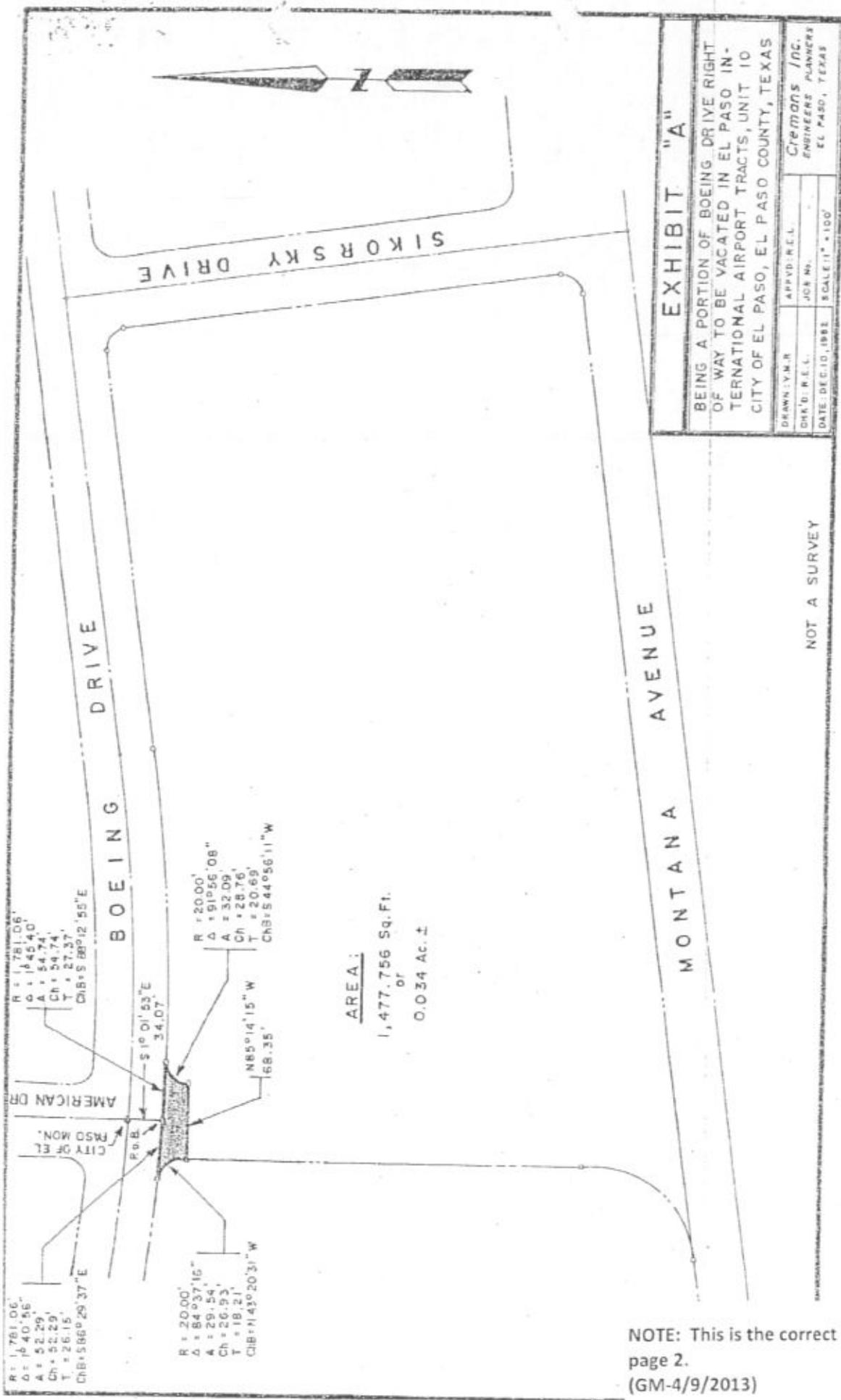
Thence 52.29 feet along the arc of a curve to the left whose interior angle is  $01^{\circ} 40' 56''$ , whose radius is 1,781.06 feet and whose chord bears South  $86^{\circ} 29' 37''$  East a distance of 52.29 feet to the POINT OF BEGINNING and containing in all 1,477.756 square feet or 0.034 acres of land, more or less.



Ramon E. Lara  
CREMANS, INC.

December 10, 1982

NOTE: This is the correct Exhibit C,  
page 1.  
(GM-4/9/2013)



**EXHIBIT "A"**

BEING A PORTION OF BOEING DRIVE RIGHT OF WAY TO BE VACATED IN EL PASO INTERNATIONAL AIRPORT TRACTS, UNIT 10 CITY OF EL PASO, EL PASO COUNTY, TEXAS

DRAWN: Y.M.R.	APP'D: R.E.L.	<i>Cremons Inc.</i> ENGINEERS PLANNERS EL PASO, TEXAS
CHK'D: R.E.L.	JOB NO.	
DATE: DEC. 10, 1982	SCALE: 1" = 100'	

NOT A SURVEY

NOTE: This is the correct Exhibit C, page 2. (GM-4/9/2013)

PREPARED FOR: Richard Azor  
Being a portion of Tract 4A25, Block 2  
Ascarate Grant, City of El Paso, El Paso  
County, Texas.

PROPERTY DESCRIPTION

Description of a parcel of land being a portion of Tract 4A25, Block 2, Ascarate Grant, City of El Paso, El Paso County, Texas and being more particularly described by metes and bounds as follows:

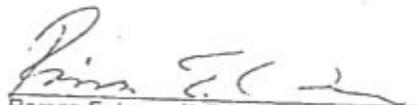
From a point, said point being the intersection of the centerline of Boeing Drive with the centerline of Sikorsky Drive: thence, South  $08^{\circ} 49' 53''$  East and along the centerline of Sikorsky Drive a distance of 295.89 feet; thence, South  $81^{\circ} 10' 07''$  West a distance of 291.32 feet to the POINT OF BEGINNING;

Thence, South  $01^{\circ} 01' 53''$  East a distance of 205.00 feet to a point lying on the northerly right-of-way line of Montana Avenue;

Thence, South  $81^{\circ} 10' 07''$  West along said right-of-way line a distance of 260.00 feet;

Thence, North  $01^{\circ} 01' 53''$  West a distance of 205.00 feet;

Thence, North  $81^{\circ} 10' 07''$  East a distance of 260.00 feet to the POINT OF BEGINNING and containing in all 52, 846.456 square feet or 1.213 acres of land, more or less.

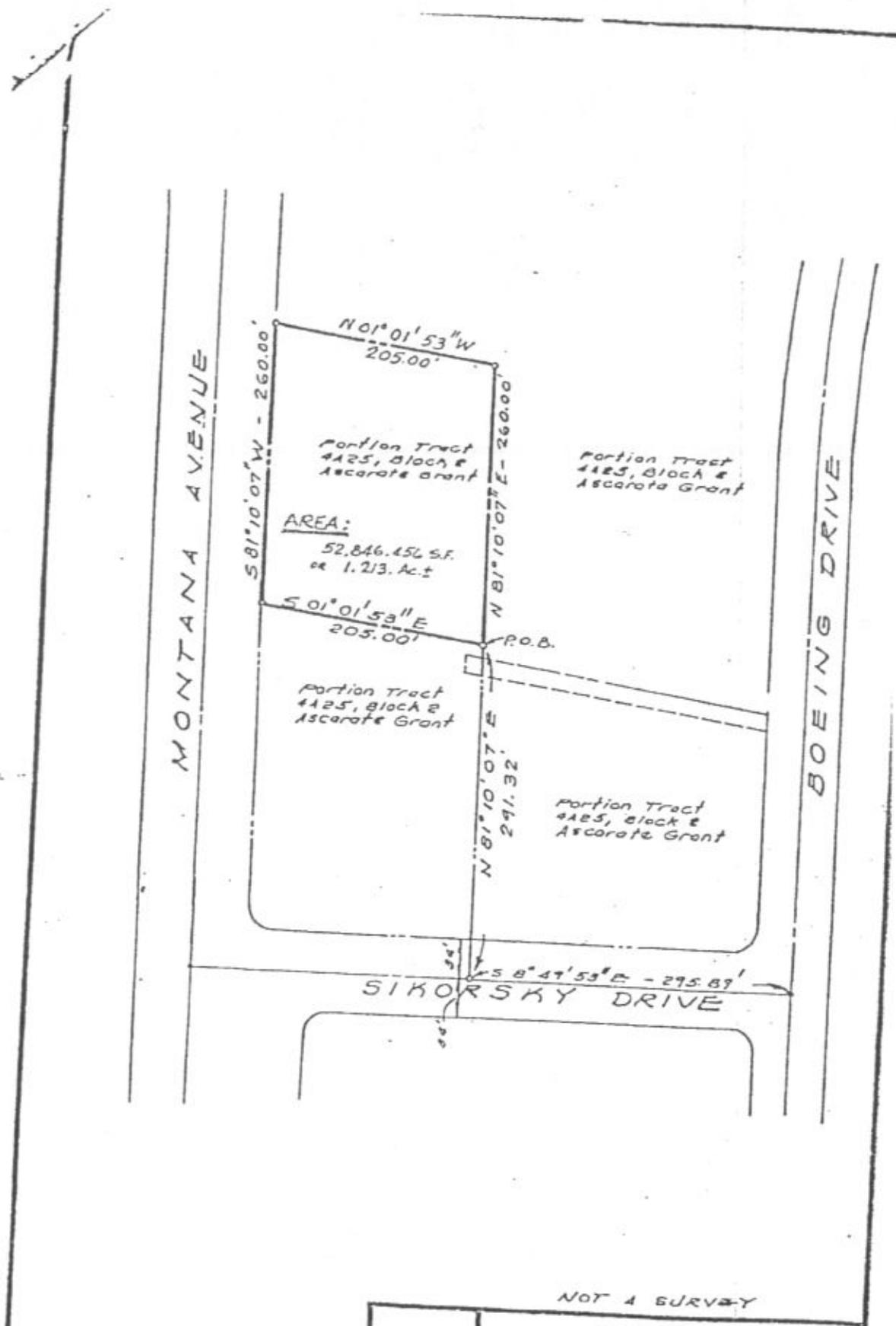
  
Ramon E. Lara, R.P.S.  
BOHANNAN-HUSTON, INC.

November 20, 1985

EXHIBIT "D"

Page 1 of 2

NOTE: This is the correct Exhibit D,  
page 1.  
(GM-4/9/2013)



MONTANA AVENUE

BOEING DRIVE

SIKORSKY DRIVE

AREA:  
 52,846.456 S.F.  
 or 1.213 Ac.±

$N 01^{\circ} 01' 53'' W$   
 205.00'  
 portion Tract  
 4125, Block 2  
 Ascarate Grant  
 AREA:  
 52,846.456 S.F.  
 or 1.213 Ac.±  
 $S 01^{\circ} 01' 53'' E$   
 205.00'  
 portion Tract  
 4125, Block 2  
 Ascarate Grant  
 $N 81^{\circ} 10' 07'' E$   
 260.00'  
 P.O.B.  
 $N 81^{\circ} 10' 07'' E$   
 291.32'  
 portion Tract  
 4123, Block 2  
 Ascarate Grant

NOT A SURVEY

PLAT

BEING A PORTION OF  
 TRACT 4125, BLOCK 2,  
 ASCARATE GRANT  
 EL PASO COUNTY  
 TEXAS

FIELD BOOK No.:	DRAWN HSD	BOHANNAN
CHECKED REL	APPROVED REL	HUSTON
DATE: 11-20-85	FILE No.	

SCALE: 1" = 100'

NOTE: This is the correct Exhibit D,  
 page 2.  
 (GM-4/9/2013)

EXHIBIT E  
FOURTH AMENDMENT

(See Attached)

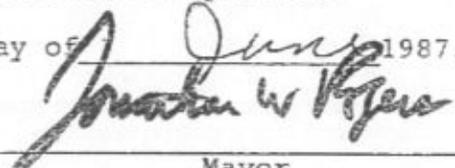
PEOPLE'S \_\_\_\_\_ DIST/TENANT  
 ACCOUNTING \_\_\_\_\_ CHARGE/FILE *by CW*  
 LEGAL \_\_\_\_\_ INFORMATION *7-16-87*  
 ADMIN. \_\_\_\_\_ DIST/FILE

RESOLUTION \_\_\_\_\_ DATE \_\_\_\_\_ AIRPORT MANAGER \_\_\_\_\_

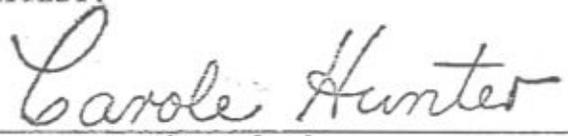
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the Mayor is authorized to sign an Amendment to Ground  
 Lease dated May 1, 1982 with Richard N. Azar and Jerry M. Coleman,  
 Lessees, doing business as Azar-Coleman Properties.

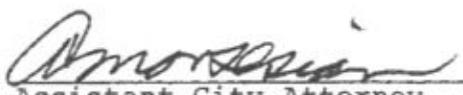
ADOPTED this 30th day of June 1987.

  
 \_\_\_\_\_  
 Mayor

ATTEST:

  
 \_\_\_\_\_  
 City Clerk

APPROVED AS TO FORM:

  
 \_\_\_\_\_  
 Assistant City Attorney

RSL6/CW11 6/24/87



FOURTH AMENDMENT TO LEASE

FOURTH AMENDMENT, executed this 30<sup>th</sup> day of June, 1987, by and between THE CITY OF EL PASO, TEXAS (hereinafter referred to as "Lessor") and RICHARD N. AZAR and JERRY M. COLEMAN d/b/a AZAR-COLEMAN PROPERTIES as a resident of El Paso, Texas (hereinafter referred to as "Lessee").

WITNESSETH:

WHEREAS, The City of El Paso, as Lessor, and Richard N. Azar, as Lessee, entered into that certain Ground Lease Agreement of May 1, 1982 leasing certain premises at the El Paso International Airport, to wit: Lot 1, Block 19, El Paso International Airport Tracts, Unit 10 and the East Portion of Tract 4A25, Block 2, Ascarate Grant, referred to in said Lease as "Parcel 1" and "Parcel 3" respectively, and,

WHEREAS, said Ground Lease Agreement was amended on November 23, 1982, (First Amendment to the Lease) by adding certain land as more particularly described in said First Amendment to the Lease; and

WHEREAS, said Ground Lease Agreement was amended (Second Amendment to the Lease) on May 8, 1984 by adding certain land, more particularly described in said Second Amendment to the Lease; and

WHEREAS, said Ground Lease Agreement was amended (Third Amendment to the Lease) on December 16, 1986 by deleting certain land, as more particularly described in said Third Amendment to the Lease; and

WHEREAS, said Ground Lease Agreement was partially assigned on March 31, 1986 from Richard N. Azar to Richard N. Azar and Jerry M. Coleman as co-owners of undivided interests and using the

assumed name of Azar-Coleman Properties; and

WHEREAS, The term of said Ground Lease Agreement was for a period of forty years commencing on May 1, 1982, with provision for two consecutive ten year options to renew; and

WHEREAS, The City Council of El Paso, by Resolution adopted on February 7, 1984, authorized the Lessee to construct a hotel, motel, restaurant or any combination thereof, or other mutually agreeable use on Parcel 1, subject, however, to a court interpretation of whether the lease between the City of El Paso and Marriott Corporation of October, 1980 precluded the City of El Paso from authorizing such uses on Parcel 1, and ,

WHEREAS, Lessee agrees to drop all claims for damages, including attorney's fees, against the City of El Paso arising out of the lawsuit entitled Azar v. City of El Paso-Marriott, Cause No. 83-7733, in return for the action by City Council taken on February 7, 1984 and an extension of three years, four months on the initial term of the Lease, a period of time equal to the period between the date of the City of El Paso's initial denial of Lessee's application to build a hotel on Parcel 1 and the date of final judicial determination permitting construction of a hotel on Parcel 1 as an authorized use under the Lease, and,

WHEREAS, Lessee has formally requested an extension of three years, four months on the initial term of the Lease and the City of El Paso desires to extend the initial term of the Lease to fulfill the City's commitment:

NOW, THEREFORE, it is hereby agreed by Lessor and Lessee, in consideration of the recitals set forth above which are incorporated herein and made a part hereof, to further amend the

Ground Lease Agreement of May 1, 1982 as follows:

Article IV (Term of Leasehold) is hereby deleted and replaced by the following:

ARTICLE IV TERM OF LEASEHOLD

A. Term. Commencing on the 1st day of May, 1982, the term of the Lease shall be for a period of forty years for that portion of the leased premises referred to as "Parcel 3" and a period of forty-three years and four months for that portion of the leased premises referred to as "Parcel 1".

The first option provided for in this Lease relative to "Parcel 1" to extend the term of this Lease for ten (10) years shall commence, if exercised by Lessee, on September 1, 2025, being forty-three (43) years, four (4) months following the date this Lease commenced. The second option provided for in this Lease relative to "Parcel 1" to extend the term of this Lease for an additional ten (10) years shall commence, if exercised by Lessee, on September 1, 2035, being the tenth (10th) anniversary of the first option described above.

Article V, Paragraph B (Readjustment of Ground Rental) is hereby amended by adding the following language;

"Notwithstanding the provision stated within this paragraph, the readjustment of ground rental established herein shall, for "Parcel 1", be made within ninety days prior to the thirteenth year, fourth month anniversary on September 1, 1995 and within ninety days prior to each tenth anniversary thereafter on September 1, 2005 and September 1, 2015."

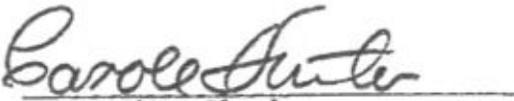
IN WITNESS WHEREOF, the parties have hereunto set their hands  
as of this 30<sup>th</sup> day of June, 1987.

CITY OF EL PASO

ATTEST:

By

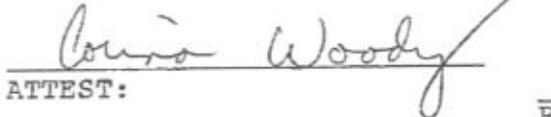
  
Mayor

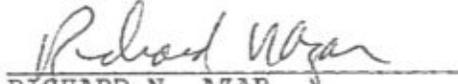
  
City Clerk

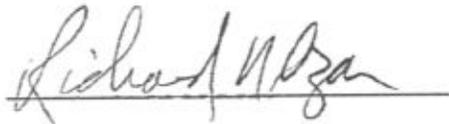
LESSEE: RICHARD N. AZAR and  
JERRY M. COLEMAN d/b/a AZAR-  
COLEMAN PROPERTIES

ATTEST:

ATTEST:

  
Corina Woody

  
RICHARD N. AZAR

  
Richard N. Azar

  
JERRY M. COLEMAN

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

  
Assistant City Attorney

  
Airport Manager

STATE OF TEXAS )  
 )  
COUNTY OF EL PASO )

This instrument was acknowledged before me on this  
17<sup>th</sup> day of June, 1987 by Richard H. Azar.

Ferry M. Colima  
Notary Public, State of Texas

My Commission Expires:

August 17, 1989

STATE OF TEXAS )  
 )  
COUNTY OF EL PASO )

This instrument was acknowledged before me on this  
17<sup>th</sup> day of June, 1987 by Ferry M. Colima  
and \_\_\_\_\_.

Richard Azar  
Notary Public, State of Texas

My Commission Expires:

July 12, 1990

STATE OF TEXAS )  
 )  
COUNTY OF EL PASO )

This instrument was acknowledged before me on this 1st  
day of July, 1987 by JONATHAN ROGERS, Mayor of  
the City of El Paso, on behalf of said city.

Billie Jean Branham  
Notary Public, State of Texas

My Commission Expires:

6/30/90

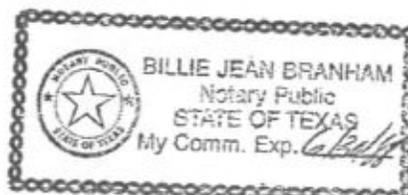


EXHIBIT F  
FIFTH AMENDMENT

(See Attached)

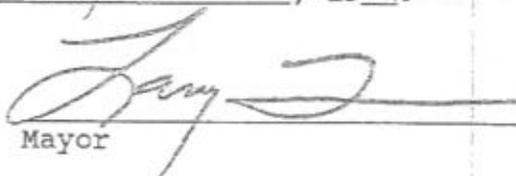
Council Meeting Date May 24, 1994

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the Mayor is authorized to sign the Fifth Amendment to Lease for the Lease, dated May 1, 1982, by and between the City of El Paso, Lessor, and Azar-Coleman Properties, Lessee.

ADOPTED THIS 24<sup>th</sup> day of May, 1994.

  
\_\_\_\_\_  
Mayor

ATTEST:



\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:



\_\_\_\_\_  
First Assistant City Attorney

ORIGINATING DEPARTMENT: AIRPORT

## FIFTH AMENDMENT TO LEASE AGREEMENT

FIFTH AMENDMENT TO LEASE AGREEMENT, executed as of the 17th day of May, 1994, by and between THE CITY OF EL PASO, TEXAS (*Lessor*) and AZAR-COLEMAN PROPERTIES, a Texas general partnership (*Lessee*).

### W I T N E S S E T H:

WHEREAS, on May 1, 1982, Lessor and Richard N. Azar, predecessor-in-interest to Lessee, entered into an Industrial Site Lease (the *Lease*) against those certain parcels of land which are described on Schedule I annexed hereto and made a part hereof for all purposes (the *leased premises*);

WHEREAS, on November 23, 1982, the Lease was amended by First Amendment to Lease Agreement which provided for the addition to the leased premises, the land previously designated for the extension of American Drive and the discharge of Lessor and Lessee from the obligations contained in Article II, Paragraph C of the Lease relating to the engineering and construction of said extension;

WHEREAS, effective December 23, 1982, Richard N. Azar did assign, transfer and convey unto Jerry M. Coleman a one-half interest in and to the Lease by instrument entitled Partial Assignment of Leasehold Interest and Co-Ownership Agreement, the terms and conditions of which were subsequently ratified by that certain Ratification of Assignment and Ownership of Leasehold Interest, filed for record in Volume 2523, Page 1568 of the Real Property Records of El Paso County, Texas;

WHEREAS, on May 8, 1984, the Lease was amended by Second Amendment to Lease Agreement to include as part of the leased premises that portion of Boeing Drive which was vacated, closed and abandoned by act of City Council on February 15, 1983, and to adjust the

total square footage figure subject to the Lease to reflect the provisions of the Lease and the First and Second Amendments thereto;

WHEREAS, on December 1, 1986, the Lease was amended by Third Amendment to Lease Agreement to delete a portion of the leased premises from the Lease;

WHEREAS, on June 30, 1987, the Lease was amended to extend the initial term of the Lease;

WHEREAS, Lessor and Lessee now desire to further amend the Lease to grant to the Lessor the right to cancel the Lease solely against a portion of the leased premises should an event of default occur which is associated solely with such portion of the leased premises, so that after such partial cancellation the Lease remains in full force and effect against the remaining portions of the leased premises;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1. **Partial Cancellation Right.** The Lease is hereby amended by adding the following as Section F of Article VIII:

F. **Partial Cancellation Right.** The parties have attached as Schedule I hereto a plot plan which shows the leased premises divided into eight (8) separate tracts (the *Tracts*), each of which tracts the Lessee has subleased or intends to sublease to third parties, as permitted under the provisions of the Lease. The Lessor is granted the right to cancel the Lease against any one of the Tracts in the event default arises under the terms of the Lease which is associated solely against any one of such Tracts, including the payment of rent or the performance of any other covenant or agreement required to be performed

by Lessee, after the expiration of applicable grace periods, as provided in the Lease. Upon exercise of such right to declare the Lease cancelled against any such specific Tract, it is understood and agreed that the Lease remains in full force and effect against the remaining Tracts not associated with the occurrence of any event of default.

2. Except as expressly provided herein, no amendment or any other provision of the Lease, as amended, is intended or affected hereby. This Lease, as hereby amended, is hereby confirmed and continued in effect.

IN WITNESS WHEREOF, this Fifth Amendment to Lease Agreement has been executed by the parties hereto as of the day, month and year first hereinabove written.

Signature Pages Are Attached

ATTEST:

CITY OF EL PASO

Carole Hunter  
City Clerk

By Joe Serna  
Mayor

APPROVED AS TO CONTENT:

APPROVED AS TO FORM:

[Signature]  
Airport Manager

David Coughlin  
First Assistant City Attorney

STATE OF TEXAS  
COUNTY OF EL PASO

§  
§  
§

The foregoing was acknowledged before me on this 26<sup>th</sup> day of May, 1994  
by Joe Serna as Mayor of the City of El Paso, Texas.

Kathryn A. Murphy  
Notary Public in and for the  
State of Texas  
My commission Expires: 2-11-95

SIGNATURE PAGE TO FIFTH AMENDMENT TO LEASE AGREEMENT  
BY AND BETWEEN THE CITY OF EL PASO AND  
AZAR COLEMAN PROPERTIES

ATTEST:

AZAR-COLEMAN PROPERTIES

Antonia J. Guller

By: Richard N. Azar  
Richard N. Azar, Partner

Antonia J. Guller

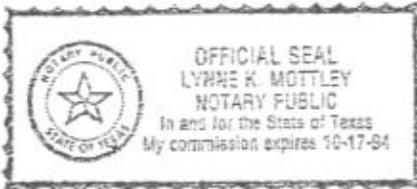
By: Jerry M. Coleman  
Jerry M. Coleman, Partner

STATE OF TEXAS

500 500 500

COUNTY OF EL PASO

This instrument was acknowledged before me on May 17, 1994, by Richard N. Azar, Partner of Azar-Coleman Properties, a Texas partnership, on behalf of said partnership.



Lynne K. Mottley  
Notary Public in and for the  
State of Texas  
My commission Expires: 10-17-94

STATE OF TEXAS

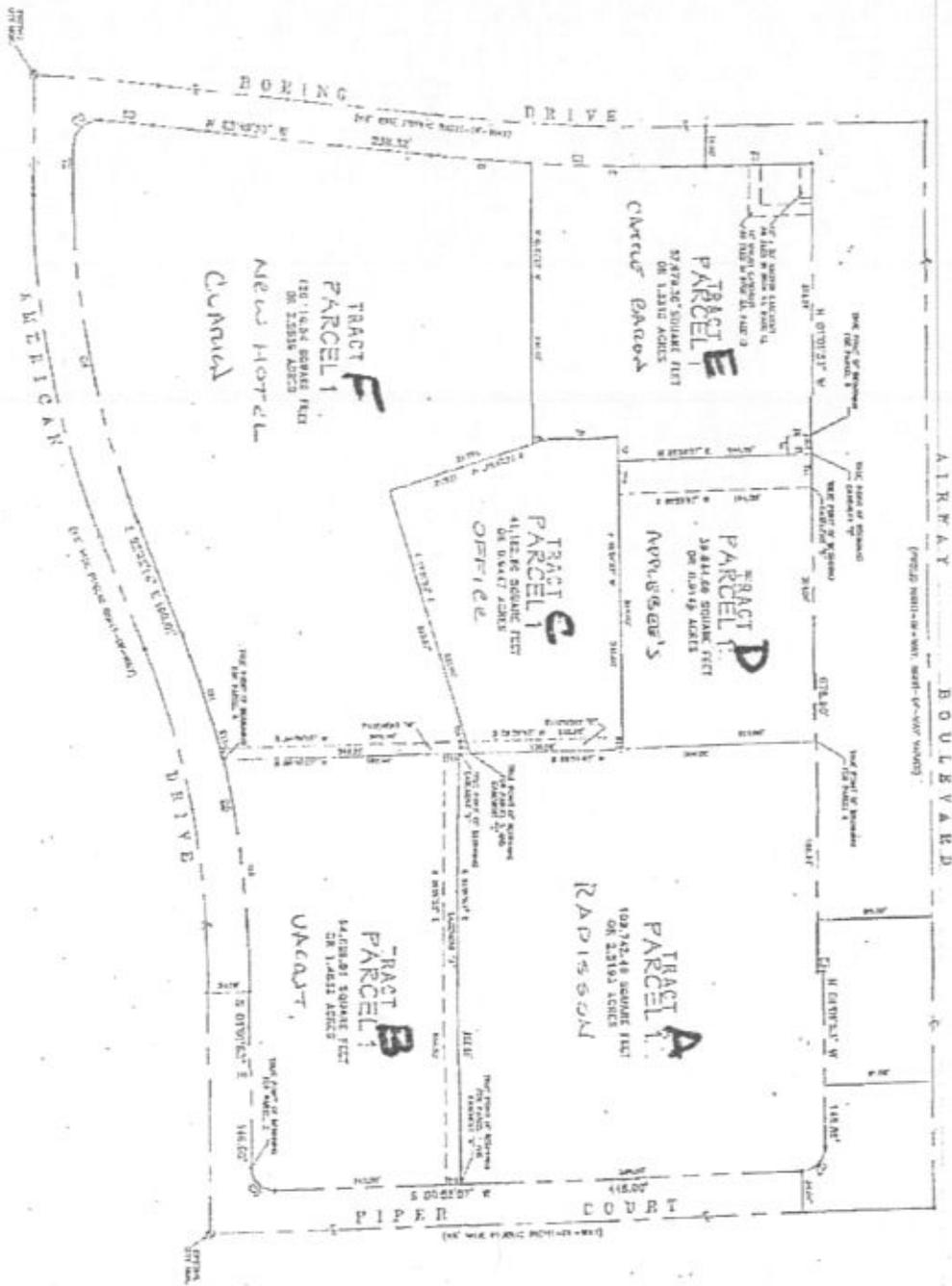
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COUNTY OF EL PASO

This instrument was acknowledged before me on May 17, 1994, by Jerry M. Coleman, Partner of Azar-Coleman Properties, a Texas partnership, on behalf of said partnership.



Lynne K. Mottley  
Notary Public in and for the  
State of Texas  
My commission Expires: 10-17-94



SCHEDULE I



EXHIBIT G  
SIXTH AMENDMENT

(See Attached)

Adm 1B

### RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the Mayor be authorized to sign a Sixth Amendment to Lease Agreement by and between the City of El Paso ("Lessor") and Azar-Coleman Properties ("Lessee") concerning a Lease Agreement dated May 1, 1982 for the purpose of deleting a parcel of property containing approximately 3.5839 acres upon which the Hawthorn Suites Hotel is located.

ADOPTED this the 3<sup>rd</sup> day of February 2004.

THE CITY OF EL PASO

Joe Ward  
Mayor

ATTEST:

Richarda Duffy Momsen  
City Clerk

APPROVED AS TO FORM:

Sylvia Borunda Firth  
Assistant City Attorney

APPROVED AS TO CONTENT:

Patrick T. Abeln, A. A. E.  
Director of Aviation

ORIGINATING DEPARTMENT: AIRPORT

## SIXTH AMENDMENT TO LEASE AGREEMENT

THIS SIXTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is made and entered into as of Effective Date (hereinafter defined), by and between THE CITY OF EL PASO ("Lessor") and AZAR-COLEMAN PROPERTIES, a Texas general partnership ("Lessee").

### RECITALS:

A. Lessor and Lessee are parties to that certain Lease Agreement dated May 1, 1982 (as amended, the "Existing Lease"). The Existing Lease has been amended pursuant to the terms of that certain (i) First Amendment to Lease Agreement dated November 23, 1982, (ii) Second Amendment to Lease Agreement dated May 8, 1984, (iii) Third Amendment to Lease Agreement dated December 16, 1986, (iv) Fourth Amendment to Lease Agreement dated June 30, 1987, and (v) Fifth Amendment to Lease Agreement dated May 17, 1994. The Existing Lease is evidenced of record by a Memorandum of Lease filed in Book 1378, Page 786 of the Real Property Records of El Paso County, Texas (the "Real Property Records"), re-recorded in Book 1380, Page 1482 of the Real Property Records.

B. The Existing Lease covers several tracts of land, one of which now has constructed thereon a hotel currently being operated as a Hawthorn Suites Hotel (the "Hawthorn Hotel Site"). The Hawthorn Hotel Site is described in Exhibit "A" attached hereto and made a part hereof for all purposes.

C. Lessee has subleased the Hawthorn Hotel Site to Newcon 95, Ltd., a Texas limited partnership ("Sublessee"), pursuant to the terms of that certain Sublease Agreement dated June 15, 1994 (the "Sublease"). The Sublease is evidenced of record by a Memorandum of Sublease filed in Book 2756, Page 522 of the Real Property Records.

D. Sublessee, as seller, and Mac Hotel Properties I, L.P., as purchaser ("Purchaser"), are parties to a purchase and sale agreement for the sale of certain improvements and personal property located on the Hawthorn Hotel Site, and commonly known as the Hawthorn Suites Hotel (the "Hawthorn Hotel"). Immediately after Purchaser acquires the Hawthorn Hotel, and as a condition subsequent to such transaction, Lessor and Purchaser will enter into a new lease for the Hawthorn Hotel Site (the "New Lease"), and simultaneously therewith (i) the Existing Lease will be amended (pursuant to this Amendment) to no longer cover the Hawthorn Hotel Site and (ii) the Sublease will be terminated.

### AGREEMENT:

NOW, THEREFORE, for and in consideration of the matters set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Effective as of the Effective Date, the Existing Lease is amended to no longer include the Hawthorn Hotel Site. For purposes hereof, the term "Effective Date" means the effective date of the New Lease.

2. Except as amended by this Agreement, the terms and provisions of the Existing Lease shall remain unchanged and shall remain in full force and effect.

3. This Agreement may be executed by the parties hereto in separate counterparts, and each counterpart, when so executed and delivered, shall constitute an original agreement, and all such separate counterparts shall constitute but one and the same agreement.

4. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

5. This Agreement embodies the entire agreement and understanding between the parties with respect to the matters specifically covered by this Amendment, and supersedes all prior agreements, consents and understandings with respect to such subject matter.

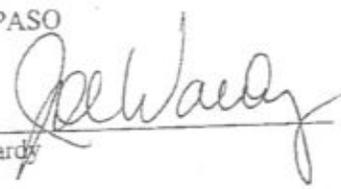
Executed the 3rd day of February 2004.

"LESSOR"

ATTEST:

  
Richarda Duffy Momsen  
City Clerk

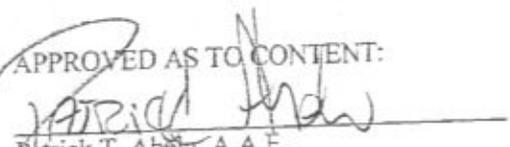
CITY OF EL PASO

By:   
Joe Ward  
Mayor

APPROVED AS TO FORM:

  
Sylvia Borunda Firth  
Assistant City Attorney

APPROVED AS TO CONTENT:

  
Patrick T. Abell, A.A.E.  
Director of Aviation

(SIGNATURES CONTINUE ON FOLLOWING PAGE)

"LESSEE"

ATTEST:

AZAR-COLEMAN PROPERTIES,  
a Texas general partnership

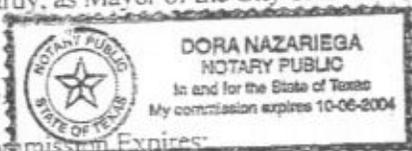
By: Richard N. Azar  
Richard N. Azar, Partner

By: Jerry M. Coleman  
Jerry M. Coleman, Partner

STATE OF TEXAS  
COUNTY OF EL PASO

This instrument was acknowledged before me on this 9th day of February, 2004, by Joe Wardy, as Mayor of the City of El Paso, Texas.

[SEAL]



My Commission Expires:  
10-06-04

Dora Nazariega  
Notary Public State of Texas

Dora Nazariega  
Printed Name of Notary

STATE OF TEXAS  
COUNTY OF EL PASO

This instrument was acknowledged before me on this 3rd day of February, 2004, by Richard N. Azar, a partner of Azar-Coleman Properties, a Texas general partnership, on behalf of said partnership.

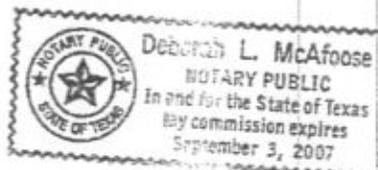
[SEAL]

Deborah L. McAfoose  
Notary Public State of Texas

My Commission Expires:  
9-3-07

Deborah L. McAfoose  
Printed Name of Notary

(ACKNOWLEDGMENTS CONTINUE ON FOLLOWING PAGE)



STATE OF TEXAS

COUNTY OF EL PASO

509 101 006

This instrument was acknowledged before me on this 3<sup>rd</sup> day of February, 2004, by Jerry M. Coleman, a partner of Azar-Coleman Properties, a Texas general partnership, on behalf of said partnership.

[SEAL]

My Commission Expires:

9-3-07

*Deborah L McAfoose*  
Notary Public State of Texas

*Deborah L McAfoose*  
Printed Name of Notary

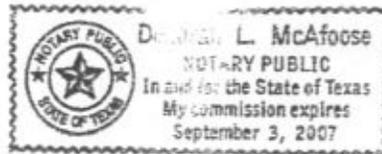


EXHIBIT "A"

LEGAL DESCRIPTION FOR HAWTHORN HOTEL SITE

Description of a tract land containing approximately 3.5839 acres being a portion of Lot 1, Block 19, El Paso International Airport Tracts, Unit 10, an addition to the City of El Paso, El Paso County, Texas according to the Map thereof on file in Book 53, Page 12, Plat Records of El Paso County, Texas, and being more particularly described by metes and bounds as follows to wit:

Starting at a found city monument located at the centerline intersection of American Drive and Piper Court. Thence South  $01^{\circ}01'53''$  East along the centerline of American Drive a distance of 200.00 feet to a point. Thence South  $88^{\circ}58'07''$  West a distance of 34.00 feet to a point lying along the Westerly right-of-way line of American Drive. Thence, 194.31 feet along an arc of a curve to the left along said Westerly right-of-way line, whose interior angle is  $13^{\circ}33'40''$ , whose radius is 820.96 feet, and whose chord bears South  $07^{\circ}48'43''$  East a distance of 193.86 feet to a found  $5/8"$   $\sigma$  rebar with yellow plastic cap stamped Tx. 2449, Roe Engr., L.C., said rebar being the "TRUE POINT OF BEGINNING".

Thence 113.84 feet along an arc of a curve to the left along the westerly right-of-way line of American Drive, whose interior angle  $07^{\circ}56'41''$ , whose radius is 820.96 feet, and whose chord bears South  $18^{\circ}33'53''$  East a distance of 113.75 feet to a found chiseled "x" on concrete sidewalk;

Thence South  $22^{\circ}32'14''$  East a distance of 100.01 feet to a found chiseled "x" on concrete sidewalk, said chiseled "x" lying on the Westerly right-of-way line of American Boulevard;

Thence 282.62 feet along an arc of a curve to the right along the westerly right-of-way line of American Drive, whose interior angle  $21^{\circ}30'21''$ , whose radius is 752.96 feet, and whose chord bears South  $11^{\circ}47'04''$  East a distance of 280.97 feet to a found chiseled "x" on concrete sidewalk;

Thence South  $01^{\circ}01'53''$  East along said Westerly right-of-way line of American Drive distance of 41.34 feet to a found chiseled "x" on concrete sidewalk;

Thence 33.41 feet along an arc of a curve to the right whose interior angle  $95^{\circ}43'23''$  whose radius is 20.00 feet, and whose chord bears South  $46^{\circ}49'48''$  West a distance of 29.66 feet to a found chiseled "x" on concrete sidewalk, said chiseled "x" lying on the Northerly right-of-way line of Boeing Drive;

Thence 44.16 feet along an arc of a curve to the left along the northerly right-of-way line of Boeing Drive, whose interior angle  $01^{\circ}28'37''$  whose radius is 1713.06 feet, and whose chord bears North  $84^{\circ}34'12''$  West a distance of 44.16

feet to a found chiseled "x" on concrete sidewalk;

Thence North  $83^{\circ}49'53''$  West along said Northerly right-of-way line of Boeing Drive a distance of 238.32 feet to a set chiseled "x" on concrete sidewalk;

Thence 85.74 feet along an arc of a curve to the left along the northerly right-of-way line of Boeing Drive, whose interior angle  $02^{\circ}38'19''$  whose radius is 1861.86 feet, and whose chord bears North  $85^{\circ}09'02''$  West a distance of 85.73 feet to a found chiseled "x" on concrete driveway;

Thence North  $01^{\circ}01'53''$  West a distance of 238.14 feet to a found  $5/8''$  rebar with yellow plastic cap stamped Tx. 2449, Roe Engr., L.C.;

Thence North  $72^{\circ}28'07''$  East a distance of 125.12 feet to a found  $5/8''$  rebar with yellow plastic cap stamped Tx. 2499, Roe Engr., L.C.;

Thence North  $17^{\circ}31'53''$  West a distance of 231.00 feet to a set found  $5/8''$  rebar with yellow plastic cap stamped Tx. 2499, Roe Engr., L.C.;

Thence North  $88^{\circ}58'07''$  East a distance of 209.89 feet back to the "TRUE POINT OF BEGINNING", and said parcel containing 156,116.54 square feet or 3.5839 acres of land more or less.

EXHIBIT H

PROPERTY DESCRIPTION

PROPERTY DESCRIPTION

ALL THAT CERTAIN TRACT OF LAND CONTAINING 6.628 ACRES AND LYING WITHIN THE CORPORATE LIMITS OF THE CITY OF EL PASO, EL PASO COUNTY, TEXAS, SAME BEING A PORTION OF TRACT 4A25, BLOCK 2, ASCARATE GRANT, EL PASO COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT AN "X" FOUND OUT IN A CONCRETE SIDEWALK ON THE SOUTH RIGHT-OF-WAY OF BOEING DRIVE (68.00 FEET WIDE), SAME BEING ON THE NORTH LINE OF TRACT 4A25, AND BEING NORTH 86E57'10" EAST 332.12 FEET AND SOUTH 08E49'53" WEST 34,000 FEET FROM A CITY OF EL PASO BRASS CAP MONUMENT FOUND MARKING THE CENTERLINE INTERSECTION OF SAID BOEING DRIVE WITH AMERICAN DRIVE;

THENCE, NORTH 81E10'07" EAST, WITH THE SOUTH RIGHT-OF-WAY OF SAID BOEING DRIVE, SAME BEING THE NORTH LINE OF SAID TRACT A DISTANCE OF 391.44 FEET TO AN "X" FOUND OUT IN TOP OF A CONCRETE SIDEWALK FOR THE BEGINNING OF A CURVE TO THE RIGHT.

THENCE, IN A SOUTHEASTERLY DIRECTION, ALONG THE ARC OF SAID CURVE TO THE RIGHT (DELTA=9000'00", RADIUS=20.00 FEET, CHORD=SOUTH 53E49'53" EAST 28.28 FEET), A DISTANCE OF 31.42 FEET TO A ½-INCH REBAR UPON WHICH A PLASTIC CAP WAS PLACED FOUND FOR THE END OF SAID CURVE TO THE RIGHT, SAME BEING ON THE WEST RIGHT-OF-WAY OF SIKORSKY STREET;

THENCE, SOUTH 08E49'53" EAST, WITH THE WEST RIGHT-OF-WAY OF SAID SIKORSKY STREET, SAME BEING THE NORTHERNMOST EAST LINE OF SAID TRACT A DISTANCE OF 241.89 FEET TO AN "X" FOUND OUT IN TOP OF A CONCRETE SIDEWALK;

THENCE, SOUTH 81E10'07" WEST, WITH THE EASTERNMOST SOUTH LINE OF SAID TRACT A DISTANCE 517.32 FEET TO A ½-INCH REBAR WITH PLASTIC CAP FOUND FOR CORNER;

THENCE, SOUTH 01E01'53" EAST, WITH THE SOUTHERNMOST EAST LINE OF SAID TRACT , A DISTANCE OF 205.00 FEET TO A ½-INCH REBAR WITH PLASTIC CAP FOUND ON THE NORTH RIGHT-OF-WAY OF MONTANA AVENUE (U.S. HIGHWAY NO. 62-180);

THENCE, SOUTH 81E10'07" WEST, WITH THE NORTH RIGHT-OF-WAY OF SAID MONTANA AVENUE, SAME BEING THE WESTERNMOST SOUTH LINE OF SAID TRACT A DISTANCE OF 411.46 FEET TO AN "X" CUT IN TOP OF CONCRETE SIDEWALK FOR THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT;

THENCE, IN A NORTHERLY DIRECTION, WITH THE WEST LINE OF SAID TRACT THE FOLLOWING THREE COURSES AND DISTANCES:

ALONG THE ARC OF SAID CURVE TO THE LEFT (DELTA=82E13'01", RADIUS=100.00 FEET CHORD=NORTH 40E04'37" EAST, 131.50 FEET), A DISTANCE OF 143.50 FEET TO A ½-INCH REBAR WITH PLASTICE CAP FOUND FOR THE END OF SAID CURVE TO THE LEFT;

NORTH 01E01'53" WEST, A DISTANCE OF 407.07 FEET TO A ½-INCH REBAR WITH PLASTIC CAP FOUND FOR THE BEGINNING OF A CURVE TO THE LEFT;

ALONG THE ARC OF THE SAID CURVE TO THE LEFT (DELTA=84E37'16", RADIUS=20.00 FEET, CHORD=NORTH 43E20'31" WEST , 26.93 FEET), A DISTANCE OF 29.54 FEET TO THE SOUTH RIGHT-OF-WAY OF SAID BOEING DRIVE, SAME BEING A NON-TANGENT CURVE TO THE LEFT;

THENCE, IN A NORTHEASTERLY DIRECTION, WITH THE SOUTH RIGHT-OF-WAY OF SAID BOEING DRIVE AND ALONG THE ARC OF SAID CURVE TO THE LEFT (DELTA=1310'44", RADIUS=1781.06 FEET, CHORD=NORTH 87EE45'29" EAST, 408.77 FEET), A DISTANCE OF 409.67 FEET TO THE POINT OF BEGINNING AND CONTAINING 6.628 ACRES OR 288,715 SQUARE FEET.

THE PROPERTY HEREON IS THE SAME PROPERTY DESCRIBED IN TITLE COMPANY'S COMMITMENT NO. NCS-560483-SD. DATED: AUGUST 2, 2012, AMENDED DECEMBER 26, 2012 AND ALSO THE SAME PROPERTY DESCRIBED IN THE DEED OF TRUST FILED IN INSTRUMENT NO. 20070017129.