

REAL ESTATE LEASE- McAllen

THIS-LEASE AGREEMENT ("this "lease") is dated June 6, 2016 by and between Paramount Enterprises ("Landlord"), and South Texas Educational Technologies, Inc. (DBA, Horizon Montessori Public Schools) ("Tenant"). The parties agree as follows:

PREMISES. Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant property located at 221 N Main Street, McAllen, TX 78501 and 220 N Main Street, McAllen, Texas 78501 as described in **Exhibit "A"**

TERM. The lease term will begin on September 1, 2016, or date of occupancy and will terminate on August 31, 2017. Prior to use by the tenant, the landlord will have the property inspected by certified inspectors in the field of asbestos, mold, and lead in order to provide assurance to the tenant that the premises are safe for use as a school with regard for asbestos, mold, and lead use in the property.

LEASE PAYMENTS. Tenant shall pay to Landlord a monthly rental not to exceed \$19,623.60, payable in advance on the 25th (twenty -fifth) day of each month with a 6 (six) day grace period. After the (6) sixth day, a fee of \$50.00 per day will be due.

SECURITY DEPOSIT. At the time of the signing of this Lease, Tenant shall pay to Landlord, in trust a security deposit of \$0.00 to be held and disbursed for Tenant damages to the Premises (if any) as provided by law. Any remaining funds will revert back to "STET (dba Horizon Montessori Public Schools)".

POSSESSION. Tenants shall be entitled to possession on the first day of the term of this Lease, and shall yield possession to Landlord on the last day of the term of this lease, unless otherwise agreed by both parties in writing. At the expiration of the term, Tenant shall remove its goods and effects and peaceably yield up the Premises to Landlord in as good a condition as when delivered to Tenant, ordinary wear and tear excepted.

USE OF PREMISES. Tenant may use the Premises only for educational purposes. The Premises may be used for any other purpose only with the prior written consent of Landlord, which shall not be unreasonably withheld. Tenant shall notify Landlord of any anticipated extended absence from the Premises not later than the first day of the extended absence.

STORAGE. Tenant shall be entitled to store items of personal property in storage areas in the building, during the term of this Lease. Landlord shall not be liable for loss to or damage to, such stored items.

PROPERTY INSURANCE. Tenant shall maintain casualty insurance on the Premises in an amount not less than \$1,000,000.00. Landlord shall be named as an additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonable satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies. Tenant shall also maintain another insurance which Landlord may reasonable require for the protection of landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

LIABILITY INSURANCE. Tenant shall maintain liability insurance on the premises in a total aggregate sum of at least \$1,000,000.00 Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies.

MAINTENANCE. Tenant shall have the responsibility to maintain the Premises in good repair at all times during the term of this Lease. Repairs to the roof, building structure, major plumbing, major mechanical repairs, including air conditioning shall be borne by the landlord.

UTILITIES AND SERVICES. Tenant shall be responsible for all utilities and services incurred in connection with the Premises.

TAXES. Taxes attributable to the Premises or the use of the Premises shall be allocated as follows:

REAL ESTATE TAXES. Tenant shall pay their pro-rata share of all real estate taxes and assessments which are assessed against the Premises during the time of this Lease for the square footage the tenant is leasing.

PERSONAL PROPERTY TAXES: Tenant shall pay all personal property taxes and any other which may be levied against the Premises and which are attributable to Tenant's use of the Premises, along with all sales and/or use taxes (if any) that may be due in connection with lease payments.

SALE OF PREMISES. In the event of a sale or conveyance by Landlord of all or part of the leased premises, the same shall operate to release Landlord from any future liability upon any of the covenants or conditions, express or implied herein contained in favor of Tenant, and in such event Tenant agrees to look solely to the responsibility of the successor in interest of landlord in and to this lease. This lease shall not be affected by any such sale, and Tenant agrees to attorn to the purchaser of assignee.

DEFAULTS. Tenant shall be in default of this Lease if Tenant fails to fulfill any lease obligation or term by which Tenant is bound. Subject to any governing provisions of law to the contrary, if Tenant fails to cure any financial obligation within 30 days (or any other obligation within 10 days) after written notice of such default is provided by Landlord to Tenant, Landlord may take possession of the Premises without further notice (to the extent permitted by law), and without prejudicing Landlord's rights to damages. In the alternative, Landlord may elect to cure any default and the cost of such action shall be added to Tennant's financial obligations under this Lease. Tenant shall pay all costs, damages, and expenses (including reasonable attorney fees and expenses) suffered by Landlord by reason of Tenant's defaults. All sums of money or charges required to be paid by Tenant under this Lease shall be additional rent, whether or not such sums or charges are designated as "additional rent". The rights provided by this paragraph are cumulative in nature and are in addition to any other rights afforded by law.

HOLDOVER. If Tenant maintains possession of the Premises for any period after the termination of this lease ("Holdover Period"), Tenant shall pay to Landlord Lease payment(s) during the Holdover Period at a rate equal to the most recent rate preceding the Holdover Period. Such holdover shall constitute a month-to-month extension of this Lease.

CUMULATIVE RIGHTS.. The rights of the parties under this Lease are cumulative, and shall not be construed as exclusive unless otherwise required by law.

NOTICE. Notices under this Lease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows.

TERMINATION. Either party to this Lease, may terminate the Lease with a 90 (ninety) day written notice.

FUNDING CLAUSE. The Tenant reserves the right to cancel and/or terminate the Lease if the state of Texas reduces or eliminates funding to the Tenant due to state mandates.

LANDLORD:

Paramount Enterprises
By Alim U Ansari General Partner
1222 W Sugarcane Drive
Weslaco, Texas 78596

TENANT:

South Texas Educational Technologies, Inc.
dba Horizon Montessori Public Schools
519 S Texas Blvd
Weslaco, TX 78596

Such addresses may be changed from time to time by either party by providing notice as set forth above. Notices mailed in accordance with the above provisions shall be deemed received on the third day after posting.

GOVERNING LAW. This Lease shall be construed in accordance with the laws of the state of Texas.

ENTIRE AGREEMENT/AMENDMENT. This Lease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

SEVERABILITY. If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid or enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, constructed, and enforced as so limited.

WAIVER. The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

BINDING EFFECT: The provisions of this Lease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns.

VENUE: In the event of a dispute related to this Lease, the venue shall be in Hidalgo County, Texas.

LANDLORD:

Date

TENANT:

STET, dba, Horizon Montessori Public Schools

DATE