### SECOND AMENDMENT TO LEASE AGREEMENT

This Second Amendment to Lease Agreement (this "Second Amendment") is made and entered into by and between **T2 BUILDING**, **L.P.**, a Texas limited partnership ("Landlord"), and **NUECES COUNTY HOSPITAL DISTRICT**, a hospital district created pursuant to Chapter 281 of the Texas Health and Safety Code ("Tenant"), and shall be effective for all purposes as of February 29, 2012 (the "Effective Date").

### WITNESSETH:

WHEREAS, TRST Corpus, Inc, Landlord's predecessor-in-interest, and Tenant are parties to that certain Lease Agreement dated October 22, 2002 (the "Original Lease"), as amended by that certain First Amendment to Lease Agreement between Landlord and Tenant and dated November 21, 2007 (the "First Amendment") (the Original Lease and First Amendment hereinafter referred to collectively as the "Lease"), pursuant to which Tenant leases from Landlord certain premises designated as Suite 950, consisting of approximately 8,978 square feet of net rentable area (the "Existing Premises") in the building known as the Tower II Building, located at 555 North Carancahua, Corpus Christi, Texas (the "Building");

WHEREAS, the Term of the Lease currently is due to expire on May 31, 2013;

WHEREAS, Landlord and Tenant desire to extend the term of the Lease and further amend the Lease as more particularly described herein.

NOW, THEREFORE, pursuant to the foregoing, and in consideration of the mutual covenants and agreements contained herein and in the Lease, the receipt and sufficiency of which are hereby acknowledged, the Lease is hereby amended as follows:

- 1. <u>Defined Terms</u>. All capitalized terms used herein shall have the same meaning as defined in the Lease, unless otherwise defined in this Second Amendment.
- Extension of Lease Term. Landlord and Tenant hereby agree to extend the Term of the Lease for an additional period of approximately sixty (60) months (the "Second Amendment Extension Term"), commencing on June 1, 2013 (the "Second Amendment Extension Term Commencement Date"), and continuing through and expiring on May 31, 2018, upon and subject to all of the existing terms of the Lease, except as otherwise hereinafter provided.
- 3. <u>Basic Rental</u>. Basic Rental for the Premises upon the Second Amendment Extension Term Commencement Date shall be due on the first day of each calendar month, as provided in the Lease, in the following installments:

| Months | Rent Per SF/Year | Monthly Installment |
|--------|------------------|---------------------|
| 1-12   | \$14.00          | \$10,474.33         |
| 13-24  | \$14.25          | \$10,661.38         |
| 25-36  | \$14.50          | \$10,848.42         |
| 37-48  | \$14.75          | \$11,035.46         |
| 49-60  | \$15.00          | \$11,222.50         |



- 4. <u>Condition of Premises</u>. Tenant agrees to accept the Premises as of the Second Amendment Extension Term Commencement Date in its existing "AS-IS", "WHERE-IS" and "WITH ALL FAULTS" condition, and Landlord shall have no obligation whatsoever to refurbish or otherwise improve the Premises at any time; provided, however, that Landlord shall replace the flooring in Tenant's copy room with Building standard finishes, paint the interior walls of the main hallway in the Premises, install six (6) corner guards in the main hallway of the Premises, touch up the paint in the break room in the Premises, and shampoo all currently existing carpet within the Premises.
- 5. <u>Renewal Option</u>. Landlord hereby grants to Tenant the One Renewal Option at Market set forth in Exhibit A, attached hereto and incorporated herein for all purposes.
- 6. <u>Termination Option</u>. Landlord hereby grants to Tenant the Termination Option set forth in <u>Exhibit B</u>, attached hereto and incorporated herein for all purposes.
- 7. No Options or Preferential Rights. Landlord and Tenant acknowledge that Tenant possesses no options or preferential rights (such as a right of first refusal, right of first offer, renewal option, and the like) with regards to the Building or Premises except as expressly set forth in this Second Amendment, and that any other option or preferential right is null and void and without further effect as of the Effective Date.
- 8. <u>Brokers</u>. Tenant warrants that it has had no dealings with any broker or agent other than Griffin Partners, Inc. (the "<u>Broker</u>") in connection with the negotiation or execution of this Second Amendment, and Tenant agrees to indemnify Landlord and hold Landlord harmless from and against any and all costs, expenses, or liability for commissions or other compensations or charges claimed by any broker or agent, other than the Broker, with respect to this Second Amendment.
- 9. <u>Miscellaneous</u>. With the exception of those terms and conditions specifically modified and amended herein, the herein referenced Lease shall remain in full force and effect in accordance with all its terms and conditions. In the event of any conflict between the terms and provisions of this Second Amendment and the terms and provisions of the Lease, the terms and provisions of this Second Amendment shall supersede and control.
- 10. <u>Counterparts/Facsimiles</u>. This Second Amendment may be executed in any number of counterparts, each of which shall be deemed an original, and all of such counterparts shall constitute one agreement. To facilitate execution of this Second Amendment, the parties may execute and exchange telefaxed or e-mailed counterparts of the signature pages and such counterparts shall serve as originals.

[SIGNATURE PAGE TO FOLLOW]

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#### **EXHIBIT A**

## ONE RENEWAL OPTION AT MARKET

### ATTACHED TO AND A PART OF THE LEASE AGREEMENT

### BY AND BETWEEN

T2 BUILDING, L.P.

and

## NUECES COUNTY HOSPITAL DISTRICT

Provided that as of the time of the giving of the Extension Notice and the Commencement Date of the Extension Term, (i) Tenant is the Tenant originally named herein, (ii) Tenant actually occupies all of the Premises initially demised under this Lease and any space added to the Premises, and (iii) no Event of Default exists or would exist but for the passage of time or the giving of notice, or both; then Tenant shall have the right to extend the Lease Term for an additional term of five (5) years (such additional term is hereinafter called the "Extension Term") commencing on the day following the expiration of the Lease Term (hereinafter referred to as the "Commencement Date of the Extension Term"). Tenant shall give Landlord notice (hereinafter called the "Extension Notice") of its election to extend the term of the Lease Term at least six (6) months, but not more than nine (9) months, prior to the scheduled expiration date of the Lease Term.

The Basic Annual Rent payable by Tenant to Landlord during the Extension Term shall be the Fair Market Value Rental Rate, as defined below. The Basic Annual Rent shall not be reduced by reason of any costs or expenses saved by Landlord by reason of Landlord's not having to find a new tenant for such premises (including, without limitation, brokerage commissions, costs of improvements, rent concessions or lost rental income during any vacancy period). In the event Landlord and Tenant fail to reach an agreement on such rental rate and execute the Amendment (defined below) at least three (3) months prior to the expiration of the Lease, then Tenant's exercise of this renewal option shall be deemed withdrawn and the Lease shall terminate on its original expiration date. The "Fair Market Value Rental Rate" shall be that rate charged for space of comparable size and condition in comparable office buildings in the area of Corpus Christi, Texas, taking into consideration the location, quality and age of the Building, floor level, extent of leasehold improvements (existing or to be provided), rental abatements, lease takeovers/assumptions, moving expenses and other concessions, term of lease, extent of services to be provided, distinction between "gross" and "net" lease, base year or other amounts allowed for escalation purposes (expense stop), the time the particular rental rate under consideration became or is to become effective, or any other relevant term or condition.

The determination of Basic Annual Rent does not reduce the Tenant's obligation to pay or reimburse Landlord for Operating Costs and other reimbursable items as set forth in the Lease, and Tenant shall reimburse and pay Landlord as set forth in the Lease with respect to such Operating Costs and other items with respect to the Premises during the Extension Term without regard to any cap on such expenses set forth in the Lease.

Except for the Basic Annual Rent as determined above, Tenant's occupancy of the

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Premises during the Extension Term shall be on the same terms and conditions as are in effect immediately prior to the expiration of the initial Lease Term; provided, however, Tenant shall have no further right to any allowances, credits or abatements or any options to expand, contract, terminate, renew or extend the Lease.

If Tenant does not give the Extension Notice within the period set forth in Paragraph (a) above, Tenant's right to extend the Lease Term shall automatically terminate. Time is of the essence as to the giving of the Extension Notice.

Landlord shall have no obligation to refurbish or otherwise improve the Premises for the Extension Term. The Premises shall be tendered on the Commencement Date of the Extension Term in "as-is" condition.

If the Lease is extended for the Extension Term, then Landlord shall prepare and Tenant shall execute an amendment to the Lease confirming the extension of the Lease Term and the other provisions applicable thereto (the "Amendment").

If Tenant exercises its right to extend the term of the Lease for the Extension Term pursuant to this Addendum, the term "Lease Term" as used in the Lease, shall be construed to include, when practicable, the Extension Term except as provided in Paragraph d) above.



#### **EXHIBIT B**

## **TERMINATION OPTION**

- a) Provided no event of default shall then exist under the Lease and no condition shall then exist which with the passage of time of giving of notice, or both, would constitute an event of default under the Lease, Tenant shall have the right at any time on or before January 1, 2016, to send Landlord irrevocable written notice (the "<u>Termination Notice</u>") that Tenant has elected to terminate this Lease, effective on May 31, 2016 ("<u>Termination Date</u>").
- b) If Tenant elects to terminate this Lease pursuant to the immediately preceding paragraph, the effectiveness of such termination shall be conditioned upon Tenant paying to Landlord, a fee of \$26,807.07 (the "Termination Fee"), \$13,403.54 of which to be paid simultaneously with Tenant's delivery of the Termination Notice, and the remaining \$13,403.53 to be paid no later than the Termination Date. Such Termination Fee is consideration for Tenant's option to terminate and shall not be applied to Rent or any other obligation of Tenant. Landlord and Tenant shall be relieved of all obligations accruing under this Lease after the Termination Date, but not any obligations accruing under the Lease prior to or on the Termination Date. Both Landlord and Tenant acknowledge and agree that it would be impracticable or extremely difficult to affix damages if Tenant terminates this Lease and that the Termination Fee set forth above represents a reasonable estimate of Landlord's damages in the event Tenant terminated this Lease under this Addendum. If Tenant does not timely deliver the Termination Notice or either installment of the Termination Fee to Landlord, this Termination Option shall become null and void and the Lease shall continue in full force and effect.



### SIGNATURE PAGE TO SECOND AMENDMENT TO LEASE AGREEMENT BY AND BETWEEN T2 BUILDING, L.P., AS LANDLORD, AND NUECES COUNTY HOSPITAL DISTRICT, AS TENANT

IN WITNESS WHEREOF, Landlord and Tenant, acting herein by duly authorized individuals, have caused these presents to be executed, effective as of the Effective Date set forth herein.

# LANDLORD:

T2 BUILDING, L.P., a Texas limited partnership

By: Griffin Partners T2, LP, a Texas limited partnership, its general partner

> By: Griffin Partners Tower II, Inc., a Texas corporation, its general partner

> > By: Name: FRED B. (BUFF)
> >
> > 5/2/ 2013

## **TENANT:**

NUECES COUNTY HOSPITAL DISTRICT, a hospital district created pursuant to Chapter 281 of the Texas Health and Safety Code

By: Jonny F. Hipp

Title: May 9, 2013