

## AMENDMENT TO COMMERCIAL LEASE AGREEMENT

This Amendment to Lease ("**Amendment**") is made and entered into as of July 28, 2022 (the "**Effective Date**"), by and between **TMJ Properties, Inc., "Landlord"** and **McKinney Convention and Visitors Bureau, Inc., dba Visit McKinney, "Tenant"**, involving 200 W. Virginia, McKinney, Collin County, Texas ("**Demised Premises**")

**Recitals:** The above-named Landlord and Tenant entered into that certain Commercial Lease Agreement dated on or about November 9, 2012 for the entire building located at 200 W. Virginia Street, McKinney, Texas. Said lease had a Primary Term of one hundred twenty (120) months commencing on January 1, 2013 and expiring on December 31, 2022 (the "Original Lease").

The Original Lease also included **Addendum "B", Renewal Options**, said option afforded the Tenant the option to renew the Original Lease for two (2) additional terms of sixty (60) months each at Fair Market Value.

**Agreement:** In consideration of the Recitals, the covenants set forth herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree to and acknowledge the following amendment, renewal and extension of the above referenced Original Lease:

1. Capitalized Terms: The capitalized terms used in this Amendment shall have the same meaning given such terms in the Original Lease unless another meaning is specified.
2. Leased Premises: The Leased Premises shall be defined as the entire building located at 200 W. Virginia, McKinney, Collin County, Texas 75069, owned by TMJ Properties, Inc., Landlord.
3. Term: Paragraph 1.05. Term shall be amended so that the renewed and extended lease term shall have a **Commencement Date of January 1, 2023** and an **Expiration Date of December 31, 2032**. The lease term shall renew on January 1, 2023, without lapse.
4. Rent: Paragraph 1.06. Base Rent: the aggregate Base Rent during the renewed and extended term shall be \$675,576.00, payable per the following monthly rent schedule. The monthly rent schedule as shown in Article 17, paragraph B shall be amended to read as the follows:

<b>January 1, 2023 thru December 31, 2025</b>	<b>\$5,133.00 per month</b>
<b>January 1, 2026 thru December 31, 2028</b>	<b>\$5,633.00 per month</b>
<b>January 1, 2029 thru December 31, 2032:</b>	<b>\$6,000.00 per month</b>
5. Broker: Paragraph 1.11 Principal Broker: shall be amended to read: None.
6. Professional Service Fees: Delete paragraphs 15.01 and 15.02 in their entirety.

7. Service Fee, Paragraph 1.13 The Fee: shall be amended to show no fees shall be payable with this renewal of the Lease.
8. Hold Over, Paragraph 2.04 Holding Over: The words "Subject to Exhibit "H," shall be deleted.
9. Assignment, Article 10: Add the following sentence: Landlord may at any time assign its right, title and interest in this Lease to another party without the prior consent of the Tenant.
10. Additional Provisions, Article 17: Paragraph C: Items 1 through 10 shall be deleted.
11. Addendum "B", Renewal Options: Replace Addendum "B" with the Addendum "B" attached hereto.
12. Exhibit "H", Tenant's Termination Option: Exhibit "H" shall be deleted.
13. Landlord shall provide Tenant with a rent credit allowance for Tenant Improvements in an amount up to \$15,000.00, based on Tenant's verification to Landlord of its payment for the work. Said rent credit allowance shall be granted solely for the following improvements: paint all inside walls, removal of the interior wall around the retail area, thus combining the front lobby and retail area into one, open area, painting of the floors in the new front lobby and hallway areas, and any other improvements agreed upon, in writing, between Landlord and Tenant. The rent credit shall be applied to future rent upon completion of work, as directed by Tenant to Landlord in writing not less than ten (10) days prior to any subsequent rent payment. Work shall be arranged and contracted by Tenant, and Landlord shall provide contractor references to Tenant for its consideration.
14. At its expense, Landlord shall provide the following Tenant Improvements within 60 days from the date of execution of the Effective Date: Replace front door lock and doorknob hardware, repaint the front door and front door frame, repair/replace weather stripping on back door, replace damaged ceiling tiles, and repair bathroom fan. The installation and work for the above Tenant Improvements shall be coordinated with Tenant, prior to commencing the work.
15. The Board of Directors of Tenant shall pass a Resolution approving the terms and conditions and the execution, by the undersigned, of this "Amendment to Commercial Lease Agreement". A copy of the executed Resolution shall be provided to the Landlord.

**Authorization:** The undersigned, by executing this Amendment to Commercial Lease Agreement, do warrant and represent that they do have the authority to bind the McKinney Convention and Visitor's Bureau, named herein as Tenant, to

the terms and conditions as outlined in the Original Lease, that shall remain unchanged except as amended herein and further to the amended terms as outlined in this Amendment to Commercial Lease Agreement for the entirety of the renewed and extended lease term.

**Ratification:** The Lease, as amended by this Amendment, is hereby ratified in all respects.

**Binding Effect:** The Lease, as amended by this Amendment, is and shall remain in full force and effect and shall inure to the benefit of and be binding upon Landlord, Tenant and their respective heirs, legal representatives, successors and permitted assigns. Any and all terms included in the Original Lease that are not amended herein shall remain in full force and effect throughout the renewed and extended term described in item number 3 above.

**Counterparts:** This Amendment may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument.

**SIGNATURES ON FOLLOWING PAGE**

**AGREED AND ACCEPTED:**

**LANDLORD:**

**TMJ PROPERTIES, INC.**

By: \_\_\_\_\_  
Thad Helsley, Managing Partner

Date: \_\_\_\_\_

**TENANT:**

**MCKINNEY CONVENTION AND VISITORS BUREAU, INC.**

By: \_\_\_\_\_  
Aaron Werner, Executive Director

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Vince Vittatoo, Board Chairman

Date: \_\_\_\_\_

## ADDENDUM B TO LEASE

### RENEWAL OPTIONS

**A. Demised Premises/Address:** 200 W. Virginia Street, McKinney, Collin County, Texas

**B. Option to Extend Term.** Landlord grants to Tenant one (1) option (the "Option") to extend the Lease Term for an additional term of sixty (60) months (the "Extension"), on the same terms, conditions and covenants set forth in this Lease, except as provided below. The Option may be exercised only by written notice delivered to the Landlord no earlier than three hundred sixty (360) days before, and no later than ninety (90) days before, the expiration of the Lease Term or the preceding Extension of the Lease Term, whichever is applicable. If Tenant fails to deliver Landlord written notice of the exercise of an Option within the prescribed time period, such Option, and there shall be no further right to extend the Lease Term. The Option may only be exercised by Tenant on the express condition that, at the time of the exercise, Tenant is not in default under any of the provisions of this Lease. The foregoing Option is personal to Tenant and may not be exercised by an assignee or subtenant without Landlord's written consent.

**C. Calculation of Rent.** The Base Rent during the Extension shall be determined by the following method:

**Fair Market Rental Value.** The Base Rent during the Extension shall be the Fair market Rental determined as follows:

a. The "Fair Market Rental" of the Demised Premises means the price that a ready and willing tenant would pay as of the commencement of the Extension as monthly rent to a ready and willing landlord of demised premises comparable to the Demised Premises if the property were exposed for lease on the open market for a reasonable period of time, and taking into account the term of the Extension, the amount of improvements made by Tenant at its expense, the creditworthiness of the Tenant, and all of the purposes for which the property may be used and not just the use proposed to be made of the Demised Premises by Tenant. Upon proper written notice by Tenant to Landlord of Tenant's election to exercise the renewal Option, Landlord shall within fifteen (15) days thereafter notify Tenant in writing of Landlord's proposed Fair Market Rental amount and Tenant shall thereupon notify Landlord of Tenant's acceptance or rejection of Landlord's proposed amount. Failure of Tenant to reject Landlord's Fair Market Rental amount within fifteen (15) days after receipt of Landlord's notice shall be deemed Tenant's acceptance of Landlord's proposed Fair Market Rental amount.

b. If Landlord and Tenant have not been able to agree on the Fair Market Rental amount prior to the date the option is required to be exercised, the rent for the Extension shall be determined as follows: Within thirty (30) days following the exercise of the option, Landlord and Tenant shall endeavor in good faith to agree upon a single Appraiser (defined below). If Landlord and Tenant are unable to agree upon a single Appraiser within the thirty day period, each shall then appoint one Appraiser by -written notice to the other, given within ten (10) days after the thirty day period. Within ten (10) days after the two Appraisers are appointed, the two Appraisers shall appoint a third Appraiser. If either Landlord or Tenant fails to appoint its Appraiser within the prescribed time period the single Appraiser appointed shall determine the Fair Market Rental amount of the Demised Premises. Each party shall bear the cost of the appraiser appointed by it and the parties shall share equally the cost of the third appraiser. The term "Appraiser" means a State Certified Real Estate Appraiser licensed by the State of Texas to value commercial property.

c. The Fair Market Rental Value of the Demised Premises shall be the average of two of the three appraisals which are closest in amount as described below, and the third appraisal shall be disregarded. In no event shall the Rent be reduced by reason of such computation. If the Fair Market Rental is not determined prior to the commencement of the Extension, then Tenant shall continue to pay to Landlord the Rent applicable to the Demised Premises immediately prior to the Extension until the Fair Market Rental amount is determined, and when it is determined, Tenant shall pay to Landlord within ten (10) days after receipt of such notice the difference between the Rent actually paid by Tenant to Landlord and the new Rent determined under this Lease.