

STATE OF TEXAS §

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

LEASE AGREEMENT

KNOW ALL MEN BY THESE PRESENTS: This contract and agreement (the "Agreement") made and entered into the 1st day of January, 2010, (the "Effective Date") and by and between J. Gary Shelton, a married man and Owner in Fee of certain real property described within this Lease Agreement, and residing in Wise County, with business address of 301 S. Acorn, Decatur, Texas 76234, (herein called "Lessor"); and Wise County, Texas, a Texas county government entity created and authorized by the Constitution of the State of Texas, (herein called "Lessee"), whose mailing address is Attn: Wise County Judge, P. O. Box 393, Decatur, Wise County, Texas 76234; as follows:

For and in consideration of the mutual covenants and obligations of the parties hereto, the sufficiency of which is hereby mutually acknowledged, the parties agree as follows:

1. Description of premises. Lessor does hereby let and lease unto Lessee and Lessee agrees to receive and lease from Lessor its following described office building and land situated upon, located on Texas FM Highway 51 South, in Decatur, Texas, with physical address being 1415 South FM 51, Decatur, Texas 76234 and commonly referred to as the former "First Financial Bank – Decatur, Texas", together with all improvements thereon and appurtenances thereto, situated in Wise County, Texas, to include certain

office furniture (desks, chairs, lock boxes) as more specifically described and listed on a certain asset inventory report being mutually agreed and signed by Lessor and Lessee (the "Furniture Accessories Asset Inventory List"), with said Inventory List being named as Exhibit "A", attached hereto and made a part hereof (all land, building and accessories collectively being the "Leased Premises"), and along with those certain new improvements and modifications as described and provided for within this Lease Agreement's Section 3:

Building unit with front and rear parking lots, side driveways encircling the building along with with one drive-through window, said building unit containing approximately two thousand-seven hundred (2,700) square feet of enclosed space, located on the following described real property according to a certain Special Warranty Deed, dated May 20, 2009 duly recorded in the Real Property Records of the County Clerk Office, in Volume ____, Page _____, Wise County, Texas, with metes and bounds of the Leased Premises more particularly described in EXHIBIT "C" attached hereto and made a part hereof:

Provided further, this conveyance is made subject to the terms of any valid oil and gas lease, valid oil, gas and mineral severance, valid easement, restriction or zoning ordinance, visible and apparent on the property or to the extent the same may appear of record and may be in force and effect, covering or describing the aforesaid land or any part thereof.

2. Terms of lease and rental rates. This Lease Agreement is made for one year (the "First Year Term"), beginning the 1st day of January 2010 (the "Effective Date") and terminating at 11:59 p.m. the 31st day of December, 2010 (the "Termination Date"). In addition to the First Year Term, the parties do also hereby acknowledge under the terms and conditions of this Agreement, that prior to the Termination Date of the First Year Term, Lessor shall provide Lessee a Right-of-First Refusal Option for three (3) consecutive one year renewal terms (the "Renewal Terms") with each of the subsequent Renewal Terms to be exercised year to year at the sole discretion and option of the County. Lessee shall provide written notice to Lessor of Lessee's intent to exercise and/or negotiate said Right-of-First-Refusal Options no less than sixty (60) days prior to the Termination Date of the First Year Term and/or each subsequent Renewal Term option term (if any).

For the lease unit described herein, Lessee agrees to pay Lessor and Lessor agrees

to accept from Lessee such respective monthly rental amounts for the Leased Premises listed herein below for the following schedules and rental rates for the First Year Term and the Renewal Term options for year 1 through year 2 and negotiable terms and conditions for other Renewal Terms:

First Year Term: Three Thousand Three Hundred and no/100 Dollars (\$3,300.00) per month with each monthly payment being due and payable to Lessor no later than the 15th day of each month of the First Year Term;

First Year Renewal Term (if exercised): Three Thousand Four Hundred- Fifty and no/100 Dollars (\$3,450.00) per month with each month's payment being due and payable no later than the 15th day of each month of each First Year Renewal Term period;

Second Year Renewal Term (if exercised): To be negotiated and mutually agreed to by and between Lessor and Lessee. If an agreeable Second Year Renewal Term rental fee cannot be reached, then Lessor shall grant Lessee, at Lessee's sole option, an extension of up to, but not more than, ninety (90) days from the termination date of the First Year Renewal Term (the "Extension Period"), with the rental fee for each month of the Extension Period exercised by Lessee (if any) being increased by seven percent (7%) above the First Year Renewal Term, and so equaling Three Thousand Six Hundred-Ninety Six and no/100's (\$3,696.00) with each month's payment being due and payable no later than the 15th day of each month of the Second Year Renewal Term year or the Extension Period, as applicable;

Third Year Renewal Term (if exercised): In the event Lessor and Lessee does agree and execute a Second Year Renewal Term as described hereinabove, then the Third Year Renewal Term will be subject to being negotiated and mutually agreed to by and between Lessor and Lessee. If an agreeable Third Year Renewal Term rental fee cannot be reached, then Lessor shall grant Lessee, at Lessee's sole option, an Extension Period of up to, but not more than, ninety (90) days from the termination date of the Second Year Renewal Term, with the rental fee for each month of the Extension Period exercised by Lessee (if any) being increased by twelve percent (12%) above the Second Year Renewal Term's monthly rate (said monthly amount of Extension Period to be determined contingent upon the negotiated Second Year Renewal Term monthly amount),

with each month's payment being due and payable no later than the 15th day of each month of the Third Year Renewal Term year or the Extension Period, as applicable..

Lessor and Lessee agree and acknowledge that all the aforementioned monthly rental payment amounts paid by Lessee to Lessor, as described and provided for under Section 2 of this Agreement, shall not include nor provide the cost of water, sewage and trash services, cleaning, landscaping phone and electrical cost as incurred by Lessee.

3. Improvements and Modification to the Leased Premises.

- A. Lessor agrees to and shall, by the 20th day of January, 2010 construct and install the following improvements and modification to the Leased Premises as described and priced hereafter:
- Add and/or modify the two connected north and south office units of the Leased Premises building (the "Building") described hereinabove, with said units' additions and/or modifications being listed with associated construction materials, work modifications and cost being as follows:

North Office Unit Portion of the Building:

- (i) Add partition in north offices portion of the building from north end of service counter to the west front of building by installation of panels – with partition design and location being as mutually agreed to by the parties;
- (ii) Remove / open north end of service counter (so as to be able to enter the added partition area as described hereinabove;
- (iii) Remove certain partitions from top of service counter as mutually identified and agreed by both parties;
- (iv) Modify and relocate the "swinging entrance door "at south end; of service counter by moving / attaching to outside of said counter;
- (v) Convert rear window (next to rear office) to a rear door;
- (vi) Construct / install lockable door in SW corner of rear office so as to open into South Office Unit Portion of the Building;

South Office Unit Portion of the Building:

- (i) Install double glass doors with lock/bar between lobby / Rest Room area and South Office Unit (at south end);
- (ii) Complete door installation/molding, etc. from North Office;

NOTE: Lessor shall obtain all necessary City of Decatur Permits and any other required building/modification permits; and All construction – remodeling debris and trash and/or excess materials to be cleaned up and removed from the Leased Premises by Lessor’s contractor /subcontractor as so being designated and/or approved - assigned by Lessor.

TOTAL ESTIMATED COST OF SAID IMPROVEMENTS AND MODIFICATION: NOT TO EXCEED Seven Thousand Five Hundred and no/100 Dollars (\$7,500.00). (If less than estimated cost, see Section 3.D herein.)

- B. Lessee shall be responsible for the installation and connection of Its phone and computer systems / equipment to existing Building wiring and electrical system. The parties acknowledge and agree that Lessee shall remain owner of said systems / equipment and have right to remove such items from the Building and Lease Premises prior to or by the termination date of this Lease Agreement or any Renewal Years and/or Extension Periods of the Agreement.
- C. Per the Construction Improvements and Modifications described and priced in Section 3.A of this Agreement, the parties agree that the general “lay-out and location” of said offices and associated equipment, doors, etc., shall be in a manner as illustrated within the non-scale, approximate design sketch that is labeled Exhibit “B” and attached hereto and made a part hereof.
- D. Lessee shall, within thirty (30) days following receipt of written invoice

to Lessee from Lessor for the completion of the Improvements and Modification as described in Section 3 of this Lease Agreement pay to Lessor up to, but not more than, the maximum sum of Seven Thousand Five Hundred One and no/100 Dollars (\$7,500.00) in exchange for said Improvements and Modifications to the Leased Premises. In the event that the final cost of the Construction Improvements and Modifications described herein are less than the maximum amount of \$7,500.00, then Lessee shall pay only that lesser amount to Lessor, with said amount due to Lessor from Lessee as being evidenced by Contractor's invoice to Lessor. In the event that the final cost of the Construction Improvements and Modifications are more than the maximum amount of \$7,500.00 obligated to be paid by Lessee, then Lessor shall be responsible to pay to Contractor all monies invoiced over \$7,500.00. Lessee additionally agrees and acknowledges that following the completion of payment for said Improvements and Modifications described in Section 3.A of this Agreement, those Improvements and Modifications to include described items and any associated/unnamed equipment and other components shall become the owned property of Lessor.

4. Maintenance and repairs. Lessor shall be responsible for all major structural repairs such as roof, foundation and AVAC repairs. Lessee shall be responsible for all other repairs, and shall operate the offices in an appropriate manner and maintain the appearance of the property, including but not limited to, maintenance and landscaping care of the parking lot and property's grass and shrubbery. Lessor shall ensure that all equipment shall be in good working order at the time of Lessee's occupancy.

All other minor improvements (if any) shall be paid for by Lessee.

Should Lessee desire to make any major improvements or alterations to the Leased Premises, it shall first give written notice to Lessor that such improvements or alterations are to be made. Any improvements or alterations requested by Lessee are to be made subject to Lessor's approval, which shall not be unreasonably withheld, delayed or conditioned, and shall become the property of Lessor at the expiration or termination of this lease; however, Lessor may direct the removal of alterations, additions or improvements by giving written notice to Lessee at the time of giving consent to such alteration, addition or

improvement. At the direction of Lessor, Lessee shall promptly remove all alterations, additions and improvements and any other property placed in the Leased Premises by Lessee and Lessee shall repair in a good and workmanlike manner any damage caused by such removal.

5. Insurance. Lessee agrees to and shall, by the execution date of this lease, secure a good and responsible company or companies doing insurance business in the State of Texas, and maintain during the entire term of this lease, the following coverage:

(1) Public liability insurance in the minimum amount of \$ 1,000,000.00, for loss from an accident resulting in bodily injury to or death of one person, and \$ 500,000.00, for loss from an accident resulting in damage to or destruction of property.

(2) Fire and extended coverage insurance on Lessee's fixtures, goods, wares, and merchandise in or on the Leased Premises, with coverage in an amount of not less than \$ 10,000.00.

Proceeds from any such policy or policies shall be payable to Lessee and Lessor, who shall use such proceeds from (1) above, to make repairs as provided below. On securing the foregoing coverages, Lessee shall give Lessor written notice thereof together with a certified copy of the appropriate policies.

Total destruction. Provided, however, if the building on the Leased Premises should be totally destroyed by fire, tornado, or other casualty, or if it should be so damaged that rebuilding or repairs cannot reasonably be completed within 120 working days from the date of written notification by Lessee to Lessor of the occurrence of the damage, this lease shall terminate and rent shall be abated for the unexpired portion of this lease, effective as of the date of casualty.

Partial destruction. If the building or other improvements on the Leased Premises should be damaged by fire, tornado, or other casualty, but not to such an extent that rebuilding or repairs cannot reasonable be completed within 120 working days from the date of written notification by Lessee to Lessor of the occurrence of the damage, this lease shall not terminate, but Lessor shall use the proceeds of said insurance to rebuild or repair such building and other improvements to substantially the condition in which they existed prior to such damage. Rent shall be abated during the construction on the portion of unusable square feet until completion of repairs.

6. Utilities. Lessee shall, during the term hereof and any renewal terms, pay all charges for utilities on Leased Premises, including water, sewage and trash services, telephone, and electricity, etc. used in or on the Leased Premises, before said utilities shall become delinquent and shall hold Lessor harmless from any liability therefor.

7. Taxes. Lessor shall pay all real property taxes levied or imposed on the Leased Premises as they become due; provided, however, Lessee shall pay taxes, assessments, and other applicable charges (if any) levied on or imposed on all of Lessee's fixtures, appurtenances and personal property situated in, on, or about the Leased Premises, and shall cause said taxes to be assessed separately from the Leased Premises and not as a lien thereon.

8. Indemnification. To the extent provided or permitted by law, Lessee agrees to indemnify and hold Lessor harmless against any and all claims, including those of strict liability, demands, damages, costs, and expenses, including reasonable attorney's fees for the defense thereof, arising from the conduct or management of Lessee's business in the Leased Premises or from any breach on the part of Lessee of any conditions of this lease, or from any act of negligence of Lessee, its agents, contractors, employees, in or about the Leased Premises. In case of any action or proceeding brought against Lessor by reason of any such claim, Lessee, upon notice from Lessor, covenants to defend such action or proceeding by counsel acceptable to Lessor. Further, such indemnity shall not be limited by the amount of insurance carried by either party hereto.

9. Default by Lessee. The following events shall be deemed to be events of default under this lease:

A. Failure of Lessee to pay any installment of rent or other sum payable to Lessor hereunder on the date that same is due and such failure shall continue for a period of 30 days.

B. Failure of Lessee to comply with any term, condition or covenant of this lease, other than the payment of rent or other sum of money, and such failure shall not be cured within 60 days after written notice thereof to Lessee.

C. Insolvency, the making of a transfer in fraud of creditors, or the making of an assignment for the benefit of creditors by Lessee or any guarantor of Lessee's obligation.

D. Abandonment by Lessee of any substantial portion of the Leased Premises or cessation of use accompanied with the cessation of rent of the Leased Premises for the

purpose leased.

10. **Remedies of Lessor.** Upon the occurrence of any of the events of default listed in Paragraph 8, Lessor shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever;

A. Terminate this lease, in which event Lessee shall immediately surrender the Leased Premises to Lessor. If Lessee fails to so surrender such premises, Lessor may, without prejudice to any other remedy which it may have for possession of the Leased Premises or arrearages in rent, enter upon and take possession of the Leased Premises and expel or remove Lessee and any other person who may be occupying such premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages therefor. Lessee shall pay to Lessor on demand the amount of all loss and damage which Lessor may suffer by reason of such termination, whether through inability to relet the leased premises on satisfactory terms or otherwise.

B. Enter upon and take possession of the Leased Premises, by force if necessary, without terminating this lease and without being liable for prosecution or for any claim for damages therefor, and expel or remove Lessee and any other person who may be occupying such premises or any part thereof. Lessor may relet the Leased Premises and receive the rent therefor. Lessee may relet the Leased Premises and receive the rent therefor. Lessee agrees to pay to Lessor monthly or on demand from time to time any deficiency that may arise by reason of any such reletting. In determining the amount of such deficiency, the reasonable brokerage commission, attorney's fees, remodeling expenses and other costs of reletting shall be subtracted from the amount of rent received under such reletting.

Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to Lessor hereunder or of any damages accruing to Lessor by reason of the violation of any of the terms, conditions and covenants herein contained.

11. **Lessor's lien.** In addition to the statutory Lessor's lien, Lessee hereby grants to Lessor a security interest to secure payment of all rent and other sums of money becoming due hereunder from Lessee, upon all goods, wares, equipment, fixtures, furniture and other personal property of Lessee, **save and except** personal files, **including Wise County's**

911 Addressing Department, Wise County Public Works, Wise County Engineer and any other Wise County files, registration / computer files, maps, confidential machines and equipment and said machines' appurtenances and all other associated or County files that Lessee owns and/or is responsible for, situated in or upon the demised premises, together with the proceeds from the sale or lease thereof. Such property shall not be removed without the consent of Lessor until all arrearages in rent and other sums of money then due to Lessor hereunder shall first have been paid and discharged. Upon the occurrence of an event of default, Lessor may, in addition to any other remedies provided herein or by law enter upon the leased premises and take possession of any and all goods, wares, equipment, fixtures, furniture and other personal property of Lessee, save and except personal files, including, but not limited to, all the personal files, registration files, maps and all other machines and machine equipment noted hereinabove, situated on the premises without liability for trespass or conversion, and sell the same at public or private sale, with or without having such property at the sale, after giving Lessee reasonable notice of the time and place of any such sale. Unless otherwise required by law, notice to Lessee of such sale shall be deemed sufficient if given in the manner prescribed in this lease at least 10 days before time of the sale. Any public sale made under this paragraph shall be deemed to have been conducted in a commercially reasonable manner if held in the Leased Premises or where the property is located, after time, place, and method of sale and a general description of the types of property to be sold have been advertised in a daily newspaper published in Wise County, Texas for five consecutive days before the date of sale, Lessor or its assigns may purchase at a public sale and, unless prohibited by law at a private sale. The proceeds from any disposition dealt with in this paragraph, less any and all expenses connected with the taking of possession, holding and selling of the property (including reasonable attorney' fees and legal expenses), shall be applied as a credit against the indebtedness secured by the security interest granted herein. Any surplus shall be paid to Lessee or as otherwise required by law; Lessees shall pay any deficiencies forthwith. Upon request by Lessor, Lessee agrees to execute and deliver to Lessor a financing statement in form sufficient to perfect the security interest of Lessor in the aforementioned property and proceeds thereof under the provisions of the Uniform Commercial Code in force in the State of Texas. The statutory lien for rent is expressly reserved; the security interest herein granted is in addition and supplementary thereto.

12. Attorney's Fee. If, on account of any breach or default by Lessor or Lessee of

their respective obligations under this lease, it shall become necessary for the other to employ an attorney to enforce or defend any of its rights or remedies hereunder, and should such party prevail, it shall be entitled to any reasonable attorneys' fees incurred in such connection.

13. Waiver of Default. No waiver by the parties hereto of any default or breach of any term, condition or covenant of this lease shall be deemed to be waiver of any subsequent default or breach of the same or any other term, condition or covenant contained herein.

14. Assignment and Subleasing. Lessee shall not, without the written consent of Lessor, which shall not be unreasonably withheld, delayed or conditioned, assign this lease. Lessee may not sublet the Leased Premises without the written consent of Lessor, which shall not be unreasonably withheld, delayed or conditioned. Any assignment or subletting shall be expressly subject to all terms and provisions of this lease, and any such subletting shall not extend past the primary term of this lease. In the event of any assignment or subletting Lessee shall remain fully liable for the full performance of all Lessee's obligations under this lease. Lessee shall not assign his rights hereunder or sublet the premises without first obtaining a written agreement from assignee or sublessee whereby assignee or sublessee agrees to be bound by the terms of this lease. No such assignment or subletting shall constitute a novation. In the event of the occurrence of an event of default while the demised premises are assigned or sublet, Lessor, in addition to any other remedies provided herein or by law may at Lessor's option collect directly from such assignee or sublessee all rents becoming due under such assignment or subletting and apply such rent against any sums due to Lessor hereunder. No direct collection by Lessor from any such assignee or sublessee shall release Lessee from the performance of its obligations hereunder.

15. Lessee's covenants. Lessee covenants that it will at the expiration of said First Year Term or any Renewal Term extension or Extension Period thereof, as provided for within Section 2. of this agreement, peaceably yield up to said Lessor the above described premises in as good condition as at this date, reasonable wear and use thereof excepted.

Lessee further covenants that it will fully comply with all local ordinances, laws, rules and regulations of the state and governments, the local municipal government and all other authorities regarding the use of the Leased Premises, and that it will commit no act thereon which constitutes a public nuisance.

16. Miscellaneous. This agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the parties created hereunder are performable in Wise County, Texas.

This agreement shall be binding on and inure to the benefit of the parties hereto and their respective heirs, executors, administrators legal representatives, successors, and assigns except as otherwise expressly provided herein.

In case any one or more of the provisions contained in this agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

17. Representation of parties. Lessor is represented by _____
_____ Attorneys. Lessee acknowledges by its execution hereof that said attorneys have advised Lessee to obtain its own independent legal representation, and that the above attorneys do not represent Lessee in this matter.

18. Hazardous Materials:

1. Environmental Definitions:

- (a) "Hazardous Material" means any substance;
 - (i) the presence of which requires investigation or remediation under any federal, state or local statute, regulation, ordinance, order, action, policy or common law; or
 - (ii) which is or becomes defined as "hazardous waste", "hazardous substance", pollutant or contaminant under any federal, state or local statute, regulation, rule or ordinance or amendments thereto including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. 9681 et seq.) and/or the Resource Conservation and Recovery Act (42 U.S.C. 6981 et seq.), as amended from time to time, or the same or a related defined term in any successor or companion statutes, whether federal, state or local, and crude oil or by products of crude oil other than crude oil which exists on the property as a natural formation; or
 - (iii) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission

- board, agency or instrumentality of the United States, the State of Oregon or any political subdivision thereof; or
- (iv) The presence of which in the Leased Premises or buildings (collectively, the "Building") causes or threatens to cause, a nuisance in the Building or to adjacent properties or poses or threatens to pose a hazard to the health or safety of persons in or about the Building,
- (b) "Environmental Requirements" means all applicable present and future statutes, regulations, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, concessions, franchises and similar items, of all governmental agencies, departments, commissions, board, bureaus, or instrumentalities of the United States, state and political subdivision hereof and all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment, including without limitations;
- (i) All requirements, including but not limited to those pertaining to reporting, licensing, permitting, investigation, and remediation of emissions, discharges, releases, or threatened releases of Hazardous Materials, chemical substance, pollutants, contaminants, or hazardous or toxic substances, materials or waste whether solid, liquid, or gaseous in nature, into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of chemical substances, pollutants, contaminants, or hazardous or toxic substances, materials, or waste, whether solid, liquid, or gaseous in nature; and
- (ii) All requirements pertaining to protection of the health and safety of employees or the public.

1. Warranties and Representations:

- (a) Lessor hereby warrants and represents, to the best of Lessor's knowledge, that during its' ownership and construction of the Building, Hazardous Material has not been released in the Building and all Environmental Requirements pertaining to the Building have been complied with; that it has no knowledge of the release of Hazardous Materials in the Building occurring before its' ownership or any violation of Environmental Requirements pertaining to the Building; that it has no knowledge or reason to believe that there is Hazardous Material in the Building or that all Environmental Requirements have not complied with; that Lessor shall comply with all federal, state and local laws and regulations regarding the use, release, storage and disposal of hazardous materials in those portions of the Building in Lessor's control and the performance of all obligations regarding Environmental Requirements; that Lessor shall comply with all federal, state and local laws and regulations regarding the use, release, storage and disposal of Hazardous

Materials; and that Lessor shall use its' best efforts to cause all other tenants of the Building to comply with the aforementioned rules and regulations.

- (b) To the extent provided or permitted by law, Lessee hereby warrants and represents that it shall comply with all federal, state and local laws and regulations concerning its use, release, storage and disposal of Hazardous Material on the Premises and regarding fulfilling all applicable Environmental Requirements pertaining to its use of the Premises.
2. Notice: Lessor and Lessee agree to immediately notify each other when either party learns that Hazardous Material has been released in the Building or that an Environmental Requirement has been breached.
 3. Indemnities:
 - (a) Lessor agrees to indemnify, defend and save harmless Lessee, its shareholders, partners, directors, agents, officers and employees from or against all liability, expenses (including defense costs, legal fees, and response costs imposed by law) and claims for damages of any nature whatsoever which arises out of the presence of Hazardous Materials in the Building, including the Premises (other than those brought thereon by Lessee) or the breach of an Environmental Requirements which has been caused by Lessor.
 - (b) To the extent provided or permitted by law, Lessee agrees to indemnify, defend and save harmless Lessor from and against all liability, expenses (including defense cost, legal fees and response cost imposed by law) and claims for damages of any nature whatsoever which arise out of the presence of Hazardous Material on the Premises brought thereon by the Lessee or the breach of an Environmental Requirement caused by Lessee.
 - (c) The indemnity provided each party by this provision shall survive the termination of this Lease.
 4. Default: The presence or release of Hazardous Material in the Building or the breach of an Environmental Requirement which is caused by Lessor or which threatens the health and safety of Lessee's agent, officers, employees, or invites, shall entitle Lessee's agents, officers, employees or invitees, shall entitle Lessee termination, such problem is not curable within fifteen (15) days of the date of written notice by Lessee to Lessor. In the event of such termination, Lessee shall not be obligated for any further rental and Lessor shall refund any unearned rent paid in advance by Lessee calculated at a daily rate based on the regular monthly rental. If the presence of Hazardous Material in the Building or breach of an

Environmental Requirement requires Lessee to evacuate the Premises for the health and safety of Lessee's agents, officers, employees or invitees then Lessee shall be entitled to an abatement of rent prorated on a daily basis, for each day that the Lessee cannot occupy the Premises.

5. Direct Expenses: Expenses incurred by Lessor as a result of the presence or release of Hazardous Material in the Building or the breach of an Environmental Requirement which is not caused by Lessee are extraordinary cost not considered normal operating costs and shall not be passes through to Lessee as part of its obligations, if any, to pay operating costs.
6. Asbestos Notification: Lessor agrees to notify Lessee at least annually of Landlord's knowledge of the presence of asbestos containing materials within the office units of which the Premises consist.

EXECUTED this the 11th day of JANUARY, 2010.

LESSOR:

LESSEE:

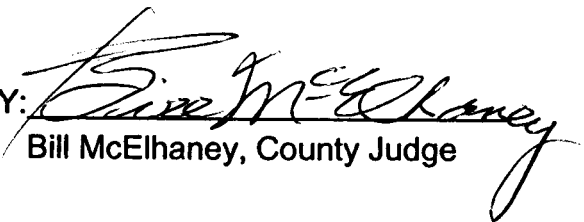
GARY SHELTON.

WISE COUNTY, TEXAS

BY:


J. Gary Shelton, Owner

BY:


Bill McElhaney, County Judge

Notary Signatory Acknowledgements contained next page...

THE STATE OF TEXAS §

COUNTY OF WISE §

This instrument was acknowledged before me on the 12 day of January, 2010, by J. Gary Shelton, Owner and individual, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

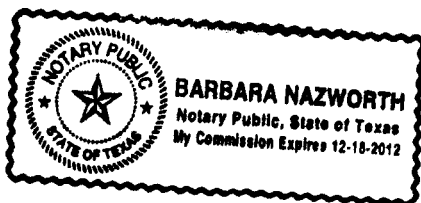


Christie Lambert
Notary Public, State of Texas

THE STATE OF TEXAS §

COUNTY OF WISE §

This instrument was acknowledged before me on the 11th day of January, 2010, by Bill McElhaney, County Judge for Wise County, Texas, on behalf of said county, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



Barbara Nazworth
Notary Public, State of Texas

EXHIBIT "A"

FURNITURE ACCESSORIES ASSET INVENTORY LIST

EXHIBIT "B"

**LEASED PREMISES – GENERAL DESCRIPTION DRAWING
W/ IMPROVEMENTS AND MODIFICATIONS**

EXHIBIT "C"

**LEASED PREMISES
LEGAL DESCRIPTION OF A CERTAIN 0.7914 ACRE OF LAND**

See NEXT Page

EXHIBIT "C"
WCTC GF# 09-33588-DRB

Being all that certain tract or parcel of land out of the A. J. Walker Survey, Abstract No. 860, City of Decatur, Wise County, Texas, being the same tract of land as deeded from Jefferson Heritage Bank to First National Bank of Bridgeport as recorded in Volume 1117, Page 312, Official Records, Wise County, Texas, described to wit:

Beginning at a capped iron stake found in the A. J. Walker Survey, Abstract No. 860 for corner in the east right of way of South F. M. Highway No. 51, said point being the southwest corner of the tract herein described and being the northwest corner of a tract as deeded to Tommy Lynch in Volume 630, Page 853, Real Records, Wise County, Texas, being located 87.0 feet northerly from the intersection of the north line of Thompson Street;

Thence with the east right of way of South F. M. Highway No. 51 and with a curve to the left with a Radius of 11518.90 feet a Length of 140.74 feet (chord North $11^{\circ}55'34''$ East 140.74 feet) to a capped iron stake found for corner in the southwest corner of a tract as deeded to Patsy Slimp et al in Volume 272, Page 877, Real Records, Wise County, Texas;

Thence with the south line of said Slimp tract, South $89^{\circ}45'12''$ East, passing a nail found for corner at the southeast corner of said Slimp tract, at 224.29 feet passing a referenced capped iron stake set on the west line of a fence line, in all, 239.84 feet to a point for corner, being a corner of a tract as deeded to Raymond D. King and Charley F. Belou in Volume 720, Page 390, Real Records, Wise County, Texas;

Thence with a west line of said King et al tract, South $11^{\circ}09'18''$ West 151.35 feet to a capped iron stake set for corner at the northeast corner of said Tommy Lynch tract;

Thence with the north line of said Tommy Lynch tract, North $87^{\circ}10'29''$ West 239.93 feet to the Point of Beginning, containing 0.7914 acre of land, more or less.