



ORIGINAL

TEXAS FACILITIES COMMISSION

**LEASE AGREEMENT WITH
ROSEWOOD OAKS, LLC**

The State of Texas, by and through the Texas Facilities Commission ("Lessor" or "TFC"), hereby leases to Rosewood Oaks, LLC ("Lessee"), the state property, two buildings and grounds, located at 1507 Lavaca Street, Austin, Texas, 78701.

Lessor, acting on behalf of the State of Texas, hereby leases the subject premises described above to Lessee, under the following terms and conditions and pursuant to the authority of the Texas Government Code, Title 6, Subtitle B, Chapter 663, §663.105:

1. **SUBJECT PREMISES.** Two buildings located at 1507 Lavaca Street, Austin, Texas under this lease will be occupied by Lessee and will be used only for purposes related to the operation of a child care facility subject to and in accordance with the provisions of the Texas Government Code, §663.001 et seq. relating to Child Care Services for State Employees, Texas Human Resources Code, §42.001 et seq., relating to provision of child care service, and any other applicable federal, state or local law or regulation.

The North Building is 3,332 square feet, with 2,271 square feet consisting of four classrooms, five storage areas, one office and one kitchen, all of which is usable by Lessee. The South Building is 8,003 square feet, with 3,101 square feet consisting of four classrooms and five storage areas. The premises also includes a parking area for approximately twenty-six vehicles, walks, driveways, and a 6,162 square foot outdoor play area located between the North and South Buildings.
2. **TERM.** This lease shall commence on June 1, 2008 (Commencement Date). The term of this Lease shall be for one (1) year from June 1, 2008 through May 31, 2009.
3. **RELATIONSHIP OF PARTIES.** Both parties understand and agree that this lease constitutes a landlord-tenant relationship only, and shall be governed by the laws as applied to these relationships. Lessee understands and acknowledges that the State of Texas, and TBPC, have not waived their sovereign immunity from suit or liability by entering into or performing under this Lease.
4. **MONTHLY RENTAL.** Lessee agrees that the Contract between Rosewood Oaks, LLC and TBPC relating to the operation and management of a child care center at 1507 Lavaca Street, Austin, Texas, designated as TFC Contract No. 303-05-10803, constitutes good and valuable consideration for this lease agreement. Lessor acknowledges that Lessee may occupy the

subject premises for one (1) year without any rental payments to TFC or the State of Texas as consideration for Lessee's operation and management of a child care center on the subject premises.

- 5. IMPROVEMENTS AND ALTERATIONS BY LESSEE.** After Commencement Date, ~~Lessee, at its sole cost and expense, has the right to install within the Premises any fixtures, equipment, facilities, and other improvements required by Lessee for conduct of Lessee's business on the Premises. Lessee may not use the Premises for any purpose except as stated in Paragraph 1, or make a major alteration or physical addition in or to the Premises, without Lessor's prior written consent. Lessee shall not install, without written consent from Lessor, any devices in the Premises that create an unusually heavy load on floors, or require unusual demand for electrical power. Lessee shall not modify, construct or make any alteration to the subject premises' heating, cooling, electrical, gas, water, sewer or security systems without prior written consent from Lessor's contract administrator. On termination of the Lease, by lapse of time or otherwise, Lessee at its option and expense may remove from the Premises all equipment, appliances or other property owned by it. Lessee shall deliver the Premises to Lessor in good order and condition, and will make reasonable repairs as necessitated by removal of Lessee's property. Lessee will be liable for damages to the Premises except from reasonable use, ordinary wear and tear excepted. Lessor makes no warranties, express or implied, as to the suitability or condition of the subject premises and improvements. All improvements to the Building on the Leased Premises, or any system installed on the Premises shall be the property of the State of Texas, and may not be removed by the Lessee.~~
- 6. CONSUMABLES, FURNITURE, and EQUIPMENT.** The consumables, furniture, outdoor and indoor equipment, excepting kitchen fixtures, are the property of the Lessee. Lessee may not remove any fixtures without the prior express permission of Lessor.
- 7. SECURITY.** Lessee agrees to provide all security for protection of its personnel, property and invitees. Lessor is not liable for any the loss or damage occurring as a result of the operation of the child care facility on the Premises.
- 8. MAINTENANCE.** Lessor agrees to maintain the roof, building exterior, plumbing system, heating system, air conditioning and ventilating equipment, fire protection equipment and electrical system. Lessee agrees, at its own expense, to maintain the subject premises, improvements and appurtenances thereto in good repair, and in at least as good a condition as that in which they were delivered, allowing for reasonable wear and tear. Lessee must keep all other components of the Premises, the Building, and all appurtenant improvements in good repair and condition during the term of this Lease. Lessee's obligation to maintain includes, without limitation, the following: repair and patch wall, ceiling, door, and floor surfaces; painting as needed; replacement of broken window glass; repair of window shades, blinds and/or drapes, fasteners and sash cord or chains; building interior; miscellaneous valves; woodwork, locks, floor surface and coverings; light fixtures, and the replacement of all defective or burned-out light bulbs, fluorescent tubes, ballasts and starters; maintenance and repair of driveways, parking areas, and sidewalks. If Lessee does not maintain the Premises and all appurtenances thereto in good repair, reasonable wear and tear excepted, Lessor shall notify Lessee. If, within 10 days after Lessor gives notice, Lessee has not repaired any defects as

requested, or fails to promptly take all reasonable and necessary actions to effect such repairs, and thereafter work diligently and without unnecessary delays toward timely completion of all repairs, then Lessee will be in default under the terms of this Lease and Lessor may take action in accordance with this lease, as well as state and local law. Any repairs related to safety of any employees and property, such as broken locks, doors, windows, and other defects creating security or health risks, shall be completed by Lessee as quickly as possible after oral or written notice.

9. UTILITIES, TELEPHONE, AND JANITORIAL EXPENSES. All telephone, utility and janitorial charges, including pest control, are the responsibility of the Lessee. The electric, water, wastewater and natural gas utility accounts that serve the leased premises are in the name of Lessor. Accordingly, Lessor will receive bills from the utility providers. Upon receipt of any utility bill relating to the subject premises during the term of the Lease, Lessor shall provide Lessee notification of the amount due, and shall collect the billed amount from Lessee. Lessee is obligated to pay the actual amount of all utilities to Lessor on the date requested by Lessor to avoid any late charges. Should any late fee be incurred due to the action or inaction of Lessee, Lessee shall also pay such late fee.

10. PAYMENT. Any payments that become due to TFC or the State of Texas under an amendment to this Lease shall be made payable to:

Texas Facilities Commission
Fiscal Management
Post Office Box 13047
Austin, Texas 78711-3047

11. MISCELLANEOUS OBLIGATIONS OF LESSEE. It is the sole responsibility of the Lessee to obtain and maintain in full force at all times during the term of this Lease all applicable licenses, certifications and registrations required to operate a child care facility in accordance with state and local laws at the premises. At all times during the Lease term, and any renewal thereof, Lessee must maintain a policy of all-risk property insurance, issued by and bonded upon an insurance company licensed in the State of Texas, covering the Leased premises and leasehold improvements (exclusive of contents). Lessee shall have no interest in the policy or policy proceeds and Lessor shall not be obligated to insure any furnishings, equipment, trade fixtures, or other personal property that Lessee may place or cause to be placed upon the leased premises. Lessee must also maintain a policy or policies of comprehensive general liability insurance insuring Lessee and Lessor as their interests may appear against loss of life, bodily injury and/or property damage with respect to operation of the premises including the Building, parking lots and other improvements associated with the land upon which the leased premises are located, and any other losses caused by or related to the activities, duties and obligations of Lessee under this Lease. Lessor shall be an additional named insured on all policies required under this provision. All insurance coverage required under this provision shall be subject to the approval of the Commission members of the Texas Facilities Commission.

12. INDEMNITY. Lessee shall indemnify the State of Texas and the Commission members and employees of the Texas Facilities Commission, from a claim, demand, or cause of action

asserted by a person as a result of the child care facility's operation and any act or omission of Lessee or its personnel.

- 13. SIGNAGE AND REFERENCE TO THE STATE OF TEXAS.** Lessee will not show the State of Texas seal. Lessee may install any signs desired by Lessee to indicate Lessee's name, location, and purpose. All signs must be prepared and installed in conformity with Lessor's rules and regulations and must be consistent with building decor. Any special signage requirements of Lessee contrary to the above must be mutually agreed upon in writing.
- 14. TERMINATION.** Lessor reserves the right to terminate this Lease at any time, upon 14 days written notice, if Lessor determines that this Lease does not provide the best value for the State or is not in the best interests of the State. Such determinations shall be made in good faith and in consultation with Lessee.
- 15. DEFAULT BY LESSEE.** If Lessee fails to timely pay rentals or other charges hereunder or otherwise fails to strictly perform its obligations hereunder and this failure is not cured within thirty (30) days after written notice from Lessor to Lessee of such failure, then Lessee is in default, and Lessor may terminate this Lease and may enter and take possession of Premises, and will have the remedies now or hereafter provided by law for recovery of rent, repossession of Premises and damages occasioned by Lessee's default.
- 16. DEFAULT BY LESSOR.** If Lessor fails to perform its obligations hereunder and this failure is not cured within thirty (30) days after written notice from Lessee to Lessor of such failure, then Lessor is in default, and Lessee may terminate this Lease. Lessor may terminate this Lease upon Lessee's failure to materially comply with its obligations under the Contract to operate and manage a child care facility at subject premises.
- 17. ASSIGNMENT.** Lessee may not assign this Lease.
- 18. ACCESS TO PREMISES.** Lessor shall have the right to enter the subject premises to make inspections without notice.
- 19. STRICT PERFORMANCE.** The failure of the Lessor to insist in any one or more instances of strict performance regarding any of the covenants in this Lease shall not be construed as a waiver or relinquishment for any future covenants, but the same shall continue and remain in full force and effect.
- 20. GOVERNING LAW.** This Lease shall be construed in accordance with the laws of the State of Texas and venue of any legal action filed by either Lessor or Lessee shall be in Travis County, Texas, and in a state court of competent jurisdiction. Nothing in this section is intended to waive the State's sovereign immunity.
- 21. CONTRACT ADMINISTRATION.** All notices required under this agreement shall be addressed to the respective contract administrator below:

Mr. Mike Lacy

Director of Space Management
Texas Facilities Commission
Post Office Box 13407
Austin, Texas 78711-3047

Name: Avis J. Wallace, Ph.D
Rosewood Oaks, LLC
Address: 1507 Lavaca St.
Austin, Texas 78701
Telephone: 512) 236-0596
Facsimile: 236-0597

22. **AUTHORITY TO EXECUTE.** Lessor and Lessee each certify that the persons executing this Lease are duly authorized to bind each respective party in the full performance of this Lease.
23. **CHANGE OF CORPORATE STATUS.** This lease is conditioned upon the fact that Lessee is a non-profit organization. Any change in corporate status will automatically terminate the lease.
24. **ENTIRE AGREEMENT.** This Lease contains the entire agreement of the parties.

TO SHOW THEIR AGREEMENT, the parties have executed this Lease on the date(s) below, effective MAY 20, 2008.

TEXAS FACILITIES COMMISSION,
an agency of the State of Texas
By: Edward L. Johnson
Edward L. Johnson
Executive Director
Date: MAY 20, 2008

ROSEWOOD OAKS, LLC

By: A. Wallace
Print name: Avis J. Wallace
Title: General Manager
Date: MAY 14, 2008

APPROVED AS TO FORM:

Kay Molina
Kay Molina
General Counsel, TFC

Date: MAY 5, 2008



TEXAS BUILDING AND PROCUREMENT COMMISSION

**LEASE AGREEMENT WITH
ROSEWOOD OAKS PRIMARY**

The State of Texas, by and through the Texas Building and Procurement Commission ("Lessor"), hereby leases to Rosewood Oaks, ~~Primary~~ ^{LLC} ("Lessee"), the state property, two buildings and grounds, located at 1507 Lavaca Street, Austin, Texas, 78701.

Lessor, acting on behalf of the State of Texas, hereby leases the subject premises described above to Lessee, under the following terms and conditions and pursuant to the authority of the Texas Government Code, Title 6, Subtitle B, Chapter 663, §663.105:

1. **SUBJECT PREMISES.** Two buildings located at 1507 Lavaca Street, Austin, Texas under this lease will be occupied by Lessee and will be used only for purposes related to the operation of a child care facility subject to and in accordance with the provisions of the Texas Government Code, § 663.001 et seq. relating to Child Care Services for State Employees, Texas Human Resources Code, § 42.001 et seq., relating to provision of child care service, and any other applicable federal, state or local law or regulation.

The North Building is 3,332 square feet, with 2,271 square feet consisting of four classrooms, five storage areas, one office and one kitchen, all of which is usable by Lessee. The South Building is 8,003 square feet, with 3,101 square feet consisting of four classrooms and five storage areas. The premises also includes a parking area for approximately twenty-six vehicles, walks, driveways, and a 6,162 square foot outdoor play area located between the North and South Buildings.

2. **TERM.** This lease shall commence on June 1, 2007 (Commencement Date). The term of this Lease shall be for one (1) year from June 1, 2007 through May 31, 2008. Upon agreement of Lessor and Lessee, the lease may be renewed upon the terms and conditions herein stated.
3. **RELATIONSHIP OF PARTIES.** Both parties understand and agree that this lease constitutes a landlord-tenant relationship only, and shall be governed by the laws as applied to these relationships. Lessee understands and acknowledges that the State of Texas, and TBPC, have not waived their sovereign immunity from suit or liability by entering into or performing under this Lease.
4. **MONTHLY RENTAL.** The Lessee agrees that the Contract between Rosewood Oaks, ^{LLC} ~~Primary~~ and TBPC relating to the operation and management of a child care center at 1507 ^{LLC}

Lavaca Street, Austin, Texas, constitutes good and valuable consideration for this lease agreement. Lessor acknowledges that Lessee may occupy the subject premises for one year without any rental payments to TBPC or the State of Texas as consideration for Lessee's operation and management of a child care center on the subject premises.

- 5. IMPROVEMENTS AND ALTERATIONS BY LESSEE.** After Commencement Date, Lessee, at its sole cost and expense, has the right to install within the Premises any fixtures, equipment, facilities, and other improvements required by Lessee for conduct of Lessee's business on the Premises. Lessee may not use the Premises for any purpose except as stated in Paragraph 1, or make a major alteration or physical addition in or to the Premises, without Lessor's prior written consent. Lessee shall not install, without written consent from Lessor, any devices in the Premises that create an unusually heavy load on floors, or require unusual demand for electrical power. Lessee shall not modify, construct or make any alteration to the subject premises' heating, cooling, electrical, gas, water, sewer or security systems without prior written consent from Lessor's contract administrator. On termination of the Lease, by lapse of time or otherwise, Lessee at its option and expense may remove from the Premises all equipment, appliances or other property owned by it. Lessee shall deliver the Premises to Lessor in good order and condition, and will make reasonable repairs as necessitated by removal of Lessee's property. Lessee will be liable for damages to the Premises except from reasonable use, ordinary wear and tear excepted. Lessor makes no warranties, express or implied, as to the suitability or condition of the subject premises and improvements. All improvements to the Building on the Leased Premises, or any system installed on the Premises shall be the property of the State of Texas, and may not be removed by the Lessee.
- 6. CONSUMABLES, FURNITURE, and EQUIPMENT.** The consumables, furniture, outdoor and indoor equipment, excepting kitchen fixtures, are the property of the Lessee. Lessee may not remove any fixtures without the prior express permission of Lessor.
- 7. SECURITY.** Lessee agrees to provide all security for protection of its personnel, property and invitees. Lessor is not liable for any the loss or damage occurring as a result of the operation of the child care facility on the Premises.
- 8. MAINTENANCE.** Lessor agrees to maintain the roof, building exterior, plumbing system, heating system, air conditioning and ventilating equipment, fire protection equipment and electrical system. Lessee agrees, at its own expense, to maintain the subject premises, improvements and appurtenances thereto in good repair, and in at least as good a condition as that in which they were delivered, allowing for reasonable wear and tear. Lessee must keep all other components of the Premises, the Building, and all appurtenant improvements in good repair and condition during the term of this Lease. Lessee's obligation to maintain includes, without limitation, the following: repair and patch wall, ceiling, door, and floor surfaces; painting as needed; replacement of broken window glass; repair of window shades, blinds and/or drapes, fasteners and sash cord or chains; building interior; miscellaneous valves; woodwork, locks, floor surface and coverings; light fixtures, and the replacement of all defective or burned-out light bulbs, fluorescent tubes, ballasts and starters; maintenance and repair of driveways, parking areas, and sidewalks. If Lessee does not maintain the Premises and all appurtenances thereto in good repair, reasonable wear and tear excepted, Lessor shall notify

Lessee. If, within 10 days after Lessor gives notice, Lessee has not repaired any defects as requested, or fails to promptly take all reasonable and necessary actions to effect such repairs, and thereafter work diligently and without unnecessary delays toward timely completion of all repairs, then Lessee will be in default under the terms of this Lease and Lessor may take action in accordance with this lease, as well as state and local law. Any repairs related to safety of any employees and property, such as broken locks, doors, windows, and other defects creating security or health risks, shall be completed by Lessee as quickly as possible after oral or written notice.

9. UTILITIES, TELEPHONE, AND JANITORIAL EXPENSES. All telephone, utility and janitorial charges, including pest control, are the responsibility of the Lessee. The electric, water, wastewater and natural gas utility accounts that serve the leased premises are in the name of Lessor. Accordingly, Lessor will receive bills from the utility providers. Upon receipt of any utility bill relating to the subject premises during the term of the Lease, Lessor shall provide Lessee notification of the amount due, and shall collect the billed amount from Lessee. Lessee is obligated to pay the actual amount of all utilities to Lessor on the date requested by Lessor to avoid any late charges. Should any late fee be incurred due to the action or inaction of Lessee, Lessee shall also pay such late fee.

10. PAYMENT. Any payments that become due to TBPC or the State of Texas under an amendment to this Lease shall be made payable to:

Texas Building and Procurement Commission
Fiscal Management
Post Office Box 13047
Austin, Texas 78711-3047

11. MISCELLANEOUS OBLIGATIONS OF LESSEE. It is the sole responsibility of the Lessee to obtain and maintain in full force at all times during the Term of this Lease all applicable licenses, certifications and registrations required to operate a child care facility in accordance with state and local laws at the Premises. At all times during the Lease term, and any renewal thereof, Lessee must maintain a policy of all-risk property insurance, issued by and bonded upon an insurance company licensed in the State of Texas, covering the Leased Premises and leasehold improvements (exclusive of contents). Lessee shall have no interest in the policy or policy proceeds and Lessor shall not be obligated to insure any furnishings, equipment, trade fixtures, or other personal property that Lessee may place or cause to be placed upon the Leased Premises. Lessee must also maintain a policy or policies of comprehensive general liability insurance insuring Lessee and Lessor as their interests may appear against loss of life, bodily injury and/or property damage with respect to operation of the Premises including the Building, parking lots and other improvements associated with the land upon which the Leased Premises are located, and any other losses caused by or related to the activities, duties and obligations of Lessee under this Lease. Lessor shall be a named insured on all policies required under this provision. All insurance coverage required under this provision shall be subject to the approval of the Commission members of the Texas Building and Procurement Commission.

- 12. INDEMNITY.** Lessee shall indemnify the State of Texas, and the Commission members and employees of the Texas Building and Procurement Commission, from a claim, demand, or cause of action asserted by a person as a result of the child care facility's operation and any act or omission of Lessee or its personnel.
- 13. SIGNAGE AND REFERENCE TO THE STATE OF TEXAS.** Lessee will not show the State of Texas Seal. Lessee may install any signs desired by Lessee to indicate Lessee's name, location, and purpose. All signs must be prepared and installed in conformity with Lessor's rules and regulations and must be consistent with Building decor. Any special signage requirements of Lessee contrary to the above must be mutually agreed in writing.
- 14. TERMINATION.** Lessor reserves the right to terminate this Lease at any time, upon 14 days written notice, if Lessor determines that this Lease does not provide the best value for the State or is not in the best interests of the State. Such determinations shall be made in good faith and in consultation with Lessee.
- 15. DEFAULT BY LESSEE.** If Lessee fails to timely pay rentals or other charges hereunder or otherwise fails to strictly perform its obligations hereunder and this failure is not cured within 30 days after written notice from Lessor to Lessee of such failure, then Lessee is in default, and Lessor may terminate this Lease and may enter and take possession of Premises, and will have the remedies now or hereafter provided by law for recovery of rent, repossession of Premises and damages occasioned by Lessee's default.
- 16. DEFAULT BY LESSOR.** If Lessor fails to perform its obligations hereunder and this failure is not cured within 30 days after written notice from Lessee to Lessor of such failure, then Lessor is in default, and Lessee may terminate this Lease. Lessor may terminate this Lease upon Lessee's failure to materially comply with its obligations under the Contract to operate and manage a child care facility at subject premises.
- 17. ASSIGNMENT.** Lessee may not assign this Lease.
- 18. ACCESS TO PREMISES.** Lessor shall have the right to enter the subject premises to make inspections without notice.
- 19. STRICT PERFORMANCE.** The failure of the Lessor to insist in any one or more instances of strict performance regarding any of the covenants in this Lease shall not be construed as a waiver or relinquishment for any future covenants, but the same shall continue and remain in full force and effect.
- 20. GOVERNING LAW.** This Lease shall be construed in accordance with the laws of the State of Texas and venue of any legal action filed by either Lessor or Lessee shall be in Travis County, Texas, and in a state court of competent jurisdiction. Nothing in this section is intended to waive the State's sovereign immunity.
- 21. CONTRACT ADMINISTRATION.** All notices required under this agreement shall be addressed to the respective contract administrator below:

Mr. Mike Lacy
Facilities & Construction Division
Texas Building & Procurement Commission
Post Office Box 13407
Austin, Texas 78711-3047

Name: Avis J. Wallace, Ph.D.
Rosewood Oaks, Primary LLC AW W
Address: 1507 Lavaca St.
Austin, Texas 78701
Telephone: 512-236-0596
Facsimile: 512-236-0597

22. **AUTHORITY TO EXECUTE.** Lessor and Lessee each certify that the persons executing this Lease are duly authorized to bind each respective party in the full performance of this Lease.
23. **CHANGE OF CORPORATE STATUS.** This lease is conditioned upon the fact that Lessee is a non-profit organization. Any change in corporate status will automatically terminate the lease.
24. **ENTIRE AGREEMENT.** This Lease contains the entire agreement of the parties.

TO SHOW THEIR AGREEMENT, the parties have executed this Lease on the date(s) below, effective May 24, 2007.

TEXAS BUILDING & PROCUREMENT
COMMISSION, an agency of the State of Texas

By: [Signature]

Edward L. Johnson
Executive Director

Date: May 31, 2007

ROSEWOOD OAKS, PRIMARY LLC AW W

By: [Signature]

Print name: Avis J. Wallace, Ph.D.

Title: General Manager / Owner

Date: May 24, 2007

STATE OF TEXAS LEASE
TEXAS BUILDING AND PROCUREMENT COMMISSION
LEASE AGREEMENT WITH ROSEWOOD OAKS PRIMARY

The State of Texas, by and through the Texas Building and Procurement Commission ("Lessor"), hereby leases to Rosewood Oaks Primary ("Lessee"), the state property, two buildings and grounds, located at 1507 Lavaca Street, Austin, Texas, ⁷⁸⁷¹¹ *J*
78701

Lessor, acting on behalf of the State of Texas, hereby leases the subject premises described above to Lessee, under the following terms and conditions and pursuant to the authority of the Texas Government Code, Title 6, Subtitle B, Chapter 663, § 663.105:

- 1. SUBJECT PREMISES.** Two buildings located at 1507 Lavaca Street, Austin, Texas under this lease will be occupied by Lessee and will be used only for purposes related to the operation of a child care facility subject to and in accordance with the provisions of the Texas Government Code, § 663.001 et seq. relating to Child Care Services for State Employees, Texas Human Resources Code, § 42.001 et seq., relating to provision of child care service, and any other applicable federal, state or local law or regulation.

The North Building is 3,332 square feet, with 2,271 square feet consisting of four classrooms, five storage areas, one office and one kitchen, all of which is usable by Lessee. The South Building is 8,003 square feet, with 3,101 square feet consisting of four classrooms and five storage areas. The premises also includes a parking area for approximately twenty-six vehicles, walks, driveways, and a 6,162 square foot outdoor play area located between the North and South Buildings.

- 2. TERM.** This lease shall commence on June 27, 2005 (Commencement Date). The term of this Lease shall be for two (2) years from June 27, 2005 through May 31, 2007. Upon agreement of Lessor and Lessee, the lease may be renewed upon the terms and conditions herein stated. To renew this Lease, Lessor and Lessee must execute a new lease no later than December 1, 2006.
- 3. RELATIONSHIP OF PARTIES.** Both parties understand and agree that this lease constitutes a landlord-tenant relationship only, and shall be governed by the laws as applied to these relationships. Lessee understands and acknowledges that the State of Texas, and TBPC, have not waived their sovereign immunity from suit or liability by entering into or performing under this Lease.

MONTHLY RENTAL. The Lessee agrees that the Contract between Rosewood Oaks Primary and TBPC relating to the operation and management of a child care center at 1507 Lavaca Street, Austin, Texas, constitutes good and valuable consideration for this

lease agreement. Lessor acknowledges that Lessee may occupy the subject premises for two years without any rental payments to TBPC or the State of Texas as consideration for Lessee's operation and management of a child care center on the subject premises.

4. IMPROVEMENTS AND ALTERATIONS BY LESSEE. After Commencement Date,

Lessee, at its sole cost and expense, has the right to install within the Premises any fixtures, equipment, facilities, and other improvements required by Lessee for conduct of Lessee's business on the Premises. Lessee may not use the Premises for any purpose except as stated in Paragraph 1, or make a major alteration or physical addition in or to the Premises, without Lessor's prior written consent. Lessee shall not install, without written consent from Lessor, any devices in the Premises that create an unusually heavy load on floors, or require unusual demand for electrical power. Lessee shall not modify, construct or make any alteration to the subject premises' heating, cooling, electrical, gas, water, sewer or security systems without prior written consent from Lessor's contract administrator. On termination of the Lease, by lapse of time or otherwise, Lessee at its option and expense may remove from the Premises all equipment, appliances or other property owned by it. Lessee shall deliver the Premises to Lessor in good order and condition, and will make reasonable repairs as necessitated by removal of Lessee's property. Lessee will be liable for damages to the Premises except from reasonable use, ordinary wear and tear excepted. Lessor makes no warranties, express or implied, as to the suitability or condition of the subject premises and improvements. All improvements to the Building on the Leased Premises, or any system installed on the Premises shall be the property of the State of Texas, and may not be removed by the Lessee.

5. CONSUMABLES, FURNITURE, and EQUIPMENT. Lessor intends to convey

consumables, furniture, and equipment to the Lessee pursuant to the terms of this agreement. The consumables, furniture, outdoor and indoor equipment, excepting kitchen fixtures, will become the property of the Lessee after one year of operation and management of the day care center. Lessee may not remove any fixtures without the prior express permission of Lessor. Lessor has valued the furniture and equipment, subject to this paragraph, at four thousand dollars as of June 2005. Lessee's failure to adhere to the terms of this Lease or of the Contract to manage and operate a child care facility at the premises for one year may result in liability for the costs of consumables and will result in revocation of Lessee's right to ownership of the items described in this paragraph.

6. SECURITY. Lessee agrees to provide all security for protection of its personnel, property and invitees. Lessor is not liable for any the loss or damage occurring as a result of the operation of the child care facility on the Premises.

7. MAINTENANCE. Lessor agrees to maintain the roof, building exterior, plumbing system, heating system, air conditioning and ventilating equipment, fire protection equipment and electrical system. Lessee agrees, at its own expense, to maintain the subject premises, improvements and appurtenances thereto in good repair, and

in at least as good a condition as that in which they were delivered, allowing for reasonable wear and tear. Lessee must keep all other components of the Premises, the Building, and all appurtenant improvements in good repair and condition during the term of this Lease. Lessee's obligation to maintain includes, without limitation, the following: repair and patch wall, ceiling, door, and floor surfaces; painting as needed; replacement of broken window glass; repair of window shades, blinds and/or drapes, fasteners and sash cord or chains; building interior; miscellaneous valves; woodwork, locks, floor surface and coverings; light fixtures, and the replacement of all defective or burned-out light bulbs, fluorescent tubes, ballasts and starters; maintenance and repair of driveways, parking areas, and sidewalks. If Lessee does not maintain the Premises and all appurtenances thereto in good repair, reasonable wear and tear excepted, Lessor shall notify Lessee. If, within 10 days after Lessor gives notice, Lessee has not repaired any defects as requested, or fails to promptly take all reasonable and necessary actions to effect such repairs, and thereafter work diligently and without unnecessary delays toward timely completion of all repairs, then Lessee will be in default under the terms of this Lease and Lessor may take action in accordance with this lease, as well as state and local law. Any repairs related to safety of any employees and property, such as broken locks, doors, windows, and other defects creating security or health risks, shall be completed by Lessee as quickly as possible after oral or written notice.

8. **UTILITIES, TELEPHONE, AND JANITORIAL EXPENSES.** All telephone, utility and janitorial charges, including pest control, are the responsibility of the Lessee.
9. **PAYMENT.** Any payments that become due to TBPC or the State of Texas under an amendment to this Lease shall be made payable to:

Texas Building and Procurement Commission
Fiscal Management
Post Office Box 13047
Austin, Texas 78711-3047

10. **MISCELLANEOUS OBLIGATIONS OF LESSEE.** It is the sole responsibility of the Lessee to obtain and maintain in full force at all times during the Term of this Lease all applicable licenses, certifications and registrations required to operate a child care facility in accordance with state and local laws at the Premises. At all times during the Lease term, and any renewal thereof, Lessee must maintain a policy of all-risk property insurance, issued by and bonded upon an insurance company licensed in the State of Texas, covering the Leased Premises and leasehold improvements (exclusive of contents). Lessee shall have no interest in the policy or policy proceeds and Lessor shall not be obligated to insure any furnishings, equipment, trade fixtures, or other personal property that Lessee may place or cause to be placed upon the Leased Premises. Lessee must also maintain a policy or policies of comprehensive general liability insurance insuring Lessee and Lessor as their interests may appear against loss of life, bodily injury and/or property damage with respect to operation of the Premises including the Building, parking lots and other improvements associated

with the land upon which the Leased Premises are located, and any other losses caused by or related to the activities, duties and obligations of Lessee under this Lease. Lessor shall be a named insured on all policies required under this provision. All insurance coverage required under this provision shall be subject to the approval of the Commission members of the Texas Building and Procurement Commission.

- 11. INDEMNITY.** Lessee shall indemnify the State of Texas, and the Commission members and employees of the Texas Building and Procurement Commission, from a claim, demand, or cause of action asserted by a person as a result of the child care facility's operation and any act or omission of Lessee or its personnel.
- 12. SIGNAGE AND REFERENCE TO THE STATE OF TEXAS.** Lessee will not show the State of Texas Seal. Lessee may install any signs desired by Lessee to indicate Lessee's name, location, and purpose. All signs must be prepared and installed in conformity with Lessor's rules and regulations and must be consistent with Building decor. Any special signage requirements of Lessee contrary to the above must be mutually agreed in writing.
- 13. TERMINATION.** Lessor reserves the right to terminate this Lease at any time, upon 14 days written notice, if Lessor determines that this Lease does not provide the best value for the State or is not in the best interests of the State. Such determinations shall be made in good faith and in consultation with Lessee.
- 14. DEFAULT BY LESSEE.** If Lessee fails to timely pay rentals or other charges hereunder or otherwise fails to strictly perform its obligations hereunder and this failure is not cured within 30 days after written notice from Lessor to Lessee of such failure, then Lessee is in default, and Lessor may terminate this Lease and may enter and take possession of Premises, and will have the remedies now or hereafter provided by law for recovery of rent, repossession of Premises and damages occasioned by Lessee's default.
- 15. DEFAULT BY LESSOR.** If Lessor fails to perform its obligations hereunder and this failure is not cured within 30 days after written notice from Lessee to Lessor of such failure, then Lessor is in default, and Lessee may terminate this Lease. Lessor may terminate this Lease upon Lessee's failure to materially comply with its obligations under the Contract to operate and manage a child care facility at subject premises.
- 16. ASSIGNMENT.** Lessee may not assign this Lease.
- 17. ACCESS TO PREMISES.** Lessor shall have the right to enter the subject premises to make inspections without notice.
- 18. STRICT PERFORMANCE.** The failure of the Lessor to insist in any one or more instances of strict performance regarding any of the covenants in this Lease shall not be construed as a waiver or relinquishment for any future covenants, but the same shall continue and remain in full force and effect.

19. GOVERNING LAW. This Lease shall be construed in accordance with the laws of the State of Texas and venue of any legal action filed by either Lessor or Lessee shall be in Travis County, Texas, and in a state court of competent jurisdiction. Nothing in this section is intended to waive the State's sovereign immunity.

20. CONTRACT ADMINISTRATION. All notices required under this agreement shall be addressed to the respective contract administrator below:

Deputy Executive Director for Facilities
Texas Building & Procurement Commission
Post Office Box 13407
Austin, Texas 78711-3047

Name: Avis J. Wallace, Ph.D.
Rosewood Oaks Primary
Address: 2600 Rosewood Ave.
Austin, Texas 78702
Telephone: 5
Facsimile:

21. AUTHORITY TO EXECUTE. Lessor and Lessee each certify that the persons executing this Lease are duly authorized to bind each respective party in the full performance of this Lease.

22. CHANGE OF CORPORATE STATUS. This lease is conditioned upon the fact that Lessee is a ~~non-profit~~ ^{for-profit} organization. Any change in corporate status will automatically terminate the lease. BY 7-28-05

23. ENTIRE AGREEMENT. This Lease contains the entire agreement of the parties.

TO SHOW THEIR AGREEMENT, the parties have executed this Lease on the date(s) below, effective 7/21, 2005.

**TEXAS BUILDING & PROCUREMENT
COMMISSION,** a agency of the State of Texas

By: Cindy Reed
Cindy Reed
Executive Director
Date: 7/21, 2005

APPROVED AS TO FORM:



Ingrid K. Hansen
General Counsel, TBPC

Date: 7/21, 2005

ROSEWOOD OAKS PRIMARY

By: 
Print name: Avis J. Wallace, Ph.D
Title: General Manager

Date: 7/20/2005



TEXAS FACILITIES COMMISSION

**AMENDMENT NO. 1 TO LEASE AGREEMENT WITH
ROSEWOOD OAKS, LLC D/B/A ROSEWOOD OAKS PRIMARY**

WHEREAS, the State of Texas, by and through the Texas Facilities Commission ("Lessor" or "TFC"), and Rosewood Oaks, LLC d/b/a Rosewood Oaks Primary ("Lessee") (collectively, the "Parties") have executed a lease agreement for State of Texas property located at 1507 Lavaca Street, Austin, Texas, 78701, effective May 20, 2008 ("Lease");

WHEREAS, Lessee currently provides day care management and operation services under TFC Contract No. 303-5-10803;

WHEREAS, subject to the approval of the TFC commissioners, the Parties intend for Lessee to continue performing such services under TFC Contract No. 09-058-000 ("Contract") on the Lease premises; and

WHEREAS, subject to the approval of the TFC commissioners, the Parties also mutually agree to amend the Lease to extend the term to run concurrently with the duration of the Contract;

NOW, THEREFORE, the Parties hereby agree to modify the Lease by this Amendment No. 1 with the following terms and conditions:

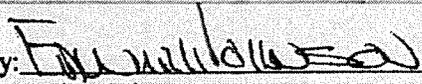
1. Paragraph No. 2 (Term) is revised by adding the following sentence to the end of the paragraph:

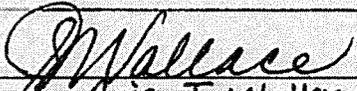
This Lease shall be extended for a term commencing on June 1, 2009 and ending on August 31, 2013.

2. Paragraph No. 8 (Maintenance) is modified to reflect that Lessor is responsible for parking areas.
3. Paragraph No. 23 (Change in Corporate Status) is deleted in its entirety.
4. Except as expressly stated herein, the remaining Lease terms and conditions are in full force and effect for all purposes.

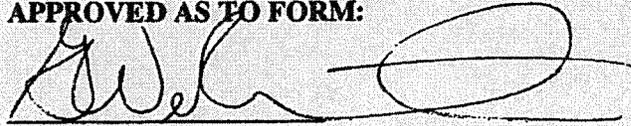
TEXAS FACILITIES COMMISSION,
an agency of the State of Texas

ROSEWOOD OAKS, LLC

By: 
Edward L. Johnson
Executive Director
Date: 5-20-2009

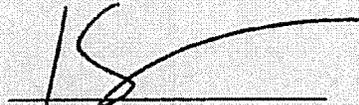
By: 
Print name: Avis J. Wallace
Title: General Manager
Date: 5-11-09

APPROVED AS TO FORM:



Gregg Werkenthin
Deputy Executive Director of Space Management State Leasing Services
and State Lease Officer, TFC

Date: 5/07/09



Kay Molina
General Counsel, TFC

Date: 5/07/09



TEXAS FACILITIES COMMISSION

**AMENDMENT NO. 2 TO LEASE AGREEMENT WITH
ROSEWOOD OAKS, LLC D/B/A ROSEWOOD OAKS PRIMARY**

WHEREAS, the State of Texas, by and through the Texas Facilities Commission ("Lessor" or "TFC"), and Rosewood Oaks, LLC d/b/a Rosewood Oaks Primary ("Lessee") (collectively, the "Parties") have executed a lease agreement for State of Texas property located at 1507 Lavaca Street, Austin, Texas, 78701, effective May 20, 2008 ("Lease");

WHEREAS, Lessee currently provides day care management and operation services under TFC Contract No. 303-5-10803;

WHEREAS, subject to the approval of the TFC commissioners, the Parties intend for Lessee to continue performing such services under TFC Contract No. 09-058-000 ("Contract") on the Lease premises; and

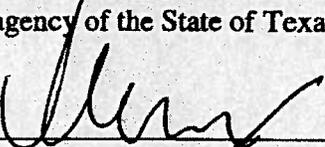
WHEREAS, subject to the approval of the TFC commissioners, the Parties also mutually agree to amend the Lease to extend the term to run concurrently with the duration of the Contract;

NOW, THEREFORE, the Parties hereby agree to modify the Lease by this Amendment No. 2 with the following terms and conditions:

1. Paragraph No. 2 (Term) is revised by adding the following sentence to the end of the paragraph:

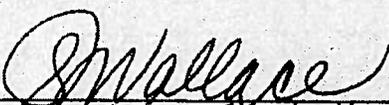
This Lease shall be extended for a term commencing on September 1, 2013 and ending on December 31, 2013.

TEXAS FACILITIES COMMISSION,
an agency of the State of Texas

By: 
Michael J. Lacy
Deputy Executive Director of
Planning and Real Estate Management
Texas Facilities Commission

Date: 08/19/2013

ROSEWOOD OAKS, LLC

By: 
Print name: Avis J. Wallace
Title: General Manager

Date: 8/15/2013



TEXAS FACILITIES COMMISSION

**AMENDMENT NO. 3 TO LEASE AGREEMENT WITH
ROSEWOOD OAKS, LLC D/B/A ROSEWOOD OAKS PRIMARY**

WHEREAS, the State of Texas, by and through the Texas Facilities Commission ("Lessor" or "TFC"), and Rosewood Oaks, LLC d/b/a Rosewood Oaks Primary ("Lessee") (collectively, the "Parties") have executed a lease agreement for State of Texas property located at 1507 Lavaca Street, Austin, Texas, 78701, effective May 20, 2008 ("Lease");

WHEREAS, Lessee currently provides day care management and operation services under TFC Contract No. 303-5-10803;

WHEREAS, subject to the approval of the TFC commissioners, the Parties intend for Lessee to continue performing such services under TFC Contract No. 09-058-000 ("Contract") on the Lease premises; and

WHEREAS, subject to the approval of the TFC commissioners, the Parties also mutually agree to amend the Lease to extend the term to run concurrently with the duration of the Contract;

NOW, THEREFORE, the Parties hereby agree to modify the Lease by this Amendment No. 3 with the following terms and conditions:

1. Paragraph No. 2 (Term) is revised by adding the following sentence to the end of the paragraph:

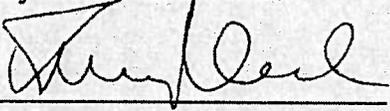
This Lease shall be extended for a term commencing on January 1, 2014 and ending on December 31, 2014.

2. Paragraph No. 9 (Utilities, Telephone, and Janitorial Expenses) is modified to reflect that, as of September 1, 2013 and continuing through the remainder of the Lease term, Lessor shall be responsible for the electric, water, wastewater and natural gas utility accounts for the Lease premises, and Lessee shall remain solely responsible for all telephone and janitorial charges, including pest control; provided, however, that Lessor shall be responsible treating the Lease premises for termites. Any monies owed by Lessee prior to September 1, 2013 remain due and payable to Lessor. The remainder of this paragraph is in full force and effect for all purposes.

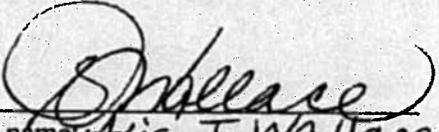
3. Paragraph No. 21 (Contract Administration) is modified to reflect Lessor's contract administrator as Ms. Terri Rodgers, Director of Property Management Services.

4. Except as expressly stated herein, the remaining Lease terms and conditions are in full force and effect for all purposes.

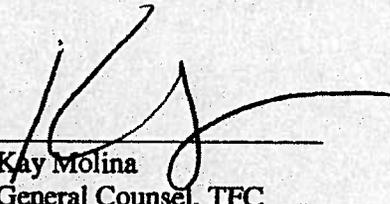
TEXAS FACILITIES COMMISSION,
an agency of the State of Texas

By: 
Terry Keel
Executive Director
Date: 1-27-2014

ROSEWOOD OAKS, LLC

By: 
Print name: Avis J. Wallace
Title: General Manager
Date: 2/4/14

APPROVED AS TO FORM:


Kay Molina
General Counsel, TFC

Date: 1/27/14



**TEXAS FACILITIES COMMISSION
AMENDMENT NO. 4 TO LEASE AGREEMENT WITH
ROSEWOOD OAKS, LLC D/B/A ROSEWOOD OAKS PRIMARY**

WHEREAS, the State of Texas, by and through the Texas Facilities Commission ("Lessor" or "TFC"), and Rosewood Oaks, LLC d/b/a Rosewood Oaks Primary ("Lessee") (collectively, the "Parties") have executed a lease agreement for State of Texas property located at 1507 Lavaca Street, Austin, Texas, 78701, effective May 20, 2008 ("Lease");

WHEREAS, Lessee currently provides child care management and operation services under TFC Contract No. 09-058-000, as amended, ("Contract") on the Lease premises;

WHEREAS, subject to the approval of the TFC commissioners, the Parties intend for Lessee to continue performing such services under the Contract; and

WHEREAS, subject to the approval of the TFC commissioners, the Parties also mutually agree to amend the Lease to extend the term to run concurrently with the duration of the Contract;

NOW, THEREFORE, the Parties hereby agree to modify the Lease by this Amendment No. 4 with the following terms and conditions:

1. Paragraph No. 2 (Term) is revised by adding the following language to the end of the paragraph:

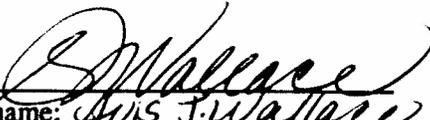
This Lease shall be extended for a term commencing on January 1, 2015 and ending on May 31, 2015. Lessee agrees to vacate, and remove all personal property from, the lease premises on or before 6:00 p.m. on June 2, 2015. Any personal property remaining on the leased premises after the specified deadline for Lessee to vacate will be considered abandoned and become the personal property of Lessor.

2. Except as expressly stated herein, the remaining Lease terms and conditions are in full force and effect for all purposes.

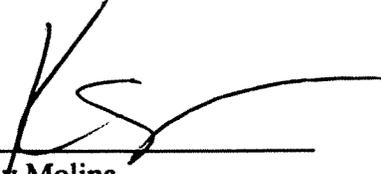
TEXAS FACILITIES COMMISSION,
an agency of the State of Texas

By: 
Terry Keel
Executive Director
Date: 12/3/14

ROSEWOOD OAKS, LLC

By: 
Print name: Miss J. Wallace
Title: Owner
Date: 12/3/14

APPROVED AS TO FORM:



Kay Molina
General Counsel, TFC

Date: 11/17/14