

**LUBBOCK REESE REDEVELOPMENT AUTHORITY (LRRRA)
REGULAR MEETING AGENDA OF THE BOARD OF DIRECTORS**

*The Board of Directors will convene in-person and via video and/or teleconference.
You may join the meeting by video here: <https://us02web.zoom.us/j/2405318564> or dial in using this
telephone number (346) 248-7799.*

Date: Wednesday, February 23, 2022

Time: 8:00 a.m.

Place: Reese Technology Center, LRRRA Board Room, 9801 Reese Blvd, Suite 200, Lubbock, TX 79416

AGENDA ITEMS	TAB	SPEAKER
Call the Meeting to Order		Steve Verett
1. Citizen Comments - Any citizen wishing to appear before a regular meeting of the Lubbock Reese Redevelopment Authority Board of Directors, regarding any matter posted on the Board Agenda, shall complete the sign-up form provided at the meeting, no later than 7:45 a.m.	TAB 1	Steve Verett
<p>2. a. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.072, regarding certain matters concerning real property. Discussions regarding interest in the lease, sale, or value of buildings and property.</p> <p>b. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.074(a), Deliberations Regarding Personnel Matters:</p> <ul style="list-style-type: none"> • Executive Director • Manager of Business Development • Manager of Accounting • Manager of Operations • Operations Lead • Service Technician • Service Technician • Administrative Coordinator • Administrative Assistant • Board of Directors <p>c. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.071, Consultation with Attorney.</p>	TAB 2	<p>Jonathan Phillips John Tye Muvat Musa Don Provost</p> <p>Steve Verett Muvat Musa</p> <p>Darrell Guthrie</p>
3. Action Item – Consider the Minutes of the January 26, 2022, Board of Directors Meeting.	TAB 3	Steve Verett

4. Action Item – Consider: a. Compromise, Settlement, and Release Agreement for NIRE Lease LLC and NIRE Holdings Corporation b. Ground Lease for 2 Acres for NIRE Holdings Corporation a/k/a Group NIRE c. Release of Ground Lease for NIRE Lease LLC d. Bill of Sale and Assignment for Tractor for NIRE Holdings Corporation a/k/a Group NIRE	TAB 4	Murvat Musa
5. Action Item – Consider a New Lease for Nomi Health, Building 1111	TAB 5	Don Provost
6. Action Item – Award Bid for EDA Runway 17C-35C Concrete Joint Resealing Project	TAB 6	Chris Evans
7. Action Item – Award Bid for Firing Range Baffle Project	TAB 7	Chris Evans
8. Discussion Item – City of Lubbock Wholesale Wastewater Interlocal Contract	TAB 8	Murvat Musa
9. Discussion Item – Financial Reports	TAB 9	Sandy Hamilton
10. Discussion Item – Reese Events & Activities	TAB 10	Murvat Musa
Adjourn the Meeting		Steve Verett
<p>Lubbock Reese Redevelopment Authority (LRRRA) will post this meeting agenda on its front doors and on its website at http://www.reesetechnologycenter.com/agendas/ by 5:00 p.m., Friday, February 18, 2022.</p> <p>by: <u>Lacy Elliott</u> Lacy Elliott, Administrative Coordinator</p> <p>The LRRRA Board meetings are available to all persons regardless of disability. To notify the LRRRA of your attendance or if you require special assistance, please contact them at (806) 885-6592 or write Reese Technology Center, 9801 Reese Blvd., Suite 200, Lubbock, Texas 79416 at least 48 hours in advance of the meeting.</p>		

ITEM 1

Citizen Comments

ITEM 2

EXECUTIVE SESSION

Information to be provided at
meeting
(if applicable)

Lubbock Reese Redevelopment Authority

Board Meeting Minutes

January 26, 2022

The Lubbock Reese Redevelopment Authority held a regular meeting at 8:00 a.m. Wednesday, January 26, 2022, at the Reese Technology Center, LRRRA Board Room, 9801 Reese Boulevard, Suite 200, Lubbock, TX 79416.

These are the minutes of the Board of Directors of the Lubbock Reese Redevelopment Authority, a State of Texas Political Subdivision.

<u>MEMBERS PRESENT:</u>	Todd McKee	Tim Pierce	John Tye
	John Hamilton	Tim Collins	

<u>MEMBERS ABSENT:</u>	Steve Verett	George McMahan
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<u>OTHERS PRESENT:</u>	
Reese Staff:	Murvat Musa-Executive Director, Don Provost-Manager of Business Development, Chris Evans-Manager of Operations, Lacy Elliott-Administrative Coordinator, Cecilia Davila-Administrative Assistant.

Legal Counsel:	Darrell Guthrie via video conference
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Others:	None
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Call the meeting to order.

Todd McKee called the meeting to order at 8:01 a.m.

ITEM 1 **Citizen Comments.** Todd McKee called for any citizen comments. There were none.

ITEM 2 **Hold an Executive Session.** Todd McKee called the Executive Session to order at 8:02 a.m.

- a. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.072, regarding certain matters concerning real property. Discussions regarding interest in the lease, sale, or value of buildings and property.
- b. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.074(a), Deliberations Regarding Personnel Matters.

Executive Director
Manager of Business Development
Manager of Accounting
Manager of Operations
Operations Lead
Service Technician
Service Technician
Administrative Coordinator
Administrative Assistant
Board of Directors

- c. Hold an Executive Session, in accordance with V.T.C.A. Government Code, Section 551.071, Consultation with Attorney.

No action was taken in the Executive Session.

Reconvene the Board of Directors Meeting

Todd McKee adjourned the Executive Session at 9:29 a.m. and reconvened Open Session at 9:30 a.m.

- ITEM 3** **Consider the Minutes of the December 8, 2021, Board of Directors Meeting. Action Item**
– John Hamilton moved to approve the minutes of December 8, 2021 and John Tye seconded; the motion passed 5-0.
- ITEM 4** **Consider Fourth Lease Amendment for United Supermarket, Building 800. Action Item**
Tim Collins moved to approve the Fourth Lease Amendment for United Supermarket and Tim Pierce seconded; the motion passed 5-0.
- ITEM 5** **City of Lubbock Wholesale Wastewater Interlocal Contract. Discussion Item** - No action required. Murvat Musa presented and discussed our wholesale wastewater interlocal contract with the City of Lubbock.
- ITEM 6** **Financial Reports. Discussion Item** - In Sandy Hamilton's absence, Murvat Musa presented the December financial reports.
- ITEM 7** **Reese Events and Activities. Discussion Item** – No action required. Murvat Musa presented Reese activities and upcoming events to the Board.

Adjourn the meeting. Todd McKee adjourned the meeting at 9:48 a.m.

Content of minutes agreed to and approved by:

Approved by _____
Steve Verett, President

ATTEST:

LRRRA Board Member

AGENDA ITEM 4
EXECUTIVE SUMMARY
GROUP NIRE GROUND LEASE TERMINATION, NEW GROUND LEASE FOR 2 ACRES,
RELEASE OF GROUND LEASE, AND TRACTOR PURCHASE

Group NIRE, located in Building 540 and with a 68-acre ground lease, has been in financial distress for about one year. I have been working closely with them to find a path forward to keep them in their building. Unfortunately, it has come to the point where they need to release some of their liabilities, therefore, they have requested, as is allowed by their ground lease, partially terminating it. The attached documents will do the following:

1. Terminate the existing 68-acre Ground Lease including all three amendments.
2. Release the existing “Memorandum of Ground Lease” that restricts use of the property based on the Ground Lease.
3. Enter into a new Ground Lease for the remaining two acres they wish to retain leasing, for five years with two options to renew for one year each. The price was determined by prorating the currently leased 68 acres.
4. Purchase their tractor. As you may recall we budgeted \$35,000 for a skid steer but when the opportunity came up to purchase this tractor from Group NIRE, staff decided it’s the better purchase. The negotiated price for the tractor with the trailer and six attachments is \$35,000 and since to terminate their current ground lease they would need to pay a \$10,000 termination fee we reduced the price by that amount for a total payment to Group NIRE of \$25,000. The tractor is currently at the John Deere shop where it needs \$3,500 in repairs that we will pay for which was also part of the negotiated terms of the purchase.

Staff is requesting Board approval for the following agreements, attached:

1. Compromise, Settlement and Release Agreement
2. Release of Ground Lease
3. Ground Lease for Two Acres for Five Years
4. Bill of Sale and Assignment

COMPROMISE, SETTLEMENT AND RELEASE AGREEMENT

This Compromise, Settlement and Release Agreement (the “Agreement”) is entered into this date by and between LUBBOCK REESE REDEVELOPMENT AUTHORITY, a political subdivision of the state of Texas (“LRRRA”) and NIRE LEASE, L.L.C., at Texas limited liability company, which is a wholly owned subsidiary of NIRE HOLDINGS CORPORATION, a Texas corporation, also known as GROUP NIRE (collectively referred to as “GNIRE”) entered into by the Parties to terminate the Wind Energy Development Surface Lease, dated August 2, 2010, and as amended by the Amendment to Wind Energy Development Surface Lease, dated July 24, 2013, Amendment No. 2 to Wind Energy Development Surface Lease, dated March 27, 2014, and Amendment No. 3 to Wind Energy Development Surface Lease, last signed October 31, 2016, (collectively, the “Lease”).

I. Parties

- A. LUBBOCK REESE REDEVELOPMENT AUTHORITY, a political subdivision of the state of Texas, at 9801 Reese Blvd., Suite 200, Lubbock, TX 79416.
- B. NIRE LEASE, L.L.C., at Texas limited liability company, at 1011 Gilbert Dr, Lubbock, TX 79416.
- C. NIRE HOLDINGS CORPORATION, a Texas corporation, also known as GROUP NIRE with its principal office located at 1011 Gilbert Dr, Lubbock, TX 79416.

The above listed entities that are the participants in this Agreement are sometimes collectively referred to herein as “Parties.”

II. Recitals

WHEREAS, LRRRA, GNIRE and NIRE Lease, LLC desire to terminate the Lease and enter into a lease for a two-acre tract, as identified on Exhibit A, attached hereto;

WHEREAS, section 2(e)(i) of the Lease provides that NIRE Lease, LLC shall pay a \$10,000.00 early termination fee and provide six-months’ notice of its desire to terminate the Lease;

WHEREAS, the Parties have discussed the purchase of GNIRE’s tractor, implements, and trailer (the “Tractor”), as identified in Exhibit B, on an “As Is, Where Is” basis;

WHEREAS, GNIRE has agreed to lease a two-acre tract from LRRRA for the sum of \$1,764.70 for period of five (5) years and with two (2) options to extend the term for five (5) years each with a four percent (4%) each option period;

WHEREAS, LRRRA has inspected the Tractor and is willing to purchase the Tractor “As Is,

Where Is” and pay for and make any repairs associated with the Tractor;

WHEREAS, LRRA is willing to terminate the Lease in full, waive the six-month notice provision, lease the two-acre tract, as identified in Exhibit A, and purchase the Tractor and apply the termination fee as a credit against the purchase price for the Tractor; and

WHEREAS, the Parties desire to fully and finally settle any claims against each other and wish to enter into a Compromise, Settlement, and Release Agreement for the terms and consideration set forth below.

NOW, THEREFORE, for adequate consideration received, the undersigned parties agree as follows:

1. Consideration. The consideration for this Agreement is as follows:

To GNIRE:

- (a) Termination of the Lease, to include the termination of all payments due thereunder to LRRA during the term of the Lease, subject to the application of the early termination fee set forth below.
- (b) The sum of \$25,000.00 from LRRA for the Tractor, which represents the agreed purchase price of \$35,000.00 less the credit for the \$10,000.00 early termination fee within five (5) days of the approval of the purchase by the LRRA Board of Directors at their February 2022 Board of Directors.
- (c) A lease for the two-acre tract identified in Exhibit A in the form set forth in Exhibit C, attached hereto.

To LRRA:

- (a) The Release of Ground Lease, as set forth in Exhibit D, attached hereto, signed by NIRE Lease, LLC and GNIRE that may be filed with the Lubbock County Clerk in the event there are questions relating to title to the property.
- (b) The Tractor free and clear of liens, by delivery of the Tractor and execution of the Bill of Sale, as set forth in Exhibit B, attached hereto, conveying title to the Tractor.
- (c) The fully executed lease for the two-acre tract signed by GNIRE, as set forth in Exhibit C, attached hereto.

Upon receipt of the full consideration contemplated in this Agreement from NIRE Lease, LLC and GNIRE, LRRA shall grant NIRE Lease, LLC and GNIRE a full, final and complete release

of any and all claims, demands or causes of action, whether known or unknown, that LRRRA may have against NIRE Lease, LLC and GNIRE relating to the Lease, or any other causes of action of any nature whatsoever which LRRRA might be able to assert against NIRE Lease, LLC and GNIRE under the terms of the Lease.

2. Real Property Taxes. All taxes related to the Lease mentioned herein (including, but not limited to, ad valorem taxes) shall be prorated, and NIRE Lease, LLC and GNIRE shall be jointly and severally responsible for payment of an amount equal to the last available information from the Lubbock County Tax Assessor, attributable to the Lease, calculated through the date of Closing.
3. No Further Agreement. The Parties do hereby agree and warrant it to be a fact that in making this settlement, they are acting of their own free will and voluntarily and are in no way relying upon any promise, warranty, representation or agreement of any kind whatsoever, made directly or indirectly, by any agent, employee, lawyer, officer, director, other agent or representative of either party, or of any person or party in privity with them, that is not otherwise set forth herein.
4. Consultation With Counsel. The Parties do further warrant and represent that they consulted with attorneys of their own choice and selection and are entering into this Agreement, after making a full and complete investigation into the facts as set forth above herein, as well as into the nature and extent of the injuries and damages sustained in connection with said facts and they do further warrant and represent that they are not relying upon any statement, representation, or agreement not set forth herein. The Parties do further warrant and represent that attorneys of their choice have represented them and that they have been fully advised of all legal rights and after having been so advised enter into this Agreement acting upon their own judgment exclusively. Each party will pay their own attorneys' fees and costs incurred by them in connection with this Agreement.
5. No Waiver. Except for the obligations expressly agreed to herein, LRRRA does not otherwise waive or modify any obligations of NIRE Lease, LLC and GNIRE until such time as NIRE Lease, LLC and GNIRE have fully performed their obligations pursuant to this Agreement.
6. Entire Agreement. This Agreement represents the entire agreement of the Parties and no change, modification, or amendment thereto will be valid unless evidenced by an instrument in writing signed by the parties.
7. Binding Effect. This Agreement shall be binding upon the undersigned, their personal representatives, heirs, successors and assigns.
8. Governing Law and Performance. This Agreement and the release of all claims shall be governed by the laws of the State of Texas and shall be deemed to have been executed in and performance called for in Lubbock, Lubbock County, Texas.

LRRRA DOES NOT WAIVE SOVEREIGN IMMUNITY BY ITS EXECUTION OF OR BY

ANY CONDUCT OF THEIR REPRESENTATIVES UNDER THIS AGREEMENT AND DOES NOT AFFECT LRRRA'S RIGHT TO ASSERT ALL CLAIMS AND DEFENSES IN A LAWSUIT.

SIGNED AND AGREED TO the ____ day of February 2022.

LUBBOCK REESE REDEVELOPMENT
AUTHORITY, a Texas political sub-division

By: _____
Murvāt Musa, CEO/ED

NIRE LEASE, L.L.C.,
a Texas limited liability company

By: _____
Joshua MacFie, Manager

NIRE HOLDINGS CORPORATION,
a Texas corporation, also known as GROUP NIRE

By: _____
Joshua MacFie, Chief Executive Officer

EXHIBIT A

Property Description



EXHIBIT B

Tractor Bill of Sale

[attached hereto]

EXHIBIT C

Two-acre Lease

[attached hereto]

EXHIBIT D

Release of Lease

[attached hereto]

**Prepared By, And After
Recording Return To:**

Law Office of Darrell J. Guthrie, PLLC
Attn: Darrell J. Guthrie
4414 82nd Street
Suite 212 PMB #328
Lubbock, Texas 79424
(806) 535-2072

RELEASE OF GROUND LEASE

STATE OF TEXAS §
 §
COUNTY OF LUBBOCK §

KNOW ALL MEN BY THESE PRESENTS:

1. Reference is herein made to that certain Memorandum of Ground Lease dated August 6, 2010, but there is no evidence that it was recorded, executed by LUBBOCK REESE REDEVELOPMENT AUTHORITY, a political subdivision of the state of Texas (“LESSOR” or “GRANTOR”) and NIRE LEASE, L.L.C., at Texas limited liability company (“LESSEE” or “GRANTEE”), which represents the Wind Energy Development Surface Lease, dated August 2, 2010, and as amended by the Amendment to Wind Energy Development Surface Lease, dated July 24, 2013, Amendment No. 2 to Wind Energy Development Surface Lease, dated March 27, 2014, and Amendment No. 3 to Wind Energy Development Surface Lease, last signed October 31, 2016, (collectively, the “Lease”).

2. The Memorandum of Ground Lease covers and affects the property (the “Property”) described on Exhibit A attached hereto and made a part hereof. The documents and instruments now or hereafter governing, evidencing, or otherwise relating to the Memorandum of Ground Lease and the Lease are RELEASED and DISCHARGED by the LESSEE.

EXECUTED effective as of February ____, 2022.

/Signature Pages Follow/

NIRE LEASE, L.L.C.
a Texas limited liability company

[illegible]

(SEAL)

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LUBBOCK REESE REDEVELOPMENT AUTHORITY,
a Texas political sub-division

STATE OF TEXAS §
COUNTY OF LUBBOCK §

(SEAL)

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EXHIBIT A

Property

EXHIBIT B TO WIND ENERGY DEVELOPMENT SURFACE LEASE Between LUBBOCK REESE REDEVELOPMENT AUTHORITY, as “Grantor” and NIRE LEASE, LLC, a Texas limited liability Company, as “Grantee”

DESCRIPTION OF REESE TECHNOLOGY CENTER (the “RTC”)

The RTC is comprised of approximately 2,904.50 acres divided into six parcels based on current development and location, less any real property previously transferred by Grantor to third parties which is of record in the Official Public Records of Lubbock County, Texas. These parcels are protracted from the Base Computer Aided Drafting System (CAD) and are not based on legal survey and are described as follows (but the RTC shall not include the real property previously transferred by the Grantor to any third party as reflected in the Official Public Records of Lubbock County, Texas, and without limiting the foregoing the RTC does not include the real property which is described after the “Following Parcels Excepted” heading beginning on the third page of this Exhibit B):

MAIN BASE

BEGINNING AT A POINT at the Southeast corner of Reese Air Force Base, Texas, Lubbock Count where State Highway 114 and Quitsna Avenue intersects THENCE in a Northerly direction for approximately 5,335 feet along the West side of Quitsna Avenue; THENCE in a Westerly direction for approximately 50 feet; THENCE in a Northerly direction for approximately 345 feet along the fence to the Main Gate; THENCE in an Easterly direction for approximately 50 feet joining Quitsna Avenue; THENCE in a Northerly direction for approximately 250 feet; THENCE in an Easterly direction for approximately 50 feet crossing Quitsna Avenue to the East side of the roadway; THENCE in a Southerly direction for approximately 609 feet along the East side of Quitsna Avenue back to the Southwestern corner of Reese Village; THENCE in a Southeasterly direction for approximately 85 feet to the North side of 4th Street; THENCE in a Southerly direction for approximately 25 feet to the center of 4th Street; THENCE in an Easterly direction for approximately 2,541 feet to the fence that is across the east side of Reese Village; THENCE following the fence in a Northerly direction for approximately 1,642 feet to the Northwest corner of Reese Village; THENCE in a Westerly direction along the fence for approximately 1,592 feet; THENCE along the fence line on the North side of the Youth Center and Sports Area in a Westerly direction for approximately 1,048 feet to Quitsna Avenue; THENCE in a Southerly direction along Quitsna Avenue for approximately 62 feet; THENCE in a Westerly direction along the fence line for approximately 807 feet; THENCE in a Northerly direction along the fence for approximately 663 feet; THENCE in a Westerly direction along the fence for approximately 1,478 feet; THENCE in a Northwesterly direction for approximately 466 feet; THENCE along the fence line in a Northerly direction for approximately 5,524 feet to the Northeast corner of the airfield; THENCE in a Westerly direction along the fence line for approximately 5,341 feet to the Northwest corner of the airfield; THENCE in a Southerly direction along the fence for approximately 3,842 feet; THENCE in an Easterly direction along the fence for approximately 94 feet; THENCE in a Southerly direction along the fence for approximately 7,502 feet; THENCE in a Westerly direction along the fence for approximately 453 feet; THENCE in a Southerly direction along the fence for approximately 1,328 feet; THENCE in an East Southeasterly direction along State

Highway 114 for approximately 9,608 feet back to the POINT OF BEGINNING. There is a non contiguous parcel of land called the Hurlwood Acquisition that is located to the South of State Highway 114 that is described as BEGINNING AT A POINT 4,060 feet from the Southwestern corner of the airfield; THENCE in a Southerly direction for approximately 930 feet to the Southwest corner of Hurlwood Acquisition; THENCE in an Easterly direction for approximately 193 feet; THENCE in a Northerly direction for approximately 106 feet; THENCE in an Easterly direction for approximately 637 feet; THENCE in a Southerly direction for approximately 1,290 feet; THENCE in an Easterly direction for approximately 1,848 feet; THENCE in a Northerly direction for approximately 1,974 feet; THENCE in a Westerly direction for approximately 2,678 feet back to the POINT OF BEGINNING together with all easements pertaining to this tract of land.

FOLLOWING PARCELS EXCEPTED

The following parcels are saved and excepted from the description of the RTC property.

TEXAS TECH UNIVERSITY

Parcel A containing approximately 20 acres of land underlying 13 buildings requested by Texas Tech University for educational purposes as described below:

For Buildings 551, 552, 553, 555, and 560, BEGINNING at a point at the Northwest corner of the intersection of Davis Drive and Gilbert Drive in a Southeasterly direction along Davis Drive for approximately 750 feet to the corner of Davis Drive and Hoover Drive; THENCE in a Northeasterly direction along Hoover Drive for approximately 770 feet to the corner of Hoover Drive and 11th Drive; THENCE in a Northwesterly direction for approximately 590 feet to the corner of 11th Drive and Gilbert; THENCE in a Southwesterly direction along Gilbert Drive for approximately 737 feet back to the point of BEGINNING,

For Buildings 450 and 455, BEGINNING at a point at the Southeast corner of Gilbert Drive and 11th Drive THENCE in a Southwesterly direction along the curb for approximately 320 feet to the Southwest corner of Gilbert Drive and 12th Drive; THENCE in a Northwesterly direction along the curb of 12th Drive for approximately 252 feet to the Northwest corner of 12th Drive and Garfield Drive; THENCE in a Northeasterly direction along the curb for approximately 320 feet to the Northeast corner of Garfield Drive and 11th Drive; THENCE in a Southeasterly direction along the curb back to the point of BEGINNING.

For Buildings 250, 251, 252, 350, 460, 461, and 462, BEGINNING at a point at the center of Garfield Drive in a West Northwesterly direction along the curb for approximately 535 feet to the corner of Fillmore Drive and 11th Drive; THENCE in a Southwesterly direction across the parking lot to the curb for approximately 192 feet; THENCE following the curb in a Westerly direction for approximately 93 feet to the corner of Fillmore Drive and Davis Drive; THENCE in a Southerly direction along the curb for approximately 684 feet ; THENCE in a Southeasterly direction along the curb for approximately 327 feet to the corner of Davis Drive and Gilbert Drive; THENCE in an East Northeasterly direction along the curb for approximately 383 feet to

the corner of Gilbert Drive and 12th Drive; THENCE in a West Northwesterly direction along the curb for approximately 228 feet to the center of Garfield Drive and 12th Drive; THENCE in an East Northeasterly direction along the center line of Garfield Drive for approximately 315 feet back to the point of BEGINNING.

SOUTH PLAINS COLLEGE

Parcel B consisting of four non-contiguous tracts containing approximately 21 acres of land underlying six buildings requested by South Plains College for educational purposes as described below:

For Buildings 105, 820, and 920, BEGINNING at a point approximately 35 feet Southeast of the curb on the Northeast corner entrance off of Gilbert Drive; THENCE Southwesterly through the center of the parking lot for 322 feet to the center of the parking lot on the Southwest side of Buildings 900 and 920; THENCE Southwesterly direction for approximately 244 feet to the curb of Reese Boulevard North; THENCE West Northwesterly along the curb for approximately 220 feet to the curb of 5th Drive; THENCE Northeasterly along the curb for 638 feet to the corner of 5th Drive and Gilbert Drive; THENCE Southeasterly along the curb back to the point of BEGINNING. Building 820, BEGINNING at a point at the curb of Eisenhower Drive and 4th Drive; THENCE-Northeasterly along the curb for 526 feet to the south curb of Garfield Drive; THENCE Southeasterly 3 feet to the north of the row of trees for approximately 321 feet; THENCE Southwesterly along the curb for approximately 384 feet to the intersection of 5th Drive and Reese Boulevard North; THENCE Westerly along the curb for approximately 171 feet to the intersection of Reese Boulevard North and Eisenhower Drive; THENCE Northwesterly along the curb for approximately 348 feet to the point of BEGINNING. Leased Premises are defined as the property Building 105, BEGINNING at a point at the edge of the sidewalk on the farthestmost Southeast corner of Building 105 following the outside perimeter of the sidewalk for approximately 112 feet to Davis Drive; THENCE in a Northerly direction along the curb for approximately 408 feet; THENCE in a Westerly direction along the curb at the North edge of the parking lot for approximately 174 feet; THENCE following the perimeter of the parking lot, crossing the parking lot and following the perimeter of the sidewalk in a Southerly direction for approximately 451 feet to the Southwest corner of Building 105; THENCE in an Easterly direction along the outside perimeter of the sidewalk for approximately 72 feet to the point of BEGINNING.

For Building 900, BEGINNING at a point approximately 35 feet from the Southeastern curb at the Northeastern corner of Building 920; THENCE in a South Southeasterly direction along the curb for approximately 408 feet to the corner of Gilbert Drive and Reese Boulevard North; THENCE in a West Northwesterly direction along the curb of Reese Boulevard North for approximately 561 feet to the existing property line of Interim Lease No. BCA-REE-12-98-0801.

For Buildings 955 and 1160, BEGINNING at a point 60 feet from the Northwest corner of Building 1160; THENCE in an Easterly direction along the North side of the building for approximately 229 feet; THENCE in a Southerly direction for approximately 159 feet along the sidewalk to the curb of 1st Street; THENCE in a Southwesterly direction along the curb for approximately 539 feet to the north corner of 1st Street and Davis Drive; THENCE in a North

Northeasterly to a due Easterly direction along the curb for approximately 408 feet to within 60 feet of the Southwest corner of the building; THENCE in a Northerly direction for approximately 124 feet back to the point of BEGINNING. The associated parking area is across Davis Drive and is defined as BEGINNING at a point at the Northwest Corner of the parking lot adjacent to the flightline; THENCE in a South Southwesterly direction along the curb for approximately 302 feet to the existing Leased Premises; THENCE in an easterly direction along the north curb of the parking lot for Bldg. 105 for approximately 207 feet; THENCE in a North Northeasterly direction along the curb for approximately 356 feet; THENCE in a Northwesterly direction along the curb on the Northeast side of the parking lot for approximately 179 feet to the Western curb of the parking lot back to the point of BEGINNING. For Building 955 BEGINNING at a point on the South side of 1st Street and the corner of Davis Drive; THENCE in a Northeasterly direction along the curb for approximately 113 feet to the cross sidewalk; THENCE in a Southeasterly direction along the sidewalk for approximately 154 feet to the Southeast corner of the swimming pool; THENCE in a Southerly direction along the sidewalk for approximately 198 feet; THENCE in a Westerly direction along the sidewalk for approximately 54 feet; THENCE in a Southerly direction along the back of Building 955 for approximately 257 feet to the curb of the driveway; THENCE in a Southeasterly direction following the outside curve of the sidewalk for approximately 36 feet; THENCE along the Western side of the driveway in a Southwesterly direction for approximately 162 feet to the corner of the driveway; THENCE in a Westerly direction for approximately 52 feet to the corner of Davis Drive; THENCE in a Northerly direction along the curb for approximately 616 feet back to the point of BEGINNING.

PARKS AND RECREATION

Parcel C consisting of four non-contiguous tracts containing approximately 40 acres of land with improved recreational facilities as described below:

BEGINNING AT A POINT for the recreation area that is adjacent to the Military Family Housing Area at the intersection of Quitsna Avenue and Mars Road in an Easterly direction for approximately 559 feet to the Service Road behind the Military Family Housing units that face Andrews Drive; THENCE in a Southeasterly direction following the road for approximately 380 feet; THENCE continuing to follow the Service Road in a Northeasterly direction for approximately 648 feet; THENCE in a Northerly direction for approximately 79 feet to the boundary fence; THENCE along the boundary fence in a Westerly direction for approximately 287 feet to the Southeast corner of the recreation area; THENCE in a northerly direction following the boundary fence for approximately 1,053 feet to the Northeast corner of the recreation area; THENCE in an Westerly direction along the boundary fence for approximately 1,033 feet to the Northwest corner of the boundary fence; THENCE in a Southerly direction along Quitsna Avenue for approximately 1,053 feet back to the point of BEGINNING.

The Running Track and Pool Area that is bounded by the following roads, 1st Drive, Gilbert Drive, and 3rd Drive BEGINNING at a point at the South corner on 3rd Drive in a Northeasterly direction for approximately 582 feet along 3rd Drive; THENCE in a Northwesterly direction

along Gilbert Drive for approximately 748 feet; THENCE in a Southwesterly direction along 1st Drive for approximately 213 feet to the sidewalk; THENCE along the sidewalk in a Southeasterly direction for approximately 155 feet; THENCE still following sidewalk in a Southerly direction for approximately 215 feet to the end of the sidewalk; THENCE in a Westerly direction along the sidewalk for approximately 44 feet; THENCE in a Southerly direction for approximately 183 feet; THENCE in a Southwesterly direction for approximately 99 feet; THENCE ma Southeasterly direction along the sidewalk for approximately 320 feet back to the point of BEGINNING.

The Tennis Court and Basketball Court adjacent to the parking lot North of Building 820 is described as BEGINNING AT A POINT at the Southwest Corner of 3 feet North of the row of trees that are adjacent to the parking lot north of Building 820 and 4th Drive in a Northeasterly Direction for approximately 300 feet to the corner of 4th Drive and Gilbert Drive; THENCE in a Southeasterly direction along Gilbert Drive for approximately 313 feet to the corner of Gilbert Drive and 5th Drive; THENCE in a Southwesterly direction along 5th Drive for approximately 300 feet; THENCE in a Northwesterly direction for approximately 313 feet along the north side of the parking lot back to the point of BEGINNING.

The Tennis Court that is bounded by 10th Drive to the Northeast, Fillmore Drive to the Northwest and 11th Drive to the Southwest is described as BEGINNING AT A POINT at the intersection of 11th Drive and Fillmore Drive on the Southwest in a Northeasterly direction along the curb for approximately 307 feet to the corner of Fillmore and 10th Drive; THENCE in a Southeasterly direction along the curb of 10th Drive for approximately 250 feet; THENCE in a Southwesterly direction for approximately 307 feet to Fillmore Drive; THENCE in a Northwesterly direction along the curb for approximately 250 feet back to the point of BEGINNING.

**CITY OF LUBBOCK
(LUBBOCK POLICE DEPARTMENT)**

Parcel D consisting of approximately 1.5 acres underlying Building 76 requested by the City of Lubbock for law enforcement purposes as described below:

BEGINNING at a point at the corner of Davis Drive and the service road that is to the south of Building 76 then in a Westerly direction along the curb for approximately 195 feet and 5 inches; THENCE in a Northerly direction along the curb for approximately 208 feet and 3 inches to the Northwest corner of Building 76; THENCE in an Easterly direction along the curb for approximately 67 feet and 6 inches; THENCE in a Northerly direction crossing road to the entrance to the Airfield and along the curb of the parking area that is East of Hangar 82 for approximately 173 feet; THENCE in an Easterly direction along the north curb of the parking area for approximately 113 feet and 6 inches; THENCE in a Southerly direction along the curb of Davis Drive for approximately 372 feet and 2 inches to the POINT OF BEGINNING; except for the following area of property that is located at the northern end of Building 76, extending from the curb of Davis Drive along the curb of Building 76 for 162 feet and 3 inches in an Easterly/Westerly direction and 25 feet and 9 inches in a Northerly direction for a Right of Way as access to the airfield.

SOUTH PLAINS CONCRETE

METES AND BOUNDS DESCRIPTION of a 26.11 acre tract of land located in Section 26, Block D-6, Lubbock County, Texas, being further described as follows:

BEGINNING at a point in the North right-of-way line of S.H. 114 which bears N. $01^{\circ}44'44''$ E. a distance of 653.01 feet and N. $88^{\circ}15'16''$ W. a distance of 1053.37 feet from the Southeast corner of said Section 26;

THENCE N. $70^{\circ}17'11''$ W., along said right-of-way line a distance of 1545.10 feet to a point for the Southwest corner of this tract;

THENCE N. $03^{\circ}20'27''$ W. a distance of 468.18 feet to a "Crow's Foot" chiseled on concrete set for the Northwest corner of this tract;

THENCE N. $86^{\circ}31'31''$ E. a distance of 1106.28 feet to a $\frac{1}{2}$ " iron rod with cap marked "HR ASSOC" set for a corner of this tract;

THENCE S. $58^{\circ}45'37''$ E. a distance of 152.22 feet to "Crow's Foot" chiseled on concrete set for a corner of this tract;

THENCE N. $31^{\circ}45'58''$ E. a distance of 106.14 feet to a "Crow's Foot" chiseled on concrete set for a corner of this tract;

THENCE N. $86^{\circ}31'31''$ E. a distance of 217.13 feet to a "Crow's Foot" chiseled on concrete set for the Northeast corner of this tract;

THENCE S. $01^{\circ}20'08''$ W. a distance of 1080.37 feet to the Point of BEGINNING.

And

METES AND BOUNDS DESCRIPTION of a 23.08 acre tract of land located in Section 26, Block D-6, Lubbock County, Texas, being further described as follows:

BEGINNING at a $\frac{1}{2}$ " iron rod with cap marked "HR ASSOC" found for the Southeast corner of this tract which bears N. $01^{\circ}44'44''$ E. a distance of 1733.35 feet and N. $88^{\circ}15'16''$ W. a distance of 1061.10 feet from the Southeast corner of said Section 26;

THENCE S. $86^{\circ}31'31''$ W. a distance of 217.13 feet to a "Crow's Foot" chiseled on concrete set for a corner of this tract;

THENCE S. $31^{\circ}45'58''$ W. a distance of 106.14 feet to a "Crow's Foot" chiseled on concrete set for a corner of this tract;

THENCE N. $58^{\circ}45'37''$ W. a distance of 152.22 feet to a "Crow's Foot" chiseled on concrete set for a corner of this tract;

THENCE S. $86^{\circ}31'31''$ W. a distance of 1106.28 feet to a $\frac{1}{2}$ " iron rod with cap marked "HR ASSOC" set for the Southwest corner of this tract;

THENCE N. $03^{\circ}20'27''$ W. a distance of 649.23 feet to a "Crow's Foot" chiseled on concrete set for the Northwest corner of this tract;

THENCE S. $86^{\circ}31'51''$ E. 25.00 feet Southerly of and parallel with the North edge of a concrete taxiway a distance of 1562.88 feet to a "MAG" nail with shiner set for the Northeast corner of this tract;

THENCE S. $01^{\circ}20'08''$ W. a distance of 651.37 feet to the POINT OF BEGINNING.

ALL PRIOR TRANSFERS RESERVED AND EXCEPTED

In addition to all matters described above, the boundaries of the RTC campus do not include any other real property that has been previously severed from the RTC and transferred to a third party, as set forth in the Official Public Records of Lubbock County, Texas

GROUND LEASE

BETWEEN

**LUBBOCK REESE REDEVELOPMENT AUTHORITY, a Political
Subdivision of the State of Texas**

AS LANDLORD

AND

NIRE HOLDINGS CORPORATION, a Texas corporation, also known as GROUP NIRE

AS TENANT

FOR LAND LOCATED AT

Reese Technology Center

Lubbock, Texas 79416

STANDARD INDUSTRIAL LEASE

This Ground Lease (the "Lease") is made this ____ day of _____ 2022, by and between LUBBOCK REESE REDEVELOPMENT AUTHORITY, a political subdivision of the State of Texas (hereinafter referred to as "Landlord") and NIRE HOLDINGS CORPORATION, a Texas corporation, also known as GROUP NIRE (hereinafter referred to as "Tenant"). Landlord and Tenant are also referred to herein individually as a "Party" and collectively as the "Parties".

W I T N E S S E T H:

1. BASIC LEASE PROVISIONS

(a) Landlord: Lubbock Reese Redevelopment Authority, a political subdivision of the State of Texas, whose Federal Taxpayer Identification Number is 75-2713717.

(b) Landlord Address: 9801 Reese Blvd., Suite 200, Lubbock, TX 79416.

(c) Tenant: NIRE HOLDINGS CORPORATION, a Texas corporation, whose Federal Taxpayer Identification Number is _____.

(d) Tenant Address: 1011 Gilbert Dr, Lubbock, TX 79416.

(e) Guarantor: [NOT APPLICABLE].

(f) Guarantor's Address: [NOT APPLICABLE].

(g) Project: means the land, together with the Premises (as defined below) and all other improvements constructed thereon, and all rights, privileges, easements, and appurtenances pertaining thereto, known as Reese Technology Center and located in Lubbock County, Texas.

(h) Premises means that approximate two-acre tract ("Ground") and identified on the site plan attached hereto as **Exhibit A** and shall comprise the "**Premises**."

(i) Initial Term (Months): Sixty (60) Months.

(j) Extensions: Two (2) extension periods of five (5) years each, subject to the rights set forth in Section 1(k). The New Initial Term and any Extensions shall be referred to herein as the "Term."

(k) Option to Extend Term: Tenant shall have two (2) renewal option of five (5) years, such option to be exercised automatically unless Landlord receives written notice from Tenant of its desire not to exercise the option to extend term no less than one hundred eighty (180) days prior to expiration of the Initial Term or any subsequent renewal term. Without receipt of such notice, this Lease shall be extended automatically for the period specified in Section 1(j) without the necessity for the execution of any further instrument and upon the same terms and conditions as are contained in this Lease, except the then existing Base Rent will be increased by a fixed four percent (4%) during the extension period. The adjustment in the Base Rent will be determined by

multiplying the then existing Base Rent specified in the lease ("Base Rent") by 1.04, which will result in a "Revised Base Rent."

- (l) Delivery Date: March 1, 2022.
- (m) Commencement Date: March 1, 2022.
- (n) Termination Date: February 28, 2027.

(o) Base Rent: The parties agree that the Base Rent set forth herein is what is commonly referred to as a "modified gross lease" and that Base Rent already includes, and Tenant shall not have to pay for Common Area (as defined below) Maintenance fees, parking, Landlord's insurance, and any other charges incurred by Landlord with respect to the Premises, except as otherwise provided in this Lease. Said Base Rent does not include, and Tenant is solely responsible for any and all charges associated with utilities, dumpsters, telephone service, internet service, Tenant renovations, Premises maintenance, or housekeeping services, as set forth in Section 8. Subject to this paragraph, Base Rent shall be as set forth below:

Initial Term Lease Years	Total Annual Base Rent
Year 1	\$1,764.70
Year 2	\$1,764.70
Year 3	\$1,764.70
Year 4	\$1,764.70
Year 5	\$1,764.70
Renewal Period 1 (Annual Rent)	\$1,835.29
Renewal Period 2 (Annual Rent)	\$1,908.70

- (p) Security Deposit: [NOT APPLICABLE]
- (q) Termination: [NOT APPLICABLE]
- (r) Option to Expand Premises: [NOT APPLICABLE]
- (s) Permitted Use: Tenant may use the Premises for the purpose of renewable energy projects, agriculture research, and to support field communications. (collectively, "Permitted Use").
- (t) Landlord's Address for Payment of Rent: Payment of Rent may be made by check and delivered to Landlord's address, or by electronic funds transfer to Landlord's bank account at:

Plains Capital Bank
5010 University
Lubbock, TX 79413
Routing Number - 111322994
Account Number - 185256
Deposits need to indicate: LUBBOCK REESE REDEVELOPMENT AUTHORITY

2. DEFINITIONS

(a) “Common Areas” means all facilities and areas of the Project that are intended and designated by Landlord from time to time for the common, general, and nonexclusive use of all Tenants and Tenants of the Project, including parking lots. Landlord has the exclusive control over and right to manage the Common Areas. Subject to the terms and conditions of this Lease, Landlord hereby grants Tenant the right to use the Premises for the Permitted Use for the Term of this Agreement, and to use the streets, alleys and other portions of the Project necessary to obtain access to the Premises for the Permitted Use.

(b) “Injury” means (1) harm to or impairment or loss of property or its use, (2) harm to or death of a person, or (3) “personal and advertising injury” as defined in the form of liability insurance Tenant is required to maintain.

(c) “Landlord” means Landlord and its agents, officers, servants, employees, consultants, invitees, licensees, or visitors.

(d) “Rent” means Base Rent plus any other amounts of money payable by Tenant to Landlord.

(e) “Tenant” means Tenant and its agents, contractors, employees, invitees, licensees, or visitors.

3. RENT AND RENT INVOICES

(a) Rent. Tenant agrees to pay to Landlord the Base Rent set forth in Section 1(o), in advance, on the 1st business day of each lease year during the Term, without deduction or setoff, commencing on the Commencement Date. Rent will be considered past Due and in default if not received by the 10th of the month.

(b) Rent Invoices. All invoices from Landlord to Tenant for any Rent, Construction Payment, or other fee due under this Lease will be sent to the address set forth in Section 12(m) or to such other address as Tenant may designate by notice to Landlord.

4. REAL ESTATE TAXES AND OTHER TAXES

(a) Real Estate Taxes. Tenant will pay or cause to be paid to the appropriate governmental authorities, prior to delinquency, all Real Estate Taxes. "Real Estate Taxes" means all real property taxes and assessments that become due and payable during the Term and are assessed by the applicable taxing governmental authority against the Premises. Tenant shall only

be responsible for said taxes incurred by Tenant during the term, to include any extension, of this Lease. Tenant shall not be responsible for any back taxes or assessments incurred by a third party or prior to the Delivery Date. Real Estate Taxes for the calendar years in which the Term commences and ends will be prorated by days.

(b) Notice Regarding Other Taxes. If assessed, Tenant shall during the Term be responsible for payment, prior to delinquency, of all taxes assessed against and levied upon the trade fixtures, furnishings, equipment and all other personal property of Tenant contained in the Premises. If applicable, Tenant shall during the Term pay to Landlord monthly with the payment of Base Rent all sales or rental taxes assessed by any governmental authority against the Rent payable by Tenant hereunder. Tenant hereby agrees to hold Landlord harmless from all costs, expenses, interest and penalties that Landlord may incur as a result of Tenant's failure to pay the taxes set forth in this Section 4.

5. TENANT COVENANTS

(a) Tenant Agrees to –

(1) Lease the Premises for the entire Term beginning on the Delivery Date and ending on the Termination Date.

(2) Accept the Premises in its then existing condition. Tenant shall have the right to perform additional improvements to the Premises, subject to Landlord's approval of the plan and specifications prior to any work being initiated. Tenant agrees and assures that any plans submitted and subsequent work performed for any improvements, Non-Structural Alteration, or alteration to the Premises shall comply with the federal Americans with Disabilities Act ("ADA") and the Texas Accessibility Standards ("TAS") requirements and adhere to the International Building Code, as required by the LRRRA Covenants, Restrictions and Landscape Standards, as may be amended from time to time.

(3) Obey (i) all applicable federal, state, and local laws relating to the use, condition, and occupancy of the Premises; (ii) any requirements imposed by utility companies serving or insurance companies covering the Premises; and (iii) any rules and regulations for the Premises and Common Areas adopted by Landlord, to include the Reese Technology Center, Operating Manual, Section 1, Construction Project Review, as amended, and as may be amended from time to time.

(4) Pay a late charge of five (5) percent of any Rent or fee not received by Landlord by the tenth (10th) day after written notice of delinquency.

(5) Following a twenty-four (24) hour notice, allow Landlord to enter the Premises to perform Landlord's obligations, inspect the Premises, and show the Premises to prospective purchasers or tenants; provided however, that such notice requirements shall not apply in the event of Tenant's request for Landlord to come onto the Premises to perform Landlord's obligations on the Premises, or in the event of an actual emergency situation that Landlord reasonably believes will result in personal injury, loss of life or property damage to the Premises. In such situation, Landlord will notify Tenant as soon after the entry as is reasonably possible.

(6) Repair, replace, and maintain any part of the Premises that Landlord is not obligated to repair, replace, or maintain, reasonable wear excepted, including any improvements thereon and to include any fencing on or immediately adjacent to the Premises, to the satisfaction of the Landlord or, in lieu of such repair or replacement, Tenant shall pay to Landlord an amount sufficient to compensate Landlord for the loss sustained by Landlord by reason of any damage to or destruction of Landlord's property.

(7) Submit in writing to Landlord any request for repairs, replacement, and maintenance that are the obligations of Landlord.

(8) Vacate the Premises and return all keys, if any, to the Premises on the last day of the Term.

(9) If accessed, pay an additional cleaning fee in a market rate amount in the event trash or garbage remain on the Premises as a result of Tenant's use of the Premises. Tenant hereby agrees to pay such fee within ten (10) days of notification of fee assessment.

(10) On request, execute an estoppel certificate that states the Delivery Date, Commencement Date, and Termination Date of the lease, identifies any amendments to the lease, describes any rights to extend the Term or purchase rights, lists defaults by Landlord, and provides any other information reasonably requested.

(11) INDEMNIFY, DEFEND, AND HOLD LANDLORD HARMLESS FROM ANY INJURY (AND ANY RESULTING OR RELATED CLAIM, ACTION, LOSS, LIABILITY, OR REASONABLE EXPENSE, INCLUDING ATTORNEY'S FEES AND OTHER FEES AND COURT AND OTHER COSTS) OCCURRING IN ANY PORTION OF THE PREMISES OR PROJECT, OR ARISING FROM TENANT'S ACCESS TO, PRESENCE ON, OR USE OF THE PREMISES OR PROJECT. THE INDEMNITY CONTAINED IN THIS PARAGRAPH (a) IS INDEPENDENT OF TENANT'S INSURANCE, (b) WILL NOT BE LIMITED BY COMPARATIVE NEGLIGENCE STATUTES, (c) WILL SURVIVE THE END OF THE TERM, AND (d) WILL APPLY EVEN IF AN INJURY IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF LANDLORD BUT WILL NOT APPLY TO THE EXTENT AN INJURY IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LANDLORD.

(b) Tenant agrees not to—

(1) Use the Premises for any purpose other than the Permitted Use.

(2) Create a nuisance.

(3) Interfere with any other tenant's normal business operations or Landlord's management of the Premises or Project.

(4) Use the Premises in any way that would increase insurance premiums or void insurance on the Premises or the Project.

(5) Allow a lien to be placed on the Premises and not removed by bonding or otherwise within thirty (30) days after written notice to Tenant.

(6) Assign this lease or sublease any portion of the Premises without Landlord's prior express written consent, subject to the provisions of Section 12.o..

(7) Place any signs on the Premises except as reasonably approved in writing by Landlord.

6. LANDLORD COVENANTS

(a) Landlord agrees to –

(1) Lease to Tenant the Premises for the entire Term beginning on the Delivery Date and ending on the Termination Date and, absent a default by Tenant which continues beyond the applicable notice and cure period, to afford Tenant the peaceful and quiet enjoyment of the Parties without interference or hindrance from Landlord or anyone claiming by, through, or under Landlord.

(2) Obey all applicable laws with respect to Landlord's operation of the Premises and Project.

(b) Landlord agrees not to—

(1) Interfere with Tenant's possession of the Premises as long as Tenant is not in default, beyond applicable cure periods.

(2) Subject to Section 12.o., unreasonably withhold consent to a proposed assignment or sublease.

7. COMMON AREAS

(a) Right to Use Common Areas. Tenant will have the nonexclusive right to use the Common Areas subject to any reasonable rules and regulations that Landlord may prescribe.

(b) Maintenance of Common Areas. At all times during the Term, Landlord will maintain the Common Areas.

8. UTILITIES AND TRASH REMOVAL

(a) Installation Costs. Tenant, at Tenant's sole cost and expense, shall be responsible for the installation and use of all utility services to all portions of the Premises and for all other related utility expenses, including, but not limited to, deposits and expenses required for the installation of meters. Tenant further covenants and agrees to pay all costs and expenses for any extension, maintenance or repair of any and all utilities serving the Premises. In addition, Tenant agrees that all utilities, air conditioning and heating equipment and other electrically-operated equipment which may be used on the Premises shall fully comply with the International Building

Code, as required by the LRRRA Covenants, Restrictions and Landscape Standards, as they exist or may hereafter be amended.

(b) Payment of Utility Bills. Tenant will promptly pay all charges for electricity, water, gas, telephone service, sewer service, and other utilities furnished to the Premises directly to the provider of such service.

(c) Trash Removal. Tenant shall install a trash dumpster in compliance with applicable Laws at a location on the Premises. Tenant shall pay for collection of its own trash.

9. DAMAGE BY CASUALTY

If all or part of the Premises are damaged by any casualty, Landlord shall restore the Premises to the reasonable equivalent of its prior condition (ordinary wear and tear excepted) to the extent of the insurance proceeds paid to Landlord by Tenant therefor. In the event insurance proceeds are not sufficient to restore the Premises, Landlord may elect either to (i) terminate the Lease by giving written notice to Tenant within thirty (30) days after the occurrence of the event causing the damage or destruction, or (ii) proceed to restore the Premises. In the event Landlord is required or elects to restore the damaged Premises, such restoration must commence within sixty (60) days of the casualty. In the event Landlord fails to commence such work within said sixty (60) days or after commencing such work fails to diligently pursue completion, Tenant may thereupon terminate the Lease. If the damage or destruction shall render the Premises untenantable, in whole or in part, a proportionate abatement of rent shall be allowed from the date upon which such damage occurred until the date of completion of the repairs or restoration. The proportionate abatement of rent required hereunder shall be calculated by multiplying the total square footage of the space rendered untenantable by the rental rate per square foot for the space rendered untenantable.

10. HAZARDOUS MATERIALS

(a) Landlord's Obligations. Landlord represents, warrants, and covenants as follows:

(i) To Landlord's knowledge and belief, Landlord has disclosed to Tenant, and provided to Tenant, all accounts and complete copies of all information, data, documents, reports, notices, and other materials whether in draft form or final form, exclusive of duplication, regarding Hazardous Materials at, on, in, or under the Premises or any property adjacent to or in the vicinity of the Premises which may impact the Premises (the "Reports"), including all Reports in Landlord's actual or constructive possession or control, whether prepared for Landlord or for others, and all other Reports of which Landlord has or should have knowledge after due inquiry; and

(ii) Except as set forth in writing in the Reports which have been disclosed to Tenant, if any, and information publicly available regarding Department of Defense and U.S. Air Force efforts to address the presence of per-and polyfluoroalkyl substances (PFAS) around the former Reese Air Force Base, to Landlord's knowledge and belief, Landlord has no actual or constructive knowledge of any Release or threatened Release of Hazardous Materials at, on, in, or under the Premises, or any property adjacent to or in the vicinity of the Premises which may impact

the Premises. Landlord shall promptly notify Tenant in writing if Landlord obtains any such knowledge after the date hereof and shall promptly deliver to Tenant copies of all Reports which Landlord obtains, or of which Landlord obtained knowledge, after the date hereof.

The representations, warranties and covenants of this Section are continuing. If at any time any of the representations, warranties or covenants made by Landlord in this Section shall become untrue or are breached, then Landlord shall immediately notify Tenant of the facts that render such representations, warranties or covenants untrue or breached. Landlord shall immediately notify Tenant of any audit, inquiry, test, investigation, claim or enforcement proceeding relating to the Premises or by or against Landlord involving any Release or threatened Release. Within five (5) business days after receipt by Landlord, Landlord shall provide to Tenant the results of any audit, inquiry or investigation regarding Hazardous Materials at, on, in, or under the Premises or any property adjacent to or in the vicinity of the Premises that may impact the Premises. It is understood and agreed that Landlord has no obligation to provide any information to Tenant regarding property adjacent to or in the vicinity of the Premises that is not owned by the Landlord.

To the extent permitted by the Constitution and Laws of the State of Texas, Landlord shall indemnify, defend and hold harmless Tenant (and its employees, agents, officers, directors, successors, assigns) from all claims, actions, suits, proceedings, judgments, losses, costs, damages, penalties, fines, and liabilities (including, without limitation, reasonable attorneys' fees and consultants' fees, investigation, engineering, and laboratory fees, court costs and litigation expenses, including experts' fees) ("Claims") directly or indirectly resulting from, arising out of, or based upon a Release or threatened Release of Hazardous Materials at, on, in, or under the Premises (including, without limitation, Releases originating or emanating from any property adjacent to or in the vicinity of the Premises that may impact the Premises or from ground water) or the violation of any Environmental Laws, or under or on account of the Environmental Laws. This indemnity shall include without limitation, (A) any damage, liability, fine, penalty, punitive damage, cost, or expense arising from or out of any claim, action, suit, or proceeding for personal injury (including, without limitation, sickness, disease, or death or fear of same), tangible property damage, nuisance, pollution, contamination, leak, spill, release, or other effect on the environment, and (B) the cost of any required, necessary or appropriate response, investigation, repair, clean-up, treatment, removal, remediation, or detoxification of the Premises or other properties affected by such Release or threatened Release, and the preparation and implementation of any other required, necessary or appropriate actions in connection with the Premises or other properties affected by such Release or threatened Release. Landlord's obligations under this Section shall survive the termination of this Lease. Notwithstanding anything to the contrary contained herein, Landlord shall not be liable to Tenant for indemnification with regard to any Claims relating to a Release or threatened Release at the Premises that is caused by Tenant. Upon the occurrence of a Release or threatened Release (other than Releases caused by Tenant), whether or not the same originates or emanates from the Premises or any adjacent property or from ground water, Landlord shall at Landlord's sole cost and expense promptly, and in any event within thirty (30) days after the occurrence of the Release, commence and diligently pursue any and all lawful actions as are necessary or advisable (including any necessary or advisable investigation, repair, clean-up, treatment, or appropriate response, remediation, or detoxification) in order to abate the Release or threatened Release, remove the Substance, and minimize, mitigate and remedy any resulting environmental harm, regardless of whether such abatement, removal, minimization, mitigation or remediation is required by the Environmental Laws and regardless of whether such actions are

required by any governmental authority. If Landlord shall fail to comply with any of the requirements of the preceding sentence, or any of the requirements of the Environmental Laws, within any applicable time period, Tenant may, in addition to Tenant's other rights under this Lease, terminate this Lease by written notice to Landlord. Notwithstanding the foregoing, it is expressly understood by Tenant that the U.S. Air Force has certain continuing obligations to clean up and remediate groundwater contamination relating to the leaking of petroleum products during its operation of Reese Air Force Base, as set forth in the Deed Without Warranty Between the United States of America and Landlord recorded in the Real Property Records of Lubbock County, Texas at Deed Record 2006041652, to include but not limited to per-and polyfluoroalkyl substances (PFAS) around the former Reese Air Force Base. Additionally, the Deed Without Warranty Between the United States of America and Landlord recorded in the Real Property Records of Lubbock County, Texas at Deed Record 2006041652, imposes certain Restrictive Covenants applicable to Landlord and its Tenants.

(b) Tenant's Obligations. During the Term, Tenant will not use, generate, place, store, release or otherwise dispose of Hazardous Materials in the Premises or the Common Areas, except in accordance with all Environmental Laws, and subject to the Reservations recorded in the Deed Without Warranty Between the United States of America and Landlord recorded in the Real Property Records of Lubbock County, Texas at Deed Record 2006041652. Notwithstanding anything to the contrary contained in this Lease, Landlord acknowledges and agrees that Tenant shall have the right to use and store in the Premises in Tenant's ordinary course of business Hazardous Materials in accordance with Environmental Laws. In the event of a breach of the foregoing, Tenant will promptly undertake remediation or removal in accordance with all Environmental Laws. Tenant will indemnify, defend and hold Landlord and Landlord's Affiliated Parties harmless from and against, and reimburse Landlord and Landlord's Affiliated Parties for, all Hazardous Materials Liabilities asserted against or incurred by Landlord or Landlord's Affiliated Parties as a result of a breach of Tenant's obligations under this paragraph. Notwithstanding anything to the contrary contained herein, in no event shall Tenant be liable for Hazardous Materials existing in, on or about the Premises or the Project prior the Tenant's occupancy of the Premises. Tenant shall provide Landlord a copy of Tenant's plan for responding to hazardous waste, fuel, and chemical spills no later than the Commencement Date.

(c) Definitions. As used herein,

(i) "Hazardous Materials" means (A) petroleum in any form, (B) asbestos in any form, (C) polychlorinated biphenyls, (D) radioactive materials, (E) paint containing lead, (F) radon gas, (G) urea formaldehyde foam insulation, and (H) any liquid, solid, or gaseous chemicals, materials, wastes, products or substances whose Release or threatened Release may pose a risk to human health or the environment or impairment of property value, or which is defined as or included in the definition of "hazardous substances," "hazardous waste," "hazardous materials," "hazardous pollutants," "extremely hazardous substances," "restricted hazardous waste," "toxic substance," or words of similar meaning, under any applicable Environmental Laws, including, but not limited to, the Federal Water Pollution Control Act, as amended, the Resource Conservation and Recovery Act, as amended, Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), as amended, the Clean Air Act, as amended, the Toxic Substances Control Act, as amended, and the Hazardous Materials Transportation Act, as amended.

(ii) "Environmental Laws" means all federal, state, regional or local statutes, laws, regulations, codes, orders, permits, ordinances, decrees, rulings or judicial or administrative interpretations thereof, or similar laws of foreign jurisdictions where the Tenant conducts business, whether currently in existence or hereinafter enacted or promulgated, any of which govern, or purport to govern, or relate to pollution, protection of the environment, public health and safety, air emissions, water discharges, hazardous or toxic substances, solid or hazardous waste or occupational health and safety, as any of these terms are or may be defined in such statutes, laws, rules, regulations, codes, orders, permits, ordinances, decrees, rulings or judicial or administrative interpretations thereof, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendment and Reauthorization Act of 1986, 42 U.S.C. §9601, et seq. (collectively "CERCLA"); the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and subsequent Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §6901 et seq. (collectively "RCRA"); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. §1801, et seq.; the Clean Water Act, as amended, 33 U.S.C. §1311, et seq.; the Clean Air Act, as amended (42 U.S.C. §7401-7642); the Toxic Substances Control Act, as amended, 15 U.S.C. §2601 et seq.; the Federal Insecticide, Fungicide, and Rodenticide Act as amended, 7 U.S.C. §133-136y ("FIFRA"); the Emergency Planning and Community Right-to-Know Act of 1986 as amended, 42 U.S.C. §11001, et seq. (Title III of SARA) ("EPCRA"); and the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §651, et seq. ("OSHA"); and

(iii) "Hazardous Materials Liabilities" means all claims, damages, losses, forfeitures, expenses or liabilities arising from or caused in whole or in part, directly or indirectly, by a breach by the other Party of its representations, warranties or covenants under Section 10(a) or (b), including, without limitation, all costs of defense (including reasonable attorneys' fees and other costs of litigation), all consultants' fees, and all costs of investigation, repair, remediation, restoration, cleanup, detoxification or decontamination, and/or preparation and implementation of any closure, remedial action or other required plan.

(iv) "Release" means the presence, storage, disposal, discharge, seepage, uncontrolled loss, infiltration, placement, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing (including the abandonment or discarding of barrels, containers, and other closed receptacles containing any Substance) of any Substance at, on, in, or under the Premises.

(d) Survival. The provisions of this Section 10 will survive the expiration or earlier termination of this Lease.

11. INSURANCE AND WAIVER OF SUBROGATION

A Certificate of Insurance for each coverage identified below shall be submitted to Landlord prior to the Delivery Date. Tenant shall provide to Landlord proof of the required insurance on or before the expiration date of each expiring policy, and give Landlord notice of termination of any policy prior to the expiry of its term. Specifically, Tenant is required to have:

(a) Commercial General Liability Insurance. Commercial General Liability Insurance covering the Premises and Tenant's use thereof, not including Common Areas, against claims for

bodily injury, death or property damage occurring upon, in or about the Premises (including contractual indemnity and liability coverage), such insurance to provide coverage of not less than \$500,000.00 per occurrence and \$1,000,000.00 annual aggregate. Landlord shall be included as an additional insured against claims for bodily injury, death, or property damage occurring upon, in or about the Premises.

(b) Property Insurance. Property insurance on an all-risk basis (including coverage against fire, wind, tornado, vandalism, malicious mischief, water damage and sprinkler leakage) covering all Tenant owned fixtures, equipment, and leasehold improvements, and other personal property located in the Premises and endorsed to provide one hundred percent (100%) replacement cost coverage. Such policy shall be written in the name of Tenant. Landlord will maintain proper and reasonable insurance coverage of the land associated with the Premises and will provide evidence of such insurance to Tenant upon execution of this Lease and at each policy renewal, Tenant is responsible for its Tenant's Personal Property, owned fixtures, equipment and leasehold improvements.

(c) Workers Compensation' and Employer's Liability Insurance. Workers' compensation insurance shall be in an amount meeting applicable state statutory requirement and the employer's liability limits shall be in an amount not less than \$1,000,000.00 per bodily injury by accident and \$1,000,000.00 per employee for bodily injury by disease.

(d) Other Requirements of Insurance. All such insurance will be issued and underwritten by companies with an A.M. Best rating of "A" or better and size rating of "VI" or better and Tenant will use good faith efforts to obtain a policy that will contain endorsements that Tenant will be solely responsible for payment of premiums, and in the event of payment of any loss covered by such policy, this insurance shall apply as primary insurance with respect to any overlapping coverage afforded to the Landlord except for loss arising from Common Areas. Notice of cancellation will be provided according to policy provisions to Tenant, who will forward such notice to Landlord.

(e) Release of Claims/Subrogation. LANDLORD AND TENANT RELEASE EACH OTHER FROM ALL CLAIMS OR LIABILITIES FOR DAMAGE TO THE PREMISES OR BUILDING, DAMAGE TO OR LOSS OF PERSONAL PROPERTY WITHIN THE BUILDING, AND LOSS OF BUSINESS OR REVENUES THAT ARE COVERED BY THE RELEASING PARTY'S PROPERTY INSURANCE OR THAT WOULD HAVE BEEN COVERED BY THE REQUIRED INSURANCE IF THE PARTY FAILS TO MAINTAIN THE PROPERTY COVERAGES REQUIRED BY THIS LEASE. THE PARTY INCURRING THE DAMAGE OR LOSS WILL BE RESPONSIBLE FOR ANY DEDUCTIBLE OR SELF-INSURED RETENTION UNDER ITS PROPERTY INSURANCE. LANDLORD AND TENANT WILL NOTIFY THE ISSUING PROPERTY INSURANCE COMPANIES OF THE RELEASE SET FORTH IN THIS PARAGRAPH AND WILL HAVE THE PROPERTY INSURANCE POLICIES ENDORSED, IF NECESSARY, TO PREVENT INVALIDATION OF COVERAGE. THIS RELEASE WILL NOT APPLY IF IT INVALIDATES THE PROPERTY INSURANCE COVERAGE OF THE RELEASING PARTY. THE RELEASE IN THIS PARAGRAPH WILL APPLY EVEN IF THE DAMAGE OR LOSS IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF THE RELEASED PARTY BUT WILL NOT APPLY TO THE EXTENT THE DAMAGE OR LOSS IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE RELEASED PARTY.

12. ADDITIONAL LANDLORD AND TENANT AGREEMENTS

a. Alterations. Any physical additions or improvements to the Premises made by Tenant will become the property of Landlord. Landlord may require that Tenant, at the end of the Term and at Tenant's expense, remove all personal property, goods and effects, and shall cap all utilities. Subject to Section 5(a)(2) regarding a Non-Structural Alteration, all alterations shall require the prior written consent of Landlord. Tenant agrees at its sole cost and expense to comply with all Laws when performing any alterations, including obtaining any governmental permits which may be required in connection therewith. Should Tenant desire to renovate the Premises and such renovations would require alterations to the Premises, then Tenant shall submit plans and specifications for such renovations to Landlord for its approval, such approval not to be unreasonably withheld, delayed or conditioned. Landlord shall have fourteen (14) days from receipt of Tenant's plans and specifications to approve or disapprove same. In the event Landlord fails to disapprove of said plans and specifications within such fourteen (14) day period, then the plans and specifications shall be deemed approved. After completion of any alterations or improvements that require consent of Landlord hereunder, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for such alterations or improvements.

b. Abatement. Tenant's covenant to pay Rent and Landlord's covenants are independent. Except as otherwise provided herein, Tenant will not be entitled to abate Rent for any reason.

c. Condemnation/Substantial or Partial Taking

If the entire Premises shall be taken (either temporarily or permanently) for public purposes, or in the event Landlord shall convey or lease the property to any public authority in settlement of a threat of condemnation or taking, the rent shall be adjusted to the date of such taking or leasing or conveyance, and this Lease shall thereupon terminate. If only a portion of the Premises shall be so taken, leased or condemned, and as a result of such partial taking, Tenant is reasonably able to use the remainder of the Premises for the purposes intended hereunder, then this Lease shall not terminate, but effective as of the date of such taking, leasing or condemnation, the rent hereunder shall be abated in any amount thereof proportionate to the area of the Premises so taken, leased or condemned. If, following such partial taking, Tenant shall not be reasonably able to use the remainder of the Premises for the purposes intended hereunder, then this Lease shall terminate as if the entire Premises had been taken, leased or condemned. In the event of a taking, lease or condemnation as described in this paragraph, whether or not there is a termination hereunder, Tenant shall have no claim against Landlord other than an adjustment of rent, to the date of taking, lease or condemnation, and Tenant shall not be entitled to any portion of any amount that may be awarded as damages or paid as a result or in settlement of such proceedings or threat except as to its relocation and moving expenses and any value of Tenant's improvements installed at the Premises which are taken.

d. Default by Landlord/Tenant's Renters.

The occurrence of any one or more of the following events shall constitute a "Landlord Default" of this Lease:

(a) If Landlord shall breach, in any material respect, any representation or warranty made by Landlord in this Lease;

(b) If Landlord shall fail to observe or perform, within any applicable time period provided therefor in this Lease, any of the covenants, conditions or provisions of this Lease to be observed or performed by Landlord;

(c) If Landlord shall fail to observe or perform any of the covenants, conditions or provisions of this Lease, which failure is not addressed within the scope of clauses (a) or (b) of this paragraph 12(d) and such failure shall continue for a period of thirty (30) days.

In the event of any such Landlord Default, upon notice to Landlord and the expiration of any applicable cure period, Tenant shall be entitled to such rights and remedies as may be provided by applicable law. In addition to such rights and remedies as may be provided by law, upon notice to Landlord and the expiration of any applicable cure period, Rent shall abate upon the occurrence and during the continuance of any event or circumstance which constitutes, or which with notice and the passage of time would constitute, a default by Landlord, which materially interferes with Tenant's use and enjoyment of the Premises. It is expressly understood and agreed that unless a specific notice period is identified herein the Landlord shall have thirty (30) days to cure any Landlord Default following appropriate written notice by the Tenant to the Landlord.

e. Default by Tenant/Events. Defaults by Tenant are:

(1) making an assignment for the benefit of its creditors;

(2) the levying on or against Tenant's property;

(3) the institution in court of competent jurisdiction of proceedings for the reorganization, liquidation, or voluntary dissolution of Tenant, or for its adjudication as a bankrupt or insolvent, or for the appointment of a receiver of the Tenant's property, if the proceedings are not dismissed, and any receiver, trustee, or liquidator appointed therein is not discharged within thirty (30) days after the proceedings are instituted;

(4) the filing of a mechanic's lien against the Premises in connection with work contracted for by Tenant that is not released by payment or bond or otherwise (including indemnification reasonably satisfactory to Landlord) within thirty (30) days of Tenant's receipt of written notice of the existence of such mechanic's lien, provided, however, that Tenant shall have an affirmative duty to notify Landlord of the existence or threat of any such mechanic's lien being filed against the Premises if and when Tenant receives any notice of the threatened mechanic's lien from any claimant;

(5) failing to pay timely Rent and to cure such failure within ten (10) days after written notice thereof;

(6) failure by Tenant to perform or observe any of Tenant's non-monetary covenants contained in this Lease and to cure such failure within thirty (30) days after written

notice thereof; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for cure of such default, then Tenant shall not be deemed to be in default if Tenant diligently and in good faith commences such cure within said thirty (30) day period and thereafter diligently and in good faith prosecutes such cure to completion.

f. Default by Tenant/Landlord's Remedies. Landlord's remedies for Tenant's default are to (1) enter and take possession of the Premises; (2) enter the Premises and perform Tenant's obligations; (3) [NOT USED]; and (4) terminate this Lease by written notice and sue for damages. Landlord may enter and take possession of the Premises by self-help, by picking or changing locks if necessary, and may lock out Tenant or any other person who may be occupying the Premises, until the default is cured, without being liable for damages.

g. Remedies Cumulative. The rights and remedies given to Landlord and Tenant in this Lease are distinct, separate and cumulative remedies, and the exercise of any one or more of them will not be deemed to exclude Landlord's or Tenant's rights to exercise any or all of the others which are given in this Lease, or at law or in equity, unless such remedies are expressly excluded.

h. Default/Waiver/Mitigation. It is not a waiver of default if the non-defaulting Party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this lease does not preclude pursuit of other remedies in this lease or provided by applicable law. Landlord and Tenant have a duty to mitigate damages.

i. Representations and Indemnities of Broker Relationships. It is expressly understood and agreed that the Tenant shall be solely responsible for the payment of any commission or finder's fee to any broker in connection with this Lease, to include but not limited to any Extension of the Term or relating to the exercise of Option to Expand Premises. Tenant does hereby agree to indemnify, protect, defend and hold the Landlord harmless from and against any and all liability for compensation or charges which may be claimed by the Broker or any such unnamed broker, finder or other similar Party by reason of any dealings or actions of the Tenant, including any costs, expenses, and attorneys' fees reasonably incurred with respect thereto.

j. Holdover. No holding over by Tenant, whether with or without the consent of Landlord, will extend the Term, subject to the provisions of Section 1(k). If Tenant remains in possession of the Premises after the expiration of the Term without execution of a new lease extending the Term, Tenant will be deemed to be occupying the Premises as a tenant at will, subject to all of the terms of this Lease as may be applicable to a month to month tenancy and at One Hundred Fifty Percent (150%) of the monthly installment of the Base Rent set forth in Section 1(o) for the twelve (12) month period prior to expiration of the Term, except that thereafter either Landlord or Tenant may terminate this Lease upon thirty (30) days' notice to the other; provided that Landlord, by the terms hereof, is not deemed to consent to any such holdover by Tenant and may exercise all rights provided by law to remove Tenant from the Premises upon giving Tenant the notice described herein.

k. Notices. Any notices sent or required to be given hereunder must in writing and sent by certified mail, return receipt requested, or nationally recognized overnight courier to the following addresses:

LANDLORD:

Lubbock Reese Redevelopment Authority
9801 Reese Boulevard
Suite 200
Lubbock, Texas 79416
Attn: Executive Director
Telephone: (806) 885-6592
Email: mmusa@reesecenter.com

TENANT:

NIRE Holdings Corporation
1011 Gilbert Drive
Lubbock, Texas 79416
Attn: Chief Executive Officer
Telephone: (806) 771-7722
Cell: (806) 632-0284
Fax: (806) 771-7723
Email: joshua.macfie@groupnire.com

Notices given in the manner aforesaid shall be deemed given on the earlier of (a) the date received or (b) the third (3rd) calendar day after such notice, renewal, or request is made as aforesaid. Any address for notice may be changed by written notice delivered as provided herein.

l. Attorney's Fees. If either Party retains an attorney to enforce this Lease, the Party prevailing in litigation is entitled to recover reasonable attorney's fees and other fees and court and other costs.

m. Governing Law. This Lease shall be governed in accordance with the laws of the State of Texas, and all obligations of the Parties are performable in Lubbock County, Texas.

n. Entire Agreement. This Lease, together with the attached exhibits, is the entire agreement of the Parties, and there are no oral representations, warranties, agreements, or promises pertaining to this lease or to any expressly mentioned exhibits and riders not incorporated in writing in this lease.

o. Assignment and Subletting by Tenant. Tenant may have the right, with the prior written consent of Landlord, which consent shall not be unreasonable withheld, conditioned or delayed, to assign this Lease, and any interest therein, provided each assignee assumes in writing all of Tenant's obligations under this Lease and Tenant shall remain liable for each and every obligation under this lease. Landlord hereby grants its consent for Tenant to sublet the Premises or any thereof, or any right or privilege pertinent thereto.

The foregoing notwithstanding, Tenant may assign its entire interest under this Lease to an "Affiliated Entity", provided that (1) no uncured event of default exists under this Lease; and (2) Tenant shall give Landlord written notice at least fifteen (15) days prior to the effective date of the proposed purchase, merger, consolidation or reorganization. The term "Affiliated Entity" includes any parent, successor by merger, or subsidiary of the Tenant, and any person controlled by or under the common control of the Tenant, and any partnership of which the Tenant or any Affiliated Entity is a partner; provided, however, that Tenant shall not, without Landlord's prior written consent and approval (which written consent and approval shall not be unreasonably withheld, conditioned or delayed) assign or sublet the Premises to any partnership of which the Tenant or any Affiliated Entity is a partner unless the partnership of which the Tenant or any Affiliated Entity is a partner has a net worth equal to or surpassing that of Tenant. Tenant's notice to Landlord shall include information and documentation showing that each of the above conditions has been satisfied.

p. Assignment by Landlord. Landlord is expressly given the right to assign any or all of its interest under the terms of this Lease, provided the assignee expressly assumes all obligations of Landlord hereunder.

q. Amendment of Lease. This Lease may be amended only by an instrument in writing signed by Landlord and Tenant.

r. Limitation of Warranties. THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.

s. Abandoned Property. Landlord may retain, destroy, or dispose of any property left on the Premises at the end of the Term.

t. Heirs, Successors, and Assigns. This Lease and the covenants, agreements and representations herein contained will be binding upon, and inure to the benefit of, the Parties hereto and their respective heirs, executors, administrators, successors, and assigns.

u. Rules of Construction. This Lease will be construed with equal weight for the rights of both Parties, the terms hereof having been determined by fair negotiation with due consideration for the rights and requirements of both Parties.

v. Severability. If any term or provision of this Lease is found to be invalid, illegal or unenforceable, the remaining terms and provisions hereof will not be affected thereby; and each term and provision hereof will be valid and enforceable to the fullest extent permitted by Laws.

w. Headings. The captions, section numbers and paragraph numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, amplify, limit, construe or describe the scope or interest of any section of this Lease.

x. Trafficking of Persons. Under §2155.0061, Texas Government Code, Tenant certifies that the individual or business entity named in the Agreement is not ineligible to receive

the specified Agreement and acknowledges that the Agreement may be terminated if this certification is inaccurate.

13. AFFIRMATIVE REPRESENTATIONS CONCERNING FREE TRADE ZONE AND OPERATION OF AIRFIELD

a. Free Trade Zone (FTZ). The Lubbock Economic Development Authority (“LEDA”) has applied and previously received approval for eligible tenants of the Project to be able to take advantage of the benefits of its FTZ. Tenants that are eligible to participate must apply through LEDA and pay the application fees and any monthly fees associated with the volume of goods that are transported into and out of the FTZ. Interested tenants should contact the LEDA for specific details regarding the application process and the fees and regulations associated with the program.

b. Airfield. Landlord currently has Federal Aviation Administration approval to operate the airstrips located within the Project. The 6,500-foot north-south runway can accommodate large cargo aircrafts such as a C-130. While Landlord anticipates that there may be changes with respect to the use of the three (3) primary landing strips that are now in operation (including that the westernmost runway is non-operational, except in the case of a federal, state or local emergency), Landlord intends to continue to operate the 6,500-foot north-south runway and will make the use of such runway available to Tenant in accordance with the existing Federal Aviation Administration certification. With regard to the westernmost runway, Landlord has restricted use of such runway based on the operation of the commercial grade wind turbines that exist on the Project to the west of such runway, and Tenant agrees that it may not have access to such runway. All flight arrangements must be approved through Landlord and any tenant utilizing the runway for such flights must comply with the daytime Visual Flight Rule. Notwithstanding the foregoing, Landlord agrees that it will not cause or permit any material change in size, location or configuration of any airstrip or runway which will have an adverse effect on Tenant's ability to operate in the Premises or which will adversely affect access to the Premises.

14. SECURITY CONDITIONS

Landlord and Tenant acknowledge and agree that the Project is located on property formerly owned and operated by the United States Air Force as the Reese Air Force Base, and that certain portions of the Project have been previously utilized by local, state and federal governmental entities (hereinafter, “the Government”) in times of state or national emergencies to provide temporary evacuation shelters and other such uses. Additionally, Landlord has other tenants of the Project that require controlled access to the Airfield during certain operations. Landlord represents that the Government may continue to utilize the Project during the Term of this Lease in times of state or national emergency (with or without Landlord’s express consent), and other tenants of the Project, when approved by the Landlord, may require controlled access to the Airfield, and that such use could adversely affect Tenant’s ability to access the Premises and/or use the Common Areas due to additional security measures; provided, however, that such adverse impact shall not deny daily access by Tenant to the Premises.

Tenant acknowledges and agrees that, in the event that the Government utilizes any portion of the Project in a time of state or national emergency or when the Landlord authorizes other

tenants of the Project to control access to the Airfield, Tenant, its employees, officers, agents, and contractors will comply with all reasonable security regulations imposed by the Landlord or applicable governmental agency, including the requirement to obtain and display security identification cards and to comply with reasonable security procedures.

15. CHAPTER 2270 OF THE TEXAS GOVERNMENT CODE

Tenant acknowledges that in accordance with Chapter 2270 of the Texas Government Code, the Landlord is prohibited from entering into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. The terms “boycott Israel” and “company” shall have the meanings ascribed to those terms in Section 808.001 of the Texas Government Code. ***By signing this Lease, Tenant certifies that Tenant’s signature provides written verification to the Landlord that Tenant: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the Lease.***

The execution of this Agreement by Landlord shall not be considered a waiver of Landlord’s sovereign immunity to suit.

IN WITNESS WHEREOF, having read and intending to be bound by the terms hereof, the Parties have signed this Lease on the date(s) set forth below.

/SIGNATURE PAGE FOLLOWS/

LUBBOCK REESE
REDEVELOPMENT AUTHORITY
("Landlord")

NIRE HOLDINGS CORPORATION.
("Tenant")

By: Murvat Musa, CEO/ED

Date

By: Joshua MacFie

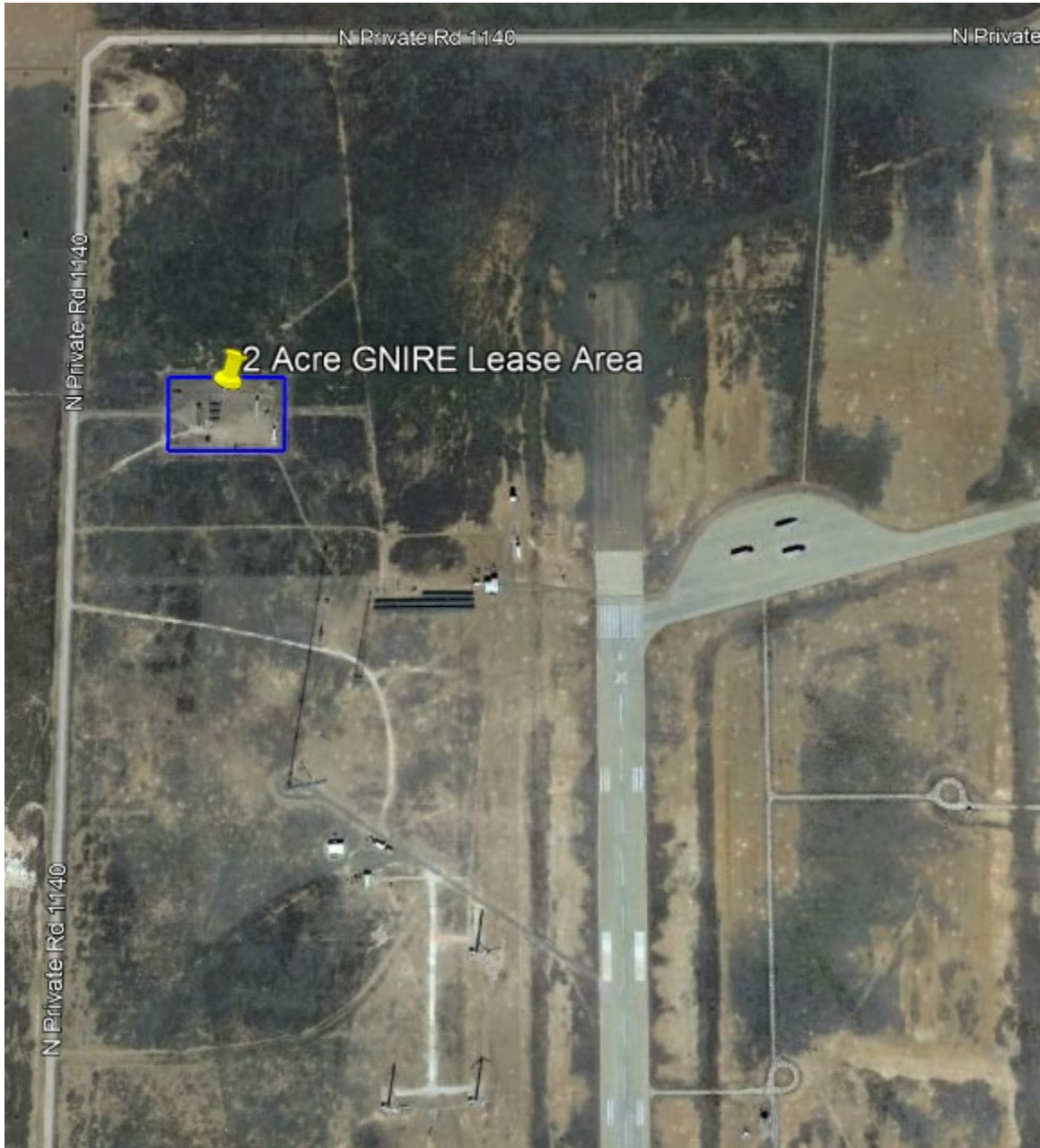
Printed Name:

Title:

Date

EXHIBIT A

Ground



BILL OF SALE AND ASSIGNMENT

In consideration for the sum of Twenty-Five Thousand dollars and no cents (\$25,000.00) paid by the LUBBOCK REESE REDEVELOPMENT AUTHORITY, a political subdivision of the state of Texas, (“PURCHASER”), NIRE HOLDINGS CORPORATION, a Texas corporation, also known as GROUP NIRE (“SELLER”) does hereby sell, transfer, assign, and convey all of SELLER’s right, title and interest in and to all of the Assets, as set forth in Exhibit A attached hereto.

The SELLER covenants and warrants that (i) SELLER is the lawful owner of the ASSETS and shall defend title to the ASSETS against claims and demands of all persons; (ii) the ASSETS are free and clear from all liens, claims, charges and encumbrances; and (iii) SELLER has the right to sell the ASSETS.

SELLER MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE QUALITY OR CONDITION OF THE ASSETS. SELLER SPECIFICALLY DISCLAIMS ALL WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE; AND TRANSFERS THE ASSETS “AS IS, WHERE IS.”

The undersigned have executed and delivered this Bill of Sale effective as of February ___, 2022.

/SIGNATURE PAGES TO FOLLOW/

NIRE HOLDINGS CORPORATION,
a Texas corporation, also known as GROUP NIRE

STATE OF TEXAS §
COUNTY OF LUBBOCK §

(SEAL)

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LUBBOCK REESE REDEVELOPMENT AUTHORITY,
a Texas political sub-division

STATE OF TEXAS §
COUNTY OF LUBBOCK §

(SEAL)

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EXHIBIT A

Assets

Make and Model	Serial Number
John Deere 4052R Tractor with Loader	1LV4052RLKK403249
Labor Rear SCV for Trencher (Auger)	
Frontier RC2072 Shredder	1XFRC20XHK0134204
Frontier BB5072 Box Blade	1XFBR50XLK0091181
Frontier DT11 3-PT Trencher	1XFDT11XJG0000280
Frontier AP12F Fixed Pallet Fork	1XFAP12FHJ0049300
Frontier DH1180 6ft 8in Disk	1XFDH11XVU0006061
TX BRAGG 20P Trailer	1FXFP2022K1094090

BOARD ACTION ITEM #2022-0223-103
GROUP NIRE COMPROMISE, SETTLEMENT, RELEASE, & TRACTOR PURCHASE

BOARD OF DIRECTORS
LUBBOCK REESE REDEVELOPMENT AUTHORITY (LRRA)
FEBRUARY 23, 2022

Item to be Considered:

- a. Compromise, Settlement, and Release Agreement for NIRE Lease LLC and NIRE Holdings Corporation
- b. Ground Lease for 2 Acres for NIRE Holdings Corporation a/k/a Group NIRE
- c. Release of Ground Lease for NIRE Lease LLC
- d. Bill of Sale and Assignment for Tractor for NIRE Holdings Corporation a/k/a Group NIRE

Previous Board Action:

The Board previously approved a lease in B540 and a 68-acre ground lease for Group NIRE.

Statement of Pertinent Facts:

- a. Current ground lease includes a provision for termination of the lease with a \$10,000 early termination fee
- b. Group NIRE wishes to retain 2-acres of the 68 acres, so a new lease will be executed (5-years with 2 options to renew for 1-year each)
- c. We will release the existing "Memorandum of Ground Lease" restricting use of the property
- d. LRRA will purchase tractor from Group NIRE for \$25,000 (\$35,000 less \$10,000 early term fee)

Advice, Opinions, Recommendations and Motion:

If the Board of Directors concurs, the following motion is in order:

"Resolved, that the Board of Directors of the Lubbock Reese Redevelopment Authority hereby authorizes its CEO/Executive Director to Execute the Compromise, Settlement and Release Agreement, Release of Ground Lease, Ground Lease for Two Acres for Five Years, and Bill of Sale and Assignment for Group NIRE, subject to negotiation of final terms and conditions, on this 23rd day of February 2022."

Steve Verett, President

ATTEST:

Board Member

AGENDA ITEM 5
EXECUTIVE SUMMARY
NOMI HEALTH LEASE FOR BUILDING 1111

The Lease Review Committee has reviewed and supports the following new lease.

Nomi Health, a direct healthcare company based in Salt Lake City, Utah, came to Reese in May 2021 as the selected healthcare company for the state of Texas to provide COVID-19 vaccines and testing to rural west Texas. Due to their need to enter quickly and with uncertainty of the future of the pandemic, we entered into a Right of Entry/Usage Agreement with Nomi in May 2021 for Building 1070. This agreement will expire May 2022 and Nomi Health has requested a larger building and an additional one-year agreement. They are currently located in Building 1070, a flight shack which they quickly outgrew. This new lease will be for Building 1111 which will better meet their needs.

This lease is for one year at \$7.84 per square foot with no options to renew but with a right of first refusal at the end of the initial term. See the attached Deal Sheet and Lease for more details.

Staff is requesting Board approval for this lease.

Deal Sheet

Nomi Health Inc. – February 14, 2022

Building 1111

“Subject to Board Approval”

Prospective Tenant:

Nomi Health

Broker:

None

Background:

Nomi Health, a direct healthcare company based in Salt Lake City, Utah, came to Reese in May 2021 as the selected healthcare company for the state of Texas to provide COVID-19 vaccines and testing to rural west Texas. Due to their need to enter quickly and with uncertainty of the future of the pandemic, we entered into a Right of Entry/Usage Agreement with Nomi in May 2021 for Building 1070. This agreement will expire May 2022 and Nomi Health has requested a larger building and an additional one-year agreement. They are currently located in Building 1070, a flight shack which they quickly outgrew. This new lease will be for Building 1111 which will better meet their needs.

In Texas and around the country, Nomi Health is helping governments, businesses, and organizations scale to meet the challenges of COVID-19 with increased access, quality, and efficiency. In addition to this Lubbock location, Nomi Health operates in several other locations around the state of Texas including Austin, Dallas, and Houston.

About Nomi Health:

“The way we pay and deliver healthcare in America today is fundamentally broken, burdened by layers of avoidable inefficiencies that drive up costs and create unnecessary delays in care. Founded in 2019, Nomi Health is a direct healthcare company with a simple yet bold mission: rewire how we pay for and deliver healthcare to create a more cost-effective -- and simply effective -- experience for employers, patients and providers alike. Our COVID-19 public health testing and vaccine programs are a perfect example of a more direct, digital-first health care model at work. Find out more at www.nomihealth.com.”

Nomi Health was founded in 2019 by Boe Hartman, Joshua Walker, and Mark Newman and are funded by two investors, Arbor Ventures and Rose Park Advisors. In January 2022, Nomi Health acquired Artemis Health, a health data analytics company, for \$200 million.

Financials:

With about 12 months of payment history with Reese, Nomi Health is considered a good customer with no payment history issues. Additionally, a D&B report shows Nomi Health as overall business risk of “moderate” likely because they are a start-up, and their payment behavior rates as “low risk”.

Permitted Uses:

Tenant may use the premises for office space and for storing and distributing COVID-19 tests and vaccines.

Premises:

Building 1111 (3,827 SF)
519 Gilbert Dr.
Lubbock, TX 79416

Type of Lease:

Modified Gross Lease

Primary Term for Building #1111 (3,827 square feet):

Tenant will pay \$7.84 per square foot for a total of one (1) year.

Initial Term Lease Years	Total Annual Base Rent	Total Monthly Base Rent	Annual Base Rent Per Square Foot of Floor Area of the Premises (3,827 sq ft)
Year 1: April 1, 2022 – March 31, 2023	\$30,000.00	\$2,500.00	\$7.84
Total	\$30,000.00		

At the execution of a new lease, we will simultaneously terminate the current existing Right of Entry/Usage Agreement for Building 1070.

Renewal Options: Tenant shall have right of first refusal on this building at the expiration of the initial term.

Termination Option:

None

Security Deposit:

Tenant will pay a deposit equal to one month's rent in the amount of \$2,500.00

Utilities:

Tenant is responsible of utilities to be paid directly to provider.

Maintenance & Expenses:

There is no make ready expense to Reese.

Prepared By:

MANAGER OF BUSINESS DEVELOPMENT

DATE

STANDARD SHORT TERM LEASE

BETWEEN

**LUBBOCK REESE REDEVELOPMENT AUTHORITY, a Political
Subdivision of the State of Texas**

AS LANDLORD

AND

NOMI HEALTH INC., a Delaware corporation

AS TENANT

FOR PREMISES LOCATED AT

Reese Technology Center Building #1111

519 Gilbert Drive

Lubbock, Texas 79416

STANDARD SHORT TERM LEASE

This Standard Short Term Lease (the "Lease") is made this ____ day of _____, 2022, by and between LUBBOCK REESE REDEVELOPMENT AUTHORITY, a political subdivision of the State of Texas (hereinafter referred to as "Landlord") and NOMI HEALTH INC., a Delaware corporation (hereinafter referred to as "Tenant"). Landlord and Tenant are also referred to herein individually as a "Party" and collectively as the "Parties".

W I T N E S S E T H:

1. BASIC LEASE PROVISIONS

(a) Landlord: Lubbock Reese Redevelopment Authority, a political subdivision of the State of Texas, whose Federal Taxpayer Identification Number is 75-2713717.

(b) Landlord Address: 9801 Reese Blvd., Suite 200, Lubbock, TX 79416.

(c) Tenant: Nomi Health Inc., a Delaware corporation, whose Federal Taxpayer Identification Number 84-1905194.

(d) Tenant Address: 898 North 1200 West Suite 201, Orem, UT 84057-3558.

(e) Guarantors: N/A

(f) Guarantors' Addresses: N/A

(g) Project: means the land, together with the Premises (as defined below) and all other improvements constructed thereon, and all rights, privileges, easements, and appurtenances pertaining thereto, known as Reese Technology Center and located in Lubbock County, Texas.

(h) Premises means that certain building ("Building") located at 519 Gilbert Drive, Lubbock, Texas 79416, which is commonly known as Building # 1111, and identified as the "Premises" on the site plan attached hereto as **Exhibit A** (the "Site Plan"), and containing approximately 3,827 square feet of floor area and associated parking spaces identified on **Exhibit B** (the "Parking Spaces"), attached hereto.

(i) Initial Term (Years): One (1) year.

(j) Extensions: Not Applicable.

(k) Option to Extend Term: Not Applicable.

(l) Delivery Date: March 1, 2022.

(m) Commencement Date: March 1, 2022. Upon commencement of this Lease the Right of Use Agreement date May 12, 2021, entered into between the Parties shall terminate and the Parties are released from all obligations contained therein.

(n) Termination Date: February 28, 2023 (subject to extension if Tenant exercises its renewal option set forth in Section 1(k)).

(o) Base Rent: The parties agree that the Base Rent set forth herein is what is commonly referred to as a "modified gross lease" and that Base Rent already includes, and Tenant shall not have to pay for Common Area (as defined below) Maintenance fees, grounds keeping-mowing expenses, parking, Landlord's insurance, and any other charges incurred by Landlord with respect to the Premises, except as otherwise provided in this Lease. Said Base Rent does not include, and Tenant is solely responsible for any and all charges associated with utilities, dumpsters, telephone service, internet service, Tenant renovations, Premise's maintenance, or housekeeping services, except as otherwise provided in this Lease. Subject to this paragraph, Base Rent shall be no less than set forth below:

<u>Initial Term Lease Years</u>	<u>Total Annual Base Rent</u>	<u>Total Monthly Base Rent</u>	<u>Annual Base Rent Per Square Foot of Floor Area of the Premises</u>
March 1, 2022 to February 28, 2023	\$30,000.00	\$2,500.00	\$7.84

(p) Security Deposit: Landlord agrees to accept as a security deposit one (1) months Base Rent in the amount of \$2,500.00. If Tenant defaults, Landlord may use the Security Deposit to pay arrears of Rent, to repair any damage or injury, or to pay any expense or liability incurred by Landlord as a result of the default.

(q) Termination: This Lease is terminable by Landlord if Tenant is in default on this Lease, provided that so long as Landlord is not in default on this Agreement, Tenant's termination of this Agreement shall not relieve Tenant of the obligation to pay the Rent and other charges set forth in this Agreement for the term of the Agreement.

(r) Early Termination Fee: Not Applicable.

(s) Permitted Use: Tenant may use the Premises for the purpose of office space and for storing and distributing COVID-19 tests and vaccines (collectively, "Permitted Use").

(t) Right of First Refusal: Tenant shall have the exclusive right to exercise its option to enter into a new lease at the end of the term of this Lease on terms and conditions mutually agreeable to the parties. In the event the Landlord receives an offer to lease the premises during the term of this Lease, Tenant shall have the right following written notice from the Landlord ("Landlord's Notice") to extend the term of the Lease on substantially the same terms and conditions presented in the Landlord's Notice. Tenant shall have fifteen (15) days to respond to Landlord's Notice.

(u) Landlord's Address for Payment of Rent: Payment of Rent may be made by check and delivered to Landlord's address, or by electronic funds transfer to Landlord's bank account at:

Plains Capital Bank
5010 University

Lubbock, TX 79413
Routing Number - 111322994
Account Number - 185256
Deposits need to indicate: LUBBOCK REESE REDEVELOPMENT AUTHORITY

2. DEFINITIONS

(a) “Common Areas” means all facilities and areas of the Project that are intended and designated by Landlord from time to time for the common, general, and nonexclusive use of all tenants of the Project, including parking lots. Landlord has the exclusive control over and right to manage the Common Areas.

(b) “Injury” means (1) harm to or impairment or loss of property or its use, (2) harm to or death of a person, or (3) “personal and advertising injury” as defined in the form of liability insurance Tenant is required to maintain.

(c) “Landlord” means Landlord and its agents, officers, servants, employees, consultants, invitees, licensees, or visitors.

(d) “Rent” means Base Rent plus any other amounts of money payable by Tenant to Landlord.

(e) “Tenant” means Tenant and its agents, contractors, employees, invitees, licensees, or visitors.

3. RENT AND RENT INVOICES

(a) Rent. Beginning on March 1, 2022, Tenant agrees to pay to Landlord the Base Rent set forth in Section 1(o), in advance, on the 1st business day of each calendar month during the Term, without deduction or setoff. Rent will be considered past Due and in default if not received by the 10th of the month.

(b) Rent Invoices. All invoices from Landlord to Tenant for any Rent due under this Lease will be sent to the address set forth in Section 12(m) or to such other address as Tenant may designate by written notice to Landlord.

4. REAL ESTATE TAXES AND OTHER TAXES

(a) Real Estate Taxes. Tenant will pay or cause to be paid to the appropriate governmental authorities, prior to delinquency, all Real Estate Taxes. "Real Estate Taxes" means all real property taxes and assessments that become due and payable during the Term and are assessed by the applicable taxing governmental authority against the Premises. Tenant shall only be responsible for said taxes incurred by Tenant during the term, to include any extension, of this Lease. Tenant shall not be responsible for any back taxes or assessments incurred by a third party or prior to the Delivery Date.

(b) Notice Regarding Other Taxes. If assessed, Tenant shall during the Term be responsible for payment, prior to delinquency, of all taxes assessed against and levied upon the

trade fixtures, furnishings, equipment and all other personal property of Tenant contained in the Premises. If applicable, Tenant shall during the Term pay to Landlord monthly with the payment of Base Rent all sales or rental taxes assessed by any governmental authority against the Rent payable by Tenant hereunder. Tenant hereby agrees to hold Landlord harmless from all costs, expenses, interest and penalties that Landlord may incur as a result of Tenant's failure to pay the taxes set forth in this Section 4.

5. TENANT COVENANTS

(a) Tenant Agrees to –

(1) Lease the Premises for the entire Term beginning on the Delivery Date and ending on the Termination Date.

(2) Accept the Premises in their present condition “AS IS, WHERE IS CONDITION,” the Premises being currently suitable for the Permitted Use. Tenant shall have the right to perform improvements to the Premises, subject to Landlord’s approval of the plan and specifications prior to any work being initiated. Furthermore, Tenant agrees and assures that any plans submitted and subsequent work perform for any renovation or alteration to the Premises must comply with the federal Americans with Disabilities Act (“ADA”) and the Texas Accessibility Standards (“TAS”) requirements and adhere to the International Building Code, as required by the Reese Technology Center Operating Manual, as may be amended from time to time.

(3) Obey (i) all applicable federal, state, and local laws relating to the use, condition, and occupancy of the Premises and related to the Permitted Use; (ii) any requirements imposed by utility companies serving or insurance companies covering the Premises; and (iii) any rules and regulations for the Premises and Common Areas adopted by Landlord, to include the Reese Technology Center Operating Manual, as amended, and as may be amended from time to time.

(4) Pay a late charge of five (5) percent of any Rent not received by Landlord by the tenth (10th) day after it is due.

(5) Following a twenty four (24) hour notice, allow Landlord to enter the Premises to perform Landlord’s obligations, inspect the Premises, and show the Premises to prospective purchasers or tenants; provided however, that such notice requirements shall not apply in the event of Tenant's request for Landlord to come onto the Premises to perform Landlord's obligations on the Premises, or in the event of an actual emergency situation that Landlord reasonably believes will result in personal injury, loss of life or property damage to the Premises. In such situation, Landlord will notify Tenant as soon after the entry as is reasonably possible.

(6) Repair, replace, and maintain any part of the Premises that Landlord is not obligated to repair, replace, or maintain, reasonable wear excepted, including any improvements thereon (including, but not limited to, special electrical outlets and interior utility lines), to the satisfaction of the Landlord or, in lieu of such repair or replacement, Tenant shall pay to Landlord

an amount sufficient to compensate Landlord for the loss sustained by Landlord by reason of any damage to or destruction of Landlord's property.

(7) Keep the sidewalks, service ways, and loading areas adjacent to the Premises clean and unobstructed.

(8) Submit in writing to Landlord any request for repairs, replacement, and maintenance that are the obligations of Landlord.

(9) If requested, deliver to Landlord a financing statement perfecting the security interest created by this lease.

(10) Vacate the Premises and return all keys to the Premises on the last day of the Term.

(11) If accessed, pay an additional cleaning fee in the event such cleaning is required as a result of any act of the Tenant or as a result of activities, which are part of the Tenant's use of the Premises. Tenant hereby agrees to pay such fee within ten (10) days of notification of fee assessment.

(12) On request, execute an estoppel certificate that states the Delivery Date, Commencement Date, and Termination Date of the lease, identifies any amendments to the lease, describes any rights to extend the Term or purchase rights, lists defaults by Landlord, and provides any other information reasonably requested.

(13) INDEMNIFY, DEFEND, AND HOLD LANDLORD HARMLESS FROM ANY INJURY (AND ANY RESULTING OR RELATED CLAIM, ACTION, LOSS, LIABILITY, OR REASONABLE EXPENSE, INCLUDING ATTORNEY'S FEES AND OTHER FEES AND COURT AND OTHER COSTS) OCCURRING IN ANY PORTION OF THE PREMISES, OR ARISING FROM TENANT'S ACCESS TO, PRESENCE ON, OR USE OF THE PREMISES OR PROJECT; OR THAT IS RELATED TO TENANT'S PERMITTED USE. THE INDEMNITY CONTAINED IN THIS PARAGRAPH (a) IS INDEPENDENT OF TENANT'S INSURANCE, (b) WILL NOT BE LIMITED BY COMPARATIVE NEGLIGENCE STATUTES OR DAMAGES PAID UNDER THE WORKERS' COMPENSATION ACT OR SIMILAR EMPLOYEE BENEFIT ACTS, (c) WILL SURVIVE THE END OF THE TERM, AND (d) WILL APPLY EVEN IF AN INJURY IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF LANDLORD BUT WILL NOT APPLY TO THE EXTENT AN INJURY IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LANDLORD.

(14) Intentionally Deleted.

(15) Intentionally Deleted.

(16) Tenant acknowledges the existence of and agrees to use the entrance off of Highway 114 for the delivery or shipment of all products used in and associated with the Permitted Use, when the means of delivery or shipment is on a vehicle that has more than two axels.

(b) Tenant agrees not to and agrees to ensure that its agents, contractors, employees, invitees, licensees, sub-lessees, or visitors do not do any of the following —

- (1) Use the Premises for any purpose other than the Permitted Use.
- (2) Create a nuisance, to include but not limited to noxious odors.
- (3) Interfere with any other tenant's normal business operations or Landlord's management of the Premises or Project.
- (4) Use the Premises in any way that would increase insurance premiums or void insurance on the Premises or the Project.
- (5) Change Landlord's lock system.
- (6) Allow a lien to be placed on the Premises.
- (7) Assign this lease or sublease any portion of the Premises without Landlord's prior express written consent.
- (8) Use the roof on the Premises, except as may be specifically authorized in writing by the Landlord.
- (9) Place any signs on the Premises without Landlord's written consent.
- (10) Bring suit against Landlord in connection with any claim or suit arising pursuant to Section 5(a)(13).
- (11) Use any portion of the Premises for renewable energy development or the installation or use of any facilities related to renewable energy development or generation.
- (12) Intentionally Deleted.
- (13) Take any action that shall significantly interfere with or impair the availability, accessibility, flow, frequency or direction of air and wind over and above any portion of the Premises or the Project.
- (14) Intentionally Deleted.

6. LANDLORD COVENANTS

(a) Landlord agrees to –

- (1) Lease to Tenant the Premises for the entire Term beginning on the Delivery Date and ending on the Termination Date.
- (2) To deliver the Premises in broom clean condition.

(3) Obey all applicable laws with respect to Landlord's operation of the Premises and Project.

(4) Subject to the requirements of Section 5(a)(2), repair and maintain the (i) roof, to include roof membrane, (ii) foundation, to include floor slab, (iii) structural soundness of load bearing and exterior walls, excluding windows, window glass, plate glass, and doors, and (iv) Common Areas.

(b) Landlord agrees not to—

(1) Interfere with Tenant's possession of the Premises as long as Tenant is not in default.

(2) Subject to Section 12(q), unreasonably withhold consent to a proposed assignment or sublease.

7. COMMON AREAS

(a) Right to Use Common Areas. Tenant will have the nonexclusive right to use the Common Areas subject to any reasonable rules and regulations that Landlord may prescribe, to include but not limited to designation of parking areas for Tenant events.

(b) Maintenance of Common Areas. At all times during the Term, Landlord will maintain the Common Areas.

8. UTILITIES AND TRASH REMOVAL

(a) Payment of Utility Bills. Tenant will promptly pay all charges for electricity, water, gas, telephone service, wastewater service, and other utilities furnished to the Premises directly to the provider of such service.

(b) Trash Removal. Tenant shall install, in compliance with applicable Laws at a location immediately adjacent to the outside of the Premises or as designated by the Landlord, a trash dumpster. Tenant shall pay for collection of its own trash and cleaning of the Premises.

9. DAMAGE BY CASUALTY

(a) Notice of Damage and Estimated Repair Time. If the Premises is damaged or destroyed by fire or other casualty ("Casualty"), Landlord will, within thirty (30) days after the date of the Casualty, notify Tenant ("Landlord's Casualty Notice") of the number of days, from the date of the Casualty, that Landlord estimates will be required to complete the repair and restoration. If neither Tenant, nor Landlord, elects to terminate this Lease as set forth below, then the damage or destruction of the Premises will, at the expense of Landlord, be repaired and restored, unless Casualty is determined to have been caused by intentional or unintentional neglect of the Tenant, at which the damage or destruction will be at the expense of the Tenant.

(b) Tenant's Right to Terminate. If more than thirty-five percent (35%) of the floor area of the Premises is damaged or destroyed due to Casualty, then Tenant will have the right to terminate this Lease, effective as of the date of Casualty, by notice given to Landlord within fifteen (15) days after Tenant's receipt of Landlord's Casualty Notice.

(c) Landlord's Right to Terminate. If more than thirty-five percent (35%) of the floor area of the Premises is damaged or destroyed by Casualty during the Term, then Landlord may elect to terminate this Lease effective as of the date of the Casualty by notice given to Tenant not later than fifteen (15) days after Landlord delivers Landlord's Casualty Notice to Tenant.

(d) Landlord's Repair Obligation. Landlord's obligation will be to restore all portions of the Premises and the Common Areas in the immediate vicinity of and surrounding the Premises (including but not limited all parking areas surrounding the Premises and all sidewalks, roadways, driveways and access ways leading to and from the Premises) affected by a Casualty (exclusive of Tenant's fixtures and equipment) to their condition immediately preceding such Casualty, subject to available insurance proceeds. If Landlord for any reason whatsoever fails (1) to commence the repair and restoration work required hereunder within ninety (90) days from the date of the Casualty, (2) to proceed diligently to complete such repair and restoration work, or (3) fails to complete same within the estimated time set forth in Landlord's Casualty Notice, plus the number of days of delay caused by Uncontrollable Events, then, Tenant will have the right to terminate this Lease by giving Landlord notice and upon the giving of such notice, this Lease will terminate and the Parties will be liable for their respective obligations to the date of termination and will have no liability for obligations arising after that date, except for those obligations which expressly survive termination. Landlord agrees should damage occur in over thirty-five percent (35%) of the floor area no rent will be due or if mutually agreed a reduced rent will be paid, provided Tenant can use the portion of the Premises not damaged.

10. HAZARDOUS MATERIALS

(a) Landlord's Obligations. Landlord represents and warrants that on the Delivery Date the Premises and the Project shall be in compliance with all Environmental Laws. During the Term, Landlord will not use, generate, place, store, release or otherwise dispose of, or permit the use, generation, placing, storage, release or disposal of, Hazardous Materials in the Project, except in accordance with all Environmental Laws.

(b) Tenant's Obligations. During the Term, Tenant will not use, generate, place, store, release or otherwise dispose of Hazardous Materials in the Premises or the Common Areas, except in accordance with all Environmental Laws, and subject to the Reservations recorded in the Deed Without Warranty Between the United States of America and Landlord recorded in the Real Property Records of Lubbock County, Texas at Deed Record 2006041652. Notwithstanding anything to the contrary contained in this Lease, Landlord acknowledges and agrees that Tenant shall have the right to use and store in the Premises in Tenant's ordinary course of business Hazardous Materials in accordance with Environmental Laws, and subject to Section 10(e), below. In the event of a breach of the foregoing, Tenant will promptly undertake remediation or removal in accordance with all Environmental Laws. Tenant will indemnify, defend and hold Landlord and Landlord's Affiliated Parties harmless from and against, and reimburse Landlord and Landlord's Affiliated Parties for, all Hazardous Materials Liabilities asserted against or incurred

by Landlord or Landlord's Affiliated Parties as a result of a breach of Tenant's obligations under this paragraph. Notwithstanding anything to the contrary contained herein, in no event shall Tenant be liable for Hazardous Materials existing in, on or about the Premises or the Project prior the Tenant's occupancy of the Premises. Tenant shall provide Landlord a copy of Tenant's plan for responding to hazardous waste, fuel, and chemical spills no later than the Commencement Date.

(c) Definitions. As used herein,

(i) "Hazardous Materials" shall be construed broadly to include any toxic or hazardous substance, material, or waste, and any other contaminant, pollutant or constituent thereof, including without limitation, chemicals, compounds, by-products, petroleum or petroleum products, and polychlorinated biphenyls, the presence of which requires investigation or remediation under any Environmental Laws or which are or become regulated, listed or controlled by, under or pursuant to any Environmental Laws;

(ii) "Environmental Laws" means all federal, state, regional or local statutes, laws, regulations, codes, orders, permits, ordinances, decrees, rulings or judicial or administrative interpretations thereof, or similar laws of foreign jurisdictions where the Tenant conducts business, whether currently in existence or hereinafter enacted or promulgated, any of which govern, or purport to govern, or relate to pollution, protection of the environment, public health and safety, air emissions, water discharges, hazardous or toxic substances, solid or hazardous waste or occupational health and safety, as any of these terms are or may be defined in such statutes, laws, rules, regulations, codes, orders, permits, ordinances, decrees, rulings or judicial or administrative interpretations thereof, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendment and Reauthorization Act of 1986, 42 U.S.C. §9601, et seq. (collectively "CERCLA"); the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and subsequent Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §6901 et seq. (collectively "RCRA"); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. §1801, et seq.; the Clean Water Act, as amended, 33 U.S.C. §1311, et seq.; the Clean Air Act, as amended (42 U.S.C. §7401-7642); the Toxic Substances Control Act, as amended, 15 U.S.C. §2601 et seq.; the Federal Insecticide, Fungicide, and Rodenticide Act as amended, 7 U.S.C. §136-136y ("FIFRA"); the Emergency Planning and Community Right-to-Know Act of 1986 as amended, 42 U.S.C. §11001, et seq. (Title III of SARA) ("EPCRA"); and the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §651, et seq. ("OSHA"); and

(iii) "Hazardous Materials Liabilities" means all claims, damages, losses, forfeitures, expenses or liabilities arising from or caused in whole or in part, directly or indirectly, by a breach by the other Party of its representations, warranties or covenants under Section 10(a) or (b), including, without limitation, all costs of defense (including reasonable attorneys' fees and other costs of litigation), all consultants' fees, and all costs of investigation, repair, remediation, restoration, cleanup, detoxification or decontamination, and/or preparation and implementation of any closure, remedial action or other required plan.

(d) Hazardous Materials. Tenant agrees to provide Landlord access to the Leased Premises for periodic inspections concerning the Hazardous Materials uses in its operations, to provide Landlord with a list of any and all Hazardous Materials used in its operations or which are

brought on to the Leased Premises by Tenant, and shall provide Landlord with Material Safety Data Sheets for all Hazardous Materials, its security procedures and Hazardous Materials safety plans, policies and procedures to be utilized by the Tenant for protection of Tenant's employees health, safety and well-being, as well as for the plans, policies and procedures designed to protect the health, safety and well-being of any person on the Reese Technology Center Campus that may come in contact with the Hazardous Materials and chemicals in use by the Tenant.

(e) Hazardous Waste Permit. Any hazardous waste permit under the Resource Conservation and Recovery Act, or its Texas equivalent, shall be limited to generation and transportation. The Tenant shall not, under any circumstances store any hazardous waste on or about the premises for any period in excess of ninety (90) days. Any violation of this requirement shall be deemed a material breach of this Lease. Hazardous storage facilities will not be available to the Tenant. The Tenant must provide at its own expense such storage facilities; complying with all laws and regulations it needs for temporary (less than ninety (90) days) storage.

(f) Survival. The provisions of this Section 10 will survive the expiration or earlier termination of this Lease.

11. INSURANCE AND WAIVER OF SUBROGATION

A Certificate of Insurance for each coverage identified below shall be submitted to Landlord prior to the Delivery Date. Tenant shall provide to Landlord proof of the required insurance on or before the expiration date of each expiring policy, and cause each required policy to require insurer to give Landlord notice of termination of any policy prior to the expiry of its term. Specifically, Tenant is required to have:

(a) Commercial General Liability Insurance. Commercial General Liability Insurance covering the Premises and Tenant's use thereof, not including Common Areas, against claims for bodily injury, death or property damage occurring upon, in or about the Premises (including contractual indemnity and liability coverage), such insurance to provide coverage of not less than \$500,000.00 per occurrence and \$1,000,000.00 annual aggregate. Landlord shall be included as an additional insured against claims for bodily injury, death, or property damage occurring upon, in or about the Premises; or that is related to the Permitted Use.

(b) Tenant's Property Insurance. Property insurance on an all-risk basis (including coverage against fire, wind, tornado, vandalism, malicious mischief, water damage and sprinkler leakage) covering all Tenant owned fixtures, equipment, and leasehold improvements, and other personal property located in the Premises and endorsed to provide one hundred percent (100%) replacement cost coverage. Such policy shall be written in the name of Tenant.

(c) Workers Compensation' and Employer's Liability Insurance. Workers' compensation insurance shall be in an amount meeting applicable state statutory requirement and the employer's liability limits shall be in an amount not less than \$1,000,000.00 per bodily injury by accident and \$1,000,000.00 per employee for bodily injury by disease.

(d) Other Requirements of Insurance. All such insurance will be issued and underwritten by companies with an A.M. Best rating of "A" or better and size rating of "VI" or better and Tenant will use good faith efforts to obtain a policy that will contain endorsements that

(1) such insurance may not lapse with respect to Landlord or be canceled with respect to Landlord without the insurance company giving Landlord at least thirty (30) days prior written notice of such cancellation, (2) Tenant will be solely responsible for payment of premiums, and (3) in the event of payment of any loss covered by such policy, this insurance shall apply as primary insurance with respect to any overlapping coverage afforded to the Landlord except for loss arising from Common Areas.

(e) Release of Claims/Subrogation. LANDLORD AND TENANT RELEASE EACH OTHER AND ANY LIENHOLDER FROM ALL CLAIMS OR LIABILITIES FOR DAMAGE TO THE PREMISES OR BUILDING, DAMAGE TO OR LOSS OF PERSONAL PROPERTY WITHIN THE BUILDING, AND LOSS OF BUSINESS OR REVENUES THAT ARE COVERED BY THE RELEASING PARTY'S PROPERTY INSURANCE OR THAT WOULD HAVE BEEN COVERED BY THE REQUIRED INSURANCE IF THE PARTY FAILS TO MAINTAIN THE PROPERTY COVERAGES REQUIRED BY THIS LEASE. THE PARTY INCURRING THE DAMAGE OR LOSS WILL BE RESPONSIBLE FOR ANY DEDUCTIBLE OR SELF-INSURED RETENTION UNDER ITS PROPERTY INSURANCE. LANDLORD AND TENANT WILL NOTIFY THE ISSUING PROPERTY INSURANCE COMPANIES OF THE RELEASE SET FORTH IN THIS PARAGRAPH AND WILL HAVE THE PROPERTY INSURANCE POLICIES ENDORSED, IF NECESSARY, TO PREVENT INVALIDATION OF COVERAGE. THIS RELEASE WILL NOT APPLY IF IT INVALIDATES THE PROPERTY INSURANCE COVERAGE OF THE RELEASING PARTY. THE RELEASE IN THIS PARAGRAPH WILL APPLY EVEN IF THE DAMAGE OR LOSS IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF THE RELEASED PARTY BUT WILL NOT APPLY TO THE EXTENT THE DAMAGE OR LOSS IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE RELEASED PARTY.

12. ADDITIONAL LANDLORD AND TENANT AGREEMENTS

a. Alterations or Tenant Improvements. Any physical additions or improvements to the Premises made by Tenant will become the property of Landlord. Landlord may require that Tenant, at the end of the Term and at Tenant's expense, remove any physical additions and improvements, repair any alterations, and restore the Premises to the condition existing at the Delivery Date, normal wear excepted. All alterations shall require the prior written consent of Landlord. Tenant agrees at its sole cost and expense to comply with all Laws when performing any alterations, including obtaining any governmental permits which may be required in connection therewith. Should Tenant desire to renovate the Premises and such renovations would require alterations to the Premises, then Tenant shall submit plans and specifications for such renovations to Landlord for its approval, such approval not to be unreasonably withheld, delayed or conditioned. Landlord shall have fourteen (14) days from receipt of Tenant's plans and specifications to approve or disapprove same. In the event Landlord fails to disapprove of said plans and specifications within such fourteen (14) day period, then the plans and specifications shall be deemed approved. After completion of any alterations or improvements that require consent of Landlord hereunder, Tenant shall provide Landlord with a copy of Tenant's plans and specifications for such alterations or improvements.

b. Abatement. Tenant's covenant to pay Rent and Landlord's covenants are independent. Tenant will not be entitled to abate Rent for any reason.

c. Condemnation/Substantial or Partial Taking

(1) If the Premises cannot be used for the purposes contemplated by this lease because of condemnation or purchase in lieu of condemnation, this lease will terminate.

(2) If there is a condemnation or purchase in lieu of condemnation and this lease is not terminated, Landlord will, at Landlord's expense, restore the Premises, and the Rent payable during the unexpired portion of the Term will be adjusted as may be fair and reasonable.

(3) Tenant will have no claim to the condemnation award or proceeds in lieu of condemnation.

d. Uniform Commercial Code. Tenant grants Landlord a security interest in Tenant's personal property now or subsequently located on the Premises. This lease is a security agreement under the Uniform Commercial Code.

e. Default by Landlord/Events. Defaults by Landlord are failing to comply with any provision of this lease within thirty (30) days after written notice.

f. Default by Landlord/Tenant's Remedies. Tenant's remedies for Landlord's default are to sue for damages.

g. Default by Tenant/Events. Defaults by Tenant are:

(1) making an assignment for the benefit of its creditors;

(2) the levying on or against Tenant's property;

(3) the institution in court of competent jurisdiction of proceedings for the reorganization, liquidation, or voluntary dissolution of Tenant, or for its adjudication as a bankrupt or insolvent, or for the appointment of a receiver of the Tenant's property, if the proceedings are not dismissed, and any receiver, trustee, or liquidator appointed therein is not discharged within thirty (30) days after the proceedings are instituted;

(4) the filing of a mechanic's lien against the Premises in connection with work contracted for by Tenant that is not released by payment or bond or otherwise (including indemnification reasonably satisfactory to Landlord) within thirty (30) days of Tenant's receipt of written notice of the existence of such mechanic's lien, provided, however, that Tenant shall have an affirmative duty to notify Landlord of the existence or threat of any such mechanic's lien being filed against the Premises if and when Tenant receives any notice of the threatened mechanic's lien from any claimant;

(5) failure to pay timely Rent, Real Estate Taxes and Other Taxes, or any other charges due;

(6) failure by Tenant to perform or observe any of Tenant's non-monetary covenants contained in this Lease;

(7) abandoning or vacating a substantial portion of the Premises;

(8) failing to comply within ten (10) days after written notice with any provision of this Lease; and

(9) failing to comply with the requirements set forth in Sections 5(a)(2) and 5(a)(15).

h. Default by Tenant/Landlord's Remedies. Landlord's remedies for Tenant's default are to (1) enter and take possession of the Premises; (2) enter the Premises and perform Tenant's obligations; and (3) terminate this Lease by written notice and sue for damages. Landlord may enter and take possession of the Premises by self-help, by picking or changing locks if necessary, and may lock out Tenant or any other person who may be occupying the Premises, until the default is cured, without being liable for damages.

i. Remedies Cumulative. The rights and remedies given to Landlord and Tenant in this Lease are distinct, separate and cumulative remedies, and the exercise of any one or more of them will not be deemed to exclude Landlord's or Tenant's rights to exercise any or all of the others which are given in this Lease, or at law or in equity, unless such remedies are expressly excluded.

j. Default/Waiver/Mitigation. It is not a waiver of default if the non-defaulting Party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this lease does not preclude pursuit of other remedies in this lease or provided by applicable law. Landlord and Tenant have a duty to mitigate damages.

k. Representations and Indemnities of Broker Relationships. Tenant and Landlord each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder in connection with this Lease, and that no one is entitled to any commission or finder's fee in connection herewith. Tenant and Landlord do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar Party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

l. Holdover. No holding over by Tenant, whether with or without the consent of Landlord, will extend the Term. If Tenant remains in possession of the Premises after the expiration of the Term without execution of a new lease extending the Term, Tenant will be deemed to be occupying the Premises as a tenant at will, subject to all of the terms of this Lease as may be applicable to a month to month tenancy and at One Hundred Fifty Percent (150%) of the monthly installment of the Base Rent set forth in Section 1(o) for the twelve (12) month period prior to expiration of the Term, except that thereafter either Landlord or Tenant may terminate this Lease upon thirty (30) days' notice to the other; provided that Landlord, by the terms hereof, is not deemed to consent to any such holdover by Tenant and may exercise all rights provided by law to remove Tenant from the Premises upon giving Tenant the notice described herein.

m. Notices. Any notices sent or required to be given hereunder must in writing and sent by certified mail, return receipt requested, or nationally recognized overnight courier to the following addresses:

LANDLORD:

Lubbock Reese Redevelopment Authority
9801 Reese Boulevard
Suite 200
Lubbock, Texas 79416
Attn: Executive Director
Email: mmusa@reeseccenter.com
Telephone: (806) 885-3597

TENANT:

Nomi Health, Inc.
898 North 1200 West
Suite 201
Orem, UT 84057-3558
Telephone: _____
Fax: _____
Email: _____

Notices will be deemed given on the date received (or refused) when addressed to the Parties at the addresses set forth above or in either case to such other addresses as Landlord or Tenant may designate to the other by notice. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein. Without limiting the foregoing, any notice required or permitted to be given under this Lease may be sent by e-mail at the appropriate e-mail address set forth in this Section 12(m), as the same may be amended, or to such other e-mail address as Landlord or Tenant may from time to time designate in a notice to the other; provided that such e-mailed notice expressly states that it represents a notice under Section 12(m) of this Lease. Any e-mailed notice shall be deemed given on the date of delivery, provided that (i) such delivery is reasonably confirmed as received by the recipient (i.e., no error report is received by the sender); and (ii) if delivery occurs after 5:00 p.m. in the time zone of the recipient or on a non-business day, then such notice shall be deemed received on the first business day after the day of delivery.

n. Attorney's Fees. If either Party retains an attorney to enforce this Lease, the Party prevailing in litigation is entitled to recover reasonable attorney's fees and other fees and court and other costs.

o. Governing Law. This Lease shall be governed in accordance with the laws of the State of Texas, and all obligations of the Parties are performable in Lubbock County, Texas.

p. Entire Agreement. This Lease, together with the attached exhibits and riders, is the entire agreement of the Parties, and there are no oral representations, warranties, agreements, or promises pertaining to this lease or to any expressly mentioned exhibits and riders not incorporated in writing in this lease.

q. Assignment and Subletting by Tenant. Tenant may have the right, with the prior written consent of Landlord, which consent shall not be unreasonable withheld, conditioned or delayed, to assign this Lease, and any interest therein, provided each assignee assumes in writing all of Tenant's obligations under this Lease and Tenant shall remain liable for each and every obligation under this lease. Landlord hereby grants its consent for Tenant to sublet the Premises or any thereof, or any right or privilege pertinent thereto.

The foregoing notwithstanding, Tenant may assign its entire interest under this Lease to an Affiliate or to a successor to Tenant by purchase, merger, consolidation or reorganization without the consent of Landlord, provided that all of the following conditions are satisfied (a "Permitted Transfer"): (1) no uncured event of default exists under this Lease; (2) Tenant's successor shall own all or substantially all of the assets of Tenant; and (3) Tenant shall give Landlord written notice at least thirty (30) days prior to the effective date of the proposed purchase, merger, consolidation or reorganization. The term "Affiliate" means any person or entity controlling, controlled by or under common control with Tenant. Tenant's notice to Landlord shall include information and documentation showing that each of the above conditions has been satisfied.

r. Assignment by Landlord. Landlord is expressly given the right to assign any or all of its interest under the terms of this Lease, provided the assignee expressly assumes all obligations of Landlord hereunder.

s. Amendment of Lease. This Lease may be amended only by an instrument in writing signed by Landlord and Tenant.

t. Limitation of Warranties. THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.

u. Abandoned Property. Landlord may retain, destroy, or dispose of any property left on the Premises at the end of the Term.

v. Heirs, Successors, and Assigns. This Lease and the covenants, agreements and representations herein contained will be binding upon, and inure to the benefit of, the Parties hereto and their respective heirs, executors, administrators, successors, and assigns.

w. Rules of Construction. This Lease will be construed with equal weight for the rights of both Parties, the terms hereof having been determined by fair negotiation with due consideration for the rights and requirements of both Parties.

x. Severability. If any term or provision of this Lease is found to be invalid, illegal or unenforceable, the remaining terms and provisions hereof will not be affected thereby; and each term and provision hereof will be valid and enforceable to the fullest extent permitted by Laws.

y. Headings. The captions, section numbers and paragraph numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, amplify, limit, construe or describe the scope or interest of any section of this Lease.

z. Trafficking of Persons. Under §2155.0061, Texas Government Code, Tenant certifies that the individual or business entity named in the Agreement is not ineligible to receive the specified Agreement and acknowledges that the Agreement may be terminated if this certification is inaccurate.

aa. Chapter 2270 of the Texas Government Code. Tenant acknowledges that in accordance with Chapter 2270 of the Texas Government Code, the Landlord is prohibited from entering into a contract with a company for goods or services unless the contract contains a written verification from the Tenant that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. The terms “boycott Israel” and “company” shall have the meanings ascribed to those terms in Section 808.001 of the Texas Government Code. ***By signing this Lease, Tenant certifies that Tenant’s signature provides written verification to the Landlord that Tenant: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the Lease.***

13. AFFIRMATIVE REPRESENTATIONS CONCERNING FREE TRADE ZONE AND OPERATION OF AIRFIELD

a. Free Trade Zone (FTZ). The Lubbock Economic Development Authority (“LEDA”) has applied and previously received approval for eligible tenants of the Project to be able to take advantage of the benefits of its FTZ. Tenants that are eligible to participate must apply through LEDA and pay the application fees and any monthly fees associated with the volume of goods that are transported into and out of the FTZ. Interested tenants should contact the LEDA for specific details regarding the application process and the fees and regulations associated with the program.

b. Airfield. Landlord currently has Federal Aviation Administration approval to operate the airstrips located within the Project. The 6,500-foot north-south runway can accommodate large cargo aircrafts such as a C-130. While Landlord anticipates that there may be changes with respect to the use of the three (3) primary landing strips that are now in operation (including that the westernmost runway is non-operational, except in the case of a federal, state or local emergency), Landlord intends to continue to operate the 6,500-foot north-south runway and will make the use of such runway available to Tenant in accordance with the existing Federal Aviation Administration certification. With regard to the westernmost runway, Landlord has restricted use of such runway based on the operation of the commercial grade wind turbines that exist on the Project to the west of such runway, and Tenant agrees that it may not have access to such runway. All flight arrangements must be approved through Landlord and any tenant utilizing the runway for such flights must comply with the daytime Visual Flight Rule. Notwithstanding the foregoing, Landlord agrees that it will not cause or permit any material change in size, location

or configuration of any airstrip or runway which will have an adverse effect on Tenant's ability to operate in the Premises or which will adversely affect access to the Premises.

14. SECURITY CONDITIONS

Landlord and Tenant acknowledge and agree that the Project is located on property formerly owned and operated by the United States Air Force as the Reese Air Force Base, and that certain portions of the Project have been previously utilized by local, state and federal governmental entities (hereinafter, "the Government") in times of state or national emergencies to provide temporary evacuation shelters and other such uses. Additionally, Landlord has other tenants of the Project that require controlled access to the Airfield during certain operations. Landlord represents that the Government may continue to utilize the Project during the Term of this Lease in times of state or national emergency (with or without Landlord's express consent), and other tenants of the Project, when approved by the Landlord, may require controlled access to the Airfield, and that such use could adversely affect Tenant's ability to access the Premises and/or use the Common Areas due to additional security measures; provided, however, that such adverse impact shall only delay and shall not unreasonably deny access by Tenant to the Premises.

Tenant acknowledges and agrees that, in the event that the Government utilizes any portion of the Project in a time of state or national emergency or when the Landlord authorizes other tenants of the Project to control access to the Airfield, Tenant, its employees, officers, agents, and contractors will comply with all reasonable security regulations imposed by the Landlord or applicable governmental agency, including the requirement to obtain and display security identification cards and to comply with reasonable security procedures.

15. CONTRACT CLAIMS RESOLUTION

If there is a dispute between Landlord and Tenant regarding this Lease and the performance hereunder, the parties will, within ten (10) days following mailing of written notice of a dispute, engage in face-to-face negotiations in an attempt to resolve the dispute and shall, upon failing to negotiate a resolution, choose a mutually agreeable third party neutral, who shall mediate the dispute between the parties. To the extent authorized by the Constitution and the laws of the State of Texas, the mediator shall be a person qualified under the Texas Alternative Dispute Resolution Procedures Act and shall be appointed by a state district judge or the American Arbitration Association if the parties are unable to agree upon a qualified person. Mediation shall be non-binding and shall be confidential. The parties shall refrain from court proceedings during the mediation process insofar as they can do so without prejudicing their legal rights. The parties shall participate in good faith in accordance with the recommendations of the mediator and shall follow the procedures for mediation as suggested by the mediator. Each party will only be responsible for their specific mediation related expenses. Each party shall be represented in the mediation by a person with authority to settle the dispute. If the parties are unable to resolve the dispute in mediation, then the default remedy provisions of this Lease apply. In no case shall the provisions of this Paragraph delay any other time periods set forth in this Lease except by the written agreement of the parties.

The execution of this Agreement by Landlord shall not be considered a waiver of Landlord's sovereign immunity to suit.

IN WITNESS WHEREOF, having read and intending to be bound by the terms hereof, the Parties have signed this Lease on the date(s) set forth below.

LUBBOCK REESE
REDEVELOPMENT AUTHORITY
("Landlord")

NOMI HEALTH, INC.
("Tenant")

By: Murvat Musa
Its: Chief Executive Officer and
Executive Director

By: _____
Its: _____

Date

Date

EXHIBIT A

Site Plan

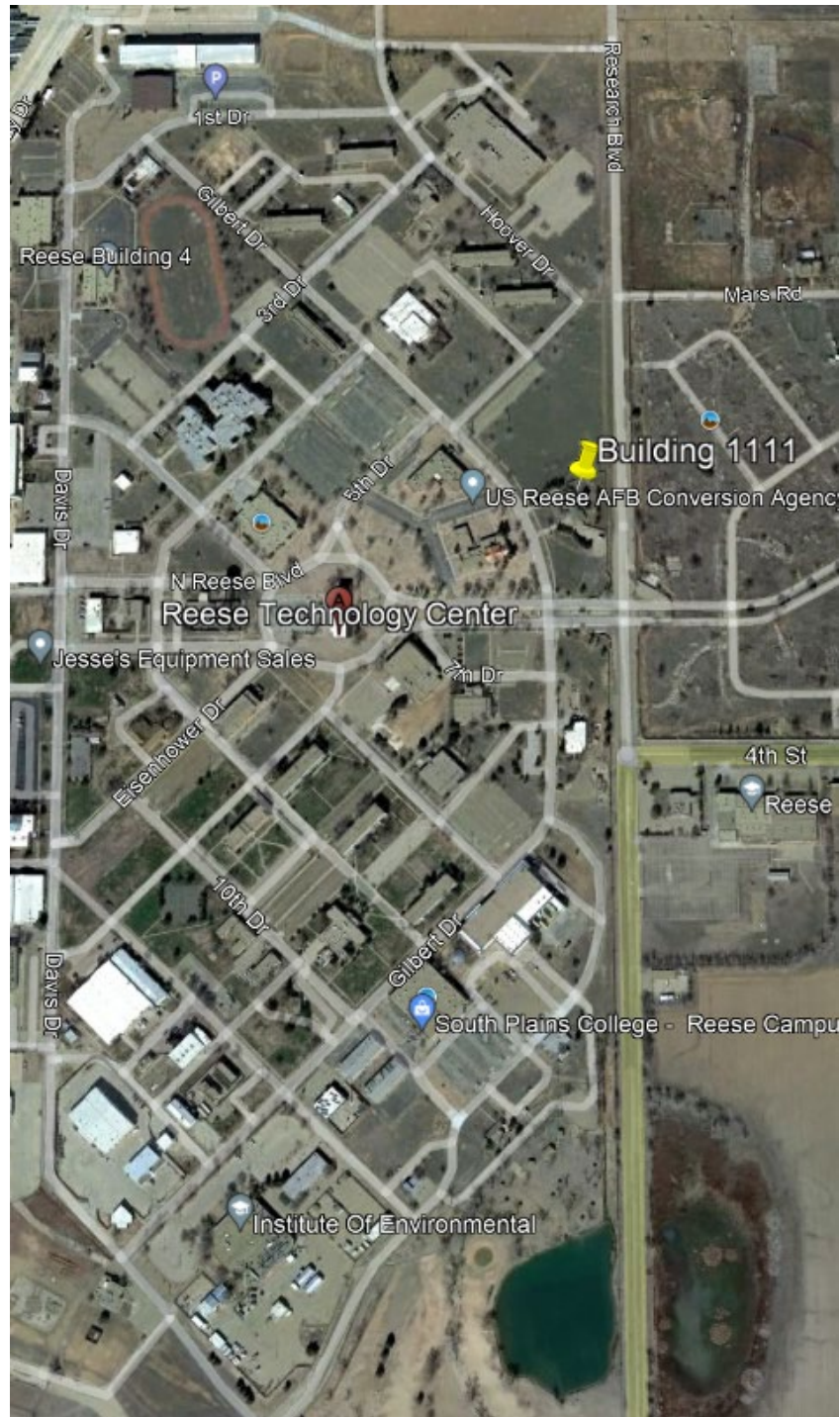


EXHIBIT B

Premises



**BOARD ACTION ITEM #2022-0223-104
LEASE FOR NOMI HEALTH - B1111**

**BOARD OF DIRECTORS
LUBBOCK REESE REDEVELOPMENT AUTHORITY (LRRA)
FEBRUARY 23, 2022**

Item to be Considered:

Consider a New Lease for Nomi Health, Building 1111

Previous Board Action:

None

Statement of Pertinent Facts:

- a. Current Right of Usage/Entry Agreement for Building 1070 expires in May 2022
- b. Proposed Lease Terms:
 - 1. Term: One (1) year with no options to renew
 - 2. Rate: \$7.84/SF
 - 3. Right of First Refusal at end of the one-year term

Advice, Opinions, Recommendations and Motion:

If the Board of Directors concurs, the following motion is in order:

“Resolved, that the Board of Directors of the Lubbock Reese Redevelopment Authority hereby authorizes its CEO/Executive Director to Execute the Lease for Nomi Health for Building 1111, subject to negotiation of final terms and conditions, on this 23rd day of February 2022.”

Steve Verett, President

ATTEST:

Board Member

AGENDA ITEM 6
EXECUTIVE SUMMARY
EDA GRANT RUNWAY 17C-35C JOINT RESEAL AND CONCRETE REPAIR PROJECT

As you know, we have been awarded an EDA grant for airfield upgrades. This grant is being managed in two parts, one for resealing the joints and repairing concrete cracks on the center 10,500 runway, known as 17C-35C and the second part is for perimeter fencing.

For the runway repair portion of this grant, an RFP was issued on January 18, 2022, with bid opening on February 1, 2022. Two bids were received, one from American Pavement Solutions, Green Bay, Wisconsin and the other from Silver Creek Construction, Ponder, Texas. Our budget for this project is \$859,140. The lowest responsible bidder is American Pavement Solutions at \$742,600.

See attached Parkhill award recommendation with attached details for further information.

Our engineers and staff both recommend awarding this bid to American Pavement Solution who is the lowest responsible bidder.

February 3, 2022

Ms. Murvat Musa, Executive Director
Reese Technology Center
9801 Reese Blvd Suite 200
Lubbock Texas 79416

Re: EDA Runway 17C-35C Concrete Joint Resealing Project Bid Award Recommendation

Dear Ms. Musa:

We reviewed bids for the noted Project received Tuesday, February 1, 2022, and determined all bids were submitted in accordance with guidelines established in Bid Documents as well as EDA bid requirements. All bids are determined properly tabulated and consistent with figures recorded during bid opening. A completed and detailed bid tabulation form will be submitted along with this letter.

We recommend Project Construction Contract be awarded to low bidder, American Pavement Solutions, Inc, for **total contract amount of \$742,600.00**.

Please contact me directly at mkrusing@parkhill.com or 806.473.3671 for further discussion, if needed.

Sincerely,

PARKHILL

By 
Michael Krusing, PE
Project Manager

MTK/dg
Enclosures

\\data1\Projects3\2020\3733.20\04_PRCMNT\00_PASS\MMusa_LRRRA-AwardRecommendation_mtk.docx

cc: Gyn Samples, South Plains Association of Governments



LUBBOCK REESE REDEVELOPMENT AUTHORITY

RWY 17C-35C Concrete Joint Resealing Project

2:30pm, Tuesday, February 1, 2022

01373320

BASE BID				PARKHILL		AMERICAN PAVEMENT SOLUTIONS 1455 Gruber Road Green Bay, Wisconsin 54313		SILVER CREEK CONSTRUCTION PO Box 250 Ponder, Texas 76259	
Item No.	Description	Quantity	Unit	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount
1	Contractor Mobilization	1	LS	\$63,640.00	\$63,640.00	\$32,800.00	\$32,800.00	\$49,000.00	\$49,000.00
2	Remove Existing Joint Sealant	240,000	LF	\$2.00	\$480,000.00	\$0.25	\$60,000.00	\$1.90	\$456,000.00
3	Clean, Prepare, and Seal Existing Concrete Joint	240,000	LF	\$0.25	\$59,500.00	\$2.15	\$516,000.00	\$1.31	\$314,400.00
4	Concrete Spall Repair	300	SF	\$200.00	\$60,000.00	\$250.00	\$75,000.00	\$150.00	\$45,000.00
5	Asphalt Pavement Replacement	4,900	SF	\$40.00	\$196,000.00	\$12.00	\$58,800.00	\$25.00	\$122,500.00
	TOTAL				\$859,140.00		\$742,600.00		\$986,900.00

BOARD ACTION ITEM No. 2022-223-105
AWARD BID FOR EDA RUNWAY 17C-35C JOINT SEAL

BOARD OF DIRECTORS
LUBBOCK REESE REDEVELOPMENT AUTHORITY
FEBRUARY 23, 2022

Item to be Considered:

Award Bid for EDA Runway 17C-35C Concrete Joint Resealing Project

Previous Board Action:

In March of 2021, the Board approved agreement with Parkhill for engineering/professional services associated with EDA grant for A/F improvements.

Statement of Pertinent Facts:

- a) Parkhill issued an RFP on January 18, 2022, with sealed bids due on February 1, 2022.
- b) The following table lists the 2 submitted bids:

Bidder	Total Amount
American Pavement Solutions	\$ 742,600.00
Silver Creek Construction	\$ 986,900.00

- c) Parkhill engineers and Reese Staff recommend this project be awarded to American Pavement Solutions, the lowest responsible bidder.

Advice, Opinions, Recommendations and Motion:

If the Board of Directors concurs, the following motion is in order:

“Resolved, that the Board of Directors of the Lubbock Reese Redevelopment Authority hereby awards the bid for EDA Runway 17C-35C Concrete Joint Resealing Project to American Pavement Solutions, as submitted, on this 23rd day of February 2022.”

Steve Verett - President

ATTEST:

LRRRA Board Member

AGENDA ITEM 7
EXECUTIVE SUMMARY
FIRING RANGE BAFFLE PROJECT

As you know, we have been working with Texas Tech University and Sandia National Labs on adding baffles to the firing range that is leased by SPAG. After many months of negotiating with Sandia and TTU on the baffle specifications, we issued an RFP on January 20 with bids due on February 22. We will have a bid tabulation sheet with an award recommendation on February 22 that we will email to the Board. Please remember that cost of this project will be paid for by both TTU and Sandia.

PROJECT: Firing Range Baffle System and Lighting

DATE OF BID: February 22, 2022

BIDDER	Attended Mandatory Pre-Bid Conference	BID PRICE	ORDER BY LOWEST PRICE	COMMENTS
Baffle Structure Bids				
GIM Construction	X	208,353.00	1	Lowest responsible bidder
Brown-McKee Inc	X	214,566.00	2	
Lighting Electric Bids				
County Line Electric	X	23,626.00	1	Lowest responsible bidder
C.C. Electric	X	27,234.00	2	

Additional Information

There were no HUB vendors under this category.

Recommendation

It is the recommendation of the MOO to award this project to GIM Construction for the baffle portion of the project for \$208,353.00 and to County Line Electric for the lighting portion for \$23,626.00. The total project award is \$231,979.00.

**BOARD ACTION ITEM #2022-0223-106
AWARD BID FOR FIRING RANGE BAFFLING PROJECT**

**BOARD OF DIRECTORS
LUBBOCK REESE REDEVELOPMENT AUTHORITY (LRRRA)
FEBRUARY 23, 2022**

Item to be Considered:

- a. Award Bid for Firing Range Baffling Project

Previous Board Action:

None

Statement of Pertinent Facts:

- a. TTU and Sandia have agreed to fund the installation of baffling at the Firing Range, currently leased by SPAG
- b. RFP was issued on January 20, and bids were due on February 22
- c. The following bids were received:

Baffling Structure:	GIM Construction	\$ 208,353.00
	Brown McKee:	\$ 214,566.00
Lighting:	County Line Electric	\$ 23,626.00
	C.C. Electric	\$ 27,234.00

- d. Staff recommends awarding the baffling structure project to GIM Construction and the lighting project to County Line Electric, the lowest responsible bidders.

Advice, Opinions, Recommendations and Motion:

If the Board of Directors concurs, the following motion is in order:

“Resolved, that the Board of Directors of the Lubbock Reese Redevelopment Authority hereby awards the bid for firing range baffling project to GIM Construction and County Line Electric, the lowest responsible bidders, subject to final agreement of parties assuming financial responsibility, on this 23rd day of February 2022.”

Steve Verett, President

ATTEST:

Board Member

AGENDA ITEM 8
EXECUTIVE SUMMARY
CITY OF LUBBOCK WHOLESALE WASTEWATER INTERLOCAL CONTRACT

The LRRA interlocal agreement with the city of Lubbock for wastewater services will expire April 25, 2022. This is an update on where we stand with this agreement and key items that need to be dealt with prior to executing a new contract.

1. I have received a draft of a new interlocal agreement that I am working through, with the help of our attorney, negotiating several parts thereof.
2. Since we are outside the city, we still need to go through the process of obtaining an exception to their “outside city rate” of 1.27 times the in-city rate. Because we have been able to get these over the years for both water and wastewater, we do not anticipate a problem. To get this process moving, Aubrey will be presenting our agreement to the Water Advisory Commission at their February 21 meeting, at which time, the Commission will make a recommendation to the city council, who will have final approval. The posted Water Advisory Commission agenda shows the item is listed for action. A change to the wastewater ordinance will be needed by the city council for us to receive the desired rate.
3. The other issue that needs to be dealt with is the meter, or the fact that we lack one. Aubrey will be getting a true estimate on the cost to install a manhole with a meter that the city will approve, we will proceed with a course of action from there. I made it very clear to him that it could be cost prohibitive for us to pay for that infrastructure, therefore he is having in-house discussions about helping us pay for it as we both agree that metering is the best option in lieu of keeping a negotiated flat rate in place.

CASH BALANCES - JANUARY 31, 2022

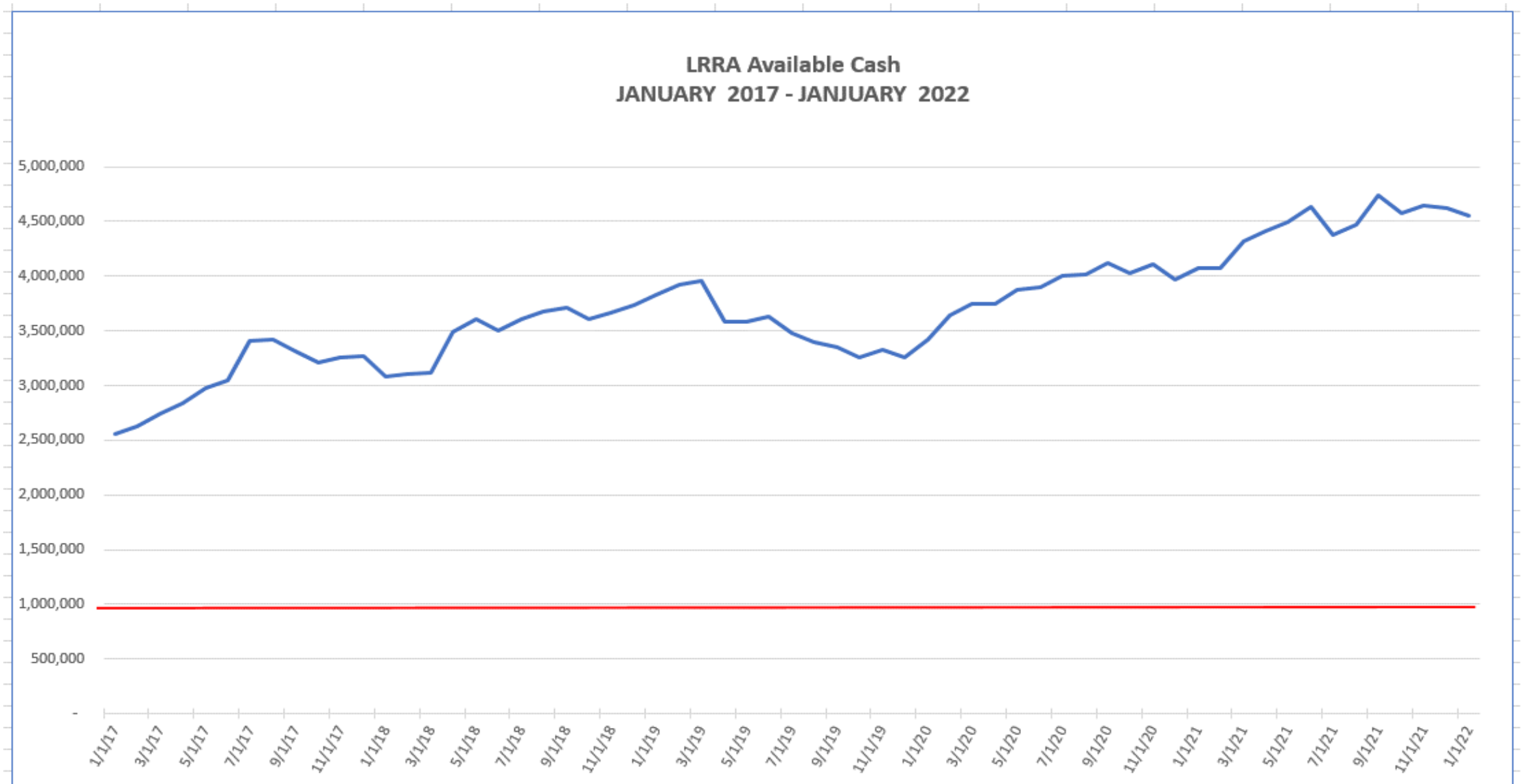
	12/31/2021	1/31/2022	Change
General Fund Bank Accounts	\$ 3,612,970	\$ 3,544,304	\$ (68,666)
Fiber Optic Fund Checking	\$ -	\$ -	\$ -
EDA Grant Checking	\$ 153,038	\$ 151,262	\$ (1,776)
Capital Maintenance - Designated	\$ 855,000	\$ 855,000	\$ -
Petty Cash	\$ 100	\$ 100	\$ -
Total Cash	\$ 4,621,108	\$ 4,550,666	\$ (70,442)
Accounts Receivable - G/F	\$ 161,686	\$ 195,015	\$ 33,329
Accounts Receivable - F/O	\$ 7,314	\$ 11,819	\$ 4,505
Total Accounts Receivable	\$ 169,000	\$ 206,834	\$ 37,834
Total Cash & Accounts Receivable	\$ 4,790,108	\$ 4,757,500	\$ (32,608)

Aged Accounts Receivable as of 01/31/2021

CURRENT	1 - 30 Days - Invoices	31 - 60 Days - Invoices	61 > Days - Invoices	Over 90 Days	TOTAL
163,612.64	35,084.18	2,898.52	3,841.49	1,310.95	206,747.78

Aged Accounts Receivable as of 02/16/2022

77,552.86	11,363.25	2,898.52	3,841.49	1,310.95	96,967.07
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FINANCIAL HIGHLIGHTS - JANUARY 2022

DESCRIPTION	Month G/F	Month F/O	Month's Total	YTD	G/F YTD	F/O	YTD Total
Operating Revenue	\$ 224,707	\$ 18,579	\$ 243,286	\$ 919,973	\$ 75,228	\$ 995,201	
Other Revenue - Usage Fees	\$ 17,872	\$ 1,501	\$ 19,373	\$ 81,027	\$ 6,128	\$ 87,155	
Total Revenue	\$ 242,579	\$ 20,080	\$ 262,659	\$ 1,001,000	\$ 81,356	\$ 1,082,356	
Expenses	\$ 509,628	\$ 18,626	\$ 528,254	\$ 1,117,685	\$ 54,199	\$ 1,171,884	
Net Income BPSID	\$ (267,049)	\$ 1,454	\$ (265,595)	\$ (116,685)	\$ 27,157	\$ (89,528)	
Interest Income - Plus	\$ 955		\$ 955	\$ 3,803		\$ 3,803	
Depreciation - Less	\$ (45,445)	\$ (2,550)	\$ (47,995)	\$ (181,781)	\$ (10,201)	\$ (191,982)	
Net Income	\$ (311,539)	\$ (1,096)	\$ (312,635)	\$ (294,663)	\$ 16,956	\$ (277,707)	

EXTRAORDINARY EXPENSES/CAPITAL EXPENSES & OTHER

4G SERVICES - REESE BUSINESS PARK CLEANUP	359,586.00	EXPENSE
REPAIR + PARTS TO LEIBERT CRAC UNIT	6,866.12	EXPENSE

\$ 366,452.12

LUBBOCK REESE REDEVELOPMENT AUTHORITY

Balance Sheet

As of 1/31/2022

(In Whole Numbers)

	General Fund	EDA Grant Fund	Optic Oper Fund	Total
ASSETS				
CASH	3,544,404	151,262	-	3,695,666
DESIGNATED-CAPITAL MAINT	610,000	-	-	610,000
WATER INFRASTRUCTURE RESERVE	245,000	-	-	245,000
INVESTMENTS	-	-	-	-
ACCOUNTS RECEIVABLE	195,015	-	11,819	206,834
ALLOWANCE FOR DOUBTFUL	-	-	-	-
INTERFUND TRANSFERS	-	-	-	-
NOTES RECEIVABLE	-	-	-	-
CONSTRUCTION IN PROGRESS	35,463	53,971	-	89,433
PROPERTY AND EQUIPMENT, NET	6,623,076	-	164,838	6,787,914
OTHER ASSETS	182,734	-	16,385	199,120
Total ASSETS	11,435,692	205,233	193,042	11,833,967
LIABILITIES				
ACCOUNTS PAYABLE	266,138	4,558	-	270,696
ACCRUED EXPENSES	73,107	-	4,568	77,675
DEFERRED REVENUE	209,485	-	18,883	228,368
NET PENSION LIABILITIES	-	-	-	-
NOTES PAYABLE	7,194	-	-	7,194
INTERFUND TRANSFERS	-	-	-	-
REFUNDABLE DEPOSITS	61,967	-	223	62,190
OTHER LIABILITIES	2,939	-	-	2,939
Total LIABILITIES	620,830	4,558	23,673	649,061
FUND EQUITY				
BEGINNING OF PERIOD	12,244,338	-	(776,884)	11,467,454
YEAR TO DATE EARNINGS	(294,663)	-	16,955	(277,708)
Total FUND EQUITY	11,949,675	-	(759,929)	11,189,746
TOTAL LIABILITY AND FUND	12,570,505	4,558	(736,255)	11,838,808

LUBBOCK REESE REDEVELOPMENT AUTHORITY
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
 From 10/1/2021 Through 1/31/2022

(In Whole Numbers)

	<u>General Fund</u>	<u>Fund</u>	<u>Total</u>
OPERATING REVENUES	1,001,000	81,355	1,082,355
OPERATING EXPENSES	1,299,466	64,400	1,363,866
OPERATING INCOME(LOSS)	<u>(298,466)</u>	<u>16,955</u>	<u>(281,510)</u>
NONOPERATING INTEREST INCOME	3,803	-	3,803
NET NONOPERATING REVENUES	3,803	-	3,803
INCREASE (DECREASE) IN FUND	<u>(294,663)</u>	<u>16,955</u>	<u>(277,708)</u>
FUND EQUITY, BEGINNING	12,244,338	(776,884)	11,467,454
FUND EQUITY, ENDING	11,949,675	(759,929)	11,189,746

LUBBOCK REESE REDEVELOPMENT AUTHORITY

SUPPLEMENTAL SCHEDULE OF REVENUES

From 10/1/2021 Through 1/31/2022

(In Whole Numbers)

	General Fund	Fiber Optic Fund	Total
LEASES	659,361	-	659,361
USAGE FEES	81,027	6,128	87,155
PBT CAM FEES	240,096	-	240,096
CONTRACT SERVICES	2,990	-	2,990
FIBER OPTIC/WIRELESS INCOME	-	75,228	75,228
TOTAL OPERATING REVENUE	983,474	81,355	1,064,829
UTILITY FRANCHISE FEES	16,526	-	16,526
INSURANCE PROCEEDS	1,000	-	1,000
TOTAL REVENUES	1,001,000	81,355	1,082,355

LUBBOCK REESE REDEVELOPMENT AUTHORITY

Statement of Revenues and Expenditures

From 10/1/2021 Through 1/31/2022

(In Whole Numbers)

	General Fund	Fiber Optic Fund	Total
OPERATING EXPENSES			
SALARIES & TAXES	315,215	-	315,215
BENEFITS - HEALTH, RETIREMENT & WKR'S COMP	36,829	-	36,829
INSURANCE - PROPERTY & GENERAL LIABILITY	62,442	3,286	65,729
ADMINISTRATIVE EXPENSES	3,860	-	3,860
GENERAL OFFICE EXPENSES	18,744	1,257	20,000
ACCTG. & AUDITING SERVICES	5,349	-	5,349
COMPUTER SOFTWARE & MAINT.	-	12,613	12,613
INTERNET	-	6,889	6,889
LEGAL SERVICES	12,484	-	12,484
NETWORK MAINTENANCE CONTRACT	2,359	-	2,359
TRAINING & TRAVEL	4,534	-	4,534
MARKETING EXPENSES	19,741	-	19,741
OPERATIONS - GROUND MAINT. AND ENGINEERING	523,968	-	523,968
UTILITIES	112,161	22,071	134,232
DEPRECIATION EXPENSE	181,781	10,201	191,981
Total OPERATING EXPENSES	1,299,466	56,317	1,355,782

LUBBOCK REESE REDEVELOPMENT AUTHORITY

Statement of Revenues and Expenditures

From 1/1/2022 Through 1/31/2022

GENERAL FUND

(In Whole Numbers)

	Current Month Actual	Current Month Budget	Month Actual vs Budget	YTD Actual	YTD Budget	Actual vs Budget Variance
REVENUES						
Leases	163,160	175,000	(11,840)	659,361	700,000	(40,639)
PBT Cam Fees	60,024	60,000	24	240,096	240,000	96
Usage Fees	17,872	20,833	(2,961)	81,027	83,333	(2,306)
Contract Services	-	1,250	(1,250)	2,990	5,000	(2,010)
Utility Franchise Fees	1,523	1,667	(144)	16,526	15,667	859
Insurance Proceeds	-	-	-	1,000	-	1,000
Total REVENUES	242,579	258,750	(16,171)	1,001,000	1,044,000	(43,000)
EXPENSES						
Salaries & Taxes	51,335	69,917	18,582	315,215	279,667	(35,549)
Benefits - Health, Retirement & Wkr's	10,307	11,346	1,039	36,829	45,383	8,555
Insurance -Property & General Liabilities	15,611	15,942	331	62,442	63,767	1,325
Administrative Expenses	547	933	386	3,860	5,733	1,873
General Office Expenses	7,929	5,355	(2,574)	18,744	21,420	2,676
Accounting & Auditing Services	83	8,166	8,084	5,349	14,404	9,056
Legal Services	3,705	4,167	462	12,484	16,667	4,183
Network Maintenance Contract	375	667	292	2,359	2,667	308
Training & Travel	57	708	651	4,534	2,833	(1,700)
Marketing Expenses	5,205	4,708	(497)	19,741	18,833	(908)
Operations	398,444	96,083	(302,361)	523,968	384,333	(139,635)
Utilities	16,031	16,408	377	112,161	75,633	(36,528)
Total EXPENSES	509,628	234,401	(275,228)	1,117,685	931,341	(186,344)
NIBPSID	(267,049)	24,349	(291,398)	(116,685)	112,659	(229,344)
NON OPERATING REVENUE						
Interest Income	955	625	330	3,803	2,500	1,303
Total NON OPERATING REVENUE	955	625	330	3,803	2,500	1,303
DEPRECIATION						
Depreciation Expense	(45,445)	(47,500)	2,055	(181,781)	(190,000)	8,219
Total DEPRECIATION	(45,445)	(47,500)	2,055	(181,781)	(190,000)	8,219
Increase (Decrease) In Fund Equity	(311,539)	(22,526)	(289,013)	(294,663)	(74,841)	(219,822)

GENERAL FUND

Explanation of Significant Budget Variances

2022 JANUARY

		Month Variance	YTD Variance	Explanations	Projected Outcome at Year End
Expenses, Salaries & Taxes	5100, 5110	\$ 18,582	\$ (35,549)	Three payrolls, raises, & bonuses in December	Year End is expected to be on budget
Expenses, Operations	5900	\$ (302,361)	\$ (139,635)	Reese Business Park clean-up - 2 payments totaling to date \$ 359,586.	Year End is expected to be on budget
Expenses, Utilities	5380	\$ 377	\$ (36,528)	LP&L bill has been caught up for the last 6 months and back to monthly billings	Year End is expected to be on budget.

LUBBOCK REESE REDEVELOPMENT AUTHORITY
Statement of Revenues and Expenditures
From 1/1/2022 Through 1/31/2022

FIBER OPTIC OPERATING FUND

(In Whole Numbers)

	Current Month Actual	Current Month Budget	Month Actual vs Budget	YTD Actual	YTD Budget	Actual vs Budget Variance
REVENUES						
Usage Fees	1,501	1,000	501	6,128	4,000	2,128
Fiber Optic/Wireless Income	18,579	16,250	2,329	75,228	65,000	10,228
Total REVENUES	20,079	17,250	2,829	81,355	69,000	12,355
EXPENSES						
Insurance -Property & General Liabilities	822	833	12	3,286	3,333	47
General Office Expenses	314	317	3	1,257	1,267	10
Computer Software & Maintenance	2,941	2,917	(24)	12,613	11,667	(947)
Internet	1,722	1,833	111	6,889	7,333	445
Building Maintenance & Repairs	6,866	833	(6,033)	8,083	3,333	(4,750)
Utilities	5,961	5,142	(820)	22,071	20,567	(1,504)
Total EXPENSES	18,626	11,875	(6,751)	54,199	47,500	(6,699)
NIBPSID	1,453	5,375	(3,922)	27,156	21,500	5,656
DEPRECIATION						
Depreciation Expense	(2,550)	(2,917)	366	(10,201)	(11,667)	1,466
Total DEPRECIATION	(2,550)	(2,917)	366	(10,201)	(11,667)	1,466
Increase (Decrease) In Fund Equity	(1,097)	2,458	(3,555)	16,955	9,833	7,122

FIBER OPTIC FUND

Explanation of Significant Budget Variances

2022 JANUARY

	Month Variance	YTD Variance	Explanations	Projected Outcome at Year End
EXPENSES, building Maintenance & Repairs	\$ (6,033)	\$ (4,750)	Large repair expense on the Leibert CRAC system \$ 6,866.	Year End is expected to be on budget

COMBINED FUNDS

(In Whole Numbers)

	Current Month Actual	Current Month Budget	Current Month Actual vs Budget Variance	YTD Actual	YTD Budget	YTD Actual vs Budget Variance
REVENUES						
Leases	163,160	175,000	(11,840)	659,361	700,000	(40,639)
PBT Cam Fees	60,024	60,000	24	240,096	240,000	96
Usage Fees	19,373	21,833	(2,460)	87,155	87,333	(179)
Contract Services	-	1,250	(1,250)	2,990	5,000	(2,010)
Utility Franchise Fees	1,523	1,667	(144)	16,526	15,667	859
Insurance Proceeds	-	-	-	1,000	-	1,000
Fiber Optic/Wireless Income	18,579	16,250	2,329	75,228	65,000	10,228
Total REVENUES	262,659	276,000	(13,341)	1,082,355	1,113,000	(30,645)
EXPENSES						
Salaries & Taxes	51,335	69,917	18,582	315,215	279,667	(35,549)
Benefits - Health, Retirement & Wkr's	10,307	11,346	1,039	36,829	45,383	8,555
Insurance -Property & General Liabilities	16,432	16,775	343	65,729	67,100	1,371
Administrative Expenses	547	933	386	3,860	5,733	1,873
General Office Expenses	8,243	5,672	(2,572)	20,000	22,687	2,686
Accounting & Auditing Services	83	8,166	8,084	5,349	14,404	9,056
Computer Software & Maintenance	2,941	2,917	(24)	12,613	11,667	(947)
Internet	1,722	1,833	111	6,889	7,333	445
Legal Services	3,705	4,167	462	12,484	16,667	4,183
Network Maintenance Contract	375	667	292	2,359	2,667	308
Training & Travel	57	708	651	4,534	2,833	(1,700)
Marketing Expenses	5,205	4,708	(497)	19,741	18,833	(908)
Operations	398,444	96,083	(302,361)	523,968	384,333	(139,635)
Building Maintenance & Repairs	6,866	833	(6,033)	8,083	3,333	(4,750)
Utilities	21,993	21,550	(443)	134,232	96,200	(38,032)
Total EXPENSES	528,254	246,276	(281,979)	1,171,884	978,841	(193,043)
NIBPSID	(265,596)	29,724	(295,320)	(89,529)	134,159	(223,688)
NON OPERATING REVENUE						
Interest Income	955	625	330	3,803	2,500	1,303
Total NON OPERATING REVENUE	955	625	330	3,803	2,500	1,303
DEPRECIATION						
Depreciation Expense	(47,995)	(50,417)	2,421	(191,981)	(201,667)	9,685
Total DEPRECIATION	(47,995)	(50,417)	2,421	(191,981)	(201,667)	9,685
Increase (Decrease) In Fund Equity	(312,636)	(20,067)	(292,568)	(277,708)	(65,008)	(212,700)

MONTHLY & YTD COMPARISONS OF CURRENT & PRIOR YEAR'S ACTUALS

(In Whole Numbers)

	Current Month Actual	Prior Year's Month Actual	Variance	YTD Actual	Prior Year YTD Actual	Variance
REVENUES						
Leases	163,160	166,740	(3,580)	659,361	682,273	(22,912)
PBT Cam Fees	60,024	60,024	-	240,096	240,096	-
Usage Fees	19,373	19,763	(390)	87,155	90,576	(3,421)
Contract Services	-	-	-	2,990	14,653	(11,663)
Utility Franchise Fees	1,523	1,465	58	16,526	20,171	(3,645)
Insurance Proceeds	-	-	-	1,000	-	1,000
Fiber Optic/Wireless Income	18,579	15,022	3,557	75,228	60,053	15,175
Total REVENUES	262,659	263,014	(355)	1,082,355	1,107,823	(25,468)
EXPENSES						
Salaries & Taxes	51,335	76,249	(24,914)	315,215	263,236	51,979
Benefits - Health, Retirement & Wkr's	10,307	12,095	(1,788)	36,829	45,045	(8,216)
Insurance -Property & General Liabilities	16,432	14,950	1,482	65,729	59,874	5,855
Administrative Expenses	547	1,250	(703)	3,860	2,550	1,310
General Office Expenses	8,243	3,507	4,736	20,000	20,845	(845)
Accounting & Auditing Services	83	83	-	5,349	391	4,958
Computer Software & Maintenance	2,941	2,941	-	12,613	12,563	50
Internet	1,722	1,695	27	6,889	6,779	110
Legal Services	3,705	3,105	600	12,484	9,423	3,061
Network Maintenance Contract	375	696	(321)	2,359	2,133	226
Training & Travel	57	-	57	4,534	947	3,587
Marketing Expenses	5,205	7,140	(1,935)	19,741	21,130	(1,389)
Operations	398,444	28,058	370,386	523,968	162,504	361,464
Building Maintenance & Repairs	6,866	735	6,131	8,083	4,343	3,740
Utilities	21,993	28,096	(6,103)	134,232	99,942	34,290
Total EXPENSES	528,254	180,599	347,655	1,171,884	711,707	460,177
NIBPSID	(265,596)	82,415	(348,011)	(89,529)	396,116	(485,645)
NON OPERATING REVENUE						
Interest Income	955.00	849.00	106.00	3,803.00	3,390.00	413.00
Total NON OPERATING REVENUE	955.00	849.00	106.00	3,803.00	3,390.00	413.00
DEPRECIATION						
Depreciation Expense	(47,995.00)	(47,995.00)	0.00	(191,981.00)	(191,981.00)	0.00
Total DEPRECIATION	(47,995.00)	(47,995.00)	0.00	(191,981.00)	(191,981.00)	0.00
Increase (Decrease) In Fund Equity	(312,636.00)	35,268.00	(347,904.00)	(277,708.00)	207,525.00	(485,233.00)

FEBRUARY 2022 – EVENTS & ACTIVITIES

	DATE	EVENT
FEBRUARY	February 1, 2022	Presentation for Military Officers Assoc. of America (MOAA)
	February 14, 2022	Lubbock County Commissioner's Court Meeting & ARPA Workshop
	February 17, 2022	LAA State of the City Luncheon w/ Mayor Dan Pope
	February 22, 2022	Lubbock Chamber Legislative Appreciation Luncheon
	February 23, 2022	LRRA Board of Directors Meeting
	February 26, 2022	South Plains College Foundation Scholarship Gala
	February 28, 2022	Lubbock County Commissioner's Court Meeting & ARPA Workshop
LOOKING AHEAD		
MARCH	March 3, 2022	YWCA Women of Excellence Banquet
	March 15, 2022	The Ides of March...BEWARE!
	March 23, 2022	LRRA Board of Directors Meeting