

AN ORDINANCE **2014 - 11 - 13 - 0925**

AUTHORIZING AN AMENDMENT TO A LEASE WITH SMART TRAVELING, INC. AT THE SAN ANTONIO INTERNATIONAL AIRPORT.

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WHEREAS, by Ordinance 2011-12-15-1051, City Council authorized a Lease for a twenty-five year term with Smart Traveling, Inc., for ground space and a hangar building at San Antonio International Airport; and

WHEREAS, Smart Traveling, Inc. has requested to expand the size of the Leased Premises by the addition of approximately 16.9 acres for the development of approximately \$40,000,000.00 in capital improvements for additional general aircraft fixed base operations, maintenance, repair and overhaul operations, a fuel farm and retail shopping facilities; and

WHEREAS, approximately 3 acres are to be removed from the current Leased Premises and recaptured by the City for the site of the General Aviation Federal Inspection Station (GA FIS) to be operated by the United State Custom and Border Protection agency, and for construction of apron and taxiway improvements for access to the GA FIS, all of which changes require an Amendment to the Lease to change the area of the Leased Premises and set forth the adjusted rental schedule; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or her designee is hereby authorized to execute Amendment No. 1 to the existing Lease with Smart Traveling, Inc., which Amendment adjusts the area of the Leased Premises and the Lease rentals, and calls for Smart Traveling, Inc. to invest approximately \$40,000,000.00 in additional capital improvements to the Leased Premises, a copy of which amendment is set out in **Exhibit 1**.

SECTION 2: Funds generated by this Ordinance will be deposited into Fund 51001000, Internal Order 233000000014 and General Ledger 4405400.

SECTION 3: The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

NHR
11/13/14
Item No. 37A

SECTION 4. This Ordinance shall take effect immediately upon receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED and APPROVED this 13th day of November, 2014.

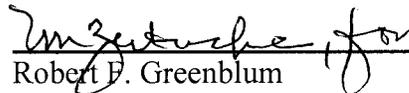

M A Y O R
Ivy R. Taylor

ATTEST:



Leticia M. Vacek
City Clerk

APPROVED AS TO FORM:



Robert F. Greenblum
City Attorney

Agenda Item:	37A (in consent vote: 5, 6, 8, 9, 10, 11, 13, 15A, 15B, 16, 17, 18, 19A, 19B, 22, 23, 24, 25, 26, 27, 28, 30, 31, 33, 37A, 37B, 37C, 37D, 37E)						
Date:	11/13/2014						
Time:	09:45:37 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing an amendment to the lease agreement with Smart Traveling, Inc. to add 17 acres, relinquish three acres for the GA FIS project and extend the lease for an additional 25 years.						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Diego Bernal	District 1		x				x
Keith Toney	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4	x					
Shirley Gonzales	District 5	x					
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x			x	
Michael Gallagher	District 10		x				

Exhibit 1

**SAN ANTONIO INTERNATIONAL AIRPORT
AMENDMENT NO. 1 OF LEASE**

THIS AMENDMENT NO. 1 OF LEASE (“Amendment”) is entered into by and between **Smart Traveling, Inc.**, a Texas corporation, (“Lessee”), and the **City of San Antonio** (“City” or “Lessor”) acting by and through its City Manager pursuant to Ordinance No. _____ passed and approved on _____ with reference to the following:

WHEREAS, City and Lessee entered into that certain San Antonio International Airport Lease on January 1, 2012, pursuant to Ordinance No. 2011-12-15-1051 (hereinafter the “Lease”); and

WHEREAS, Lessee has requested (i) to modify the Leased Premises to remove certain areas and add other areas, and (ii) to amend other provisions of the Lease as herein provided; and

WHEREAS, Lessee has committed to invest \$40,000,000 for the construction of Additional Improvements (as defined herein) to the Leased Premises during the term of the Lease, for which investment, Lessor is allowing for a partial deferral of rents as set forth herein;

WHEREAS, Lessee has asked that it be permitted to construct and operate retail store concessions in a portion of the Leased Premises for the benefit of its clientele and has agreed to enter into a separate merchandise sales agreement at a later date for said sales operations; and

WHEREAS, the City is willing to grant these requests but requires that various provisions of the Lease be modified;

NOW THEREFORE: in consideration of the terms, covenants and promises, agreements and demises herein contained, and for other good and valuable consideration, each to the other given, the receipt and sufficiency of which is hereby acknowledged, Lessee and City agree:

I. The Lease is hereby modified as follows:

(i) Section 2.01 of Article 2. Description of Leased Premises is deleted in its entirety and the following substituted therefor:

2.01 Lessor, for and in consideration of the rents, covenants and promises herein contained to be kept, performed and observed by Lessee, does hereby lease unto Lessee, and Lessee does hereby accept from Lessor, the following described property (collectively referred to as “**Leased Premises**”) located at 1770 Sky Place Blvd., at San Antonio International Airport, identified in **Exhibits 1-A, 1-B, 1-C, and 1-D** (survey, metes and bounds description of Leased Premises, recaptured areas from original Lease, Leased Premises as of Effective Date of this Amendment) and **1-E** (diagram of Leased Premises in original Lease, attached hereto for reference purposes only) which is attached hereto and incorporated into this Lease:

2.01.01 Ground Space:

Remainder of Original Tract 1 (**Exhibit 1-C, 1-E**) consisting of 322,276 square feet (7.398 acres);
Original Tract 2 (**Exhibit 1-C, 1-E**) consisting of 56,349 square feet (1.294 acres);

Original Tract 3 (**Exhibit 1-C, 1-E**) consisting of 125,135 square feet (2.87 acres)

All of the above-listed tracts are now denominated Parcel 1-A consisting of 6180 square feet (0.1419 acres) and Parcel 1-B consisting of 497,580 square feet (11.42 acres) for a total of 503,760 square feet (11.5619 acres) (**Exhibit 1-D**);

Parcel 2 consisting of 736,990 square feet (16.9189 acres) (**Exhibit 1-D**);
Parcel 6 consisting of 12,047 square feet (0.2766 acres) (**Exhibit 1-D**).

Total Ground Space of Leased Premises: 1,252,797 square feet (28.76 acres)

2.01.02 Building Space: Effective April 1, 2016, the building located upon the Ground Space and depicted on the attached **Exhibit 1-D, Exhibit 2** as Hangar 1 ("**Hangar 1**").

2.02 Lessor has caused to be prepared a new metes and bounds survey of the Leased Premises, at Lessor's expense, which survey is attached hereto as new **Exhibits 1-A and 1-B** depicting the Leased Premises as revised pursuant to this Amendment. **Exhibits 1-A, 1-B, 1-C, and 1-D** replace in its entirety Exhibit 1 attached to the Lease. As Lessee constructs Additional Improvements (as hereinafter defined) as described in **Article 5** below, the parties agree that Lessee will obtain (i) additional surveys to include such Additional Improvements, at Lessee's sole expense; and (ii) environmental assessment(s) for submission to the FAA to comply with National Environmental Policy Act ("**NEPA**") environmental regulations as needed, to include such Additional Improvements, which environmental assessments will be requested of the FAA by Lessor, with the costs of any such environmental assessments to be reimbursed by Lessee to Lessor. Such additional survey(s) shall be attached as new exhibit(s) via written amendment(s) to the Lease, to be executed on behalf of Lessor by the Aviation Director, reflecting the location and square footage of each new structure constructed by Lessee, as well as the date of issuance of a certificate of occupancy, if required, for each new structure constructed by Lessee.

(ii) **Article 3. Rental** is deleted in its entirety and the following substituted therefor:

3.01 Lessee agrees to pay Lessor as ground space and building rentals as indicated in Columns 1 and 2 on the table attached hereto as **Exhibit 4 – Rental Schedule, Including Deferred Rent, Lease Amendment #1**, monthly in advance (without notice or demand, both of which are expressly waived) for the use and occupancy of the Leased Premises, at the times and in the manner hereinafter provided, based upon the Full Rental Calculations in **Exhibit 3 – Smart Traveling Inc. Calculated Full Rental Schedule Lease Amendment #1**. All rentals shall be calculated on an annual basis, adjusted on April 1 of each year, and shall be paid by Lessee to Lessor in advance without invoicing, notice or demand, in equal monthly installments on or before the first day of each calendar month beginning on the Commencement Date (as defined in the Lease) and continuing throughout the remainder of the term of this Lease and any extension(s) hereof. In the event the Effective Date of this Amendment (defined in **Section III** below) shall be a day other than the first day of any calendar month or expire on a day other than the last day of a calendar month, then, and in such event, rental installments will be prorated for the first or last month, as the case may be. In the event Lessee does not complete the Additional Improvements in accordance with the timetables set forth in **Article 5 – Lease Term** below, and Lessor recaptures a portion or portions of the Leased Premises, ground rent will reduced accordingly based on the amount of square footage recaptured.

3.02(a) Ground Rental Rates. Ground rental rates for the original Leased Premises set forth in the Lease, net of deleted square footage as of the Effective Date (**Exhibits 1-C, 1-E**), are set at the ground rental rate established as of the August 1, 2014 Producer Product Index (“PPI”) adjustment date (**Exhibit 3**). Additionally, ground rental rates for the new Leased Premises (**Exhibit 1-D**) are set based on the current ground rental rate study (2013) of thirty cents (\$0.30) per square foot. As of April 1, 2016, ground rental rates are increased six per cent (6%) above the ground rental rate of 30 cents per square foot, or \$0.318 per square foot. On April 1, 2021, and every five (5) years thereafter, the ground rental rates are increased by fifteen per cent (15%) (**Exhibits 3 and 4, Column 1**).

3.02(b) Building Rental Rates. Building rental for Hangar 1 shall first be due on April 1, 2016, which is the date upon which title to Hangar 1 and all permanent fixtures, excluding fuel tanks, fuel lines and removable trade fixtures, shall vest upon Lessor. An appraisal of Hangar 1 was prepared September 30, 2014 in accordance with the Appraisal Process, which resulting appraisal shall serve as a baseline to document the condition and value of Hangar 1. The building rental rates set forth in Column 2 of **Exhibit 4 - Rent Schedule** are calculated based on said appraisal. On April 1, 2016, the Building rental rate will be set at \$371,000, representing ten per cent (10%) of the appraised value as of September 30, 2014, plus six per cent (6%). As of April 1, 2021, and every five (5) years thereafter, the Building rental rate will be increased by fifteen per cent (15%).

3.02(c) Rent Schedule. Notwithstanding Subsections 3.02(a) and (b) above, in consideration of Lessee's commitment to construct Additional Improvements in the Cumulative Capital Investment amount of \$40,000,000 as set forth in **Article 5 – Lease Term**, Lessee and Lessor have agreed to a revised rent schedule as follows:

- (i) Until March 31, 2016, Lessee shall pay ground rentals shown in Column 4 of **Exhibit 4 - Rent Schedule**, which rates are based on a Producer Product Index (“PPI”) adjustment to the ground rental rates established in the Lease;
- (ii) From April 1, 2016 through March 31, 2029, Lessee shall pay reduced ground and building rental amounts shown in Columns 4 and 5 of **Exhibit 4 – Rent Schedule**, which rates are reduced from rental rates shown in Columns 1 and 2 of **Exhibit 4**;
- (iii) From April 1, 2029 through March 31, 2036, Lessee shall pay the full rental amounts shown in Columns 4 and 5 of **Exhibit 4**;
- (iv) From April 1, 2036 through March 31, 2051, Lessee shall pay the full rental amounts shown in **Exhibit 4**, Columns 4 and 5, plus an additional sum set forth in Column 6 of **Exhibit 4** to be calculated based upon the amortization of total deferred rent paid in subsection (i) above, plus interest at three percent (3%) annual on the deferred amount over and above the sum of four million dollars (\$4,000,000) from April 1, 2030 through March 31, 2036. Said amortization shall be calculated at three percent (3%) for the last fifteen (15) years of the Lease term (April 1, 2036 through March 31, 2051) on the total amount of deferred rent, as shown in Column 8 of **Exhibit 4**;
- (v) Alternatively, if Lessee does not meet the capital investment requirements set forth in **Article 5 – Lease Term**, Lessee shall pay ground and building rents in

accordance with the calculations set forth in **Sections 5.04 and 5.05** (illustrative examples set forth in **Exhibits 5 and 6**).

3.03 All rentals and payments that become due and payable by the Lessee shall be made to:

City of San Antonio
Aviation Department, Attn: Finance Division
457 Sandau Road
San Antonio, Texas 78216

unless otherwise notified in writing. All rentals and payments unpaid for ten (10) days after the date due shall bear interest at the rate of eighteen (18) percent per annum, or the maximum allowed per law, whichever is lower, from the date such rentals and/or payments were due.

(iii) Article 4. Use of Leased Premises is deleted in its entirety and the following substituted therefor:

Lessee shall use the Leased Premises for any and/or all of the following activities:

The sale, manufacturing, maintenance, modification, repair, overhaul, rebuilding, fueling and storage of aircraft and aircraft parts; storage and sale of aircraft fuel; aviation school instruction; classroom and flight simulator instruction; and other flight instruction provided only to those persons already holding an aircraft pilot license and seeking a certification towards an aircraft being manufactured or sold on the Leased Premises; and such other activities reasonably incidental thereto. In addition, and notwithstanding the foregoing, the parties agree that Lessee may operate retail sales stores pursuant to a merchandise sales agreement to be entered into at a later date. All rental car transactions conducted on the Leased Premises must utilize and on-Airport rental car operator.

No other activities shall be conducted on the Leased Premises unless authorized in writing by the Aviation Director; provided, however, that such other activities be aeronautical in nature.

(iv) Article 5. Lease Term is deleted in its entirety and the following substituted therefor:

ARTICLE 5. LEASE TERM

5.01 Term. The term of this Lease commenced on January 1, 2012 ("**Commencement Date**") and shall terminate at midnight March 31, 2051, unless earlier terminated in accordance with this Lease.

5.02 Additional Improvements. The length of the Lease term has been agreed to so that Lessee may build certain additional improvements on Parcel 2 and Parcel 6 of the Leased Premises ("**Additional Improvements**") as shown in the attached **Exhibit 2** and have ample time to amortize Lessee's investment. The total estimated cost of constructing the Additional Improvements is \$40,000,000. Lessee's Additional Improvements are to be constructed in phases as economically feasible. The Additional Improvements may include, but are not limited to, additional hangars, new ramp space, new Fixed Based Operator (FBO) facility, maintenance,

repair, and overhaul (MRO) facility, fuel farm, and/or retail shopping facilities to be operated under a separate merchandise sales agreement to be entered into between the parties at a later date. The details of the Additional Improvements will be determined by the needs of Lessee's clientele and economic feasibility, and shall be within the parameters of the Permitted Uses set forth in **Article 4 – Use of Leased Premises**. Additional Improvements for meeting the Initial Capital Investment and Total Capital Investment threshold requirements set forth in **Sections 5.04 and 5.05** below shall be Capital Improvements only, as hereafter defined. **“Capital Improvement”** means any item that enhances the value of the Leased Premises having a net cost in excess of one hundred thousand dollars (\$100,000.00) and a useful life in excess of ten (10) years, constructed to expand facilities, improve or develop the Leased Premises, as well as any extraordinary or substantial expenditure whose object is to preserve, enhance or protect the Leased Premises, the construction of which is commenced after the Effective Date of this Amendment. Capital Improvements, as used in this Lease, are improvements to the real estate. Capital Improvement does not include trade fixtures, items that can be removed from the Leased Premises damaging the Leased Premises, or personal property.

5.03 Failure to Commence Additional Improvements Prior to December 31, 2016. In the event Lessee has not commenced the construction of any Additional Improvements on Parcel 2 or Parcel 6 on or before December 31, 2016, Lessor (acting through the Aviation Director) shall have the right to recapture, and the Lessee shall have the right to relinquish, Parcel 2 and Parcel 6 in their entirety. In such event (i) Parcel 2 and Parcel 6 shall be excluded from the Leased Premises; (ii) no further ground rental shall be due with respect to Parcel 2 and Parcel 6 as of the date of recapture/relinquishment; and (iii) the term shall terminate at midnight December 31, 2036.

5.04 Initial Capital Investment of \$19,000,000. In the event Additional Improvements in the minimum amount of \$19,000,000 (**“Initial Capital Investment”**) on Parcel 2 and Parcel 6 as depicted on **Exhibit 2** hereto have not been substantially completed (in accordance with plans and specifications approved by the Aviation Director) on or before March 31, 2022, in order to compensate Lessor for the deferred rents agreed to in Column 8 of **Exhibit 4**, the following shall occur:

- (i) the term of the Lease shall be reduced to terminate December 31, 2036;
- (ii) deferment of rents shall cease as of March 31, 2022, and all rents based on the Lessor rent schedule shown in Columns 1 and 2 on **Exhibit 4** shall be paid when due during the period of April 1, 2022 through December 31, 2036 (see illustrative example set forth in **Exhibit 5**);
- (iii) the aggregate amount of deferred rent from the Effective Date of this Amendment through March 31, 2022 shall be reassessed and added to the rentals at an amortization based on five percent (5%) interest accrued annually over fourteen (14) years; and
- (iv) At any time after March 31, 2022, Lessor (acting through the Aviation Director) shall have the right to recapture, and the Lessee shall have the right to relinquish, any portion of Parcel 2 and/or Parcel 6 that is then undeveloped, excluding parcels (i) planned to be developed pursuant to plans and specifications approved by the Aviation Director; or (ii) upon which Lessee has commenced construction of Additional Improvements. In such event, (i) no further rental shall be due with respect to the recaptured/relinquished portion(s)

of Parcel 2 and/or Parcel 6 as of the date of recapture/relinquishment; and (ii) the number of square feet recaptured/relinquished) shall be excluded from the Leased Premises and ground rental calculations.

5.05 Cumulative Capital Investment of \$40,000,000. No later than March 31, 2030, Lessee shall have expended a cumulative total investment of \$40,000,000 (including the \$19,000,000 Initial Capital Investment) for construction of Additional Improvements ("**Cumulative Capital Investment**"). In the event Lessee does not complete construction of Additional Improvements in the amount of the Cumulative Capital Investment, but has met the Initial Capital Investment requirement by said date, in order to compensate Lessor for the deferred rental agreed to in Column 8 of **Exhibit 4**, the following shall occur:

- (i) The interest rate on the calculation of amortization of deferred rents shall increase from three percent (3%) to five percent (5%);
- (ii) From April 1, 2030 through March 31, 2036, Lessee shall pay, as additional rent, interest on the deferred rental payments in equal monthly payments at five percent (5%) interest, as interest and carrying costs incurred by Lessor (Column 6 of **Exhibit 6**);
- (iii) From April 1, 2036 through March 31, 2051, Lessee shall pay the full amount of rent shown in Columns 1 and 2 of **Exhibit 4**, plus an additional sum calculated for the amortization of the total deferred rent shown in Column 6 of **Exhibit 6**. Said amortization shall be calculated at five percent (5%) annually for the last fifteen (15) years of the lease term (lease years 2037 through 2051) on the total amount of deferred rent and interest;
- (iv) At any time after March 31, 2030, Lessor (acting through the Aviation Director) shall have the right to recapture, and the Lessee shall have the right to relinquish, any portion of Parcel 2 and/or Parcel 6 that is then undeveloped. In such event (i) no further ground rental shall be due with respect to the recaptured/relinquished portion(s) of Parcel 2 and/or Parcel 6 as of the date of recapture/relinquishment; and (ii) the number of square feet recaptured/relinquished) shall be excluded from the Leased Premises and ground rental calculations;
- (v) the Lease term shall remain in effect through March 31, 2051.

5.06 Recapture/Relinquishment. A party's option to recapture/relinquish pursuant to this **Article 5** is exercisable by providing thirty (30) days' written notice to the other party, and shall be effective for all purposes upon the other party's receipt of such notice. Notwithstanding the foregoing, Lessor, through the Aviation Director, may decline to accept a proposed relinquishment by Lessee of any parcel (or portion thereof) which parcel, in Lessor's absolute and sole discretion, is not economically viable and/or capable of being developed. Upon recapture/relinquishment of any parcel (or portion thereof) to Lessor, Lessor shall have the right to lease said parcel (or portion thereof) to third parties, and Lessee shall provide ingress and egress to Lessor and any such third party lessee under the provisions of **Section 11.04** herein.

5.07 The dates for the completion of Additional Improvements to Parcel 2 and Parcel 6 in the Initial Capital Investment amount of \$19,000,000 and the Cumulative Capital Investment of \$40,000,000 as set forth above (March 31, 2022 and March 31, 2030, respectively), may be

extended by the Aviation Director, upon written request from Lessee, due to the occurrence of force majeure events or other events beyond Lessee's reasonable control, including, without limitation, any environmental remediation undertaken by Lessor in accordance with **Section 17.09** hereof.

(v) **Article 9. Title to Building Improvements** is deleted in its entirety and the following substituted therefor:

ARTICLE 9. TITLE TO BUILDING IMPROVEMENTS

9.01 Fee simple title to Hangar 1, excluding fuel tanks and fuel lines, shall vest upon Lessor on April 1, 2016. Lessee shall remain responsible for the maintenance and repair of Hangar 1 through the remainder of the term of this Lease as set out in **Article 15 – Maintenance and Repair**. Title to the Additional Improvements, excluding fuel tanks and fuel lines, constructed in accordance with the timetable set out in **Article 5 – Lease Term** shall vest upon Lessor on March 31, 2051 or such earlier date should the Lease term be terminated earlier in accordance with this Lease.

9.02 Should Lessor elect not to take title to the Additional Improvements, or any portion thereof, as provided in **Section 9.01** above, same shall be removed by Lessee, at its sole cost and risk, in compliance with all applicable laws and regulations, and, to the degree reasonably possible, the Leased Premises shall be restored to the condition that existed prior to the construction of same. Should Lessee fail to undertake such removal within ninety (90) days following the expiration or termination of this Lease, Lessor may undertake such removal at Lessee's expense. The Performance Guarantee required under this Lease may, at Lessor's option, be applied towards any costs incurred by Lessor for such removal.

(vi) **Section 10.01 of Article 10. Rental Adjustments & Other Fees** is deleted in its entirety, and the following substituted therefor:

10.01 ADDITIONAL FEES AND CHARGES

- A. Fuel flowage fees shall be paid by Lessee, its sublessees, permittees and licensees (hereinafter, for purposes of **Section 10.01**, collectively "**Lessee**"), to the Lessor for fuel delivered to Lessee at the Airport, in the amount per gallon, now or hereafter, established by City ordinance (currently 7.5 cents per gallon). Lessee agrees to keep accurate books, records and accounts of its purchase and sale of aircraft fuel delivered to it on the Airport premises. All such books, records, accounts, and supporting documentation, shall be preserved by Lessee for thirty-six (36) months (which document preservation requirement shall survive termination of the Lease), either at the Leased Premises or at the home or regional offices of Lessee, and made available, for audit purposes, to Lessor and its authorized agents or representatives, at the Leased Premises, upon request. Lessee agrees to remit, to the Aviation Director, payment and related statements, certified by the various suppliers, as to the amount of aircraft fuel delivered to the Leased Premises, by the 10th day of the month following such delivery. If no such delivery is made during a particular month, Lessee shall provide the Aviation Director with a written statement to that effect. An accounting fee of \$100 per month per late monthly statement will be charged to Lessee and shall be payable by Lessee for the additional services required by Lessor pursuant

to this paragraph. This remedy shall be in addition to other remedies provided herein or by law to Lessor.

- B. Lessee and all tenants and operators at the Airport, other than those engaged in the carriage of persons, cargo, mail or other property for hire (commercial aircraft operators), pursuant to City ordinance, are obligated to pay a fuel flowage fee on aircraft fuel delivered to them. Nothing herein shall relieve Lessee, its customers or others, from any field use charges levied generally by Lessor, directly or indirectly, upon the operation of aircraft at the Airport.
- C. Fees and charges for miscellaneous items and services, including, but not limited to, new environmental assessment(s) for submission to the FAA to comply with NEPA regulations during the construction of Additional Improvements, employee badges and airfield driver's licenses, shall be assessed, by City ordinance, in connection with the ordinary usage of Airport facilities.
- D. All rentals, fees and charges payable by Lessee to Lessor under the terms hereof, whether or not expressly denominated as rent, shall constitute rent for all purposes, including, but not limited to, purposes of the United States Bankruptcy Code.

(vii) New **Sections 11.04 and 11.05** are added to **Article 11. Privileges and Conditions** to read as follows:

11.04 As used herein, the term "**Recaptured Tract**" means a portion of Parcel 2 and/or Parcel 6 that is recaptured by Lessor (or relinquished by Lessee) in accordance with **Article 5 – Lease Term**. In the event Lessor enters into a lease with a third party for a Recaptured Tract, Lessee grants the right of ingress and egress over and across the Leased Premises along an Access Route (as hereinafter defined) to such third-party Airport lessee for its respective aircraft and vehicles. Lessee shall impose no costs on such subsequent third party Airport lessee for such right of ingress and egress. Lessee may not block or impede aircraft or vehicle movement within the Access Route. The term "**Access Route**" means a commercially reasonable ingress/egress route designated by Lessee and approved by the Aviation Director, and includes the taxiway connector to be constructed by Lessor, referenced in **Section 13.06** below. The establishment of an Access Route pursuant to this section shall be evidenced by an amendment to this Lease containing an exhibit of a site plan showing the location of the Access Route, which exhibit may be added via written amendment to the Lease, to be executed on behalf of Lessor by the Aviation Director.

11.05 Lessee grants Lessor, as Sublessee under the City Sublease and the separate Lease by and between the parties for the General Aviation Federal Inspection Station ("**GA FIS Lease**"), the right to use four (4) marked parking spaces for the sole use of the United States Customs and Border Protection ("**CBP**"), and its visitors to the GA FIS, which CBP parking spaces are depicted on the attached **Exhibit 2**.

(viii) **Article 13. Construction by Lessee** is renamed "**Article 13 – Construction**". **Section 13.06** is deleted in its entirety and the following substituted therefor, and a new **Section 13.07** is added hereto:

13.06 In undertaking any such any such renovations, construction, alterations or improvements, it is expressly understood that, where applicable, unless otherwise agreed to in writing by the parties, Lessee shall be responsible, at its sole expense, for any and all construction and maintenance of taxiways and connections to the Airport's runway and taxiway system, along an alignment and in accordance with designs and plans approved in advance, in writing, by the Aviation Director. It is further expressly understood and agreed that any improvements and access thereto constructed by Lessee on the Leased Premises shall be performed in such a manner that shall not cause flowage of surface drainage onto adjacent tracts or interrupt flow to the storm drainage system. Notwithstanding the foregoing, Lessor will construct a taxiway connector to the Leased Premises at the approximate location shown on **Exhibit 2**, for which construction bidding by the City will commence upon Lessee's submission to the Aviation Director of plans and specifications at thirty percent (30%) completion stage for the construction of the second hangar, FBO, or similar facility upon Parcel 2, and which taxiway connector shall be completed within a reasonable period of time thereafter, subject to force majeure events.

13.07 Lessee shall provide documentation such as invoices, contracts, proof of payment, and other records reasonably satisfactory to the Aviation Director as evidence of costs incurred in the construction of Additional Improvements. Such documentation shall be provided to Lessor at the end of each approved project. Lessee shall also provide on an annual basis, no later than March 31st of each year, cumulative totals of all costs, whether complete or under construction, of Additional Improvements by project and combined that have been incurred during the term of the Lease. Project costs will not be deemed to be included toward the Initial Capital Investment or Total Capital Investment, as defined in **Sections 5.04 and 5.05** above, until the project is completed and all documentation is received and approved by the Director.

(ix) Article 15. Maintenance and Repair is amended to add the following subsection 15.02(L.):

L. be responsible for maintenance and repair of the gate and gate area for vehicular traffic between the Leased Premises and the General Aviation Federal Inspection Station Facility separating the public area from the Air Operations Area.

(x) Sections 16.02 and 16.03 of Article 16. Title are deleted in their entirety and the following substituted therefor:

16.02 Unless otherwise provided, all foundations, buildings, alterations, additions or improvements (hereinafter "**Improvements**") made upon the Leased Premises by Lessee are and shall be the property of Lessee until March 31, 2051 or upon earlier termination of this Lease. During said term, absent the Aviation Director's written approval, such Improvements shall be conveyed, transferred or assigned, only to a person or entity to whom this Lease simultaneously is being transferred or assigned, whereupon the holder of the leasehold interest hereunder shall own the Improvements. Absent such written approval of the Aviation Director any attempted conveyance, transfer or assignment of Improvements, to any person or entity, whether voluntary, by operation of law or otherwise, shall be void and of no effect.

16.03 With the exception of fuel storage facilities as set forth in **Article 17** below, at Lessor's sole option, title to Improvements made upon the Leased Premises by Lessee, and fixtures annexed thereto, shall vest in and become the property of Lessor, at no cost to Lessor and without any instrument of conveyance, on March 31, 2051 or upon earlier termination of this

Lease. Notwithstanding the foregoing, Lessee covenants and agrees, upon Lessor's demand, on or after termination of the Lease, to execute any instruments requested by Lessor in connection with the conveyance of such Improvements. Lessor shall notify Lessee whether or not Lessor intends take title to Improvements, or any portion thereof, as herein provided, at least sixty (60) days prior to the expiration of the primary term of this Lease or earlier termination thereof. Lessor's failure to provide such notice, however, shall not act as a waiver of its rights hereunder; provided that Lessor, within a reasonable time after receipt of Lessee's written request, advises Lessee of its election hereunder.

(xi) A new subsection 17.09 is added to **Article 17 – Environmental Compliance** to read as follows:

17.09 Lessor has obtained at its expense an environmental baseline study of Parcel 2 and Parcel 6, and has provided the study to Lessee. As Lessee constructs Additional Improvements, to the extent the use of the Leased Premises upon which the Additional Improvements are being constructed changes (although such use must be within the parameters of the Permitted Uses set forth in **Article 4 – Use of Leased Premises**), Lessee shall request Lessor to perform a new environmental assessment for submission to the FAA to comply with NEPA regulations, with Lessee to reimburse Lessor for the costs of any such new NEPA assessment.

(xii) **Article 24. Default and Remedies** is amended to add the following subsection 24.01(J.) and a new subsection 24.12:

24.01(J). Lessee defaults under the merchandise sales agreement.

24.12 In the event Lessee defaults under Subsection 24.01(C), (D), (E), or (F) above, the amount of Lessor's claim against Lessee in any such insolvency, bankruptcy, or receivership proceedings shall be calculated based on the full rental amounts set forth in Columns 1, 2, and 3 of **Exhibit 4 – Rental Schedule**, and Lessee waives any claim that Lessor is limited to the reduced rental amounts set forth in Columns 4 and 5 of **Exhibit 4**.

(xiii) **Sections 26.01 and 26.02 of Article 26 Assignment and Sublet** are deleted in their entirety and the following substituted therefor:

26.01 Lessee shall not transfer or assign this Lease or Lessee's interest in or to the Leased Premises, or any part thereof, without having first obtained Lessor's prior written consent, which may be given only by or pursuant to an ordinance enacted by the City Council of the City of San Antonio, Texas; provided, however, that the foregoing shall not apply to and prevent the assignment of this Lease, with prior written consent of the Aviation Director, to any Affiliate or Subsidiary of Lessee. Notwithstanding the foregoing and for so long as any pledge or collateral assignment of Lessee's interest in the Lease shall be by instrument substantially in such form as shall have previously been approved by the City Council, the consent of Lessor to such pledge or collateral assignment may be given by Lessor acting by and through the Aviation Director. For purposes of any assignment, Lessor shall have the right to renegotiate rental rates and all other terms of this Lease.

26.02 Lessee shall not sublet the Leased Premises or any part thereof without having first

obtained the Aviation Director's written consent. In the event Lessee requests permission to sublease, the request shall be submitted to the said Aviation Director, prior to the effective date of the sublease requested, and shall be accompanied by a copy of the proposed sublease agreement(s) and of all agreement(s) collateral thereto. The identity of the sublessee, the area or space to be subleased, the rental to be charged, the type of business to be conducted, reasonable financial history and all other information requested by the Aviation Director shall be specified. Lessee shall not sublease a total of more than fifty percent (50%) of the Leased Premises and/or or its component building and ground premises without written approval of the Aviation Director. If such limit is exceeded without the written approval of the Aviation Director, Lessor shall have the right, upon thirty (30) days' written notice, to recapture the space described in the sublease, and terminate the entire Lease on the expiration of such thirty (30) day period. In the event of any recapture, Lessee's rental payments shall be adjusted on a pro-rata basis; provided, however, that all options of Lessor contained in the Default and Remedies Article shall be available to Lessor.

(xiv) Section 26.03 of Article 26 Assignment and Sublet is amended by adding the following sentence at the end thereof:

26.03 In the event of a sublease where the rental per square foot established in the sublease exceeds the rental for same established in the Lease, Lessee shall pay to Lessor, as additional rent, the excess of the rental received from the sublessee over that specified to be paid by Lessee herein per square foot, provided that Lessee may charge a reasonable fee for administrative costs in addition to the sublease rental, not to exceed twenty-five percent (25%) of the specified sublease rental. Such twenty-five percent (25%) shall not be considered as excess rental. Nothing herein shall prevent Lessee from charging a reasonable fee to others for the use of capital equipment and facilities on the subleased premises and charging for use of utilities and other services being paid for by Lessee. Should any method of computation of rental to be paid by a sublessee, other than computation based upon a rental rate per square foot be employed, the provisions of this paragraph will apply if the rental received for the proportionate area of the Leased Premises by Lessee exceeds the rental paid to Lessor for said proportionate area of the Leased Premises. This **Section 26.03** shall apply to a sublease of all or a portion of Parcel 2 and/or Parcel 6 only if such sublease does not include any Additional Improvements. In addition, the twenty-five percent (25%) restriction shall apply only to (i) ground rentals; and (ii) to building rentals for Hangar 1 (effective April 1, 2016) until March 31, 2051, or earlier termination of the Lease term.

II. This Amendment sets forth the entire agreement between the parties. Unless modified herein, the terms and conditions of the Lease remain in full force and effect.

III. The Amendment shall be effective upon execution by City ("**Effective Date**").

IV. This Amendment is executed in multiple counterparts each of which contains all required original signatures and shall be considered an original on its own.

[signature

page

follows]

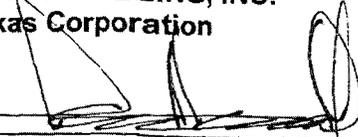
IN WITNESS WHEREOF, the undersigned have duly executed this Amendment as of the dates set forth below.

CITY OF SAN ANTONIO
A Texas home-rule municipality

By: _____
Sheryl Sculley, City Manager

Date: _____

SMART TRAVELING, INC.
A Texas Corporation

By:  _____

Its: Pablo A. Hoyos CEO

Position _____
Date: NOV 5th 2014

Approved as to form:

City Attorney

EXHIBITS 1-A and 1-B

*Leased Premises as of Effective Date of Amendment
Survey and Metes and Bounds Notes*

Exhibit 1-B – Summary
Leased Premises

*	Lease Amendment	Parcels 1A, 1B, 2, 6
**	GA FIS Lease and City Sublease	Parcels 4A, 4B
***	Apron & Taxiway Improvements	Parcels 5A, 5B
****	Roadway	Parcel 3

**METES AND BOUNDS DESCRIPTION
FOR NINE PARCELS WITHIN THE
SAN ANTONIO INTERNATIONAL AIRPORT
CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS
COMPRISING 32.07 ACRES**

* **PARCEL 1A - 0.1419 OF AN ACRE TRACT**

Being a 0.1419 of an acre (6,180 square feet) tract of land in Lot 44, New City Block 8644, North Airport Parkway Sub'd, a subdivision within the San Antonio International Airport, City of San Antonio, Bexar County, Texas, thereof recorded in Volume 9516, Pages 195-198, Deed and Plat Records of Bexar County, Texas, said 0.1419 of an acre tract of land being more particularly described as follows, with all bearings being referenced to North American Datum of 1983, Texas State Plane Coordinate System, South Central Zone (4204):

COMMENCING at a found PK Nail, at a point of curvature in the southerly Right-of-Way, (R.O.W.), line of Skyplace Boulevard, (60-foot R.O.W.), being the northeast corner of Lot 44, from which the approximate intersection of the east R.O.W. line of Jones Maltsberger at the south R.O.W. line of Skyplace Boulevard, being the north corner of a Drainage R.O.W., (each as depicted on said plat recorded in Volume 9516, Page 195-198 and using the bearing basis herein stated) bears N 60°04'27" W, a distance of 3598.68 feet;

THENCE N 48°23'19" W, along the common line of said Skyplace Boulevard and Lot 44, a distance of 50.77 feet a set 1/2-inch iron rod with cap stamped "VICKREY PROP. COR.", for the **POINT OF BEGINNING** and northeast corner of the herein described tract;

THENCE departing said common line, into and across said Lot 44, the following three (3) courses and distances:

- 1.) S 03°21'42" E, a distance of 206.97 feet to a point, for the south corner of the herein described tract,
- 2.) N 18°36'18" W, a distance of 153.06 feet to a point, for a corner of the herein described tract, and
- 3.) N 03°48'03" W, a distance of 97.67 feet to a non-tangent point of curvature of a curve to the right on the common line of said Skyplace Boulevard and Lot 44, for the north corner of the herein described tract;

THENCE along said common line, the following two (2) courses and distances:

- 1.) along said curve to the right, a distance of 35.24 feet, with a radius of 370.00 feet, a central angle of 05°27'25 and a chord bearing and distance of S 51°21'45" E, 35.23 feet to a found 1/2-inch iron rod, for a corner of the herein described tract, and
- 2.) S 48°23'19" E, a distance of 20.94 feet returning to the **POINT OF BEGINNING** and containing 0.1419 of an acre (6,180 square feet) of land, more or less.

* **PARCEL 1B - 11.42 ACRE TRACT**

Being an 11.42 acre (497,580 square feet) tract of land in Lot 43 and Lot 44, New City Block 8644, North Airport Parkway Sub'd, a subdivision within the San Antonio International Airport, City of San Antonio, Bexar County, Texas, thereof recorded in Volume 9516, Pages 195-198, Deed and Plat Records of Bexar County, Texas, said 11.423 acre tract of land being more particularly described as follows, with all

bearings being referenced to North American Datum of 1983, Texas State Plane Coordinate System, South Central Zone (4204):

COMMENCING at a found 1/2-inch iron rod at the south corner of Lot 44, from which the approximate intersection of the east R.O.W. line of Jones Maltsberger at the south R.O.W. line of Skyplace Boulevard, being the north corner of a Drainage R.O.W., (each as depicted on said plat recorded in Volume 9516, Page 195-198 and using the bearing basis herein stated) bears N 41°55'32" W, a distance of 4494.24 feet;

THENCE N 48°37'52" W, along the southwest line of said Lot 44, a distance of 232.04 feet a set 1/2-inch iron rod with cap stamped "VICKREY PROP. COR.", for the **POINT OF BEGINNING** and the south corner of the herein described tract;

THENCE N 48°37'52" W, continuing along said southwest line of Lot 44, at a distance of 472.89 feet, passing a found 3/4-inch iron rod for the southernmost corner of Lot 43, being a westerly corner of Lot 44, continuing along the southwest line of Lot 43, in all a total distance of 622.31 feet to a point; for the west corner of the herein described tract;

THENCE N 41°22'08" E, at a distance of 45.00 feet, passing the common line of said Lot 43 and Lot 44, continuing into and across said Lot 44, a total distance of 1,099.36 feet to a point, for the north corner of the herein described tract;

THENCE continuing into and across said Lot 44, the following seven (7) courses and distances:

- 1.) S 18°36'18" E, a distance of 14.89 feet to a point, for a corner of the herein described tract,
- 2.) S 03°21'42" E, a distance of 866.44 feet to a "X" scribed in concrete, for a corner of the herein described tract,
- 3.) S 41°24'44" W, a distance of 30.36 feet to a building corner, for a corner of the herein described tract,
- 4.) S 48°35'16" E, a distance of 30.00 feet to a "X" scribed in concrete, for a corner of the herein described tract,
- 5.) S 41°24'44" W, a distance of 156.36 feet to a "X" scribed in concrete at tangent point of curvature of a curve to the right, for a corner of the herein described tract,
- 6.) along said curve to the right, a distance of 47.12 feet, with a radius of 30.00 feet, a central angle of 90°00'00" and a chord bearing and distance of S 86°24'44" W, 42.43 feet to a "X" scribed in concrete, for a corner of the herein described tract, and
- 7.) S 41°24'44" W, a distance of 259.64 feet returning to the **POINT OF BEGINNING** and containing 11.42 acres (497,580 square feet) of land, more or less.

*

PARCEL 2 - 16.92 ACRE TRACT

Being a 16.92 acre (736,990 square feet) tract of land in Lot 43 and Lot 44, New City Block 8644, North Airport Parkway Sub'd, a subdivision within the San Antonio International Airport, City of San Antonio, Bexar County, Texas, thereof recorded in Volume 9516, Pages 195-198, Deed and Plat Records of Bexar County, Texas, said 16.92 acre tract of land being more particularly described as follows, with all bearings being referenced to North American Datum of 1983, Texas State Plane Coordinate System, South Central Zone (4204):

COMMENCING at a found 1/2-inch iron rod at the south corner of Lot 44, from which the approximate intersection of the east R.O.W. line of Jones Maltsberger at the south R.O.W. line of Skyplace Boulevard, being the north corner of a Drainage R.O.W., (each as depicted on said plat recorded in Volume 9516,



Page 195-198 and using the bearing basis herein stated) bears N 41°55'32" W, a distance of 4494.24 feet;

THENCE N 48°37'52" W, along the southwest line of said Lot 44, at a distance of 704.93 feet passing a found 3/4" iron rod for the southernmost corner of Lot 43, being a westerly corner of Lot 44, continuing along the southwest line of said Lot 43, a total distance of 854.34 feet a point, for the **POINT OF BEGINNING** and south corner of the herein described tract;

THENCE N 48°37'52" W, continuing along said southwest line of Lot 43, a distance of 646.90 feet to a 1/2-iron rod found, for the west corner of the herein described tract;

THENCE N 41°22'08" E, into and across said Lot 43, a distance of 985.92 feet to a set 1/2-inch iron rod with cap stamped "VICKREY PROP. COR." in the southerly Right-of-Way, (R.O.W.), line of Skyplace Boulevard (60' R.O.W.), for the northwest corner of the herein described tract;

THENCE along the common line of said Skyplace Boulevard R.O.W. and Lot 43 and Lot 44, the following two (2) courses and distances:

- 1.) S 82°10'53" E, at a distance of 338.11, passing the approximate northeast corner of Lot 43, being the approximate northwest corner of Lot 44, continuing in all a total distance of 346.44 feet set 1/2-inch iron rod with cap stamped "VICKREY PROP. COR." at a tangent point of curvature of a curve to the right, for a corner of the herein described tract, and
- 2.) along said curve to the right, a distance of 181.40 feet with a radius of 370.00 feet, a central angle of 28°05'26" and a chord bearing and distance of S 68°08'10" E, a distance of 179.59 feet to a point, for the northeast corner of the herein described tract,

THENCE departing said common line, into and across said Lot 44 and Lot 43, the following three (3) courses and distances:

- 1.) S 03°48'03" E, a distance of 97.67 feet to a point, for a corner of the herein described tract,
- 2.) S 18°36'18" E, a distance of 138.17 feet to a point, for the east corner of the herein described tract, and
- 3.) S 41°22'08" W, at a distance of 1,054.36 passing the common line of Lot 44 and Lot 43, continuing in all a total distance of 1099.36 feet returning to the **POINT OF BEGINNING** and containing 16.92 acres (736,990 square feet) of land, more or less.

*** **PARCEL 3 - 0.9784 OF AN ACRE TRACT**

Being a 0.9784 of an acre (42,620 square feet) tract of land in Lot 44, New City Block 8644, North Airport Parkway Sub'd, a subdivision within the San Antonio International Airport, City of San Antonio, Bexar County, Texas thereof recorded in Volume 9516, Pages 195-198, Deed and Plat Records of Bexar County, Texas, said 0.9784 of an acre tract of land being more particularly described as follows, with all bearings being referenced to North American Datum of 1983, Texas State Plane Coordinate System, South Central Zone (4204):

BEGINNING at a found PK Nail at a point of curvature in the southerly Right-of-Way, (R.O.W.), line of Skyplace Boulevard, (60-foot R.O.W.), being the northeast corner of Lot 44 and the herein described tract, from which the approximate intersection of the east R.O.W. line of Jones Maltsberger at the south R.O.W. line of Skyplace Boulevard, being the north corner of a Drainage R.O.W., (each as depicted on said plat recorded in Volume 9516, Page 195-198 and using the bearing basis herein stated) bears N 60°04'27" W, a distance of 3598.68;

THENCE S 03°37'46" E, along the east line of said Lot 44, a distance of 1,080.04 feet to a "X" scribed in concrete, for the southeast corner of the herein described tract;



THENCE into and across said Lot 44, the following four (4) courses and distances:

- 1.) S 86°22'27" W, a distance of 41.05 feet to a "X" scribed in concrete, for the south corner of the herein described tract,
- 2.) N 48°35'16" W, a distance of 30.00 feet to a building corner, for the west corner of the herein described tract,
- 3.) N 41°24'44" E, a distance of 30.36 feet to a "X" scribed in concrete, for a corner of the herein described tract, and
- 4.) N 03°21'42" W, a distance of 1,073.41 feet to a set 1/2-inch iron rod with cap stamped "VICKREY PROP. COR." returning to the southerly R.O.W. line of Skyplace Boulevard, being the north line of Lot 44, for the north corner of the herein described tract;

THENCE S 48°23'19" E, along the common line of said Lot 44 and Skyplace Boulevard R.O.W., a distance of 50.77 returning to the **POINT OF BEGINNING** and containing 0.9784 of an acre (42,620 square feet) of land, more or less.

**** PARCEL 4A - 0.4654 OF AN ACRE TRACT**

Being a 0.4654 of an acre (20,270 square feet) tract of land in Lot 44, New City Block 8644, North Airport Parkway Sub'd, a subdivision within the San Antonio International Airport, City of San Antonio, Bexar County, Texas, thereof recorded in Volume 9516, Pages 195-198, Deed and Plat Records of Bexar County, Texas, said 0.4654 of an acre tract of land being more particularly described as follows, with all bearings being referenced to North American Datum of 1983, Texas State Plane Coordinate System, South Central Zone (4204):

COMMENCING at a found 1/2-inch iron rod at the south corner of Lot 44, from which the approximate intersection of the east R.O.W. line of Jones Maltsberger at the south R.O.W. line of Skyplace Boulevard, being the north corner of a Drainage R.O.W., (each as depicted on said plat recorded in Volume 9516, Page 195-198 and using the bearing basis herein stated) bears N 41°55'32" W, a distance of 4494.24 feet;

THENCE N 41°25'30" E, along the southeast line of said Lot 44, a distance of 298.47 feet to a set 1/2-inch iron rod with cap stamped "VICKREY PROP. COR.", for the **POINT OF BEGINNING** and south corner of the herein described tract;

THENCE into and across said Lot 44, the following three (3) courses and distances:

- 1.) N 48°35'16" W, a distance of 202.10 feet to a "X" scribed in concrete, for the west corner of the herein described tract,
- 2.) N 41°24'44" E, a distance of 147.36 feet to a "X" scribed in concrete, for a corner of the herein described tract, and
- 3.) N 86°22'27" E, a distance of 41.05 feet to a "X" scribed in concrete in the east line of said Lot 44, for the northeast corner of the herein described tract;

THENCE S 03°37'46" E, along the east line of said Lot 44, a distance of 244.62 feet to a found 3/4" iron rod at the most easterly corner of said Lot 44, for the most easterly corner of the herein described tract;

THENCE S 41°25'30" W, along the southeast line of said Lot 44, a distance of 3.56 feet returning to the **POINT OF BEGINNING** and containing 0.4654 of an acre (20,270 square feet) of land, more or less.

**** PARCEL 4B - 0.0001 OF AN ACRE TRACT**

Being a 0.0001 of an acre (6 square feet) tract of land in the San Antonio International Airport Property (no Deed found), adjoining Lot 44, New City Block 8644, North Airport Parkway Sub'd, a subdivision



within the San Antonio International Airport, City of San Antonio, Bexar County, Texas, thereof recorded in Volume 9516, Pages 195-198, Deed and Plat Records of Bexar County, Texas, said 0.0001 of an acre tract of land being more particularly described as follows, with all bearings being referenced to North American Datum of 1983, Texas State Plane Coordinate System, South Central Zone (4204):

COMMENCING at a found 1/2-inch iron rod at the south corner of Lot 44, from which the approximate intersection of the east R.O.W. line of Jones Maltsberger at the south R.O.W. line of Skyplace Boulevard, being the north corner of a Drainage R.O.W., (each as depicted on said plat recorded in Volume 9516, Page 195-198 and using the bearing basis herein stated) bears N 41°55'32" W, a distance of 4,494.24 feet;

THENCE N 41°25'30" E, along the southeast line of Lot 44, a distance of 298.47 feet to a set 1/2-inch iron rod with cap stamped "VICKREY PROP. COR.", for the **POINT OF BEGINNING** and the west corner of the herein described tract;

THENCE N 41°25'30" E, continuing along the southeast line of said Lot 44, a distance of 3.56 feet to a found 3/4-inch iron rod at the east corner of said Lot 44, for the north corner of the herein described tract;

THENCE departing said east line of Lot 44, into and across San Antonio International Airport property, the following two (2) courses and distances:

- 1.) S 03°37'46" E, a distance of 5.04 feet to a point, for the south corner of the herein described tract, and
- 2.) N 48°35'16" W, a distance of 3.57 feet returning to the **POINT OF BEGINNING** and containing 0.0001 of an acre (6 square feet) of land, more or less.

*** **PARCEL 5A - 1.568 ACRE TRACT**

Being a 1.568 acre (68,310 square feet) tract of land in Lot 44, New City Block 8644, North Airport Parkway Sub'd, a subdivision within the San Antonio International Airport, City of San Antonio, Bexar County, Texas, thereof recorded in Volume 9516, Pages 195-198, Deed and Plat Records of Bexar County, Texas, said 1.568 acre tract of land being more particularly described as follows, with all bearings being referenced to North American Datum of 1983, Texas State Plane Coordinate System, South Central Zone (4204):

BEGINNING at a found 1/2-inch iron rod at the south corner Lot 44 and the herein described tract, from which the approximate intersection of the east R.O.W. line of Jones Maltsberger at the south R.O.W. line of Skyplace Boulevard, being the north corner of a Drainage R.O.W., (each as depicted on said plat recorded in Volume 9516, Page 195-198 and using the bearing basis herein stated) bears N 41°55'32" W, a distance of 4494.24 feet;

THENCE N 48°37'52" W, along the southwest line of Lot 44, a distance of 232.04 feet to a set 1/2-inch iron rod with cap stamped "VICKREY PROP. COR.", for the west corner of the herein described tract;

THENCE into and across said Lot 44, the following four (4) courses and distances:

- 1.) N 41°24'44" E, a distance of 259.64 feet to a "X" scribed in concrete at a non-tangent point of curvature of a curve to the left, for a corner of the herein described tract,
- 2.) along said curve to the left, a distance of 47.12 feet, with a radius of 30.00 feet, a central angle of 90°00'00" and a chord bearing and distance of N 86°24'44" E, 42.43 feet to a "X" scribed in concrete, for a corner of the herein described tract,
- 3.) N 41°24'44" E, a distance of 9.00 feet to a "X" scribed in concrete, for the north corner of the herein described tract, and



- 4.) S 48°35'16" E, a distance of 202.10 feet to a set 1/2-inch iron rod with cap stamped "VICKREY PROP. COR." in the east line of said Lot 44, for the east corner of the herein described tract;

THENCE S 41°25'30" W, along the southeast line of said Lot 44, a distance of 298.47 feet returning to the **POINT OF BEGINNING** and containing 1.568 acres (68,310 square feet) of land, more or less.

***** PARCEL 5B – 0.2930 ACRE TRACT**

Being a 0.2930 acre (12,763 square feet) tract of land in New City Block 8644, said 0.2930 acre tract being in an area of unknown record adjoining Lot 44 of North Airport Parkway Sub'd, a subdivision within the San Antonio International Airport, City of San Antonio, Bexar County, Texas, thereof recorded in Volume 9516, Pages 195-198, Deed and Plat Records of Bexar County, Texas, said 0.2930 acre tract of land being more particularly described as follows, with all bearings being referenced to North American Datum of 1983, Texas State Plane Coordinate System, South Central Zone (4204):

BEGINNING at a found 1/2-inch iron rod for the south corner of Lot 44 and the western most corner of the herein described tract, from which the approximate intersection of the east R.O.W. line of Jones Maltsberger at the south R.O.W. line of Skyplace Boulevard, being the north corner of a Drainage R.O.W., (each as depicted on said plat recorded in Volume 9516, Page 195-198 and using the bearing basis herein stated) bears N 41°55'32" W, a distance of 4494.24 feet;

THENCE N 41°25'30" E, along the southeast line of Lot 44, a distance of 298.47 feet to a set 1/2-inch iron rod with cap stamped "VICKREY PROP. COR.", for the northern most corner of the herein described tract;

THENCE into and across San Antonio International Airport Property of unknown record, the following six (6) courses and distances:

- 1.) S 48°35'16" E, a distance of 3.57 feet to a point, for a corner of the herein described tract,
- 2.) S 03°37'46" E, a distance of 91.23 feet to a non-tangent point of curvature of a curve to the left, being a corner of the herein described tract,
- 3.) along said curve to the left, a distance of 56.70 feet, with a radius of 72.00 feet, a central angle of 45°07'10" and a chord bearing and distance of S 63°58'57" W, 55.25 feet to a point, for a corner of the herein described tract,
- 4.) S 41°22'20" W, a distance of 105.63 feet to a tangent point of curvature of a curve to the right, for a corner of the herein described tract,
- 5.) along said curve to the right, a distance of 89.11 feet, with a radius of 98.00 feet, a central angle of 52°05'46" and a chord bearing and distance of S 67°25'12" W, 86.07 feet to a point, for a corner of the herein described tract, and
- 6.) N 48°37'52" W, a distance of 9.32 feet returning to the **POINT OF BEGINNING** and containing 0.2930 acres (12,763 square feet) of land, more or less.

*** PARCEL 6-0.2766 ACRE TRACT**

Being a 0.2766 acre (12,047 square feet) tract of land in New City Block 8644, said 0.2766 acre tract being in an area of unknown record adjoining Lot 44 of the North Airport Parkway Sub'd, a subdivision within the San Antonio International Airport, City of San Antonio, Bexar County, Texas, thereof recorded in Volume 9516, Page 195-198, Deed and Plat Records of Bexar County, Texas, said 0.2766 acre tract being more particularly described as follows, with all bearings being referenced to North American Datum of 1983, Texas State Plane Coordinates System, South Central Zone (4204):



BEGINNING at a found ½" iron rod on the south right-of-way (R.O.W.) line of Skyplace Boulevard (60' R.O.W.), same point also being the northeast corner of said Lot 44 and the northwest corner of the herein described tract, from which the approximate intersection of the east R.O.W. line of Jones Maltsberger at the south R.O.W. line of said Skyplace Boulevard, being the north corner of a Drainage R.O.W., (each as depicted on said plat recorded in Volume 9516, Page 195-198 and using the bearing basis herein stated) bears N60deg04'27"W, a distance of 3,598.68 feet;

THENCE into and across said San Antonio International Airport Property of unknown record and along the south R.O.W. line of Skyplace Boulevard, the following three (3) calls:

- 1.) S48deg 23'19"E, a distance of 14.97 feet to a tangent point of curvature of a curve to the right, for a corner of the herein described tract,
- 2.) along said curve to the right, a distance of 102.10 feet, with a radius of 130.00 feet, a central angle of 45deg00'00", and a chord bearing and distance of S25deg53'19"E, 99.50 feet to a tangent point, for a corner of the herein described tract, and
- 3.) S03deg23'19"E, a distance of 180.28 feet to a point, for the southeast corner of the herein described tract;

THENCE S86deg29'18"W, departing said R.O.W., continuing into and across said San Antonio International Airport Property of unknown record, a distance of 47.47 feet to a point on the east line of said Lot 44, for the southwest corner of the herein described tract;

THENCE N03°37'46"W, along the east line of said Lot 44, a distance of 282.89 feet returning to the **POINT OF BEGINNING** and containing 0.2766 acres (12,047 square feet) of land, more or less.

Job No. 1241-041-140
 April 30, 2014
 Revised June 27, 2014

Certified this 27th day of June, 2014



Robert M. Anguiano, R.P.L.S.
 Registered Professional Land Surveyor
 Texas Registration No. 6347
 Vickrey & Associates, Inc.



EXHIBIT 1-C

Recaptured Areas from Original Lease, January 1, 2012

Exhibit 1-C

Drawing Name: 21 - Lease Exhibit 1-C (SAA) 10/14/16 and Title: Smart Traveling Recapture 2014.dwg User: jst17337 Date: 07/20/14 4:41:24 pm

Lease Amendment

PARCEL 1A
6,180 SQ. FT. TRACT
(0.1419 ACRES)
REMAINING LEASE



Scale: 1"=300'

Skyplace Blvd.

PARCEL 3
42,620 SQ. FT. TRACT
(0.9784 ACRES)

PARCEL 4A
20,270 SQ. FT. TRACT
(0.4634 ACRES)

Hangar

PARCEL 5A
68,310 SQ. FT. TRACT
(1.568 ACRES)

PARCEL 1B
40,700 SQ. FT.
REMAINING LEASE



SAN ANTONIO AIRPORT SYSTEM
SMART TRAVELING
RECAPTURED AREAS

1770 SKYPLACE BLVD.
SAN ANTONIO, TX 78216

131,200 SQ. FT. (3.01 ACRE) RECAPTURE

EXHIBIT _____ PAGE _____
for properties recaptured from

SMART TRAVELING

at
SAN ANTONIO
INTERNATIONAL AIRPORT
LEASE NO. _____

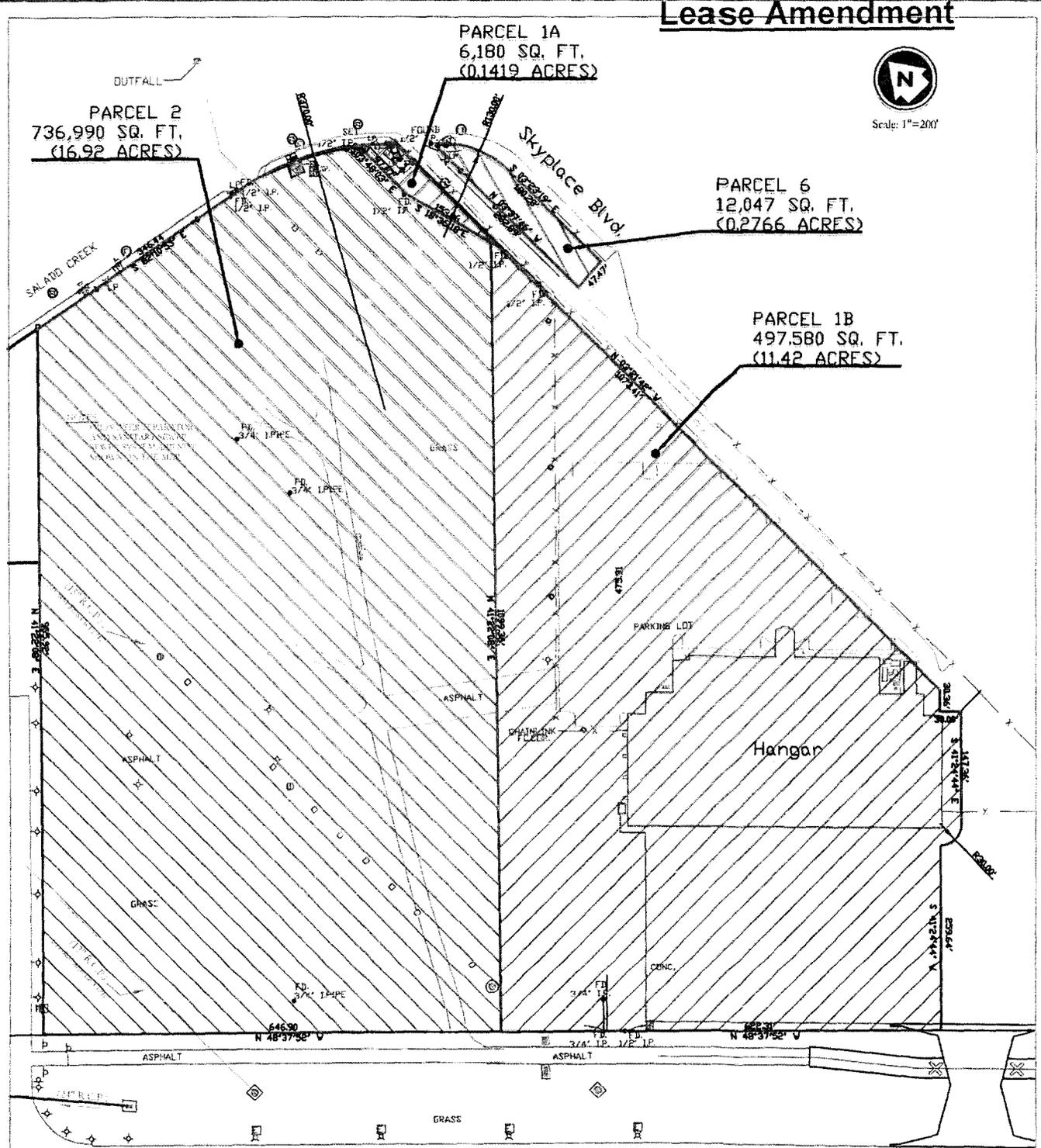
EXHIBIT 1-D

Leased Premises as of Lease Amendment

Exhibit 1-D

Drawing Name: Z:\IL Case Exhibits\SA\A12014\Smart Traveling Expansion 2014.dwg User: gdi2632 Oct 27, 2014 - 10:36am

Lease Amendment



SAN ANTONIO AIRPORT SYSTEM SMART TRAVELING

1770 SKYPLACE BLVD.
SAN ANTONIO, TX 78216
1,252,797 SQ. FT. (28.76 ACRES)

EXHIBIT ____ PAGE ____
for premises leased to
SMART TRAVELING

at
SAN ANTONIO
INTERNATIONAL AIRPORT
LEASE No. ____

EXHIBIT 1-E

Diagram of Leased Premises from Original Lease, January 1, 2012

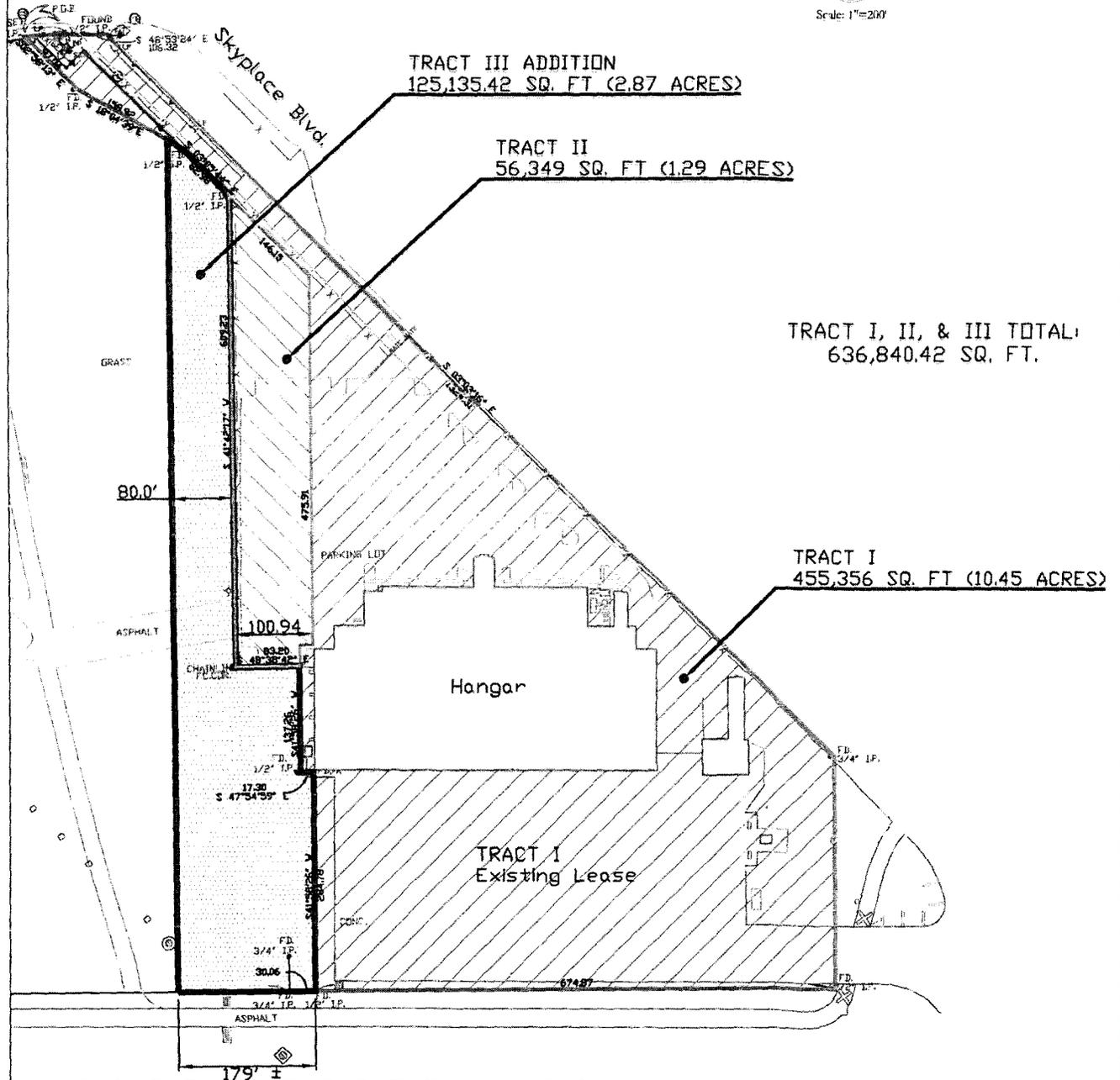
Amendment Exhibit 1-

E

**Original Leased
Premises**



Scale: 1"=200'



**SAN ANTONIO INTERNATIONAL AIRPORT
SMART TRAVELING
EXPANSION**

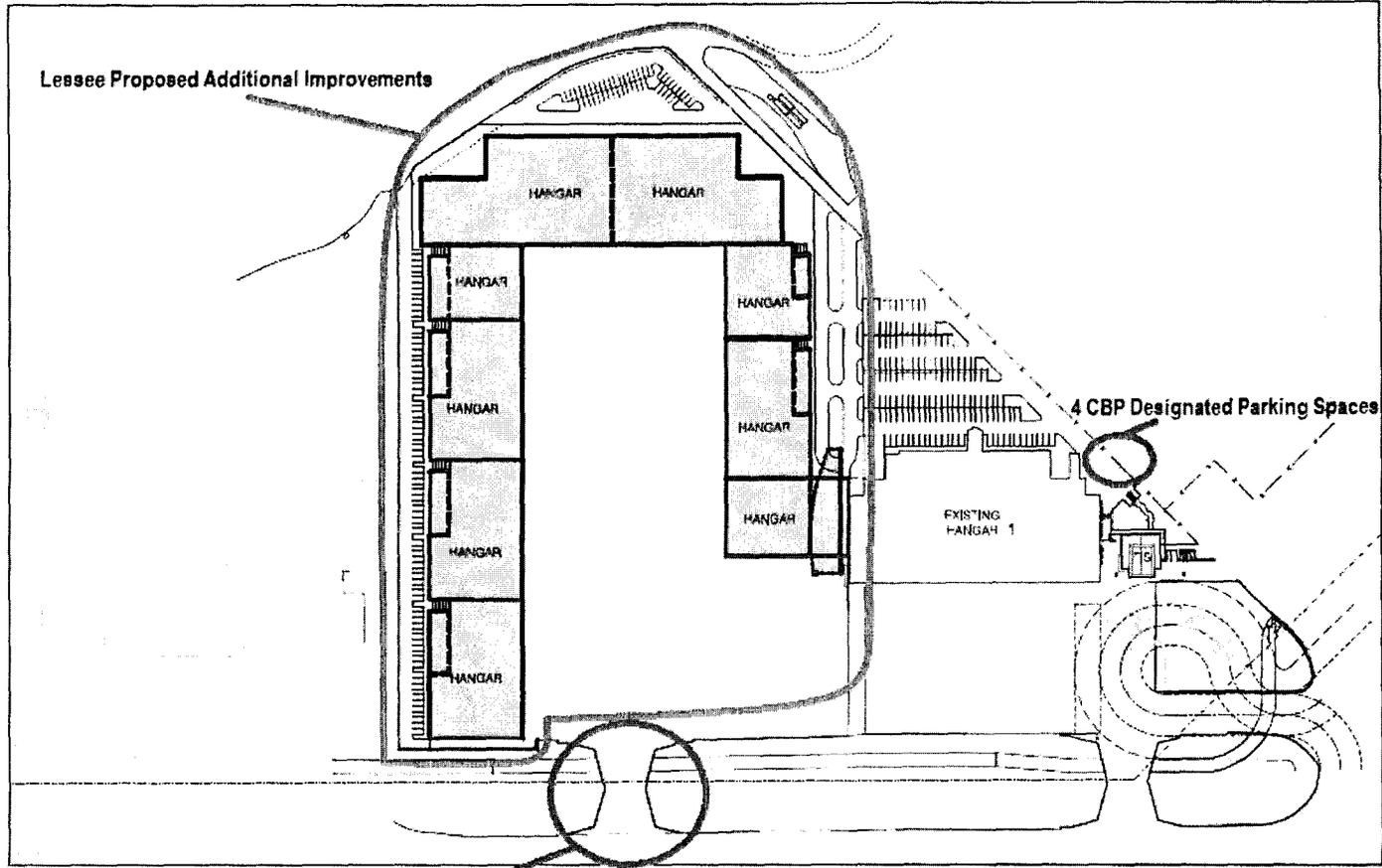
1770 SKYPLACE BLVD.
SAN ANTONIO, TX 78216

636,840.42 SQ. FT. (14.62 ACRES)

EXHIBIT ____, PAGE __
for premises leased to
SMART TRAVELING, INC.
at
SAN ANTONIO
INTERNATIONAL
AIRPORT
LEASE No. ____

EXHIBIT 2

Diagram of Lessee Proposed Additional Improvements,
Current Location of Hangar 1,
Location of CBP Designated Parking Spaces,
Location of Lessor-Constructed Taxiway Connector



Future Lessor Constructed Taxiway Connector

EXHIBIT 2



Federal Inspection Station

1778 Skyplace Blvd. San Antonio, TX

project #: 2013-266
date: 10/30/14

scale :

Registered Architect
David Bomersbach
9708

PRELIMINARY
This design document is
incomplete and may not be
used for regulatory approval,
permitting, or construction.

Lease Amendment

EXHIBIT 3
Smart Traveling Inc. Calculated Full Rental Schedule
Lease Amendment #1

EXHIBIT 3

**SMART TRAVELING INC.
CALCULATED FULL RENTAL SCHEDULE
LEASE AMENDMENT # 1**

		ANNUAL RENTAL RATES							
Rental rates after Amendment	Sq. Ft.	through 3/31/2016	4/1/2016 - 3/31/2021	4/1/2021 - 3/31/2026	4/1/2026 - 3/31/2031	4/1/2031 - 3/31/2036	4/1/2036 - 3/31/2041	4/1/2041 - 3/31/2046	4/1/2046 - 3/31/2051
Remainder of Original Tract 1	322,276	\$ 0.2246	0.3180	0.3657	0.4206	0.4836	0.5562	0.6396	0.7356
Original Tract 2	56,349	\$ 0.2246	0.3180	0.3657	0.4206	0.4836	0.5562	0.6396	0.7356
Original Tract 3	125,135	\$ 0.3286	0.3180	0.3657	0.4206	0.4836	0.5562	0.6396	0.7356
Parcel 1A and 1B	503,760								
Parcel 2 (16.92 acres)	736,990	\$ 0.3000	0.3180	0.3657	0.4206	0.4836	0.5562	0.6396	0.7356
Parcel 6 (fuel farm)	12,047	\$ 0.3000	0.3180	0.3657	0.4206	0.4836	0.5562	0.6396	0.7356
Total Ground	<u>1,252,797</u>								

		ANNUAL RENT									
Rental Amount											
Remainder of Original Tract 1		\$ 72,383	\$ 102,484	\$ 117,856	\$ 135,535	\$ 155,865	\$ 179,245	\$ 206,131	\$ 237,051		
Original Tract 2		\$ 12,656	\$ 17,919	\$ 20,607	\$ 23,698	\$ 27,253	\$ 31,340	\$ 36,041	\$ 41,448		
Original Tract 3		\$ 41,119	\$ 39,793	\$ 45,762	\$ 52,626	\$ 60,520	\$ 69,598	\$ 80,038	\$ 92,043		
Parcel 1A and 1B		\$ 126,159	\$ 160,196	\$ 184,225	\$ 211,859	\$ 243,638	\$ 280,183	\$ 322,211	\$ 370,542		
Parcel 2 (16.92 acres)		\$ 221,097	\$ 234,363	\$ 269,517	\$ 309,945	\$ 356,437	\$ 409,902	\$ 471,387	\$ 542,095		
Parcel 6 (fuel farm)		\$ 3,614	\$ 3,831	\$ 4,406	\$ 5,066	\$ 5,826	\$ 6,700	\$ 7,705	\$ 8,861		
Total Ground		<u>\$ 350,870</u>	<u>\$ 398,389</u>	<u>\$ 458,148</u>	<u>\$ 526,870</u>	<u>\$ 605,901</u>	<u>\$ 696,786</u>	<u>\$ 801,303</u>	<u>\$ 921,499</u>		

HANGAR 1 RENTAL		ANNUAL RENT									
Appraised value - Sept 2014	Square Feet										
\$ 3,500,000.00	130,815	\$ -	\$ 371,000	\$ 426,650	\$ 490,648	\$ 564,245	\$ 648,881	\$ 746,214	\$ 858,146		

EXHIBIT 4

Smart Traveling Inc.
Rental Schedule, Including Deferred Rent
Lease Amendment #1

EXHIBIT 4

SMART TRAVELING INC.
RENTAL SCHEDULE, INCLUDING DEFERRED RENT
LEASE AMENDMENT # 1

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	FULL RENTAL SCHEDULE			STI RENTAL PAYMENT SCHEDULE				
	Required Ground Rent	Required Building Rent	Required Total Rent	STI Ground Rent Schedule	STI Building Rent Schedule	STI Additional Rent	STI Total Rent Schedule	Deferred Rent
Deferred City Revenue Period								
Lease year ending								
8/1/2014 -3/31/2015	\$ 350,870	\$ -	\$ 350,870	\$ 350,870	\$ -	\$ -	\$ 350,870	\$ -
3/31/2016	350,870	-	350,870	350,870	-	-	350,870	-
3/31/2017	398,389	371,000	769,389	398,389	144,000	-	542,389	(227,000)
3/31/2018	398,389	371,000	769,389	398,389	144,000	-	542,389	(227,000)
3/31/2019	398,389	371,000	769,389	398,389	144,000	-	542,389	(227,000)
3/31/2020	398,389	371,000	769,389	398,389	192,000	-	590,389	(179,000)
3/31/2021	398,389	371,000	769,389	398,389	192,000	-	590,389	(179,000)
3/31/2022	458,148	426,650	884,798	398,389	192,000	-	590,389	(294,408)
3/31/2023	458,148	426,650	884,798	398,389	192,000	-	590,389	(294,408)
3/31/2024	458,148	426,650	884,798	398,389	192,000	-	590,389	(294,408)
3/31/2025	458,148	426,650	884,798	398,389	192,000	-	590,389	(294,408)
3/31/2026	458,148	426,650	884,798	398,389	192,000	-	590,389	(294,408)
Phase In Full Building Rent Period								
3/31/2027	\$ 526,870	\$ 490,648	\$ 1,017,518	\$ 509,689	\$ 375,000	\$ -	\$ 884,689	\$ (132,829)
3/31/2028	526,870	490,648	1,017,518	509,689	450,000	-	959,689	(57,829)
3/31/2029	526,870	490,648	1,017,518	526,870	490,648	-	1,017,518	0
Mature STI Cashflow Period								
3/31/2030	\$ 526,870	\$ 490,648	\$ 1,017,518	\$ 526,870	\$ 490,648	\$ -	\$ 1,017,518	\$ -
3/31/2031	526,870	490,648	1,017,518	526,870	490,648	-	1,017,518	-
3/31/2032	605,901	564,245	1,170,145	605,901	564,245	-	1,170,145	-
3/31/2033	605,901	564,245	1,170,145	605,901	564,245	-	1,170,145	-
3/31/2034	605,901	564,245	1,170,145	605,901	564,245	-	1,170,145	-
3/31/2035	605,901	564,245	1,170,145	605,901	564,245	-	1,170,145	-
3/31/2036	605,901	564,245	1,170,145	605,901	564,245	-	1,170,145	-
Total Deferred City Revenue								(2,701,699)
Amortization and Repayment of Deferred City Revenue								
3/31/2037	\$ 696,786	\$ 648,881	\$ 1,345,667	\$ 696,786	\$ 648,881	\$ 226,312	\$ 1,571,979	\$ 226,312
3/31/2038	696,786	648,881	1,345,667	696,786	648,881	226,312	1,571,979	226,312
3/31/2039	696,786	648,881	1,345,667	696,786	648,881	226,312	1,571,979	226,312
3/31/2040	696,786	648,881	1,345,667	696,786	648,881	226,312	1,571,979	226,312
3/31/2041	696,786	648,881	1,345,667	696,786	648,881	226,312	1,571,979	226,312
3/31/2042	801,303	746,214	1,547,517	801,303	746,214	226,312	1,773,829	226,312
3/31/2043	801,303	746,214	1,547,517	801,303	746,214	226,312	1,773,829	226,312
3/31/2044	801,303	746,214	1,547,517	801,303	746,214	226,312	1,773,829	226,312
3/31/2045	801,303	746,214	1,547,517	801,303	746,214	226,312	1,773,829	226,312
3/31/2046	801,303	746,214	1,547,517	801,303	746,214	226,312	1,773,829	226,312
3/31/2047	921,499	858,146	1,779,645	921,499	858,146	226,312	2,005,957	226,312
3/31/2048	921,499	858,146	1,779,645	921,499	858,146	226,312	2,005,957	226,312
3/31/2049	921,499	858,146	1,779,645	921,499	858,146	226,312	2,005,957	226,312
3/31/2050	921,499	858,146	1,779,645	921,499	858,146	226,312	2,005,957	226,312
3/31/2051	921,499	858,146	1,779,645	921,499	858,146	226,312	2,005,957	226,312
	\$ 22,746,219	\$ 20,528,913	\$ 43,275,132	\$ 22,413,065	\$ 18,160,368	\$ 3,394,681	\$ 43,968,114	\$ 3,394,681
Interest			\$ 692,982					\$ 692,982
Total Payments			\$ 43,968,114				\$ 43,968,114	
Deferred City Revenue Amortization Calculation								
Principal			\$ 2,701,699					
Carrying Cost on Additional Deferment			-				Basis= 3.0% on deferred Revenue in excess of \$4.0 million	
			\$ 2,701,699					
Interest Rate			3.0%					
Amortization Period (years)			15					
Annual Payment			\$226,312					

EXHIBIT 5

For Illustrative Purposes Only
Smart Traveling Inc.
Rental Schedule (Capital Investment Less than \$19 Million)
Lease Amendment #1

EXHIBIT 5

**FOR ILLUSTRATIVE PURPOSES ONLY
SMART TRAVELING INC.
RENTAL SCHEDULE (CAPITAL INVESTMENT LESS THAN \$19 MILLION) *
LEASE AMENDMENT # 1**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	FULL RENTAL SCHEDULE			STI RENTAL PAYMENT SCHEDULE				
	Required Ground Rent	Required Building Rent	Required Total Rent	STI Ground Rent Schedule	STI Building Rent Schedule	STI Additional Rent	STI Total Rent Schedule	Deferred Rent
Deferred City Revenue Period								
Lease year ending								
3/31/2015	\$ 350,870	\$ -	\$ 350,870	\$ 350,870	\$ -	\$ -	\$ 350,870	\$ -
3/31/2016	350,870	-	350,870	350,870	-	-	350,870	-
3/31/2017	398,389	371,000	769,389	398,389	144,000	-	542,389	(227,000)
3/31/2018	398,389	371,000	769,389	398,389	144,000	-	542,389	(227,000)
3/31/2019	398,389	371,000	769,389	398,389	144,000	-	542,389	(227,000)
3/31/2020	398,389	371,000	769,389	398,389	192,000	-	590,389	(179,000)
3/31/2021	398,389	371,000	769,389	398,389	192,000	-	590,389	(179,000)
3/31/2022	458,148	426,650	884,798	398,389	192,000	-	590,389	(294,408)
Total Deferred City Revenue								(1,333,408)
Amortization and Repayment of Deferred City Revenue								
3/31/2023	458,148	426,650	884,798	458,148	426,650	134,706	1,019,504	134,706
3/31/2024	458,148	426,650	884,798	458,148	426,650	134,706	1,019,504	134,706
3/31/2025	458,148	426,650	884,798	458,148	426,650	134,706	1,019,504	134,706
3/31/2026	458,148	426,650	884,798	458,148	426,650	134,706	1,019,504	134,706
3/31/2027	526,870	490,648	1,017,518	526,870	490,648	134,706	1,152,224	134,706
3/31/2028	526,870	490,648	1,017,518	526,870	490,648	134,706	1,152,224	134,706
3/31/2029	526,870	490,648	1,017,518	526,870	490,648	134,706	1,152,224	134,706
3/31/2030	526,870	490,648	1,017,518	526,870	490,648	134,706	1,152,224	134,706
3/31/2031	526,870	490,648	1,017,518	526,870	490,648	134,706	1,152,224	134,706
3/31/2032	605,901	564,245	1,170,145	605,901	564,245	134,706	1,304,851	134,706
3/31/2033	605,901	564,245	1,170,145	605,901	564,245	134,706	1,304,851	134,706
3/31/2034	605,901	564,245	1,170,145	605,901	564,245	134,706	1,304,851	134,706
3/31/2035	605,901	564,245	1,170,145	605,901	564,245	134,706	1,304,851	134,706
3/31/2036	605,901	564,245	1,170,145	605,901	564,245	134,706	1,304,851	134,706
9 month through 12/31/2036	454,425	423,183	877,609	454,425	423,183	-	877,609	-
	\$ 11,102,704	\$ 9,685,894	\$ 20,788,598	\$ 11,042,946	\$ 8,412,244	\$ 1,885,887	\$ 21,341,077	\$ 1,885,887
Interest			\$ 552,479					\$ 552,479
Total Payments			\$ 21,341,077				\$ 21,341,077	
Deferred City Revenue Amortization Calculation								
Principal			\$ 1,333,408					
Carrying Cost on Additional Deferment			-					
			\$ 1,333,408					
Interest Rate			5.0%					
Amortization Period (years)			14					
Annual Payment			\$134,706					

* GROUND RENTS MAY ADJUST IF SPACE IS RECAPTURED OR RELINQUISHED

EXHIBIT 6

For Illustrative Purposes Only
Smart Traveling Inc.

Rental Schedule (Capital Investment Less than \$40 Million, Greater than \$19 Million)
Lease Amendment #1

EXHIBIT 6

FOR ILLUSTRATIVE PURPOSES ONLY
SMART TRAVELING INC.
RENTAL SCHEDULE (CAPITAL INVESTMENT LESS THAN \$40 MILLION, GREATER THAN \$19 MILLION) *
LEASE AMENDMENT # 1

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	FULL RENTAL SCHEDULE			STI RENTAL PAYMENT SCHEDULE				
	Required Ground Rent	Required Building Rent	Required Total Rent	STI Ground Rent Schedule	STI Building Rent Schedule	STI Additional Rent	STI Total Rent Schedule	Deferred Rent
Deferred City Revenue Period								
Lease year ending								
3/31/2015	\$ 350,870	\$ -	\$ 350,870	\$ 350,870	\$ -	\$ -	\$ 350,870	\$ -
3/31/2016	350,870	-	350,870	350,870	-	-	350,870	-
3/31/2017	398,389	371,000	769,389	398,389	144,000	-	542,389	(227,000)
3/31/2018	398,389	371,000	769,389	398,389	144,000	-	542,389	(227,000)
3/31/2019	398,389	371,000	769,389	398,389	144,000	-	542,389	(227,000)
3/31/2020	398,389	371,000	769,389	398,389	192,000	-	590,389	(179,000)
3/31/2021	398,389	371,000	769,389	398,389	192,000	-	590,389	(179,000)
3/31/2022	458,148	426,650	884,798	398,389	192,000	-	590,389	(294,408)
3/31/2023	458,148	426,650	884,798	398,389	192,000	-	590,389	(294,408)
3/31/2024	458,148	426,650	884,798	398,389	192,000	-	590,389	(294,408)
3/31/2025	458,148	426,650	884,798	398,389	192,000	-	590,389	(294,408)
3/31/2026	458,148	426,650	884,798	398,389	192,000	-	590,389	(294,408)
Phase In Full Building Rent Period								
3/31/2027	\$ 526,870	\$ 490,648	\$ 1,017,518	\$ 509,689	\$ 375,000	\$ -	\$ 884,689	\$ (132,829)
3/31/2028	526,870	490,648	1,017,518	509,689	450,000	-	959,689	(57,829)
3/31/2029	526,870	490,648	1,017,518	526,870	490,648	-	1,017,518	0
Total Deferred City Revenue								(2,701,699)
Mature STI Cashflow Period								
3/31/2030	\$ 526,870	\$ 490,648	\$ 1,017,518	\$ 526,870	\$ 490,648	\$ 135,085	\$ 1,152,602	\$ 135,085
3/31/2031	526,870	490,648	1,017,518	526,870	490,648	135,085	1,152,602	135,085
3/31/2032	605,901	564,245	1,170,145	605,901	564,245	135,085	1,305,230	135,085
3/31/2033	605,901	564,245	1,170,145	605,901	564,245	135,085	1,305,230	135,085
3/31/2034	605,901	564,245	1,170,145	605,901	564,245	135,085	1,305,230	135,085
3/31/2035	605,901	564,245	1,170,145	605,901	564,245	135,085	1,305,230	135,085
3/31/2036	605,901	564,245	1,170,145	605,901	564,245	135,085	1,305,230	135,085
Amortization and Repayment of Deferred City Revenue								
3/31/2037	\$ 696,786	\$ 648,881	\$ 1,345,667	\$ 696,786	\$ 648,881	\$ 260,288	\$ 1,605,955	\$ 260,288
3/31/2038	696,786	648,881	1,345,667	696,786	648,881	260,288	1,605,955	260,288
3/31/2039	696,786	648,881	1,345,667	696,786	648,881	260,288	1,605,955	260,288
3/31/2040	696,786	648,881	1,345,667	696,786	648,881	260,288	1,605,955	260,288
3/31/2041	696,786	648,881	1,345,667	696,786	648,881	260,288	1,605,955	260,288
3/31/2042	801,303	746,214	1,547,517	801,303	746,214	260,288	1,807,805	260,288
3/31/2043	801,303	746,214	1,547,517	801,303	746,214	260,288	1,807,805	260,288
3/31/2044	801,303	746,214	1,547,517	801,303	746,214	260,288	1,807,805	260,288
3/31/2045	801,303	746,214	1,547,517	801,303	746,214	260,288	1,807,805	260,288
3/31/2046	801,303	746,214	1,547,517	801,303	746,214	260,288	1,807,805	260,288
3/31/2047	921,499	858,146	1,779,645	921,499	858,146	260,288	2,039,932	260,288
3/31/2048	921,499	858,146	1,779,645	921,499	858,146	260,288	2,039,932	260,288
3/31/2049	921,499	858,146	1,779,645	921,499	858,146	260,288	2,039,932	260,288
3/31/2050	921,499	858,146	1,779,645	921,499	858,146	260,288	2,039,932	260,288
3/31/2051	921,499	858,146	1,779,645	921,499	858,146	260,288	2,039,932	260,288
	\$ 22,746,219	\$ 20,528,913	\$ 43,275,132	\$ 22,413,065	\$ 18,160,368	\$ 3,904,318	\$ 45,423,345	\$ 3,904,318
Interest			\$ 2,148,213					\$ 2,148,213
Total Payments			\$ 45,423,345				\$ 45,423,345	
Deferred City Revenue Amortization Calculation								
Principal			\$ 2,701,699					
Carrying Cost on Additional Deferment			-					
			\$ 2,701,699					
Interest Rate					5.0%			
Amortization Period (years)					15			
Annual Payment					\$260,288			

* GROUND RENTS MAY ADJUST IF SPACE IS RECAPTURED OR RELINQUISHED