



**RESOLUTION NO. 20190625-03**

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR/CEO TO EXECUTE A SIXTH MODIFICATION AND EXTENSION OF WAREHOUSE LEASE AT 557 ELM CIRCLE, HOOKS, TEXAS 75561 TO EXPAL USA, INC.**

**WHEREAS**, TexAmericas Center is a political subdivision of the State of Texas with the powers and authorities specified in Chapter 3503 of the Special District Local Laws Code of the State of Texas; and

**WHEREAS**, Expal USA, Inc. contacted TexAmericas Center to seek a warehouse lease modification and extension to update the use of premises at 557 Elm Circle, Hooks, Texas 75561; and

**WHEREAS**, the parties have come to the attached terms of agreement for said lease modification and extension.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of TexAmericas Center that the Executive Director/CEO shall be and he is hereby authorized to execute the attached sixth lease modification and extension; and

**BE IT FURTHER RESOLVED**, by the Board of Directors of TexAmericas Center that the Center appreciates the collaborative effort of Expal USA, Inc. to negotiate this sixth lease modification and extension as well as to continue its business operations, preserve existing jobs and contribute to the tax base in Bowie County, Texas.

**PASSED AND APPROVED THIS 25<sup>th</sup> day of June, 2019.**

  
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**Boyd Sartin, Chairman of the Board**

**ATTEST:**

  
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**Ben King, Secretary**

**Attached: Sixth Modification and Extension of Warehouse Lease**



**SIXTH  
MODIFICATION AND EXTENSION OF LEASE  
(BUILDING 557)**

1. Parties.

The parties to this Agreement are TEXAMERICAS CENTER (TAC), hereinafter the "Landlord", and EXPAL USA, INC., hereinafter the "Tenant".

2. Current Lease.

TexAmericas Center, Tenant, and Guarantor entered into a Lease Agreement dated the 1<sup>st</sup> day of July, 2015, for a 22,500 square foot property located at 557 Elm St., Hooks, Texas 75561, said Lease Agreement having a termination date of July 30, 2016.

The Lease was amended on or about June, 28, 2016, to condense the space to 7,500 square feet, reduce the monthly rent and its options payable under the Lease, and exercise the first option period of July 1, 2016 through June 30, 2017.

The Lease was modified again on or about October 25, 2016, to expand the space to 11,250 square feet and increase the monthly rent and its options payable under the Lease.

The Lease was modified again on or about May 23, 2017, to expand the space to 15,075 square feet and increase the monthly rent and its options payable under the Lease, and exercise the second option period of July 1, 2017 through June 30, 2018.

The Lease was modified again on or about November 26, 2017, to expand the space to 22,133 square feet and increase the monthly rent and its options payable under the Lease.

The Lease was modified again on or about October 23, 2018, during the Third Option period of July 1, 2018 through June 30, 2019, to update the language in Article 3, Use of Premises, Tenant's Warranty Regarding Use.

3. Modification Terms. The Lease Agreement is further modified as follows:

- A. The Lease Term shall be extended for a period of 12 months and will terminate on the 30<sup>th</sup> day of June, 2020.
- B. The monthly rent for the extended term of this Lease shall be \$5,189.77 per month commencing July 1, 2019 through June 30, 2020.
- C. Landlord grants Tenant a first option to extend the term for a period commencing on July 1, 2020, and terminating on June 30, 2021 at a monthly rental of \$5,345.46 per month.

- D. Landlord grants Tenant a second option to extend the term for a period commencing on July 1, 2021, and terminating on June 30, 2022, at a monthly rental of \$5,505.82.
- E. Landlord grants Tenant a third option to extend the term for a period commencing on July 1, 2022, and terminating on June 30, 2023, at a monthly rental of \$5,671.00.
- F. The requirement for a Guarantor is removed from this lease.
- G. The security and tax deposits shall remain the same.
- H. Tenant's rights under the options shall terminate if (1) the Lease or Tenant's right to the possession of the premises is terminated, (2) Tenant assigns its interest in the Lease or sublets any portion of the Premises without Landlord's written consent, (3) Tenant fails to timely exercise the first option, or to timely exercise the second option after having timely exercised the first option, or to timely exercise the third option after having timely exercised the first and second options or (4) default exists at the time Tenant seeks to exercise the option.
- I. An option to extend for the additional terms shall be exercised by a written notice delivered to the Landlord not more than 180 days and not less than 90 days before the termination date, or the extended termination date in the event a prior option has been exercised.

4. Continuation of Lease Terms.

Except for the modifications made in this Sixth Modification Agreement, all provisions of the Lease Agreement, as previously modified, will continue in full force and effect.

EXECUTED as of this the 25 day of June, 2019.

**LANDLORD:**  
TEXAMERICAS CENTER

By:   
Scott Norton, Executive Director/CEO

**TENANT:**  
EXPAL USA, INC.

By:   
Jackie Brian, Plant Manager

**GUARANTOR:**

By: N/A