Retail Lease Abstract

Lease Information: xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx		**Tenant:**	xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx
		Landlord:	xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx

Property Information:

Property Name :	xxxxxxxxxxxxxxxxxxxxxxxxxx	**City :**	Friendswood
Address 1 :	xxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	**State :**	Texas
Address 2 :	N/A	**Zip :**	77546
Suite Store :	103, 113 & 122	**Country :**	USA
Property Rentable SF :	77,294	**Currency :**	USD

Tenant Information:

Lease Status :	Active	**Rentable SF :**	5,938
Space Type :	Retail	**Usable SF :**	
Recovery Type :	Net	**Trade Name :**	xxxxxxxx

Notes : The square footage has increased from approx imately 4,490 square feet to approximately 5,938 square feet. (1st Amend. 1) Tenant’s existing lease (1,520 sf) dated October 6, 2020, shall automatically expire December 31, 2025. (Art. 3.1)

Term Information:

Description	Lease Commencement	Rent Commencement	Expiration	Term	Cite
Original Term+Excercised Option	10/1/2020	2/1/2021	9/30/2025	60 Months	Base Lease - Art. 3.2
Current Term	10/1/2025	1/1/2026	12/31/2032	87 Months	Art.3.1 & 4.1
Total Lease Term	10/1/2020	2/1/2021	12/31/2032	147 Months	

Notes : 1st Amend. 4: The two additional five (5) year renewal terms—(i) January 1, 2033 to December 31, 2037 and (ii) January 1, 2038 to December 31, 2042—are only available if the Tenant provides written notice of its intent to exercise each option by July 1, 2032 and July 1, 2037, respectively.

Rent Schedule:

Rent Type	Begin Date	End Date	Monthly	Annual	SF	PSF/Year	% Increase	Cite
Base Rent	2/1/2021	12/31/2021	$1,000.00	$12,000.00	1,520	$7.89		Base Lease - Art. 4.1
Base Rent	1/1/2022	12/31/2025	$1,520.00	$18,240.00	1,520	$12.00	52.0%	Base Lease - Art. 3.2
Base Rent	1/1/2026	12/31/2029	$5,938.00	$71,256.00	5,938	$12.00	0.0%	1st Amend. 5
Base Rent	1/1/2030	12/31/2032	$6,235.00	$74,820.00	5,938	$12.60	5.0%	1st Amend. 5
Base Rent - Option 1	1/1/2033	12/31/2037	$6,532.00	$78,384.00	5,938	$13.20	4.8%	1st Amend. 4
Base Rent - Option 2	1/1/2038	12/31/2042	$6,829.00	$81,948.00	5,938	$13.80	4.5%	1st Amend. 4

Notes : 1st Amend. 4: two (2) five-year renewal options: the first starting January 1, 2033, and the second on January 1, 2038. To exercise either, Tenant must not be in default and must be operating as Magnuson Hardware LP. Written notice must be given by July 1, 2032 (first option) and July 1, 2037 (second option). All lease terms remain the same during each renewal, except rent shall be $6,532.00/month starting January 1, 2033, and $6,829.00/month starting January 1, 2038.

Expense Recoveries - CAM:

Begin Date	End Date	Type	Pro-rata share	Base Year	Cap
1/1/2026	12/31/2032	Net	7.68%	Not Applicable	None

Notes : Reflecting the information based on the expanded space to 5,938 SF

Expense Recoveries -Real Estate Taxes:

Begin Date	End Date	Type	Pro-rata share	Base Year	Cap
1/1/2026	12/31/2032	Net	7.68%	Not Applicable	None

Notes : Reflecting the information based on the expanded space to 5,938 SF.
Art. 8.1: Tenant shall pay 100% of any increase in real estate taxes resulting from improvements made by Tenant.

Expense Recoveries -Insurance:

Begin Date	End Date	Type	Pro-rata share	Base Year	
1/1/2026	12/31/2032	Net	7.68%	Not Applicable	None

Notes :

Percentage Rent:

Begin Date	End Date	Percentage	Breakpoint

Percentage Notes :	Art. 4.3: Percentage Rent Section Deleted
Sales Reporting :	Lease is Silent
Sales Exclusions :	Lease is Silent

Renewal Options:

Description	Begin Date	End Date	First Notice Date	Last Notice Date	Notice Period
Option 1 of 2	1/1/2033	12/31/2037	7/1/2032		180 Days
Option 2 of 2	1/1/2038	12/31/2042	7/1/2037		180 Days

Renewal Notes : 1st Amend. 4: two (2) five-year renewal options: the first starting January 1, 2033, and the second on January 1, 2038. To exercise either, Tenant must not be in default and must be operating as Magnuson Hardware LP. Written notice must be given by July 1, 2032 (first option) and July 1, 2037 (second option). All lease terms remain the same during each renewal, except rent shall be $6,532.00/month starting January 1, 2033, and $6,829.00/month starting January 1, 2038.

Termination Options:

Description	First Notice Date	Last Notice Date	Notice Period	Fee

Termination Notes :	Lease is Silent
First Offer or Refusal :	Art. 17.29: The option is now exercised.
Purchase :	Lease is Silent
Relocation :	Art. 9.4: Owner reserves the right at any time to relocate, vary, and adjust the size of other tenant spaces and the common facilities, including the parking areas and means of ingress and egress

Lease Clauses:

Admin Management Fee :	Art. 9.3: 15%
Security Deposit :	Art. V: Security deposit section intentionally deleted.
Tenant Improvement Allowance :	Lease, Exhibit-C: $20,000.00

Tenants Pro Rata Share :	1st Amend. 2: 7.68%
Alterations :	Art.10.3: All alterations, decorations, additions and improvements made by Tenant (including those in Exhibit C), or by Owner at Tenant's expense, shall remain Tenant's property for the term of this Lease or any extension or renewal. Fixtures installed by Tenant shall be new or completely reconditioned and comply with all applicable building codes, laws, rules and regulations. Tenant shall not make any alterations, additions, improvements, or install any trade fixtures, exterior signs, floor covering, interior lighting, plumbing fixtures, shades, awnings, or make changes to the store front (including painting) without Owner's written approval and consent. Tenant shall present plans and specifications at the time approval is sought, and if required by Owner, provide security for completion in the form of a bond or other security satisfactory to Owner.
Assign Sublet :	Art.13.1 & 13.2: Tenant may not assign, transfer, mortgage, encumber, or sublease the Premises without Owner's prior written consent. Tenant must pay a $500.00 transfer fee. If Tenant is a corporation, LLC, or partnership, a transfer of over 50% of ownership is considered an assignment, unless transferred to a spouse, children, or grandchildren. Owner may terminate the lease within 60 days of notice, provided they respond within 30 days. If not terminated, Section 13.1 applies.
Tenant Audit Right :	Lease is Silent
Co Tenancy :	Lease is Silent
Estoppel :	Art.17.4: Tenant agrees, within 10 days of a written request from Owner, to provide a written statement certifying the Lease is in full force and effect (or stating any modifications), the dates rent and charges were paid, that Owner has performed all obligations, and that there are no Tenant defenses or offsets. The statement may include other matters Owner reasonably requests and may be relied upon by purchasers, lenders, or assignees of any interest in the Premises or property.
Exclusive Use :	Lease is Silent
Go Dark Continuous Operation :	Lease is Silent
Governing Law :	Lease is Silent
Guarantor :	Jeremy Magnuson
Holdover :	Art.17.7: If Tenant remains in possession after lease expiration or termination, such possession will be as a tenancy at sufferance, and Tenant must continue complying with all lease terms. Monthly Minimum Rent during the holdover period will be 150% of the rent from the last full month.
Tenant Insurance :	Art.11.2: At all times during the term of this Lease, Tenant shall maintain in full force and effect with insurance companies that have a Best's Rating of A- and Class X or better and otherwise satisfactory to Owner in its sole discretion, policies evidencing the following coverage, certificates of which shall be submitted to Owner within 10 days after Owner's execution of this Lease but in any event prior to the commencement date of the Lease.(a) Commercial General Liability Insurance insuring all Premises-operations, independent contractors, products and completed operations and contractual liability arising from the operation, possession, maintenance or use of the Premises or areas immediately adjacent thereto with limits of liability of not less than $1,000,000 each occurrence combined single limit for bodily injury, personal injury and property damage.(b) Standard Form Worker's Compensation and Employer's Liability Insurance covering all Tenant's employees for injury or illness suffered in the course or arising out of their employment, providing statutory worker's compensation benefits and employer's liability limits of liability of not less than $1,000,000.(c) Owner acknowledges that Tenant may self-insure plate glass and that Tenant shall be required to immediately replace any broken plate glass, frames and
Landlord Right of Entry :	Art.17.1: Owner or its agents may enter the Premises at reasonable times to inspect, show to prospective buyers or tenants, or make repairs, alterations, or improvements, including work on adjoining areas sharing walls, floors, or ceilings. Entry and such work shall not constitute eviction or reduce rent. Within six months of lease expiration or renewal, Owner may display "To Let" or "For Sale" signs and show the Premises. If Tenant is unavailable, Owner may enter using a master key or forcibly, without liability. This clause does not obligate Owner to maintain or repair the Premises unless otherwise stated in the Lease.
Late Fee :	Art.4.6: Any rent or additional rent not paid within five (5) days of the due date shall accrue a late charge equal to 5% of the unpaid amount. Any past due amounts shall also bear interest at the rate of 1.5% per month or the maximum rate permitted by law, whichever is less, from the date such amount became due. . Landlord may require all future payments be made by cashier's check or money order if any of Tenant's checks are returned for insufficient funds or any other reason.
Parking Requirements :	Exhibit-B(7): Tenant and employee parking is restricted to designated areas as specified by the Landlord. Tenant must provide vehicle license numbers within five (5) days of request. Any vehicle parked outside designated areas is subject to liquidated damages of $10.00 per day per car. If the entire common parking area is acquired by eminent domain, the lease terminates unless Landlord provides substantially equal replacement parking within 90 days, in which case the lease continues.
Permitted Use :	Art.2.1: Tenant, and any other occupant of the Premises, including assignees and subtenants, shall use the Premises solely and in their entirety for the purposes of conducting the business of: the expansion of existing xxxxx and adhering to the same permitted uses as described in Magnuson Hardware LP Lease with effective date of January 1, 2023, and for no other purpose.
Radius Restriction :	Art.7.4: During the term of this Lease, Tenant shall not directly or indirectly engage in any similar or competing business within a radius of three (3) miles from the outside boundary oi the Shopping Center.
Repair and Maintenance by LL :	Art.10.1:Owner shall keep the foundations, exterior walls (excluding doors, plate glass, show windows and showcases), canopies, roofs, downspouts and gutters, and all portions of the Shopping Center not required to be maintained by tenants, in good order, condition and repair, and if necessary, or required by governmental authority, make modifications or replacements thereof. Except as expressly provided herein and in Article XIV, Owner shall not be required to alter (except as provided in Exhibit "C"), repair, replace or maintain the Premises. Tenant shall reimburse Owner for Tenant's pro rata share of all costs and expenses incurred by Owner in carrying out its responsibilities under this Section 10.1, except that Tenant shall reimburse Owner for one hundred percent (100%) of the cost of any repairs, modifications or replacements which become necessary or desirable by reason of the negligence of Tenant, its agents, servants, employees, contractors, invitees, licensees, sublessees, customers or patrons, unless and to the extent the damage or loss resulting from such negligence is covered under the terms of insurance, carried in accordance with the provisions of this Lease, and such loss or damage is promptly paid to, or on behalf of, Owner, pursuant to the terms of said insurance.
Repair and Maintenance by TT :	Art.10.2: Tenant shall, at its expense, decorate, maintain and keep in good order, condition and repair the store front and interior of the Premises, including all heating and electrical equipment, air conditioning equipment, interior and exterior doors, fire equipment, plumbing and sprinkler systems, if any, installed therein, and shall make modifications or replacements thereof as is necessary, or required by governmental authority. Tenant shall maintain and keep in good order, condition and repair the improvements, fixtures and equipment installed by Tenant in the Premises, and shall replace all broken glass, whether interior or exterior, including but not limited to, exterior plate glass or glazing, show windows and/or showcases, with glass of the same or similar quality and shall paint the interior of the Premises upon Owner's request. Tenant shall clean the interior and exterior of all windows which are a part of the Premises. Tenant shall make all repairs, whether of a like or different nature, except those which Owner is specifically obligated to make under the provisions of Section 10.1 above. If Tenant refuses or neglects to commence or complete repairs promptly and adequately, Owner may, but shall not be required so to do, make or complete the repairs and Tenant shall pay the cost thereof to
Restoration Surrender :	Art.10.5: At lease expiration, Tenant must surrender the Premises in the same condition as received, excluding reasonable wear and tear and unavoidable casualty. Tenant shall return all keys, provide all lock/safe combinations, and, at its expense, remove trade fixtures and personal property, repairing any resulting damage. Unless directed otherwise by Owner, Tenant shall not remove alterations or leasehold improvements. If removal is required, Tenant must do so at its expense and repair damage. Tenant's exterior sign must be removed and becomes Tenant's property unless otherwise directed. Tenant's obligations survive lease expiration or termination.

Signage :	Art.7.3:The Tenant may install a storefront sign only with the Owner's prior written approval, and the location, size, shape, lettering, content, lighting, and color must comply with Owner's specifications, as outlined in Exhibit D. Tenant is responsible for all costs related to the sign, including installation, maintenance, repair, replacement, and electricity, and must keep it in good condition and illuminated as required by Owner. Tenant may not install any exterior signs without Owner's written consent and must update or replace signs to match any future remodel or revised sign criteria at Tenant's expense. For pylon signs, Tenant must maintain or replace the sign in a first-class manner. If Tenant fails to do so, Owner may repair it and charge Tenant the cost plus 20%, or terminate Tenant's pylon sign rights.
Utilities :	Art.12.1: Tenant shall pay all charges for water, gas, sewer, electricity, light, heat, air conditioning, power, telephone, trash removal, and other services used at the Premises, contracting in Tenant's name and protecting Owner from such charges. Tenant shall pay Owner for utilities furnished by or through Owner, though Owner is not obligated to provide any. Tenant shall pay all hook-up, use charges, assessments, and other utility-related charges. If not separately metered, Tenant shall reimburse Owner for its pro rata share based on the leasable area of the Premises relative to the portion of the Property being metered, or as allocated by Owner using a commercially reasonable method deemed fair, just, and equitable.
Excavation	Art.17.2: If excavation is made or authorized on land adjacent to the Premises, Tenant must allow entry onto the Premises for work needed to protect the building's wall and provide proper foundation support. Tenant has no claim for damages, indemnity, or rent abatement.
Sale of Premises by Owner:	Art.17.22: If the Owner sells or exchanges the Premises and assigns this Lease, the Owner is fully released from all liability for any acts, omissions, or obligations under the Lease occurring after the sale and assignment.
Continuous Operation:	Art.7.1: Tenant shall operate the Premises during the entire term of this Lease with due diligence and efficiency so as to produce all of the gross receipts which may be produced by such manner of operation.
Storage. Office Space:	Art.7.5:Tenant may only warehouse, store, or stock goods in the Premises that are intended for retail sale from the Premises, except for occasional emergency transfers to Tenant's other stores outside the Shopping Center. Office or clerical use is limited to the space reasonably needed for Tenant's business.
Condemnation :	See Art.15.1 of Lease
Damage Destruction :	See Art.14 of Lease
Events of Default :	See Art.16.1 of Lease
Hazardous Materials :	See Art.7.2 of Lease
Notice :	See Art.17.30 of Lease
Rules and Regulations :	See Art.2.3 of Lease
SNDA :	See Art.17.6 of Lease
Lease Year :	Lease is Silent
Transfer of Deposit:	Lease is Silent

Contact Information:

Documents Abstracted:

Document Type	**Document Name**	**Dated**
Base Lease	2020 Lease	10/6/2020
Lease	Lease _Property Name	4/3/2025
1st Amendment	Amendment No. 1 to Lease _Property Name	6/5/2025
Notes :		

Abstract / Audit Information:

Date Prepared :	7/25/2025
Abstracted By :	Md. Sohel Rana
Reviewed By :	Ariful Islam

Other Comments/Special Provisions:

The Stefano's space is already to ****** and we are waiting for him to vacate when his new building is ready and we have given him a 12/31/25 deadline. **** has also leased the Power Fit Meals space and the tenant is waiting for the existing tenant to move to her new space in another part of town. When finalized, **** will lease the entire 5.938 sf between his current store and ****.