

June 26, 2023

Elizabeth Huff
 Director of Economic Development
 City of Sugar Land
 P.O. Box 110
 Sugar Land, Texas 77484-0110

Dear Elizabeth,

Reference is made to that certain Lease Agreement, dated October 28, 2014, as amended by the Consent Agreement and First Amendment to Lease dated December 18, 2018 and the Second Amendment to Lease, dated April 1, 2020, between the City of Sugar Land, Texas and ACE SL, LLC (the "Lease").

In April, we reached out to the City to discuss the possibility of paying debt service reserve payments in advance to allow for reduction in the amount of the letter of credit on file for the Smart Financial Centre at Sugar Land. At the time, the cash balance was \$850,375 and ATG was paying \$33,345.77 per month in additional rent toward the reserve requirement and a letter of credit was on file for \$6,400,000.

After discussing with Jennifer Brown, Director of Fiscal Projects, she advised that ATG could pre-pay the additional rent on the monthly rent payment to bring the cash reserve up to \$1,207,955, which would allow ATG to reduce the letter of credit on file to \$5,200,000. On June 12, 2023, ATG wired payments totaling \$357,579.64 to the City, bringing the Debt Service reserve balance to \$1,207,955.00. A request was sent from HSBC Bank to the City to authorize an amendment to the letter of credit to reduce to \$5,200,000; that request was signed by Jennifer Brown on June 19, 2023.

Beginning with the May 2023 payment due in June through the December payment due in January, ATG will pay \$133,383.23 monthly in base rent. For January & February 2024, the base rent is \$133,399.90. For March 2024, additional rent will begin at \$9,236.75, for a total payment of \$142,636.65. April's rent due in May 2024 will be back to the full payment of \$166,749.87 per month. Please see the table below for the full schedule.

Smart Financial Rent Payment Schedule											
Rent For	Due 1st Of	Calendar Year	Original Rent Payment	Original Base Rent	Orig DSR Contrib	Actual Payment	Date Paid	DSR Contribution	DSR Balance	Orig DSR Schedule	What DSR w/Orig sched
January	February	2023	166,729.04	133,383.23	33,345.81	167,145.70	2/2/2023	33,762.47	751,171.45		
February	March	2023	166,729.04	133,383.23	33,345.81	167,145.70	3/1/2023	33,762.47	784,933.92		
March	April	2023	166,729.04	133,383.23	33,345.81	165,478.90	4/18/2023	32,095.67	817,029.59		
April	May	2023	166,729.04	133,383.23	33,345.81	166,729.00	5/2/2023	33,345.77	850,375.36		
DSR Payment		2023	Payment to get DSR to \$1.207M & Reduce LOC to \$5.2M				6/12/2023	357,579.64	1,207,955.00		
May	June	2023	166,729.04	133,383.23	33,345.81	133,383.23	6/2/2023		1,207,955.00	33,345.81	883,721.17
June	July	2023	166,729.04	133,383.23	33,345.81				1,207,955.00	33,345.81	917,066.98
July	August	2023	166,729.04	133,383.23	33,345.81				1,207,955.00	33,345.81	950,412.79
August	September	2023	166,729.04	133,383.23	33,345.81				1,207,955.00	33,345.81	983,758.59
September	October	2023	166,729.04	133,383.23	33,345.81				1,207,955.00	33,345.81	1,017,104.40
October	November	2023	166,729.04	133,383.23	33,345.81				1,207,955.00	33,345.81	1,050,450.21
November	December	2023	166,729.04	133,383.23	33,345.81				1,207,955.00	33,345.81	1,083,796.02
December	January	2024	166,729.04	133,383.23	33,345.81				1,207,955.00	33,345.81	1,117,141.82
January	February	2024	166,749.87	133,399.90	33,349.97				1,207,955.00	33,349.97	1,150,491.80
February	March	2024	166,749.87	133,399.90	33,349.97				1,207,955.00	33,349.97	1,183,841.77
March	April	2024	166,749.87	133,399.90	33,349.97			9,236.75	1,217,191.75	33,349.97	1,217,191.75
April	May	2024	166,749.87	133,399.90	33,349.97			33,349.97	1,250,541.73	33,349.97	1,250,541.72

This letter agreement constitutes an amendment to the Lease. In the event of a conflict between the terms of this letter agreement and the Lease, the terms of this letter agreement shall govern.

If the above accurately sets forth your agreement, please execute this letter agreement where provided below and return the executed copy to the undersigned.

Regards,

ACE SL, LLC

By:  _____
Name: Adam Ball _____
Title: Finance Director _____

ACKNOWLEDGED AND AGREED:

CITY OF SUGAR LAND, TEXAS

By: _____

Name: _____

Title: _____