

**ASSIGNMENT AND ASSUMPTION
OF LEASE AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT, dated as of March __, 2015 (the "**Assignment Agreement**"), by and among **THE CITY OF CORPUS CHRISTI, TEXAS**, a Texas home-rule municipal corporation (the "**Lessor**"), NH Texas Properties Limited Partnership, as lessee/transferor, and BKD Shoreline, LLC, as lessee/transferee;

WHEREAS, the Lessor leased certain property (the "**Property**") to Trinity Towers Limited Partnership pursuant to a Skywalk and Improvements Lease (the "**Lease**") with term beginning December 18, 1997 and ending December 17, 2056, approved by City Council on January 14, 1997 in Ordinance 022820; and

WHEREAS, the Lease was assigned to NH Texas Properties Limited Partnership on June 13, 1997.

WHEREAS, NH Texas Properties Limited Partnership ("**Lessee/Transferor**") wishes to assign and BKD Shoreline, LLC wishes to acquire all of Lessee/Transferor's rights, obligations and interests in the Lease, a copy of which is attached as **Exhibit 1**;

WHEREAS, BKD Shoreline, LLC wishes to sublease the Property to Trinity Towers Limited Partnership by Sublease dated as of the effective date hereof, a copy of which is attached as **Exhibit 2**; and

WHEREAS, pursuant to Section 15 of the Lease, Lessee/Transferor's interest in the Lease may not be assigned and the Property may not be subleased without the prior written consent of the City Council; and

NOW THEREFORE, THIS ASSIGNMENT AGREEMENT WITNESSETH, in consideration of the premises and other good and valuable consideration, the parties do hereby agree as follows:

Section 1. NH Texas Properties Limited Partnership does hereby transfer and set over unto Trinity Towers Limited Partnership all right, title and interest, as lessee and otherwise, in, to and under the Lease, a copy of which is attached as **Exhibit 1**, to have and to hold the same unto BKD Shoreline, LLC, from and after the date hereof, for the remainder of the term of the Lease.

Section 2. BKD Shoreline, LLC, in consideration of the execution and delivery of this Assignment Agreement does hereby assume, effective upon the date hereof, for the benefit of the Lessor and NH Texas Properties Limited Partnership, from and after the date hereof, all of the terms, covenants and conditions on the part of NH Texas Properties Limited Partnership under the Lease. BKD Shoreline, LLC agrees to assume all liability for any violations of the Lease which may have occurred prior to the execution of this Assignment Agreement.

Section 3. *BKD Shoreline, LLC agrees to indemnify City of Corpus Christi, Texas, NH Texas Properties Limited Partnership and their respective officers, agents, employees, (individually and collectively, "Indemnitees") and hold Indemnitees harmless from and*

against any and all claims, liens, damages, demands, actions, causes of action, liabilities, lawsuits, judgments, losses, costs and expenses (including but not limited to reasonable attorneys' fees and expenses) asserted against or incurred by Indemnitees by reason of or arising out of any failure by BKD Shoreline, LLC to perform or observe any of the obligations, covenants, terms and conditions of the Lease.

Section 4. The Lease is amended to revise contact information for the Lessee, as shown in Exhibit 3.

Section 5. By the Lessor's City Manager's execution hereof, the Lessor consents to the assignment by NH Texas Properties Limited Partnership to BKD Shoreline, LLC of all of its right, title and interest under the Lease and confirms the Lessor's consent to the sublease of the Property to Trinity Towers Limited Partnership.

Section 6. BKD Shoreline, LLC acknowledges and agrees that Lessor has not made, does not make and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to the Property as defined in the Lease. BKD Shoreline, LLC further acknowledges and agrees that it has been given the opportunity to inspect the Property and Lease. BKD Shoreline, LLC is relying solely on its own investigation of the Property and Lease and not on any information provided or to be provided by Lessor.

Section 7. Upon execution of this Assignment Agreement by all parties hereto, NH Texas Properties Limited Partnership shall be and is hereby released from all liability under the Lease.

Section 8. This Assignment Agreement shall be governed by, construed and interpreted in accordance with the laws of the State of Texas.

Section 9. This Assignment Agreement shall be binding upon and shall inure to the benefit of NH Texas Properties Limited Partnership, BKD Shoreline, LLC and the Lessor and their respective successors and assigns.

Section 10. This Assignment Agreement is effective upon the execution by the last signatory of this document. In the event that the above stated condition does not occur, this assignment and assumption is null and void and of no effect whatsoever.

THIS ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT is executed in triplicate, as of the date first hereinabove written.

(Signature pages follow.)

**NH TEXAS PROPERTIES LIMITED
PARTNERSHIP, a Texas limited partnership**

By: MLD Texas Corporation,
a Texas corporation, its general partner

By: _____
Name: Timothy A. Doman
Title: Vice President

STATE OF ILLINOIS, COOK COUNTY

I, Cielo Aquino-Remington Notary Public of the County and State aforesaid, certify that Timothy A. Doman as the vice President of MLD Texas Corporation, a Texas corporation, general partner of NH TEXAS PROPERTIES LIMITED PARTNERSHIP, a Texas limited partnership, personally appeared before me this day and acknowledged the execution of the foregoing instrument as the act and deed of said limited partnership.

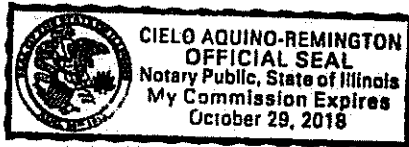
Witness my hand and official stamp or seal, this 24th day of March, 2015.

Cielo Aquino-Remington
Notary Public

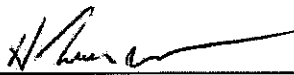
My commission expires:

10/29/18

[NOTARIAL SEAL]



BKD SHORELINE, LLC,
a Delaware limited liability company

By: 
Name: H. Todd Kaestner
Title: EVP Corporate Development

STATE OF Tennessee, Williamson COUNTY

I, Linda B. DeVault, a Notary Public of the County and State aforesaid, certify that H. Todd Kaestner, as the EVP, of BKD SHORELINE, LLC, a Delaware limited liability company, personally appeared before me this day and acknowledged the execution of the foregoing instrument as the act and deed of said company.

Witness my hand and official stamp or seal, this 23rd day of March, 2015.

Linda B. DeVault
Notary Public

My commission expires:

12-21-15

[NOTARIAL SEAL] LINDA B. DEVAULT
State
OF
Tennessee
Notary
Public
SUMNER COUNTY

THIS ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT is consented to as of the date first hereinabove written.

CITY OF CORPUS CHRISTI, TEXAS,
a Texas home-rule municipal corporation

By: _____
Name: _____
Title: _____

STATE OF TEXAS §
COUNTY OF NUECES §

This instrument was acknowledged before me on the _____ day of March, 2015 by _____, City Manager of the City of Corpus Christi, Texas, a Texas home-rule municipal corporation, on behalf of said corporation.

Notary Public, State of Texas

Legal form approved on _____, _____

By _____
Assistant City Attorney for the City Attorney.

Exhibit 1

Lease

(see attached)

Skywalk and Improvements Lease

State of Texas §

County of Nueces §

This Lease is between the **City of Corpus Christi**, a Texas home-rule municipal corporation, ("City"), acting by and through its duly authorized City Manager, or designee, ("City Manager") and **Trinity Towers Limited Partnership**, a Tennessee limited partnership, by its **General Partner, ARC Corpus Christi, Inc.**, a Tennessee corporation ("Lessee"), acting by and through its duly authorized officers ("Lessee Agent"), in consideration of the mutual covenants herein.

1. **PREMISES.** City hereby leases to Lessee certain aerial premises and certain surface and subsurface premises to construct an expansion of Trinity Towers on the West side of Carancahua Street ("Building") . The aerial premises are more particularly described in the attached and incorporated **Exhibits A-Skywalk, B-Building Underpass, C-Cornices**, (collectively called the "Aerial Premises"). The surface and subsurface premises are more particularly described in the attached and incorporated **Exhibit D ("Surface Premises")**; provided, however, that the Surface Premises includes only that part of the Surface Premises that is reasonably necessary for the placement of the Building and related appurtenances. The Aerial Premises and the Surface Premises are collectively referred to as the "Premises."

2. **LEASE TERM.** This Lease begins on December 18, 1997, and ends on December 17, 2056, subject to prior termination. December 18 is the Anniversary Date of the Lease.

3. **RENT.**

A. **Aerial Premises Rent.** Lessee must pay City \$2,555 as total Aerial Rent for years 1-4 upon Lessee's execution of this Lease. The City Manager will calculate the next 5 years Aerial Rent

based on a 10% rate of return on the Fair Market Value of the Aerial Premises and provide the calculation to Lessee 90 days prior to the Anniversary Date of the Lease each 5 years until expiration of the Lease. Lessee must then pay the 5 year amount by the Anniversary Date. City's first recalculation is due September 18, 2001 and Lessee's next 5 year payment is due December 18, 2001.

B. Surface Rent. Lessee must pay City \$539 as total Surface Rent for years 1-4 upon Lessee's execution of this Lease. The City Manager will calculate the next 5 years Surface Rent based on a 10% rate of return on the Fair Market Value of the Surface Premises and provide the calculation to Lessee 90 days prior to the Anniversary Date of the Lease each 5 years until expiration of the Lease. Lessee must then pay the 5 year amount by the Anniversary Date. City's first recalculation is due September 18, 2001 and Lessee's next 5 year payment is due December 18, 2001.

C. Rent Not Refundable. No rental paid by Lessee will be refunded if this Lease is terminated prior to its full term.

4. AERIAL PREMISES.

A. Use of Aerial Premises. City hereby grants Lessee the right to use the Aerial Premises for the construction, installation, maintenance, repair, removal, and replacement (collectively called "Construction") of (1) an enclosed structure that will connect the Trinity Tower facilities on the East side of Carancahua Street with the Trinity Tower facilities to be constructed on the West side of Carancahua Street ("Skywalk"), (2) two building areas - one over a storm sewer easement (1,545 s.f.) and one over a utility easement (874 s.f.) to be constructed on the West side of Carancahua Street ("Building Underpass"), and (3) two building cornice overhangs - one on Carancahua Street

(33 s.f.) and one on Tancanhua Street (157 s.f.) ("Cornices") and collectively called ("Structures"). Lessee's Construction of the Structures must comply with applicable ordinances of the City of Corpus Christi. A detailed architectural plan of the Structures together with a drawing of the Structures exterior, including without limitation the Skywalk, is attached and incorporated on sheets C-4 and C-5 as Exhibit C. Lessee will make no substantial change in the architectural plan or the exterior appearance of the Structures, as they appear in Exhibit C without the prior written consent of City Manager, which consent will not be unreasonably withheld.

B. Use adjacent to Aerial Premises. City hereby grants Lessee the right to use so much of the premises below, above, and adjacent to the Aerial Premises ("Surrounding Premises") as is reasonably necessary to construct, install, repair, remove, and replace the Structures and Building; provided, however, that Lessee's use of the Surrounding Premises complies with applicable ordinances of the City of Corpus Christi.

C. Use of Skywalk. Lessee may use the Skywalk to move pedestrians and goods between Lessee's facilities on the East side of Carancahua Street and those to be constructed on the West side of Carancahua Street adjacent to the Aerial Premises, to contain electrical power lines, and for such other purposes as are consistent with the design and plan of the Skywalk; provided, however, that Lessee must not use the Skywalk for storage or occupancy.

D. Building Underpass. Lessee may use the Building Underpass to cover pedestrians and goods moving into the Building. In addition, Lessee may construct a portion of the Building over the Building Underpass to be used for occupancy, storage, electrical power, and such other purposes as are consistent with the design of the Building.

E. **Cornices.** Lessee may construct building cornices over that area of Carancahua Street (528 s.f.) and Tanchua Street (612 s.f.) as shown on Exhibit C.

F. **Maintenance.** Lessee must safely maintain the Structures and Building and regulate their use and occupancy so that the Structures or their use is not a hazard or danger to the persons or property of the public using the street, drainage easement, or utility easement below the Structures or Building. The street, drainage easement, utility easement, and all improvements therein are collectively called "City Improvements". Further all Lessee's use and occupancy of the Structures and Building must comply with all applicable federal, state, and local laws, rules, and regulations. If Lessee's construction, use, or maintenance of any of the Structures or Building causes any damage to City Improvements, Lessee must repair or replace the City Improvements to the equivalent improvement existing prior to the damage. Lessee must submit a set of construction plans and drawings for the proposed repair or replacement of City Improvements to the Director of Engineering Services a minimum of 3 weeks prior to Lessee's intended onset of construction to repair or replace. Lessee cannot begin repair or replacement construction prior to receipt of the written approval of the construction plans and drawings by the Director of Engineering Services.

G. **Minimum Elevation of Skywalk.** No part of the Skywalk will be constructed lower than **14.0 feet** above the crown of Carancahua Street as it presently exists or is adjusted by any collateral repairs during construction of the Building. The existing minimum pavement grade of Carancahua Street is **18.09 feet** above sea level. Lessee must maintain a minimum clearance of **14.0 feet** above the crown of Carancahua Street at the lowest part of the Skywalk.

H. **Lighting Structures.** Lessee must install, operate, and maintain lighting on and underneath the Skywalk if the City Manager determines such lighting is necessary to eliminate nighttime shadow areas caused by the Skywalk's interference with surrounding street lighting.

I. **Removal of City Facilities.** If it is necessary for City to remove or relocate any City utility lines or structures in Carancahua Street or the Surface Premises to accomodate construction of the Structures or Building, Lessee must pay all City's reasonable costs within 30 days after the City Manager's written demand therefor.

H. **Signs.** Lessee must not maintain or allow any sign on or within the Skywalk that is visible from the outside of the Skywalk, unless a sign is required by law.

I. **Entry by City.** City, by its officers, agents or employees, may at all reasonable times enter the Aerial Premises to view the condition of the Structures.

J. **Removal of Structures.** Within 180 days after termination or expiration of the Lease, Lessee must remove the Structures at its own expense, regardless of City's failure to demand removal or to give any notice, other than a notice of termination that is required by other provisions of this Lease. If Lessee fails to remove the Structures in accordance with this section, then City may remove the Structures and Lessee must pay all City's reasonable removal expenses within 30 days of the City Manager's written demand therefor.

5. **Surface Premises.**

A. **Construction in Surface Premises.** Lessee may use the Surface Premises only for the Construction of a 566 s.f. portion of a Building footprint, drilled pier column supports, and that portion of driveways for pedestrian or vehicular traffic that are within the Surface Premises. Lessee or Lessee Agent must not construct any portion of the Building footprint lower than 13'6" above

ground directly above the existing twin 6'x7' storm drainage box culverts. Lessee or Lessee Agent must not construct any drilled pier within 4 feet of any portion of the existing twin 6'x7' storm drainage box culverts. If Lessee's construction, operation, or maintenance of the Building results in damages to the twin storm drainage box culverts Lessee must repair or replace the box culverts in the same manner as set out in Section 4. F. above.

B. Compliance with City Codes. Lessee's use of the Surface Premises must comply with applicable ordinances of the City of Corpus Christi.

C. Maintenance. Lessee must maintain the Building and regulate the use thereof so that the Building or the use thereof will not be a hazard or danger to the persons or property of the public, including without limitation City employees working on the storm sewer improvements in the drainage easement using the drainage easement below the Building.

D. Relocation of Storm Sewer Improvements. It is recognized that the Building is essential to the Lessee's operations. Lessee agrees to pay for City to relocate the Storm Sewer Improvements if necessary for federally mandated improvements to the existing Storm Sewer Improvements by City; provided, however, that if City may accomplish its purpose by a design which does not require the relocation of the Storm Sewer Improvements but which is more expensive than the design which would require such relocation, Lessee may, instead of relocating the Storm Sewer Improvements, pay City the added cost of accomplishing its purpose by the more expensive design.

6. INSURANCE.

A. Coverage. Lessee must obtain and keep in force during this Lease legally binding policies of insurance for claims arising out of the construction, existence, use, operation,

maintenance, alteration, repair, or removal of the Structures or the Building in the amounts and types of insurance set out on the attached and incorporated **Exhibit E**. Such policies of insurance must be issued by a company or companies of sound and adequate financial responsibility authorized to do business in the State of Texas.

B. Certificates of Insurance. Lessee shall cause current certificates of such insurance to be delivered to the office of City's Director of Engineering Services.

C. Named Insured. The City must be included as a named insured in the Comprehensive General Public Liability Insurance policy(ies). The naming of the City as an additional insured in such Comprehensive General Public Liability policies does not make the City a partner or joint venturer with Lessee in its businesses or in connection with its construction of the Structures or the Building. The policies of insurance must be performable in Nueces County, Texas, and must be construed in accordance with the laws of the State of Texas. Furthermore, the policies of insurance must not be subject to cancellation by insurers except after delivery of written notice by certified mail to City's Director of Engineering Services at least 15 days prior to the effective date of such cancellation, and Lessee must, prior to the effective date of the cancellation, provide City's Director of Engineering Services with substitute certificates of insurance.

D. Failure on the part of Lessee to procure or maintain required insurance constitutes a material breach of contract upon which the City may immediately terminate this Lease as provided in Section 12 or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, and all monies so paid by the City must be repaid by Lessee to the City within 30 days of City Manager's written demand therefor.

E. The amount of insurance coverage here specified as required may be subject to renegotiation each year. Should either party request renegotiation with respect to the amount of insurance coverage to be provided, the determination thereof will be established through mutual negotiation between the parties. Said negotiations must commence 3 months prior to the termination of the current insurance period. In the event a new amount has not been established by mutual agreement within 3 months from commencement of negotiation, said controversy will be submitted to arbitration under the Commercial Rule of Arbitration of the American Arbitration Association, except: the locale for the arbitration shall be within the City of Corpus Christi; the sole issue for determination pursuant to this section by the arbitrator is the amount of insurance coverage required for the period under review; and the expenses subject to the arbitration process will be borne equally by the parties. City Manager is hereby authorized to negotiate on behalf of the City.

7. **INDEMNITY.** Lessee covenants to indemnify and hold harmless City, its officers, employees, or agents ("Indemnitees") from, and against all claims, demands, actions, damages, losses, costs, liabilities, expenses, and judgments recovered from or asserted against City on account of injury or damage to person or property to the extent any such damage or injury may be incident to, arise out of, or be caused, either proximately or remotely, wholly or in part, by an act or omission, negligence, or misconduct on the part of Lessee or any of its agents, servants, employees, contractors, patrons, guests, licensees, sublessees, or invitees entering upon the Premises, the Structures or the Building thereon pursuant to this Lease with the expressed or implied invitation or permission of Lessee (collectively "Lessee's Invitees") or when any such injury or damage is the result, proximate or remote, of the violation by Lessee, or Lessee's Invitees of any law, ordinance, or governmental order of any kind, or when any such injury or damage may in any other way arise

from or out of the Structures or the Building located on the Premises herein or out of the use or occupancy of the Structures or Building on the Premises or the Premises itself by Lessee, or Lessee's Invitees.

Lessee further indemnifies City and Indemnitees for all damages to the Structures or the Building which may occur due to City or Indemnitees actions in constructing, operating, maintaining, repairing, or replacing Storm Sewer Improvements or Utility Improvements located within the drainage easement or utility easement which form a part of the Surface Premises, expressly including City or Indemnitees own negligence. City will continue to operate, maintain, repair, and replace the Storm Sewer Improvements and Utility Improvements located in the drainage easement and utility easement.

Lessee covenants and agrees that in case City is made a party to any litigation against Lessee or in any litigation commenced by any party, other than Lessee relating to this Lease, Lessee must defend City upon receipt of reasonable notice regarding commencement of such litigation.

8. TAXES, FEES. Lessee must pay for all taxes, licenses, and fees required to operate and maintain its various commercial facilities on the Premises. Further, Lessee must pay all taxes which its use of the Premises, Structures, and Building may cause to be assessed against the Premises, Structures, or Building. Lessee must pay all payroll taxes and related taxes and fees incident to operation of its commercial and retail facilities on the Premises.

9. **FINANCING.** City recognizes that Lessee may borrow funds to construct the Structures or Building, or for other purposes, secured by a first lien on security which includes Lessee's interest in the Structures and Building and the leasehold estate in the Aerial Premises and Surface Premises. The fee simple estate of City in the surface estate burdened by Lessee's leasehold estate must not be subject to such lien, and the lien instrument must contain the following language, or other similar language, approved by the City Attorney:

"Lender agrees that the lien created by this instrument is effective only as to the leasehold estate of Trinity Towers Limited Partnership, acting by and through its General Partner, ARC Corpus Christi, Inc., created under that certain Skywalk and Improvement Lease effective December 18, 1997, by and between the City of Corpus Christi, as Lessor, and ^{STMA LLC} ~~MLD Texas Trust~~*, acting by and through its Trustee(s) as Lessee, and that this instrument does not affect the fee simple interest in the Aerial Premises or Surface Premises owned by the City of Corpus Christi."

In the event of any foreclosure by any lender of a lien or liens on the Structures or Building and the leasehold estate in the Aerial Premises and Surface Premises, such lender or other purchaser at foreclosure and its successors and assigns shall succeed to all rights, privileges, and duties of Lessee, including without limitation the duty to pay rent.

10. **INSPECTION.** City personnel may at all reasonable times enter upon the Premises, including the Structures and Building, for purposes of inspection, repair, fire or police action, and enforcement of this Lease.

11. **DEFAULT AND TERMINATION.** If Lessee defaults in performance of any of the promises or covenants contained herein City may terminate this Lease. City will give Lessee written

* NH Texas Properties Limited Partnership

notice, in accordance with Section 12 herein, of the default, specifying with particularity the nature of the default, the period to cure, and if the cure is not completed during the cure period, (or if the default cannot reasonably be cured within the cure period, and Lessee does not promptly commence curing the default during the cure period and diligently prosecute the curing of the default to completion within a reasonable time after the end of the cure period) City may terminate this Lease. Provided, however, that the City must give Lessee a second and final notice specifying the default with particularity and give 30 days to cure. If Lessee has neither cured nor commenced to cure (as set out in this Section) within 30 days of the City's second and final notice, then City Council may terminate this Lease at any time thereafter so long as a default continues.

In the event of termination, Lessee must remove the Skywalk in accordance with Section 4.J.

The failure of City or Lessee to insist on strict performance of any of the terms, covenants, or conditions of this Lease is not a waiver of any right or remedy that City or Lessee may have, and is not a waiver of the right to require strict performance of all the terms, covenants and conditions of the Lease thereafter, or a waiver of any remedy for the subsequent breach or default of any term, covenant or condition of the Lease.

12. NOTICES AND ADDRESSES. All notices, demands, requests or replies provided for or permitted by this Lease must be in writing and may be delivered by any one of the following methods: (1) by personal delivery; (2) by deposit with the United States Postal Service as certified or registered mail, return receipt requested, postage prepaid to the addresses stated below; (3) by prepaid telegram, or (4) by deposit with an overnight express delivery service at:

If to City:

City of Corpus Christi
P.O. Box 9277
Corpus Christi, Texas 78469-9277
Attention: Director of Engineering Services

If to Lessee:

Trinity Towers Limited Partnership
c/o American Retirement Communities, L.P.
111 Westwood Place, Suite 402
Brentwood, Tennessee 37027
Attn: President and General Counsel

with a copy to:

Bass Berry & Sims PLC
2700 First American Center
25th Floor
Nashville, Tennessee 37238
Attn: T. Andrew Smith

Porter, Rogers, Dahlman & Gordon, P.C.
800 N. Shoreline Blvd, suite 800
Corpus Christi, Texas 78401
Attn: E.V. Bonner, Jr.

MLD Texas Trust
1280 Bison, Suite B9-203
Newport Beach, California 92660
Attn: Co-Trustees and General Counsel

O'Melveny & Myers, L.L.P.
610 Newport Center Drive, Suite 1700
Newport Beach, California 92660
Attn: Real Estate Department Chairman

Notice deposited with the United States Postal Service in the manner described above
will be deemed effective 1 business day after deposit with the U. S. Postal Service. Notice by

telegram or overnight express delivery service will be deemed effective 1 business day after transmission to the telegraph company or overnight express carrier.

Notices sent to City will be addressed to the attention of its City Manager unless some other provisions of this Lease requires a particular notice to be sent to a different specified City officer, in which case the notice will be addressed to the attention of that officer.

Either party's address may be changed by a party giving notice to all other parties as provided above. Post Office receipt or return receipt is conclusive proof that such notice was delivered in due course.

13. MODIFICATIONS. No changes or modifications to the Lease may be made, nor any provision waived, unless in writing signed by a person authorized to sign agreements on behalf of each party.

14. MISCELLANEOUS PROVISIONS.

A. Limitation of Leasehold. City does not warrant its title to the Premises. This Lease and the rights and privileges granted Lessee in and to the Premises are subject to all covenants, conditions, restrictions, and exceptions of record or apparent. Nothing contained in this Lease may be construed to imply the conveyance to Lessee of rights in the Premises that exceed those owned by City.

B. Binding Agreement. It is further mutually understood and agreed that the covenants and agreements contained in the Lease, to be performed by the respective parties, shall be binding on the said parties, and their respective successors and assigns.

C. Other City Ordinances. This Lease and the ordinance under which it is executed do not operate to repeal, rescind, modify, or amend any ordinances or resolutions of the City of Corpus

Christi relating to the use or obstruction of streets, the granting of permits and any regulations relating to the preservation of order and movement of traffic, or any other ordinances, resolutions, or regulations not specifically set forth in the ordinance of which this Lease is a part.

D. Compliance with laws. Lessee must comply with all applicable Federal, State, and local laws, rules, and regulations that apply to Lessee's use and occupancy of the Premises with the Structures and Building.

15. **ASSIGNMENT AND SUBLEASING.** Lessee may assign this Lease to ^{JTM} ~~MLD~~ ^{JTM} Texas Trust*, a Delaware business trust**. ~~MLD~~ ^{JTM} Texas Trust* may sublease this Lease to Trinity Towers Limited Partnership. All other assignments and subleases must be approved by the City Council, which consent will not be unreasonably withheld. Upon assignment, Lessee may request the City to release Lessee from any further liability under the Lease. City will grant the release if the assignee covenants to assume all obligations and duties of Lessee hereunder.

16. **MEMORANDUM OF LEASE.** The City will execute and deliver to Lessee a short form memorandum of this Lease in recordable form. Lessee shall pay all costs of preparing and recording the Memorandum of Lease.

17. **INTERPRETATION.** This Lease must be interpreted according to the Texas laws which govern the interpretation of contracts. Venue lies in Nueces County, Texas, where this Lease was entered into and will be performed.

The headings contained herein are for convenience and reference only and are not intended to define or limit the scope of any provision.

18. **ENTIRETY CLAUSE.** This Lease and the exhibits incorporated and attached constitute the entire agreement between the City and Lessee for the use granted. All other

^{JTM}
^{RL}
^{AA}
*NH Texas Properties Limited Partnership

^{JTM}
^{RL}
^{AA} **limited partnership

agreements, promises and representations with respect thereto, unless contained in this Lease, are expressly revoked, as it is the intention of the parties to provide for a complete understanding within the provisions of this document, and the exhibits incorporated and attached hereto, the terms, conditions, promises, and covenants relating to Lessee's commercial and retail operations and the Premises to be used in the conduct of said operations. The unenforceability, invalidity, or illegality of any provision of this Lease does not render the other provisions unenforceable, invalid, or illegal.

Executed this 14 day of January, 1997.

Lessor:
CITY OF CORPUS CHRISTI, TEXAS

By: [Signature]
for Bill Hennings, City Manager

Ord. 022820
BY COUNCIL 1/14/97
[Signature]
SECRETARY

ATTEST:

APPROVED AS TO LEGAL FORM 16 Dec, 1996
JAMES R. BRAY JR, CITY ATTORNEY

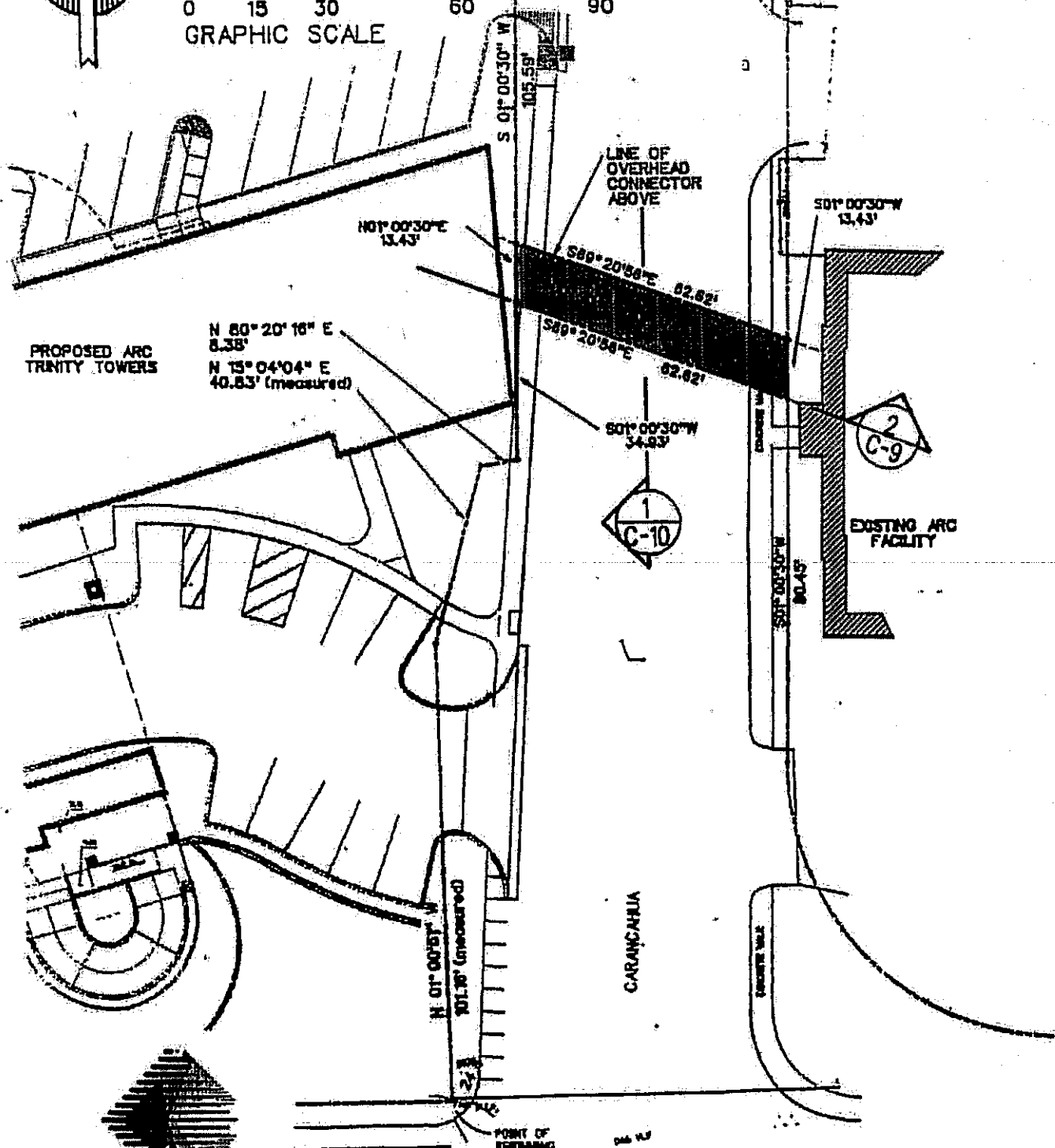
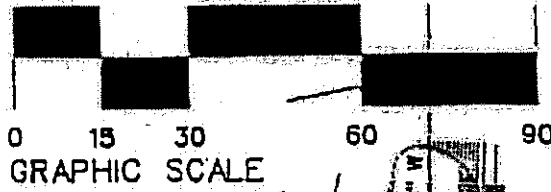
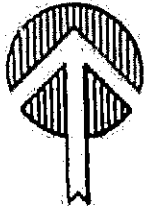
[Signature]
Armando Chapa, City Secretary

By: [Signature]
Alison Gallaway, Assistant City Attorney

Lessee:

Trinity Towers Limited Partnership, through
ARC Corpus Christi, Inc., General Partner

By: [Signature]
Name: James T. Money
Title: EVP Development Services

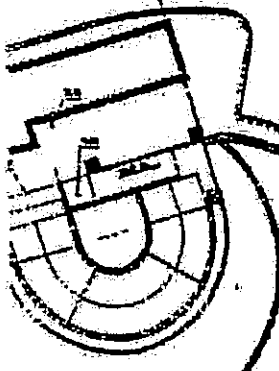


PROPOSED ARC TRINITY TOWERS

N 80° 20' 16" E 8.38'
N 13° 04' 04" E 40.83' (measured)

LINE OF OVERHEAD CONNECTOR ABOVE

EXISTING ARC FACILITY



C.E.S.P.
ENGINEERS & SURVEYORS

400 BMA Drive Ste. 12
Houston, TX 77077-2844

COOPERS ALLEY

TRINITY TOWERS

CORPUS CHRISTI, TX

AERIAL EASEMENT

Exhibit A

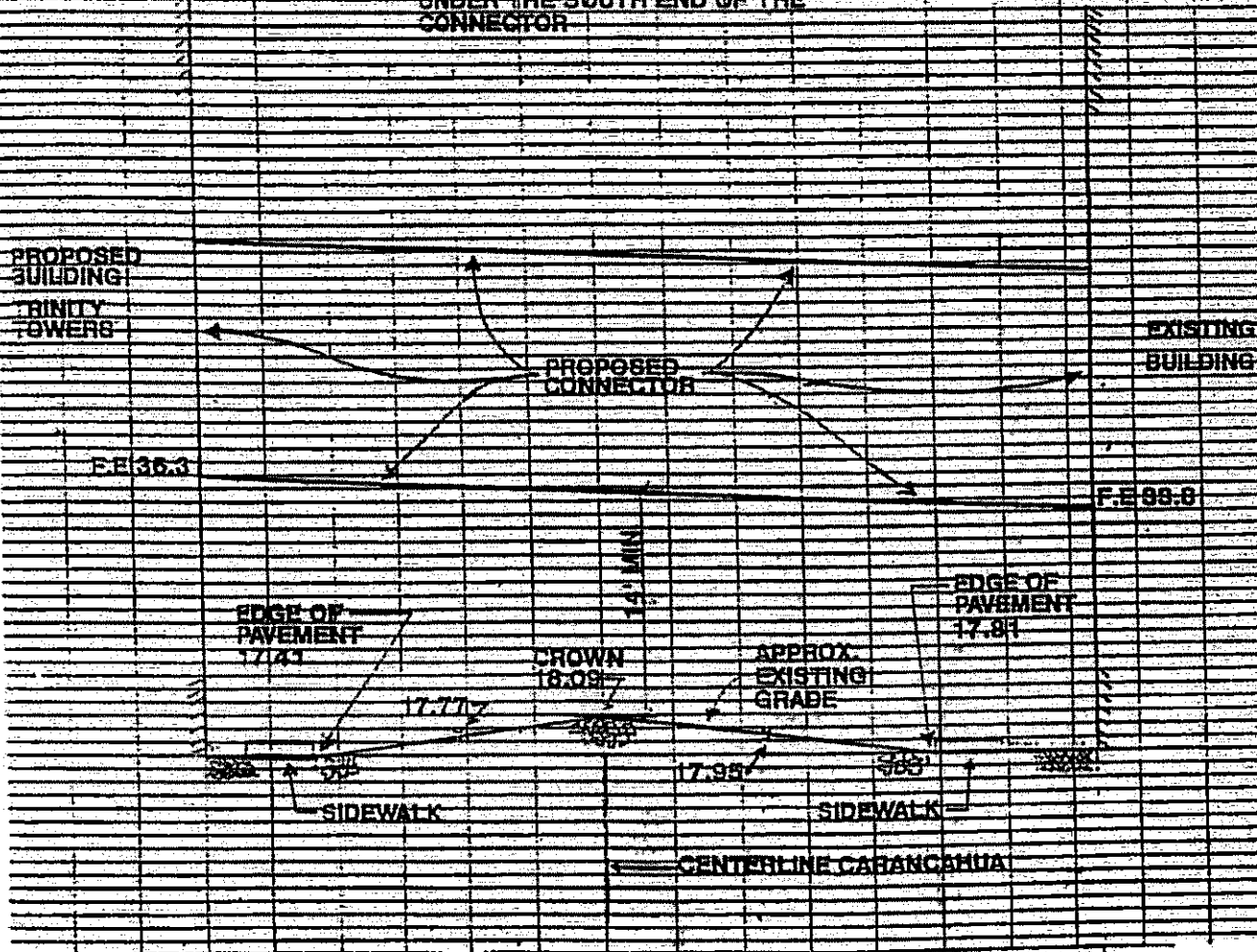
PROJECT REFERENCE	
PROJECT REFERENCE DATE	
DATE PLOTTED	05/21/77
PLANNING DATE	12-1-76
PLANNING BY	

ATTACHMENT

C-2

PROFILE #1

NOTE: ALL SPOTS ARE APPROXIMATE ELEVATIONS AND ARE DIRECTLY UNDER THE SOUTH END OF THE CONNECTOR



CESP

Engineering & Surveying Professionals

402 ENA Drive Ste. 12
Nashville, TN 37217-2814

TRINITY TOWERS
CORPUS CHRISTI, TX

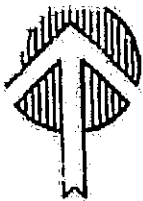
SECTION THRU ROADWAY

Exhibit A-1

SHEET NUMBER REFERENCE
SHEET REFERENCE DATE
JOB NUMBER
ISSUE DATE
REVISED DATE

ATTACHMENT N

C-9



0 15 30 60 90
GRAPHIC SCALE

STORM SEWER
CASEMENT TO
BE ABANDONED
THIS AREA

178° 52' 54" E 64.67'
789.50 FT
N18° 37' 48" W 13.25'
N18° 37' 48" W 8.00'

S81° 37' 48" E 8.38'
S81° 37' 48" E 16.00'

575° 22' 54" W 129.07'

LIMIT OF
CORNICE
ABOVE

S 80° 20' 18" W 8.38'
S 15° 04' 04" W 40.83' (measured)

LINE OF
UNDERGROUND
BOX CULVERT
& EASEMENT

Proposed
ARC Addition

EXISTING 24"
SANITARY SEWER

30' SANITARY
SEWER EASEMENT

70.78
S81° 05' 55" W

S73° 22' 12" W

LIMIT OF
CANOPY ABOVE

N 01° 00' 51" W
101.15' (measured)

CARACANUA

COOPER'S ALLEY



402 BNA Drive Ste. 102
Nashville, TN 37217-3814

TRINITY TOWERS
CORPUS CHRISTI, TX

AERIAL EASEMENT OVER SANITARY SEWER
AND STORM DRAINAGE CULVERT

WEST ALBERTA
JULY 1998
10-4-98
JOB NUMBER
02-032
BANK DATE
10-4-98
RECORDED

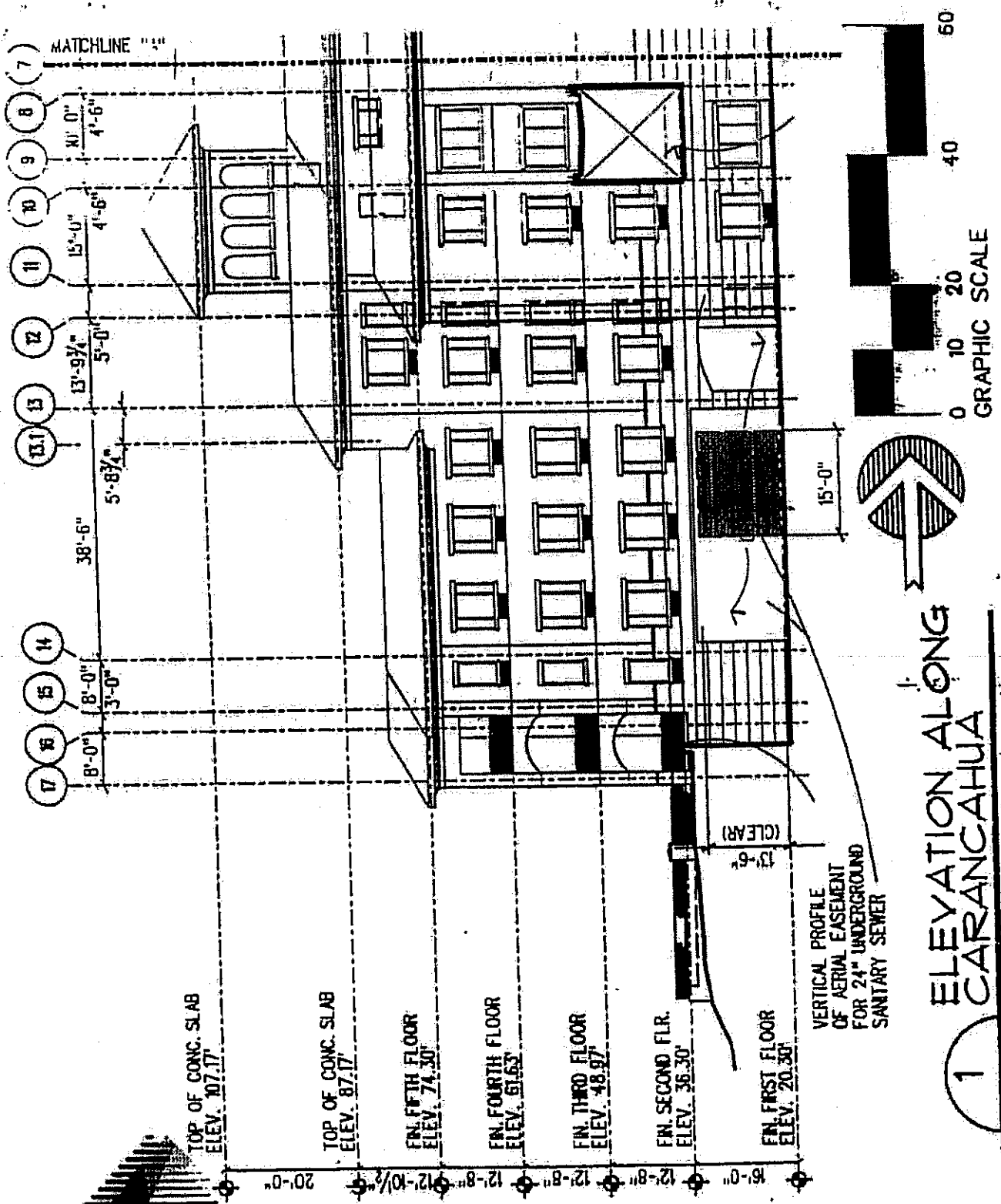
Exhibit B

TRINITY TOWERS
 CORPUS CHRISTI, TX

ELEVATION ALONG CARANCAHUA

PROJECT NO.
 SHEET NO.
 JOB NUMBER
 150437
 DATE
 10-4-96
 ARCHITECT
 CESP

Exhibit B-1



1
 C-6

**ELEVATION ALONG
 CARANCAHUA**

VERTICAL PROFILE
 OF AERIAL EASEMENT
 FOR 24" UNDERGROUND
 SANITARY SEWER



0 10 20 40 60
 GRAPHIC SCALE

MATCHLINE "A"

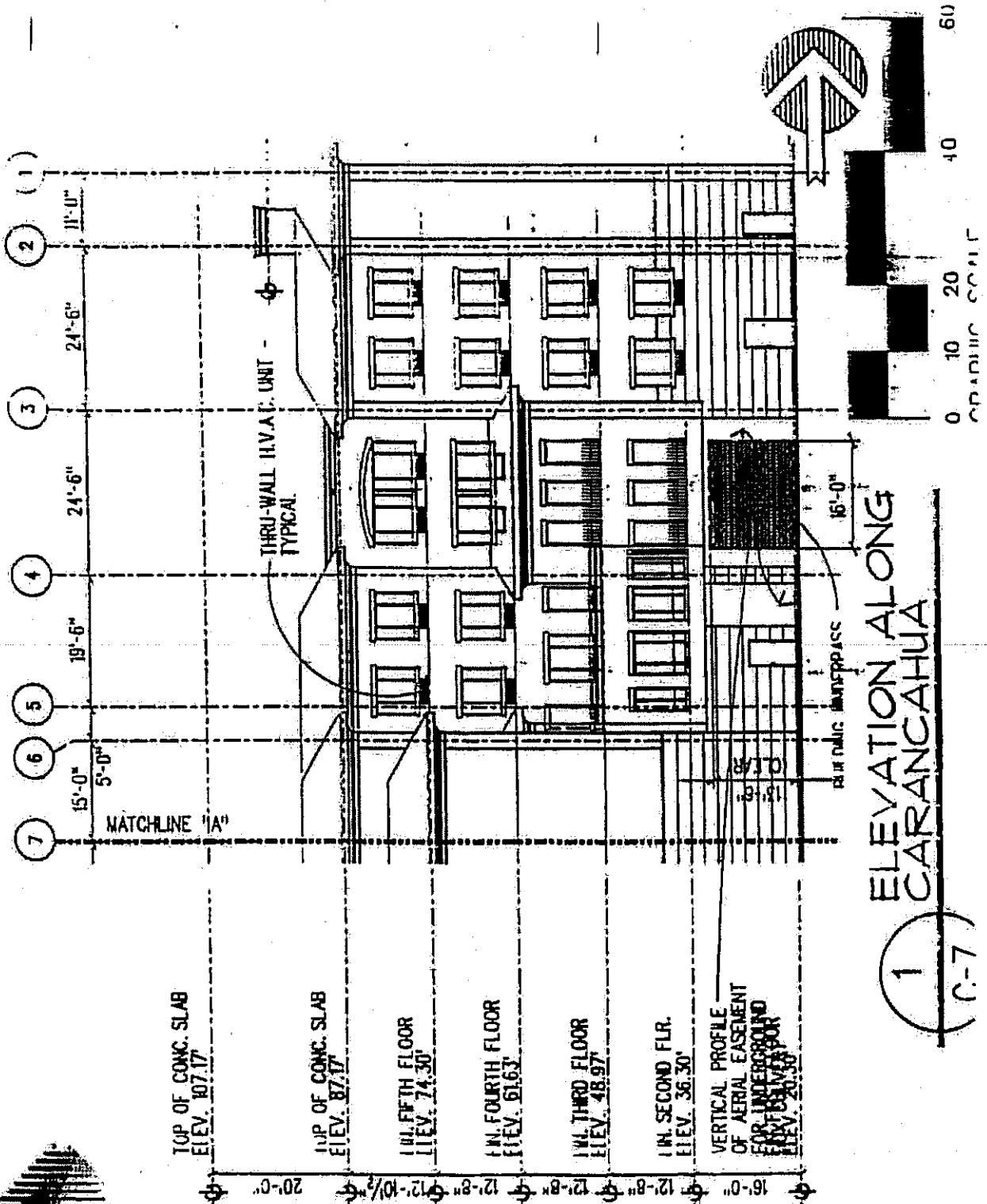


TRINITY TOWERS
CORPUS CHRISTI, TX

ELEVATION ALONG CARANCAHUA

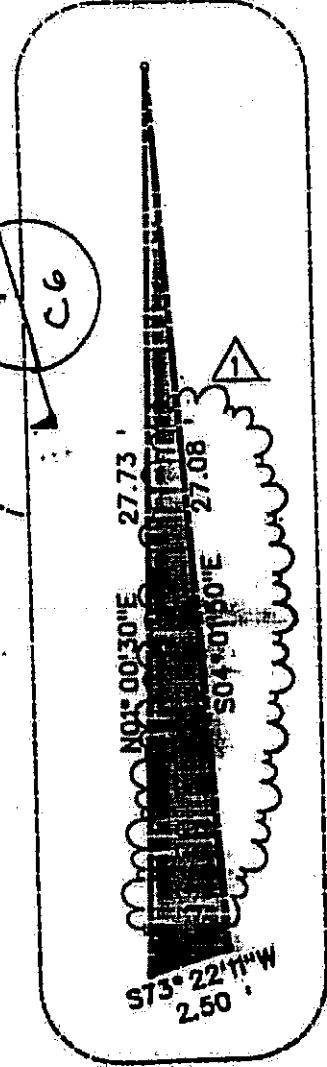
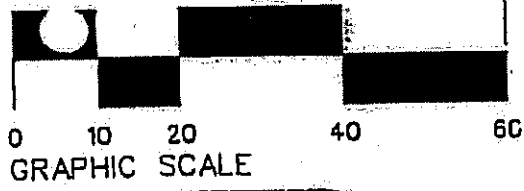
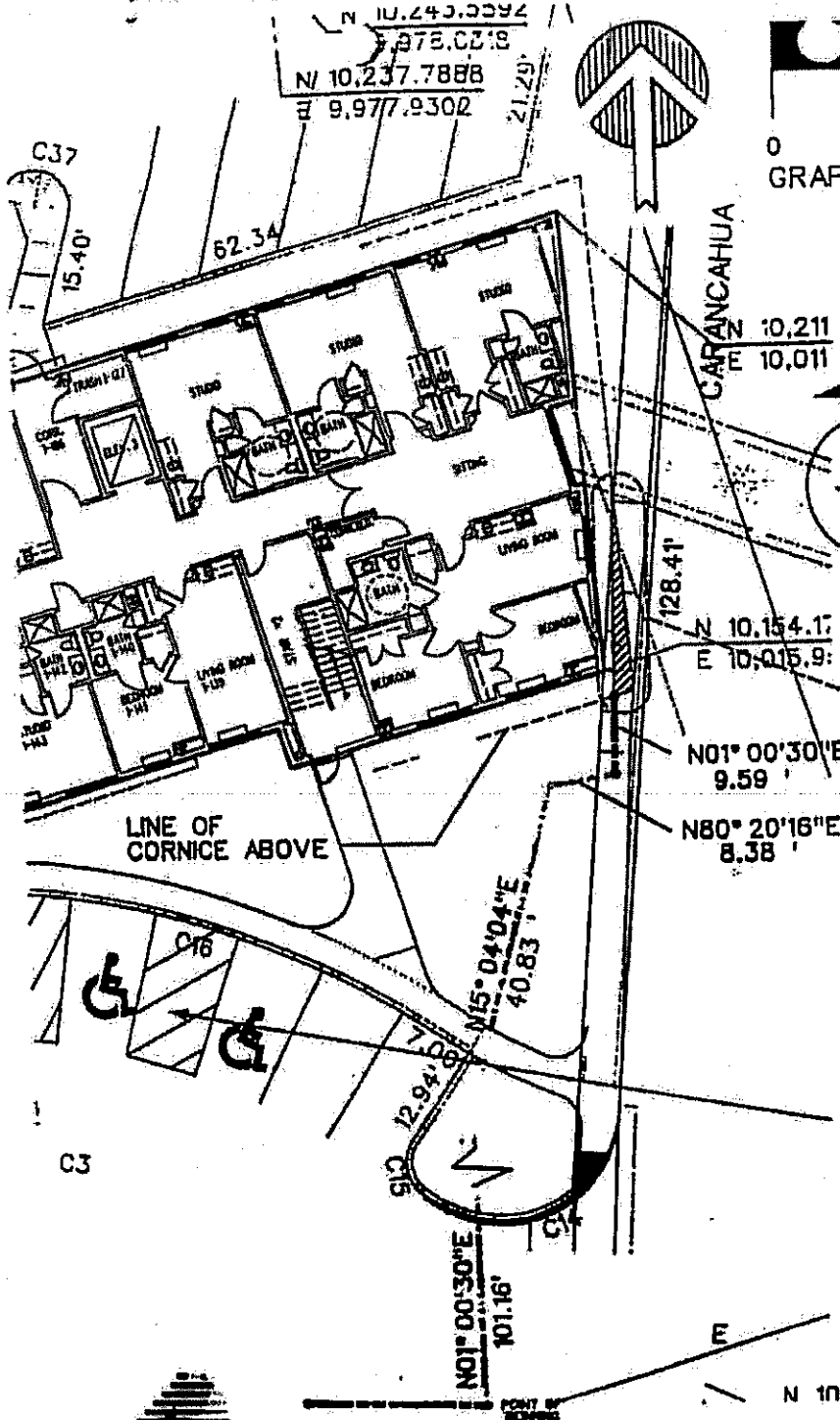
DATE: 08/14/03
SCALE: AS SHOWN
DRAWN BY: [Signature]

Exhibit B-2



ELEVATION ALONG
CARANCAHUA

1
(C-7)



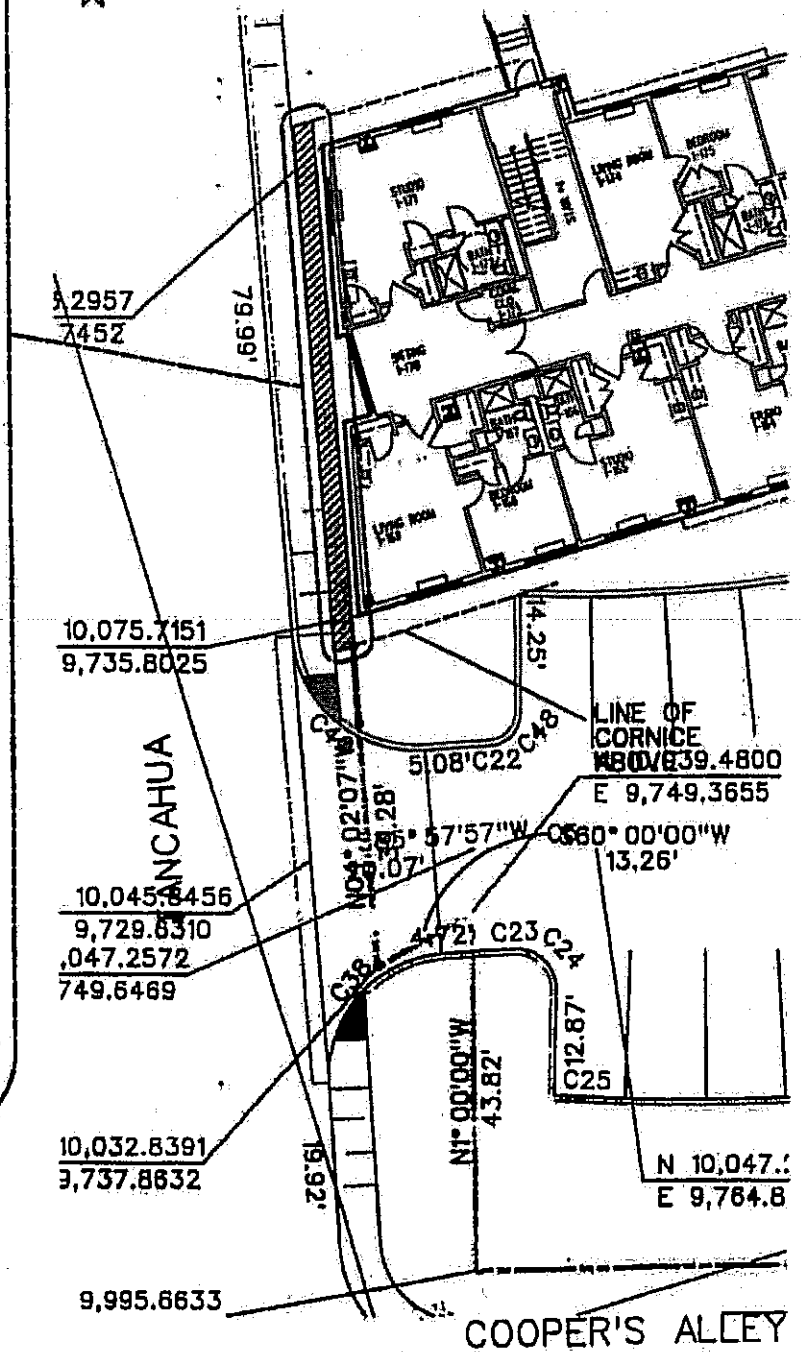
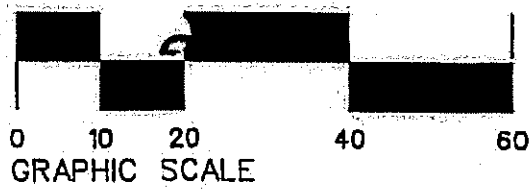
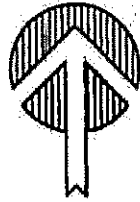
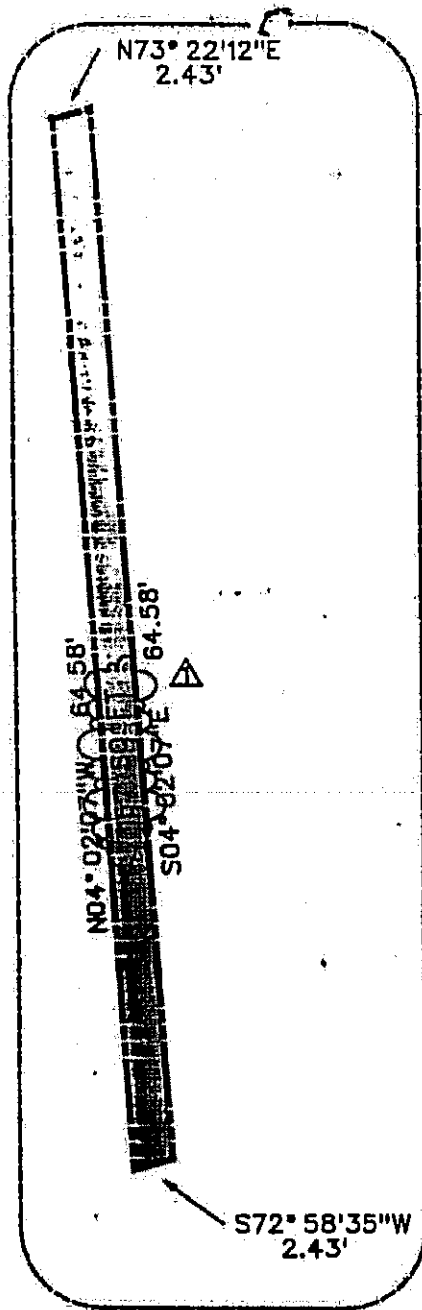

CESP
 INCORPORATED
 402 EDA Drive Ste. 12
 Nashville, TN 37217-2814
 Tel. (615) 366-6621
 Fax (615) 366-6688

TRINITY TOWERS
 CORPUS CHRISTI, TX
 AERIAL EASEMENT • CORNICE
 ALONG CARANCAHUA STREET

EXHIBIT C-4

MARKET REFERENCE	ATTACHMENT REF.
MARKET REFERENCE DATE	
JOB NUMBER	
DATE DATE	
REVISION LEVEL	

COOPER'S ALLEY
 N 10 070 4421



CESP
Incorporated

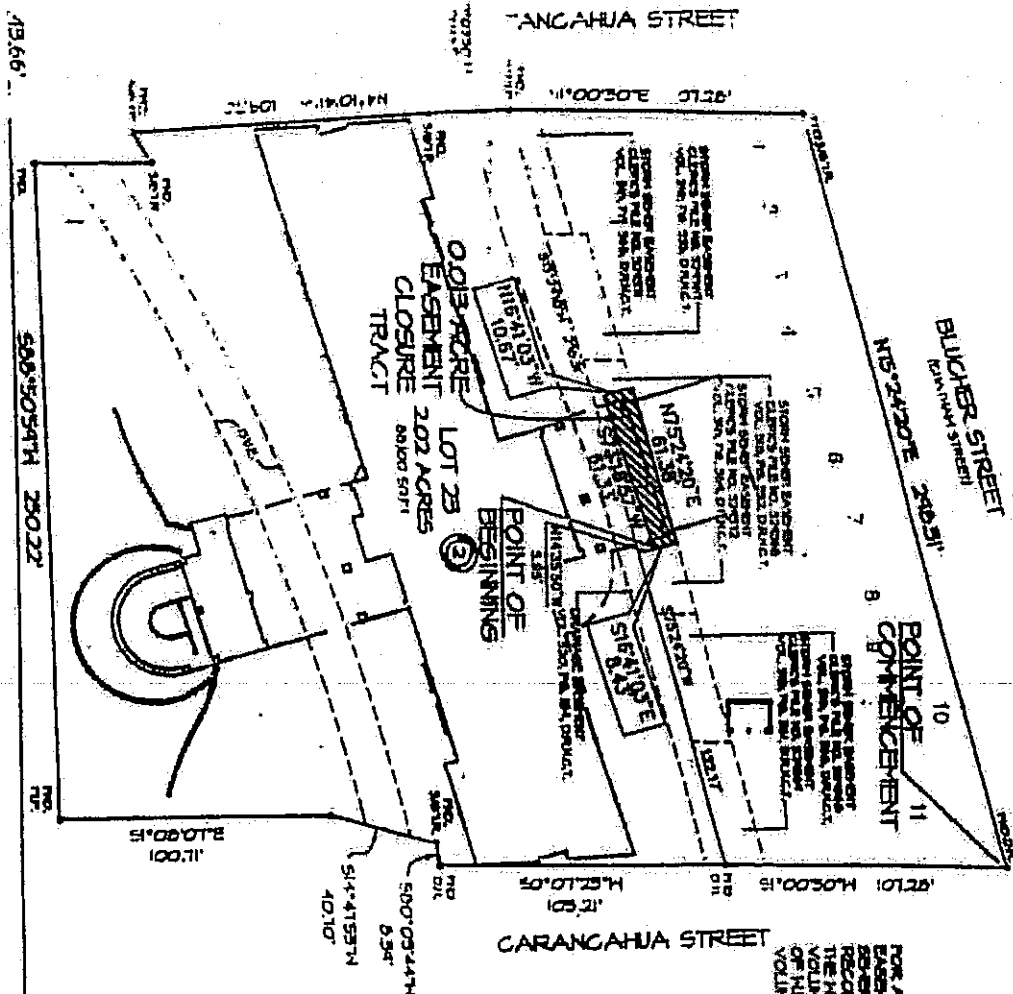
407 BNA Drive Ste. 10
Memphis, TN 37111-2514
Tel. (615) 366-8421
Fax. (615) 366-8688

TRINITY TOWERS
CORPUS CHRISTI, TX

AERIAL EASEMENT & CORNICE
ALONG TANCAHUA STREET

PROJECT REFERENCE NUMBER	EXHIBIT: C-5
PROJECT REFERENCE DATE	ATTACHMENT NUMBER
DATE OF PLAN	
SCALE DATE	
REVISION LEVEL	

LU6.D



POINT OF COMMENCEMENT

POINT OF BEGINNING

0.03-ACRE EASEMENT CLOSURE TRACT

LOT 23 2.02 ACRES

MAP TO ACCOMPANY FIELD NOTES

FOR A 0.03 ACRE TRACT OF LAND BEING A CLOSURE OF A 0.03-ACRE EASEMENT SAID CLOSURE BEING THE EASTERN PORTION OF A 0.03-ACRE EASEMENT SAID EASEMENT BEING IN VOLUME 518, PAGE 302 OF THE DEED RECORDS OF NEEDS COUNTY, TEXAS, AND ALSO BEING THE WESTERN PORTION OF A 0.03-ACRE EASEMENT BEING IN VOLUME 505, PAGE 301 OF THE SAID DEED RECORDS, ALSO BEING PART OF THE PORTS BEING IN VOLUME 518, PAGE 302 OF WHICH IS RECORDED IN VOLUME 1, PAGE 59, MAP RECORDS OF NEEDS COUNTY, TEXAS.



30 20 10 0 20 40
GRAPHIC SCALE



JEN: 02/24/05 16:01
DATE: OCT 31 1996
DRAWN: ACH
SCALE: 1"=50'

INSURANCE REQUIREMENTS

I. LESSEE'S LIABILITY INSURANCE

- A. The Lessee must not commence work under this agreement until he/she has obtained all insurance required herein and such insurance has been approved by the City. Nor may the Lessee allow any subcontractor to commence work until all similar insurance required of the subcontractor has been so obtained.

- B. The Lessee must furnish to the City's Risk Manager 2 copies of Certificates of Insurance, with the City named as an additional insured for all liability policies, and a blanket waiver of subrogation on all applicable policies showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
30-Day Notice of Cancellation required on all certificates	Bodily Injury and Property Damage
Commercial General Liability including: <ol style="list-style-type: none"> 1. Commercial Form 2. Premises - Operations 3. Explosion and Collapse Hazard 4. Underground Hazard 5. Products/ Completed Operations Hazard 6. Contractual Insurance 7. Broad Form Property Damage 8. Independent Contractors 9. Personal Injury 	\$1,000,000 COMBINED SINGLE LIMIT
AUTOMOBILE LIABILITY--OWNED NON-OWNED OR RENTED	\$1,000,000 COMBINED SINGLE LIMIT
WORKERS' COMPENSATION EMPLOYERS' LIABILITY	WHICH COMPLIES WITH THE TEXAS WORKERS' COMPENSATION ACT AND PARAGRAPH II OF THIS EXHIBIT \$100,000
EXCESS LIABILITY	\$1,000,000 COMBINED SINGLE LIMIT

- C. In the event of accidents of any kind, the Lessee must furnish the Risk Manager with copies of all reports of such accidents at the same time that the reports are forwarded to any other interested parties.

II. ADDITIONAL REQUIREMENTS

- A. The Lessee must obtain workers' compensation coverage through a licensed insurance company or through self-insurance obtained in accordance with Texas law. If such coverage is obtained through a licensed company, the contract for coverage must be written on a policy and endorsements approved by the Texas Department of Insurance.

If such coverage is provided through self-insurance, then within 10 calendar days after the date the Contract Administrator requests that the Lessee sign the contract documents, the Lessee must provide the Risk Manager with a copy of its certificate of authority to self-insure its workers' compensation coverage, as well as a letter signed by the Lessee stating that the certificate of authority to self-insure remains in effect and is not subject to any revocation proceeding then pending before the Texas Workers' Compensation Commission. Further, if at any time before final acceptance of the Work by the City, such certificate of authority to self-insure is revoked or is made the subject of any proceeding which could result in revocation of the certificate, then the Lessee must immediately provide written notice of such facts to the City, by certified mail, return receipt requested directed to City of Corpus Christi, Engineering Department, P.O. Box 9277, Corpus Christi, TX 78469-9277 - Attention: Contractor Administrator.

Whether workers' compensation coverage is provided through a licensed insurance company or through self-insurance, the coverage provided must be in an amount sufficient to assure that all workers' compensation obligations incurred by the Lessee will be promptly met.

B. Certificate of Insurance:

- * The City of Corpus Christi must be named as an additional insured on the liability coverage, except for the Workers' Compensation coverage and a blanket waiver of subrogation on all applicable policies.
- * If your insurance company uses the standard ACORD form, the cancellation clause (bottom right) must be amended by adding the wording "changed or" between "be" and "canceled", and deleting the words, "endeavor to", and deleting the wording after "left".
- * The name of the project must be listed under "Description of Operations"
- * At a minimum, a 30-day written notice of change or cancellation is required.

- C. If the Certificate of Insurance on its face does not show on its face the existence of the coverage required by items 1.B (1)-(8), an authorized representative of the insurance company must include a letter specifically stating whether items 1.B. (1)-(8) are included or excluded.

III. A completed Disclosure of Interest must be submitted with your proposal.

Revised August, 1996

Trinity Towers ins req.
12-6-96 ep Risk Mgmt

Exhibit 2

Sublease

(see attached)

SUBLEASE

[Trinity Towers – Skyway Lease]

THIS SUBLEASE (“Sublease”) is made as of _____, 2015, by and between TRINITY TOWERS LIMITED PARTNERSHIP, a Tennessee limited partnership (“Sublessee”), and BKD SHORELINE, LLC, a Delaware limited liability company (“Sublessor”).

WITNESSETH:

WHEREAS, pursuant to that certain Skyway and Improvement Lease dated January 14, 1997, by and between the CITY OF CORPUS CHRISTI, as lessor (the “City”), and Sublessee, as lessee (the “Prime Lease”), a memorandum of which is of record in County Clerk’s File No. 1997015846 of the Official Public Records of Nueces County, Texas, the City leased certain property (the “Leased Property”) to Sublessee, as more particularly described therein; and

WHEREAS, pursuant to that certain Assignment and Assumption Agreement dated June 13, 1997, by and between Sublessee and NH Texas Properties Limited Partnership (“NH Texas”), of record in County Clerk’s File No. 1998017796 of said Public Records, all of Sublessee’s rights and obligations as lessee under the Prime Lease were assigned to, and assumed by, NH Texas; and

WHEREAS, pursuant to that certain Assignment and Assumption Agreement of Skywalk and Improvement Lease dated as of February 12, 2015, by and between Sublessor and NH Texas, of record in County Clerk’s File No. _____ of said Public Records, all of NH Texas’ rights and obligations as lessee under the Prime Lease were assigned to, and assumed by Sublessor; and

WHEREAS, the parties hereto have agreed that Sublessor shall sublet the entirety of the Leased Property to Sublessee pursuant to the terms and provisions of this Sublease.

NOW, THEREFORE, the parties hereto hereby covenant and agree as follows:

1. Sublessor hereby subleases to Sublessee, and Sublessee hereby subleases from Sublessor, the Leased Property for the remaining term of the Prime Lease, at the same rental described in the Prime Lease. Sublessee shall pay the rent provided for under the Prime Lease at the times and places set forth in the Prime Lease. Such payments shall be made directly to the City for the benefit of the Sublessor. At Sublessor’s request, Sublessee shall furnish Sublessor with evidence that any particular payment has been made within five (5) days after making said payment or receiving the request, whichever is later.

2. If Sublessor shall be charged for additional rent or other sums pursuant to the provisions of the Prime Lease, Sublessee shall be liable for such additional rent or sums. Any additional rent or other sums will be payable by Sublessee in the same manner or subject to the same stipulations as rent itself.

3. This Sublease is subject and subordinate to the Prime Lease. Except as may be inconsistent with the specific terms hereof, all the terms, covenants, and conditions contained in

the Prime Lease shall be applicable to this Sublease with the same force and effect as if Sublessor were the lessor under the Prime Lease and Sublessee were the lessee thereunder; and in case of any breach hereof by Sublessee, Sublessor shall have all the rights against Sublessee as would be available to the lessor against the lessee under the Prime Lease if such breach were by the lessee thereunder.

4. Notwithstanding anything herein contained, the only services or rights to which Sublessee is entitled hereunder are those to which Sublessor is entitled under the Prime Lease, and Sublessee shall look solely to the lessor under the Prime Lease for such services and rights. As long as Sublessee is not in default hereunder, Sublessor hereby designates Sublessee as its agent and attorney-in-fact to exercise all rights, including without limitation, any rights to enforce any remedies that may be available to Sublessor as lessee under the Prime Lease.

5. Sublessee shall neither do nor permit anything to be done that would cause the Prime Lease to be terminated or forfeited by reason of any right of termination or forfeiture reserved or vested in the City under the Prime Lease.

6. Sublessee represents that it has read and is familiar with the terms of the Prime Lease.

7. This Sublease may not be changed or terminated orally or in any manner other than by an agreement in writing and signed by the party against whom enforcement of the change or termination is sought.

8. Any notice or demand which either party may or must give to the other hereunder shall be in writing and delivered personally or sent by registered mail addressed if to the Sublessee, as follows:

Trinity Towers Limited Partnership
c/o Brookdale Senior Living Inc.
111 Westwood Place
Suite 400
Brentwood, TN 37027
Attn: General Counsel

and, if to Sublessor, as follows:

BKD Shoreline, LLC
c/o Brookdale Senior Living Inc.
111 Westwood Place
Suite 400
Brentwood, TN 37027
Attn: Executive Vice President, Finance

Either party may, by notice in writing, direct that future notices or demands be sent to a different address.

9. The covenants and agreements herein contained shall bind and inure to the benefit of Sublessor, Sublessee, and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed on or as of the date first above written.

SUBLESSEE:

TRINITY TOWERS LIMITED
PARTNERSHIP, a Tennessee limited
partnership

By: ARC Corpus Christi, Inc., a Tennessee
corporation, its general partner

By: _____
Name: _____
Title: _____

SUBLESSOR:

BKD SHORELINE, LLC, a Delaware limited
liability company

By: _____
Name: _____
Title: _____

STATE OF TENNESSEE)
)
COUNTY OF DAVIDSON)

Personally appeared before me, the undersigned, a Notary Public, _____, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the Executive Vice President of ARC Corpus Christi, Inc., a corporation that is the general partner of Trinity Towers Limited Partnership, a limited partnership, and is authorized by the corporation, the corporation being authorized by the limited partnership, to execute this instrument on behalf of the corporation in its capacity as general partner of the limited partnership.

WITNESS my hand, at office, this ___ day of _____, 2015

Notary Public

My Commission Expires: _____

STATE OF TENNESSEE)
)
COUNTY OF DAVIDSON)

Personally appeared before me, the undersigned, a Notary Public, _____, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the Executive Vice President of BKD Shoreline, LLC, a limited liability company, and is authorized to execute this instrument on its behalf.

WITNESS my hand, at office, this ___ day of _____, 2015

Notary Public

My Commission Expires: _____

Exhibit 3

Contact Information

If to Lessee:

BKD Shoreline, LLC
c/o Brookdale Senior Living Inc.
111 Westwood Place, Suite 400
Brentwood, TN 37027
Attention: General Counsel

with a copy to:

Rogers & Hardin LLP
2700 International Tower
229 Peachtree Street NE
Atlanta, GA 30303
Attention: Carolyn B. Dobbins