

Fill in this information to identify the case:

Debtor 1 GOLD'S TEXAS HOLDINGS GROUP, INC.

Debtor 2
(Spouse, if filing) _____

United States Bankruptcy Court for the: Northern District of Texas

Case number 20-31337

RECEIVED

AUG 28 2020

BMC GROUP

Official Form 410

Proof of Claim

12/15

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

| | | |
|---|---|---|
| 1. Who is the current creditor? | <u>Pleasanton Partners, L.P., a Texas Limited Liability Company</u> <small>Name of the current creditor (the person or entity to be paid for this claim)</small> Other names the creditor used with the debtor _____ | |
| 2. Has this claim been acquired from someone else? | <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____ | |
| 3. Where should notices and payments to the creditor be sent? <small>Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)</small> | Where should notices to the creditor be sent? <u>The Ehrlich Law Firm</u> <small>Name</small> <u>444 Executive Center Blvd., Suite 240</u> <small>Number Street</small> <u>El Paso TX 79902</u> <small>City State ZIP Code</small> Contact phone <u>915-544-1500</u> Contact email <u>william@ehrllichlawfirm.com</u> | Where should payments to the creditor be sent? (if different) <u>Mimco, Inc.</u> <small>Name</small> <u>6500 Montana</u> <small>Number Street</small> <u>El Paso TX 79925</u> <small>City State ZIP Code</small> Contact phone <u>915-779-6500</u> Contact email <u>ymartell@mimcoelp.com</u> |
| Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____ | | |
| 4. Does this claim amend one already filed? | <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY | |
| 5. Do you know if anyone else has filed a proof of claim for this claim? | <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____ | |

GGI HOLDINGS POC



00259

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? ☒ No
☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 85,123.26 Does this amount include interest or other charges?
☐ No
☒ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
Limit disclosing information that is entitled to privacy, such as health care information.
Lease dated November 1, 2003/Amended and Assigned

9. Is all or part of the claim secured? ☒ No
☐ Yes. The claim is secured by a lien on property.
Nature of property:
☐ Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
☐ Motor vehicle
☐ Other. Describe: _____
Basis for perfection: _____
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ _____
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amounts should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ _____
Annual Interest Rate (when case was filed) _____ %
☐ Fixed
☐ Variable

10. Is this claim based on a lease? ☐ No
☒ Yes. Amount necessary to cure any default as of the date of the petition. \$ 85,123.26

11. Is this claim subject to a right of setoff? ☒ No
☐ Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☒ No

☐ Yes. Check one:

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

☐ Up to \$2,775* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

☐ Wages, salaries, or commissions (up to \$12,475*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

☐ Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.

Amount entitled to priority

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

* Amounts are subject to adjustment on 4/01/16 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.

☒ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

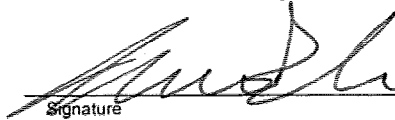
I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

8/27/20
MM/DD/YYYY


Signature

Print the name of the person who is completing and signing this claim:

Name William Ehrlich
First name Middle name Last name

Title Attorney at Law

Company The Ehrlich Law Firm
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 444 Executive Center Blvd., Suite 240
Number Street

El Paso TX 79902
City State ZIP Code

Contact phone 915-544-1500 Email william@ehrllichlawfirm.com

PRE-PETITION PROOF OF CLAIM SUMMARY

**RE: GOLD'S TEXAS HOLDINGS GROUP, INC,
Bankruptcy Case No. 20-31337**

This pre-petition proof of claim is filed and is a claim based on a Lease dated November 1, 2003 (as amended and assigned, the "Lease"), between PLEASANTON PARTNERS, L.P., a Texas limited partnership as Landlord and GOLD'S TEXAS HOLDINGS GROUP, INC., as Tenant

The leased premise was located at to 2828 Goliad in San Antonio, Texas.

The monthly rent due from April 1, 2020 and May 1, 2020 is \$27,327.63 per month plus taxes and insurance and common area maintenance charges (CAM) as provided in the lease of \$15,234.00 per month making the total monthly rent charge \$42,561.63.

The claim for the lease is for two (2) months unpaid rent, taxes, insurance and CAM totaling **\$85,123.26**. See 11USC502(b)(6)(A).

Enclosed:

Applicable Lease
First Amendment
Notice of Renewal
Ledger

Lease Ledger

Lease Information

Alyssa Haydin
Gold's Gym c/o ersp ID#43019
One Cowboys Way, Ste. 350
Frisco, TX, 75034

Date 06/09/2020
Lease Id golds
Property ij
Location 2902 Goliad - MISSION CROSSING
Assigned Space(s) 2828
Customer
ICS Code Gym/Fitness
Lease Type retail
Sales Category Retail
Lease Term From 11/01/2003 To 10/31/2023
Lease Area 48,945(Square Foot)
Monthly Rent 144795.65
Office Phone (469)608-8452
Fax No
E-Mail alyssa.haydin@ersp.com

| Date | Description | Charges | Payments | Balance |
|----------|--|-------------|-----------|---------------|
| | Balance Forward | | | 183.00 |
| 01/01/19 | Recon R/M.Disposal & Utilities (01/2019) :Revised by ctrl# 1010878 | 2,043.00 | | 2,226.00 |
| 01/01/19 | Recon Insurance (01/2019) :Revised by ctrl# 1010886 | 763.00 | | 2,989.00 |
| 01/01/19 | Recon Taxes & Reduction (01/2019) :Revised by ctrl# 1010894 | 11,041.00 | | 14,030.00 |
| 01/01/19 | Rent (01/2019) | 27,327.63 | | 41,357.63 |
| 01/01/19 | Recon R/M.Disposal & Utilities (01/2019) | 2,613.00 | | 43,970.63 |
| 01/01/19 | Reversed Recon R/M.Disposal & Utilities (01/2019) :Revises charge ctrl# 977001 | (2,043.00) | | 41,927.63 |
| 01/01/19 | Recon R/M.Disposal & Utilities (02/2019) | 2,613.00 | | 44,540.63 |
| 01/01/19 | Reversed Recon R/M.Disposal & Utilities (02/2019) :Revises charge ctrl# 984995 | (2,043.00) | | 42,497.63 |
| 01/01/19 | Recon R/M.Disposal & Utilities (03/2019) | 2,613.00 | | 45,110.63 |
| 01/01/19 | Reversed Recon R/M.Disposal & Utilities (03/2019) :Revises charge ctrl# 993252 | (2,043.00) | | 43,067.63 |
| 01/01/19 | Recon R/M.Disposal & Utilities (04/2019) | 2,613.00 | | 45,680.63 |
| 01/01/19 | Reversed Recon R/M.Disposal & Utilities (04/2019) :Revises charge ctrl# 1003078 | (2,043.00) | | 43,637.63 |
| 01/01/19 | Recon Insurance (01/2019) | 809.00 | | 44,446.63 |
| 01/01/19 | Reversed Recon Insurance (01/2019) :Revises charge ctrl# 977002 | (763.00) | | 43,683.63 |
| 01/01/19 | Recon Insurance (02/2019) | 809.00 | | 44,492.63 |
| 01/01/19 | Reversed Recon Insurance (02/2019) :Revises charge ctrl# 984996 | (763.00) | | 43,729.63 |
| 01/01/19 | Recon Insurance (03/2019) | 809.00 | | 44,538.63 |
| 01/01/19 | Reversed Recon Insurance (03/2019) :Revises charge ctrl# 993253 | (763.00) | | 43,775.63 |
| 01/01/19 | Recon Insurance (04/2019) | 809.00 | | 44,584.63 |
| 01/01/19 | Reversed Recon Insurance (04/2019) :Revises charge ctrl# 1003079 | (763.00) | | 43,821.63 |
| 01/01/19 | Recon Taxes & Reduction (01/2019) | 11,812.00 | | 55,633.63 |
| 01/01/19 | Reversed Recon Taxes & Reduction (01/2019) :Revises charge ctrl# 977003 | (11,041.00) | | 44,592.63 |
| 01/01/19 | Recon Taxes & Reduction (02/2019) | 11,812.00 | | 56,404.63 |
| 01/01/19 | Reversed Recon Taxes & Reduction (02/2019) :Revises charge ctrl# 984997 | (11,041.00) | | 45,363.63 |
| 01/01/19 | Recon Taxes & Reduction (03/2019) | 11,812.00 | | 57,175.63 |
| 01/01/19 | Reversed Recon Taxes & Reduction (03/2019) :Revises charge ctrl# 993254 | (11,041.00) | | 46,134.63 |
| 01/01/19 | Recon Taxes & Reduction (04/2019) | 11,812.00 | | 57,946.63 |
| 01/01/19 | Reversed Recon Taxes & Reduction (04/2019) :Revises charge ctrl# 1003080 | (11,041.00) | | 46,905.63 |
| 01/02/19 | direct dep - 12/28/18 Direct deposit | | 41,174.63 | 5,731.00 |

| Date | Description | Charges | Payments | Balance |
|----------|---|-----------|-----------|---------------|
| | Balance Forward | | | 183.00 |
| 02/01/19 | Recon R/M.Disposal & Utilities (02/2019) :Revised by ctrl# 1010880 | 2,043.00 | | 7,774.00 |
| 02/01/19 | Recon Insurance (02/2019) :Revised by ctrl# 1010888 | 763.00 | | 8,537.00 |
| 02/01/19 | Recon Taxes & Reduction (02/2019) :Revised by ctrl# 1010896 | 11,041.00 | | 19,578.00 |
| 02/01/19 | Rent (02/2019) | 27,327.63 | | 46,905.63 |
| 02/01/19 | Direct deposit - 01/30/19 Direct deposit | | 41,174.63 | 5,731.00 |
| 03/01/19 | Recon R/M.Disposal & Utilities (03/2019) :Revised by ctrl# 1010882 | 2,043.00 | | 7,774.00 |
| 03/01/19 | Recon Insurance (03/2019) :Revised by ctrl# 1010890 | 763.00 | | 8,537.00 |
| 03/01/19 | Recon Taxes & Reduction (03/2019) :Revised by ctrl# 1010898 | 11,041.00 | | 19,578.00 |
| 03/01/19 | Rent (03/2019) | 27,327.63 | | 46,905.63 |
| 03/04/19 | Direct deposit - 2/28/19 Direct deposit | | 41,174.63 | 5,731.00 |
| 04/01/19 | Recon R/M.Disposal & Utilities (04/2019) :Revised by ctrl# 1010884 | 2,043.00 | | 7,774.00 |
| 04/01/19 | Recon Insurance (04/2019) :Revised by ctrl# 1010892 | 763.00 | | 8,537.00 |
| 04/01/19 | Recon Taxes & Reduction (04/2019) :Revised by ctrl# 1010900 | 11,041.00 | | 19,578.00 |
| 04/01/19 | Rent (04/2019) | 27,327.63 | | 46,905.63 |
| 04/01/19 | Reconciled CAM, Tax, & Ins (01/2018 - 10/2018) | 5,486.91 | | 52,392.54 |
| 04/01/19 | Reconciled CAM, Tax, & Ins (11/2018 - 12/2018) | 1,097.38 | | 53,489.92 |
| 04/01/19 | Addtl Recovery Cam Tax Ins (01/2018 - 10/2018) | 7,712.10 | | 61,202.02 |
| 04/01/19 | Addtl Recovery Cam Tax Ins (11/2018 - 12/2018) | 1,542.42 | | 62,744.44 |
| 04/01/19 | Direct deposit - 3/29/19 Direct deposit | | 41,174.63 | 21,569.81 |
| 05/01/19 | Recon R/M.Disposal & Utilities (05/2019) | 2,613.00 | | 24,182.81 |
| 05/01/19 | Recon Insurance (05/2019) | 809.00 | | 24,991.81 |
| 05/01/19 | Recon Taxes & Reduction (05/2019) | 11,812.00 | | 36,803.81 |
| 05/01/19 | Rent (05/2019) | 27,327.63 | | 64,131.44 |
| 05/02/19 | Direct deposit - 4/30/19 Direct deposit | | 48,109.63 | 16,021.81 |
| 06/01/19 | Recon R/M.Disposal & Utilities (06/2019) | 2,613.00 | | 18,634.81 |
| 06/01/19 | Recon Insurance (06/2019) | 809.00 | | 19,443.81 |
| 06/01/19 | Recon Taxes & Reduction (06/2019) | 11,812.00 | | 31,255.81 |
| 06/01/19 | Rent (06/2019) | 27,327.63 | | 58,583.44 |
| 06/03/19 | Direct deposit - 5/31/19 Direct deposit | | 58,400.44 | 183.00 |
| 07/01/19 | Recon R/M.Disposal & Utilities (07/2019) | 2,613.00 | | 2,796.00 |
| 07/01/19 | Recon Insurance (07/2019) | 809.00 | | 3,605.00 |
| 07/01/19 | Recon Taxes & Reduction (07/2019) | 11,812.00 | | 15,417.00 |
| 07/01/19 | Rent (07/2019) | 27,327.63 | | 42,744.63 |
| 07/01/19 | Direct deposit - 6/28/19 Direct deposit | | 42,561.63 | 183.00 |
| 08/01/19 | Recon R/M.Disposal & Utilities (08/2019) | 2,613.00 | | 2,796.00 |
| 08/01/19 | Recon Insurance (08/2019) | 809.00 | | 3,605.00 |
| 08/01/19 | Recon Taxes & Reduction (08/2019) | 11,812.00 | | 15,417.00 |
| 08/01/19 | Rent (08/2019) | 27,327.63 | | 42,744.63 |
| 08/15/19 | Direct deposit - 7/31/19 Direct deposit | | 42,561.63 | 183.00 |
| 09/01/19 | Recon R/M.Disposal & Utilities (09/2019) | 2,613.00 | | 2,796.00 |
| 09/01/19 | Recon Insurance (09/2019) | 809.00 | | 3,605.00 |
| 09/01/19 | Recon Taxes & Reduction (09/2019) | 11,812.00 | | 15,417.00 |
| 09/01/19 | Rent (09/2019) | 27,327.63 | | 42,744.63 |
| 09/09/19 | Direct deposit - 9/3/19 Direct deposit | | 42,561.63 | 183.00 |
| 10/01/19 | Recon R/M.Disposal & Utilities (10/2019) | 2,613.00 | | 2,796.00 |
| 10/01/19 | Recon Insurance (10/2019) | 809.00 | | 3,605.00 |
| 10/01/19 | Recon Taxes & Reduction (10/2019) | 11,812.00 | | 15,417.00 |
| 10/01/19 | Rent (10/2019) | 27,327.63 | | 42,744.63 |
| 10/04/19 | Direct deposit - 10/1/19 Direct deposit | | 42,561.63 | 183.00 |
| 11/01/19 | Recon R/M.Disposal & Utilities (11/2019) | 2,613.00 | | 2,796.00 |
| 11/01/19 | Recon Insurance (11/2019) | 809.00 | | 3,605.00 |
| 11/01/19 | Recon Taxes & Reduction (11/2019) | 11,812.00 | | 15,417.00 |
| 11/01/19 | Rent (11/2019) | 27,327.63 | | 42,744.63 |
| 11/01/19 | Direct deposit - 10/31/19 Direct deposit | | 42,561.63 | 183.00 |
| 12/01/19 | Recon R/M.Disposal & Utilities (12/2019) | 2,613.00 | | 2,796.00 |
| 12/01/19 | Recon Insurance (12/2019) | 809.00 | | 3,605.00 |

| Date | Description | Charges | Payments | Balance |
|-----------|--|------------|---------------|------------|
| | Balance Forward | | | 183.00 |
| 12/01/19 | Recon Taxes & Reduction (12/2019) | 11,812.00 | | 15,417.00 |
| 12/01/19 | Rent (12/2019) | 27,327.63 | | 42,744.63 |
| 12/04/19 | Direct deposit - 12/2/19 Direct deposit | | 42,561.63 | 183.00 |
| 01/01/20 | Recon R/M.Disposal & Utilities (01/2020) | 2,613.00 | | 2,796.00 |
| 01/01/20 | Recon Insurance (01/2020) | 809.00 | | 3,605.00 |
| 01/01/20 | Recon Taxes & Reduction (01/2020) | 11,812.00 | | 15,417.00 |
| 01/01/20 | Rent (01/2020) | 27,327.63 | | 42,744.63 |
| 01/06/20 | Direct deposit - 1/2/2020 Direct deposit | | 42,561.63 | 183.00 |
| 02/01/20 | Recon R/M.Disposal & Utilities (02/2020) | 2,613.00 | | 2,796.00 |
| 02/01/20 | Recon Insurance (02/2020) | 809.00 | | 3,605.00 |
| 02/01/20 | Recon Taxes & Reduction (02/2020) | 11,812.00 | | 15,417.00 |
| 02/01/20 | Rent (02/2020) | 27,327.63 | | 42,744.63 |
| 02/01/20 | Reconciled CAM, Tax, & Ins (01/2019 - 12/2019) | 5,337.39 | | 48,082.02 |
| 02/01/20 | Addtl Recovery Cam Tax Ins (01/2019 - 12/2019) | (6,760.31) | | 41,321.71 |
| 02/10/20 | Direct deposit - 2/3/2020 Direct deposit | | 42,561.63 | (1,239.92) |
| 03/01/20 | Recon R/M.Disposal & Utilities (03/2020) | 2,613.00 | | 1,373.08 |
| 03/01/20 | Recon Insurance (03/2020) | 809.00 | | 2,182.08 |
| 03/01/20 | Recon Taxes & Reduction (03/2020) | 11,812.00 | | 13,994.08 |
| 03/01/20 | Rent (03/2020) | 27,327.63 | | 41,321.71 |
| 03/05/20 | Direct deposit - 3/2/2020 Direct deposit | | 42,561.63 | (1,239.92) |
| 04/01/20 | Recon R/M.Disposal & Utilities (04/2020) | 2,613.00 | | 1,373.08 |
| 04/01/20 | Recon Insurance (04/2020) | 809.00 | | 2,182.08 |
| 04/01/20 | Recon Taxes & Reduction (04/2020) | 11,812.00 | | 13,994.08 |
| 04/01/20 | Rent (04/2020) | 27,327.63 | | 41,321.71 |
| 05/01/20 | Recon R/M.Disposal & Utilities (05/2020) | 2,613.00 | | 43,934.71 |
| 05/01/20 | Recon Insurance (05/2020) | 809.00 | | 44,743.71 |
| 05/01/20 | Recon Taxes & Reduction (05/2020) | 11,812.00 | | 56,555.71 |
| 05/01/20 | Rent (05/2020) | 27,327.63 | | 83,883.34 |
| 06/01/20 | Recon R/M.Disposal & Utilities (06/2020) | 2,613.00 | | 86,496.34 |
| 06/01/20 | Recon Insurance (06/2020) | 809.00 | | 87,305.34 |
| 06/01/20 | Recon Taxes & Reduction (06/2020) | 11,812.00 | | 99,117.34 |
| 06/01/20 | Rent (06/2020) | 27,327.63 | | 126,444.97 |
| 06/01/20 | Direct deposit - 5/29/20 Direct deposit | | 42,561.63 | 83,883.34 |
| 0-30 Days | 31-60 Days | 61-90 Days | Above 90 Days | Amount Due |
| 42,561.63 | 42,561.63 | 0.00 | (1,239.92) | 83,883.34 |

5074-1 1 Gold's Gym

LEASE

LEASE AGREEMENT

Gold's Gym - Health & Fitness Center

Goliad Facility

ARTICLE 1

1.01 Summary of Basic Lease Provisions. When used herein, the following terms shall have the indicated meanings:

- a. Date of Lease: November 1, 2003
- b. Landlord: Goliad Real Estate, Ltd. by Goliad Investments, Inc. sole general partner
- c. Address of Landlord: % David Franke
2727 Allen Parkway
1500
Houston, TX 77019-2185
- d. Health Club: The Gold's Gym Health & Fitness Center located upon the lot, tract, or parcel of land situated in San Antonio, Bexar County, Texas, as more particularly described in Exhibit "A" attached hereto (the "Property"), together with such additions and extensions as Landlord and Tenant may from time to time designate in writing as being included within the building situated on the Property.
- e. Tenant: Gold's Texas Holdings, L.P., a Delaware limited partnership
- f. Tenant's Address: c/o Gold's Gym International, Inc.
2924 Telestar Court
Falls Church, VA 22042
Attn: Aaron Lieberman

With copies to:

Mr. Peter Klein
Brockway Moran & Partners, Inc.
225 N.E. Mizner Boulevard
Seventh Floor
Boca Raton, Florida 33432

and

Palm Beach Realty Partners, Inc.
214 Brazilian Avenue, Suite 200
Palm Beach, FL 33480

g. Tenant's Trade Name:

Gold's Gym

h. Demised Premises:

Approximately 48,945 square feet of area (including 2,241 of dock/storage space located adjacent to the main space) located within a portion of the building located on the Property and having an address of 2828 Goliad, San Antonio, Texas 78223 (the "Building.") Landlord represents to Tenant that the Building has a total building area of 56,055 square feet. The building area includes a mezzanine area equaling 1,494 square feet, which is included in the Demised Premises rent-free and free of Common Area Maintenance Charges, taxes and insurance.

i. Address of Demised Premises:

2828 Goliad
San Antonio, TX 78223

j. Permitted Use:

Health club and related uses as set forth in Article 5 below.

k. Lease Term:

The term of this Lease shall commence on the "Commencement Date" (defined below), and shall terminate on the first day of the month that is one hundred twenty one months following the Commencement Date, unless sooner terminated in accordance with the provisions hereinafter set forth. Tenant

| | | |
|----|--|--|
| | | shall have the right to extend the term of the Lease for three additional five-year periods. |
| l. | Commencement Date: | November 1, 2003 |
| m. | Expiration Date: | The first day of the 121 st month following the Commencement Date |
| n. | Estimated Completion Date: | N/A |
| o. | Security Deposit: | None |
| p. | Prepaid Rental (to be applied to the first accruing monthly installment of rent) | None |
| q. | Monthly Percentage Rent: | N/A |
| r. | Monthly Rent: | \$16,315.00 per month - months 1-36 \$17,742.56 per month - months 37 - 72 \$19,170.13 per month - months 73 - 120 \$23,248.88 per month - first option term \$27,327.63 per month - second option term \$31,406.38 per month - third option term |
| s. | Monthly Estimated Common Area Maintenance Charge: | \$4895.83 |
| t. | Monthly Estimated Tax and Insurance Charge: | \$6462.50 - real estate tax -(insurance cost included in CAM above) |
| u. | Miscellaneous: | N/A |
| v. | Gross Leaseable Building Area: | 56,055 square feet |
| w. | Proportionate Share of Leaseable Building Area allocated to Leased Premises: | 87.3% |
| x. | Guarantor (s): | Gold's Gym International, Inc., a Delaware corporation |
| y. | Broker: | None |

z Landlord's Designated Agent: David Franke, CPA
1500 Wortbam Tower
2727 Allen Parkway
Houston, TX 77019
Tel: (713) 529-9336
Fax: (713) 529-9408
Mobile: (713) 515-6593
Email: dfranke@pdq.net

Each of the foregoing Basic Lease Provisions and defined terms shall be construed in conjunction with the references thereto contained in the other provisions of this Lease. Each reference in this Lease to any of the foregoing Basic Lease Provisions and defined terms shall be construed to incorporate each term set forth above under such Basic Lease Provision or defined term.

1.02 DEMISED PREMISES. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, for the rent and subject to the provisions of this Lease, the Demised Premises described in Section 1.01 (h) hereof, as outlined on the plan attached hereto as Exhibit "B"; provided, however, Tenant will have the non-exclusive use of the parking area and traffic circulation areas shown on the site plan attached hereto as Exhibit "B." Such parking and circulation areas are subject to Landlord allocating designated parking spaces to one or more tenants in the Building as allowed herein. Notwithstanding the provisions of this paragraph, Landlord covenants and represents that at all times during the term of this Lease (and any renewals thereof), (i) the parking facilities located on the Property will always contain an aggregate of at least two hundred twenty five (225) ground level automobile parking spaces; (ii) Tenant and its employees, invitees, patrons, representatives, subtenants, licensees, concessionaires and contractors shall have the non-exclusive use and enjoyment of at least 200 parking spaces within a 100 yard radius of the Demised Premises; (iii) each parking space within the parking facility, regardless of angles of parking, shall have a minimum width of nine (9) feet on center, each measured at right angles to the side line of the parking space; (iv) Landlord shall not charge Tenant nor its employees, invitees, patrons, representatives, contractors, subtenants, licensees or concessionaires any parking "fees" in connection with the parking rights granted herein.

1.03 ACCEPTANCE OF DEMISED PREMISES. By occupying the Demised Premises, Tenant shall be deemed to have accepted the same for Tenant's intended purposes.

ARTICLE 2

2.01 TERM AND COMMENCEMENT. Subject to the other provisions hereof, and any exhibits hereto, this Lease shall be for a term equal to the Lease Term set forth in Section 1.01 (k) hereof commencing on the Commencement Date.

Within 15 days after the Commencement Date and at any time thereafter upon the prior written request of Landlord (which such request shall not exceed more than once each twelve month period), Tenant shall execute and deliver to Landlord a written declaration (in form and substance reasonably satisfactory to Landlord) specifying the date upon which the same occurred.

2.02 CONSTRUCTION. Tenant accepts the Demised Premises "as is, where is"; provided that Landlord warrants that the foundation, bearing walls, roof, plumbing and utility lines and to the best of its knowledge, HVAC and related facilities serving the Demised Premises are in good operating condition as of the date of this Lease.

ARTICLE 3

3.01 MONTHLY RENT. Tenant, as consideration for this Lease, agrees to pay to Landlord Rent in monthly installments in the amounts specified in Section 1.01 (r) hereof ("Monthly Rent"), payable at Landlord's address herein provided in legal tender of the United States of America, without notice, demand, counterclaim, set-off or abatement, in advance on or before the fifth (5th) day of each calendar month throughout the Lease Term.

The first monthly installment of Monthly Rent shall be due and payable on or before the Commencement Date, and subsequent installments shall be due and payable on or before the fifth day of each succeeding calendar month during the Term; provided that if the Commencement Date is a date other than the first day of a calendar month, then Tenant shall be required to pay only a pro rata share of the Monthly Rent due for such month. A penalty of two and one-half percent (2.5%) of the amount of the payment will be assessed for any Monthly Rent or Additional Rent, as described below in this Lease (collectively, "Rent") received after the tenth (10th) day of each calendar month, or after the fifth (5th) day after the date payable (which shall be at a minimum thirty (30) days from the date of the invoice), as the case may be, to cover Landlord's costs and expenses associated with processing a late payment, Tenant acknowledging that such fee is reasonable under the circumstances.

3.02 LATE PAYMENT INTEREST. It is understood that the Rent is payable on or before the fifth (5th) day of the month without offset or deduction of any nature. If any Rent is not received within 5 days after its due date for any reason whatsoever, it is agreed that the amount thus due shall bear interest from the date due until paid at the rate of 18% per annum; provided, however, in no event shall the rate of interest thereunder, together with any other fees paid by Tenant, which may be subject to usury laws, exceed the maximum non-usurious rate of interest (the "Maximum Rate") permitted by the applicable laws of the State of Texas or the United States of America, whichever shall permit the higher non-usurious rate, and as to which Tenant could not successfully assert a claim or defense of usury, and to the extent that the Maximum Rate is determined by reference to the laws of the State of Texas, the Maximum Rate shall be the indicated rate ceiling (as defined and described in Texas Revised Civil Statutes, Article 5069-1.04, as

amended) at the applicable time in effect. Any such interest shall be payable as additional Rent hereunder and shall be payable immediately on demand.

3.04 SECURITY DEPOSIT. NONE

ARTICLE 4

4.01 COMMON AREA. Landlord grants to Tenant and Tenant's patrons, invitees, employees, representatives, contractors, subtenants, licensees and concessionaires (such parties collectively referred to herein as the "Tenant Parties") the nonexclusive right to use and enjoy the Common Area of the Property. The term "Common Area" is defined for all purposes of this Lease as that part of the Property intended for the common use of all tenants of the Building and shall include, without limitation, all parking areas, roadways, pedestrian sidewalks, driveways, delivery areas, mail areas (whether open or closed), trash removal areas, landscaped areas, security areas, public washrooms (if any) and hallways and entry areas, but shall exclude (i) space in the Building currently designated for the exclusive occupancy by commercial tenants; and (ii) streets and alleys owned and maintained by a public authority. Landlord reserves the right to change from time to time the dimensions and location of the Common Area; provided however, that no fence, improvement, structure or obstruction of any kind shall be erected, installed or permitted in the Common Area (or on any portion of the Property) if such fence, improvement, structure or obstruction would materially obstruct view of signage associated with the Demised Premises from vehicular and pedestrian traffic on Babcock. Landlord covenants that all Tenant Parties at all times will have unobstructed means of ingress and egress between each entry of the Demised Premises and an adjacent public street. If any action (excluding those associated with any public taking) is knowingly taken or permitted by Landlord that interferes with Tenant Parties' quiet enjoyment of the Demised Premises and/or the visibility of the Demised Premises, and Landlord fails to cure such default after written notice and a reasonable period to cure, such action shall be deemed a default of Landlord under this Lease and Tenant shall be entitled to exercise any and all legal and equitable remedies available to it against Landlord, subject to the provisions of Section 23.04, below.

Save and except as set forth above, Tenant Parties' use of the Common Area shall be in common with other persons reasonably permitted by Landlord to use the same, and shall be subject to such reasonable rules and regulations governing use as Landlord may from time to time reasonably prescribe, including the designation of specific areas adjacent to the Building or in reasonable proximity thereto, in which automobiles owned by Tenant or other tenants in the Building, their patrons employees, subtenants, licensees and concessionaires shall be parked; provided, however, that any such designated spaces shall (i) not exceed ten (10) in total and (ii) be located immediately in front of the tenant's premises that requested the designated space(s). Spaces to be designated for specific tenants are limited to those areas shown on the plan attached as Exhibit "B". Except as expressly set forth herein with respect to Tenant's grand opening activities, Tenant shall not solicit business or display merchandise within the Common Area or

distribute handbills therein, or take any action which would interfere with the rights of other persons to use the Common Area. Landlord may temporarily close any part of the Common Area to the extent and only to the extent such closure is required to make repairs or alterations or to prevent the public from obtaining prescriptive rights to the Common Area. Landlord shall be solely responsible for the operation, management, and maintenance of the Common Area, the manner of maintenance and the expenditures therefore to be in keeping with first class properties located within the San Antonio, Texas area.

4.02 COMMON AREA MAINTENANCE CHARGES. In addition to rentals and other charges prescribed in this Lease, Tenant shall pay to Landlord Tenant's Proportionate Share (herein defined) of the cost of operation, maintenance and repair of the Common Area (including, among other costs, those for commercially reasonable lighting, painting, cleaning, policing, inspecting, repairing and replacing Common Area elements, and in the event of an enclosed mall or promenade in the Building constituting part of the Common Area, for heating and cooling)(and specifically excluding taxes and insurance (see Article 16) that may actually be incurred by Landlord, including a commercially reasonable management fee paid by Landlord to the manager of the Property or retained by Landlord as its fee for management (which shall in no event exceed ten percent (10%) of the Common Area Maintenance Costs per year), and the cost of maintaining and repairing all utility mains, lines, conduits and other facilities located on, above or under the Common Area (including common utility service lines wherever located) (all of the foregoing, collectively, are herein called the "Common Area Maintenance Costs"), but excluding depreciation of Landlord's original investment and the items set forth below. In addition, even if the roof and the pylon sign structure are not deemed to be part of the Common Area, Landlord and Tenant agree that roof and pylon sign maintenance, repair and replacement shall be included as a Common Area Maintenance Cost to the extent not specifically allocated to Tenant under this Lease or to another tenant pursuant to its lease. For purposes of this Lease, Tenant's "Proportionate Share" of any item shall mean the percentage that the stipulated square footage of the Demised Premises for the applicable calendar year during the Lease Term bears to the square footage area within the Building; provided however, that if additional buildings or improvements are constructed on the Property, Tenant's Proportionate Share of any item shall mean the percentage that the stipulated square footage of the Demised Premises bears to the total leasable square footage area of all buildings (including the Building) and other improvements on the Property for the applicable calendar year during the Lease Term

(a) Notwithstanding the foregoing to the contrary, in no event shall Common Area Maintenance Costs include or be deemed to include the following:

- (i) any ground lease rental payable by Landlord;

(ii) Costs of items considered capital repairs, replacements, improvements and equipment under generally accepted accounting principles ("Capital Items");

(iii) Rentals for items (except when needed in connection with normal repairs and maintenance of permanent systems) which if purchased, rather than rented, would constitute a Capital Item that is specifically excluded in (ii);

(iv) Costs incurred by Landlord for the repair of damage to the Property or any improvements thereon, to the extent that Landlord is reimbursed by insurance proceeds, and costs of all capital repairs, regardless of whether such repairs are covered by insurance;

(v) Costs, including permit, license and inspections costs, incurred with respect to the installation of tenant or other occupant's improvements in the Building or incurred in renovating or otherwise improving, decorating, painting or redecorating vacant space for tenants or other occupants of the Building.

(vi) Depreciation, amortization and interest payments, except on materials, tools, supplies and vendor-type equipment purchased by Landlord to enable Landlord to supply services Landlord might otherwise contract for with a third party where such depreciation, amortization and interest payments would otherwise have been included in the charge for such third party's services, all as determined in accordance with generally accepted accounting principles, consistently applied, and when depreciation or amortization is permitted or required, the item will be amortized over its reasonably anticipated useful life;

(vii) Marketing costs, including without limitation, leasing commissions, attorneys fees in connection with the negotiation and preparation of letters, deal memos, letters of intent, leases, subleases or assignments, space planning costs, and other costs and expenses incurred in connection with lease, sublease or assignment negotiations, and transactions with present or prospective tenants or other occupants of the Building and/or the Property;

(viii) Expenses in connection with services or other benefits that are not offered to Tenant or for which Tenant is charged for directly;

(ix) Costs incurred by Landlord due to the violation by Landlord or any tenant of the terms and conditions of any lease of space on the Property;

(x) Overhead and profit increment paid to Landlord or to subsidiaries or affiliates of Landlord for goods and services in or to the Building and/or the Property to the extent same exceeds the costs of such goods and services rendered by unaffiliated third parties on a competitive basis;

(xi) Interest, principal, points and fees on debts or amortization on any mortgage(s) or other debt instrument(s) encumbering the Property (except as permitted in (ii) above;

(xii) Landlord's general corporate overhead and general and administrative expenses, except as same relate to management of the Property;

(xiii) Any compensation paid to clerks, attendants or other persons in commercial concessions operated by Landlord in the Building or on the Property;

(xiv) intentionally omitted;

(xv) Advertising and promotional expenditures and costs of signs in or on the Building or other improvement on the Property identifying the owner of the Building or other tenant's signs;

(xvi) Costs incurred in connection with upgrading the Building to comply with life, fire and safety codes, ordinances, statutes or other laws in effect prior to the Commencement Date including, without limitation, the ADA, including penalties or damages incurred due to non-compliance, not including, however, life, fire and safety codes, ordinances, statutes or other laws in effect prior to the Commencement Date including, without limitation, the ADA, which are not required to be addressed on the Property as of the Commencement Date;

(xvii) Tax penalties incurred as a result of Landlord's negligence, inability or unwillingness to make payments or to file any tax or informational returns when due;

(xviii) Costs for which Landlord has been compensated by a management fee, and any management fees in excess of those management fees that are normally and customarily charged by landlords of comparable buildings;

(xix) intentionally omitted;

(xx) Despite any contrary provision of the Lease, including without limitation, any provision relating to capital expenditures, any and all costs arising from the presence of hazardous materials or substances (as defined by applicable laws in effect on the date this Lease is executed) in, on or about the Property;

(xxi) Costs arising from Landlord's charitable or political contributions, except as Landlord reasonably believes may be beneficial to the management of the Property;

(xxv) Costs (including all attorneys fees and costs of settlement judgments and payments) arising from claims, disputes or potential disputes in

connection with potential or actual claims litigation or arbitrations pertaining to Landlord, not related to Common Area Expenses applicable to the Building and/or the Property;

(xxvi) Costs associated with the operation of the business of the partnership or entity that constitutes Landlord as the same are distinguished from the costs of operation of the Building and the Property, including partnership accounting and legal matters, costs of defending any lawsuits with any mortgagee (except as the actions of Tenant may be in issue), costs of selling, syndicating, financing, mortgaging or hypothecating any of Landlord's interest in the Building and/or the Property, costs of any disputes between Landlord and its employees (if any) not engaged in Building operation, or outside fees paid in connection with disputes with other tenants;

(xxvii) Cost of any tap fees or any sewer or water connection fees for the benefit of any particular tenant in the Building or on the Property;

(xxviii) Capital Costs incurred in connection with any environmental clean-up, response action, or remediation on, in, under or about the Demised Premises, the Building and/or the Property, including, but not limited to, costs and expenses associated with the defense, administration, settlement, monitoring or management of them, except those costs incurred due to actions taken by Tenant or Tenant's failure to comply with any environmental clean-up, response action, or remediation on, in, under or about the Demised Premises applicable to Tenant;

(xxix) intentionally omitted

(xxx) Any entertainment or travel expenses for any purpose;

(xxxi) Any "finders fees" or brokerage commissions;

(xxxiv) intentionally omitted

(xxxv) The cost of any magazine, newspaper, trade or other subscriptions;

(xxxvi) The cost of any training or incentive programs, other than for tenant life safety information services;

(xxxvii) The cost of any tenant relations parties not consented to by an authorized representative of Tenant in writing;

(xxxvii) In-house legal and accounting fees; and

(xxxviii) Any other expenses that, in accordance with generally accepted accounting principles, consistently applied, would not normally be treated as Operating Expenses by landlords of comparable buildings.

(b) Common Area Maintenance Costs will be reduced by all cash discounts, trade discounts or quantity discounts received by Landlord or Landlord's managing agent in the purchase of any goods, utilities or services in connection with the operation of the Building and/or the Common Area. Landlord will make payments for goods, utilities and services in a timely manner in order to obtain the maximum possible discount. If capital items that are customarily purchased by landlords of comparable properties are leased by Landlord, rather than purchased, the decision by Landlord to lease the item in question will not serve to increase Common Area Maintenance Costs payable by Tenant beyond that which would have applied if the item in question been purchased.

(c) If any facilities, services or utilities used in connection with the Building or the Common Area are provided to another building or property owned or operated by Landlord or vice versa, the costs incurred by Landlord in connection with them will be allocated to Common Area Maintenance Costs by Landlord on an equitable basis.

(d) intentionally omitted

(e) Tenant's initial Proportionate Share is specified in Section 1.01(w). If Tenant's calculated Proportionate Share Common Area Maintenance Costs for any calendar year shall be more than the aggregate of the monthly payments previously paid by Tenant as specified in Section 1.01(s), Tenant shall pay such shortfall as Additional Rent to Landlord within thirty (30) days after written demand therefore and delivery of written evidence reasonably documenting such shortfall, and Landlord shall have the right to then adjust the monthly Common Area maintenance charge specified in Section 1.01(s) to be an amount equal to one-twelfth (1/12) of Tenant's share of Common Area Maintenance Costs for the immediately preceding calendar year or the amount that Landlord estimates in good faith will be incurred during the current year. If Tenant's calculated Proportionate Share of Common Area Maintenance Costs for any calendar year shall be less than the aggregate of the monthly payments previously paid by Tenant for such calendar year, Landlord shall refund the excess amount to Tenant within sixty (60) days after the end of such calendar year.

4.03 PARKING. Tenant shall furnish to Landlord upon request a complete list of license numbers of all automobiles operated by Tenant, its employees, subtenants, licensees or concessionaires. Subject to the parking provisions set forth above, Tenant agrees that if any automobiles or other vehicle owned by Tenant or any of its employees, subtenants, licensees or concessionaires, or any of their respective employees, shall at any time be parked in any part of the Property other than the specific areas previously designated in writing by Landlord from time to time for employee parking, Landlord shall, after the delivery of prior written notice to Tenant, be and is hereby authorized to cause such automobile or other vehicle to be removed to such other location, either within or beyond the Property. Except to the extent attributable to negligence, gross negligence or willful misconduct, Tenant agrees to indemnify Landlord, its employees, and agents and hold each of them harmless from any and all claims of whatsoever nature

that may arise by reason of such removal. Landlord may from time to time substitute for any parking area other areas reasonably accessible to the tenants of the Building.

ARTICLE 5

5.01 USE. The Demised Premises may be used only as a health club and fitness facility. For purposes of this Lease, "health club and fitness facility" shall be deemed to include only the following facilities and uses: gymnasium, tanning salon, aerobic studio, physical rehabilitation facility, martial arts training facility, beauty and/or nail salon, free weights, sports medicine facility, retail sale of fitness apparel, preparation and/or sale of health food and beverages, child care services for members and invitees of the Demised Premises, and general administrative offices and no other purpose or use without the prior express written consent of Landlord, which such consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall use in the transaction of business in the Demised Premises the trade name set forth in Section 1.01 (g) hereof and no other trade name without the prior written consent of Landlord, which such consent shall not be unreasonably withheld, conditioned or delayed. Except to the extent caused in whole or in part by any casualty or other force or cause beyond the reasonable control of Tenant, Tenant shall not at any time leave the Demised Premises vacant, but shall in good faith continuously throughout the Term of this Lease conduct and carry on in the entire Demised Premises the type of business for which the Demised Premises are leased. Tenant shall operate its business in an efficient, high-class and reputable manner so as to produce the maximum amount of revenues from the Demised Premises.

5.02 USES PROHIBITED. Tenant shall not, without Landlord's prior written consent (which such consent shall not be unreasonably withheld, conditioned or delayed), keep anything within the Demised Premises or use the Demised Premises for any purpose that increases the insurance premium cost or invalidates any insurance policy carried on the Demised Premises or other parts of the Building by Landlord. All property kept, stored or maintained within the Demised Premises by Tenant shall be at Tenant's sole risk. Tenant shall not conduct within the Demised Premises any fire, auction, bankruptcy, "going-out-of-business", "lost-our-lease" or similar sales or operate within the Demised Premises a "wholesale" or "factory outlet" store, a cooperative store, a "second-hand" store, a "surplus" store or a store commonly referred to as a "discount house". Tenant shall not advertise that it sells its products or services at "discount", "cut-price", or "cut-rate" prices. Tenant shall not (a) permit any objectionable or unpleasant odors to emanate from the Demised Premises; (b) place or permit any radio, television, loudspeaker or amplifier on the roof of the Building or outside the Demised Premises; (c) place any antenna, awning or other projection on the exterior of the Demised Premises; (d) take any other action or permit or cause any sounds to emanate from the Leased Premises that would constitute an unreasonable nuisance or would unreasonably disturb or endanger other people who have a right to occupy the Building or unreasonably interfere with their use of their respective premises; nor (e) do anything which would tend to injure the reputation of the Building or the Property. Notwithstanding the foregoing to the contrary, noises and odors typically generated by gymnasium operations and other

uses permitted hereunder shall be expressly permitted and shall not be deemed to be in violation of this paragraph; provided that such sounds do not materially interfere with the business use of premises leased to third parties in the building or on adjoining property.

Tenant shall take good care of the Demised Premises and keep the same free from waste and vermin at all times. Subject to Landlord's responsibilities with respect to the Common Area, Tenant shall keep the sidewalks, hallways, stairways, service-ways and loading areas adjacent to the Demised Premises neat, clean and free from dirt or rubbish at all times, and shall store all trash and garbage within the Demised Premises, arranging for the regular pick-up of such trash and garbage at Tenant's expense, with such trash and garbage to be placed at a location in or near the Building reasonably selected by Landlord. Receiving and delivery of equipment, goods and merchandise and removal of garbage and trash shall be made only in the manner and areas reasonably prescribed by Landlord in writing. Tenant shall not operate an incinerator or burn trash or garbage within the Building. Tenant shall maintain all walls and display windows in a neat, attractive condition. Tenant shall procure at its sole expense all permits and licenses required for the transaction of business in the Demised Premises and otherwise comply with all applicable laws, ordinances, and governmental regulations pertaining to the operation of its business.

ARTICLE 6

6.01 LANDLORD'S REPAIRS. Landlord shall keep the foundation, the exterior walls (except plate glass windows, doors, door closure devices and other exterior openings; windows and door frames, molding, locks and hardware; special store fronts; lighting, heating, air conditioning, plumbing and other electrical, mechanical and electromotive installation, signs, placards, decorations or advertising media of any type located within the Demised Premises; and interior painting or other treatment of interior walls) and the roof of the Demised Premises in good repair in accordance with Section 4.01, subject to the provisions of Section 13.01 and Section 14.01. Landlord, however, shall not be required to make any repairs occasioned by the act or negligence of Tenant, its agents, employees, subtenants, licensees and concessionaires. If the Demised Premises are in need of repairs required to be made by Landlord, Tenant shall give immediate written notice to Landlord. Landlord shall not be responsible in any way for failure to make any such repairs until a reasonable time (not to exceed ten (10) business days) shall have elapsed after delivery of such written notice by Tenant; provided however, that if such repair is not reasonably susceptible to cure within such ten day period, or if the repair has no material impact upon Tenant's ability to operate its business out of the Demised Premises, Landlord shall have such excess time as is reasonably necessary to make such repair.

6.02 TENANT'S MAINTENANCE AND REPAIRS. Tenant shall keep the Demised Premises, the "store front" of the Demised Premises and any canopies and awnings servicing solely the Demised Premises, and the exterior walls of the Building outside the Demised Premises (not including the outside of the Building defining the area marked "RETAIL" on Exhibit "B" attached hereto) in good, clean and habitable

condition and shall at its sole cost and expense keep the Demised Premises free of insects, rodents, vermin and other pests. Tenant shall make all needed repairs and replacements within the Demised Premises, including replacement of cracked or broken glass, except for repairs and replacements required to be made by Landlord under the provisions of this Article, Section 13.01 and Section 14.01. It is understood that Tenant's responsibilities herein include, but are not necessarily limited to: (i) keeping the floors, walls and ceilings within the Demised Premises clean, with all floor, ceiling and wall coverings maintained, repaired and replaced as may be appropriate to maintain a first-class appearance; (ii) effecting the repair and replacement of all lighting, heating, air conditioning, plumbing and other electrical, mechanical and electromotive installations, equipment and fixtures located within and solely servicing the Demised Premises; (iii) maintaining and repairing all ducts, conduits, pipes and wiring located within the Demised Premises and serving solely the Demised Premises; and (iv) repairing any sewer stoppage located in, under and above the Demised Premises caused by activities of Tenant. If any maintenance or repairs required to be made by Tenant hereunder are not made within 10 business days after written notice is delivered to Tenant by Landlord, or if a longer period is required for such repair, if Tenant fails to commence repair promptly after notice or fails to continue with repair through completion, Landlord may at its option make such repairs at Tenant's expense, without liability to Tenant for any loss or damage which may result from the making of such repairs except for the gross negligence of Landlord or its employee or contractors. Landlord agrees to (i) use commercially reasonable standards in the hiring and contracting of outside third party vendors for the Property and (ii) assign to Tenant any warranties and rights it acquires with respect to any work performed or contracted for on Tenant's behalf. Tenant shall pay to Landlord within ten (10) days after written demand, as Additional Rent, the cost of such repairs plus 10%. At the expiration of this Lease, Tenant shall surrender the Demised Premises in good condition, excepting reasonable wear and tear and losses required to be restored by Landlord in this Article, Section 13.01 and Section 14.01 of this Lease.

ARTICLE 7

7.01 ALTERATIONS. Save and except for non-structural modifications and those made in connection with Tenant's finish-out of the Demised Premises, Tenant shall not make any alterations, additions or improvements to the Demised Premises without the prior written consent of Landlord, which such consent shall not be unreasonably withheld, conditioned or delayed. Tenant agrees to provide Landlord with copies of any drawings or specifications prepared relating to any non-structural modifications to the Demised Premises. Tenant may place in the Demised Premises movable and non-movable trade fixtures that do not require drilling, cutting or otherwise defacing the Demised Premises but shall, upon the expiration or earlier termination of this Lease, remove the same and restore the Demised Premises to their original condition at Tenant's expense. If at the termination of this Lease, whether by expiration or any other reason, there are any movable trade fixtures remaining in the Demised Premises, and upon not fewer than fifteen (15) business days written notice, Tenant fails to remove them after being given the reasonable opportunity to do so, at the option of Landlord, and upon prior

written notice to Tenant, they shall be deemed abandoned by Tenant and shall become the property of Landlord. The provisions of this section of this Lease are deemed to be in addition to, and do not in any way reduce Landlord's rights described in Article 18, below. If Tenant desires to remodel or alter any part of the Demised premises, it shall do so at its sole cost without permitting any liens to be placed upon the Property, and in that regard prior to commencement of construction will provide such evidence of ability to pay for all improvements as Landlord may reasonably require. Prior to commencement of construction of modifications, whether Tenant must obtain Landlord's consent or not for the modifications, Tenant must first deliver to Landlord detailed construction plans, which plans must be approved by Landlord prior to commencement of construction. Landlord shall not unreasonably withhold, condition or delay its approval of such plans. Construction of improvements must be completed in a good workmanlike manner in substantial accordance with plans approved by Landlord and in compliance with all applicable laws, regulations and governmental approvals and in such manner as to cause a minimum of interference with other construction in progress and with the transaction of business on the Property. Tenant shall deliver to Landlord promptly after completion of the modifications as built drawings showing the modifications done by Tenant. Tenant agrees to indemnify, defend and hold harmless Landlord from and against any loss, liability, damage, claim or legal action resulting from such work, and Tenant shall, if requested by Landlord, furnish bond or other security reasonably satisfactory to Landlord against any such loss, liability or damage. Tenant acknowledges that Landlord's approval of Tenant's plans will not be deemed to be any warranty of the improvements for fitness of purpose, or that the improvements are in compliance with any laws or regulations applicable to the Property or Tenant's use of the Property.

ARTICLE 8

8.01 LANDLORD'S RIGHT OF ACCESS. Landlord shall have the right to enter upon the Demised Premises at any reasonable time and upon the giving of at least twenty four (24) hours prior written notice to Tenant, unless a shorter time is warranted in order to make repairs for the purpose of (a) inspecting the Demised Premises, or (b) making repairs to the Demised Premises, or repairs, alterations or additions to adjacent premises or the Building, or (c) during the last sixty (60) days of the lease term and any applicable renewals thereof, showing the Demised Premises to prospective purchasers, tenants or lenders. Landlord and its agents, employees, contractors and representatives will use all commercially reasonable efforts to minimize disruption of Tenant's business operations within and about the Demised Premises prior to, during and after Landlord's entry into the Demised Premises. Tenant will not change the locks to the Demised Premises without first notifying Landlord of such action and providing Landlord with a duplicate set of keys and any other information necessary to gain entry to the Demised Premises, such as security codes for alarms. Tenant will permit Landlord to place and maintain "For Rent" or "For Lease" signs on the Property including but not limited to the exterior walls of the Demised Premises during the last 30 days of the Term, it being understood that such signs shall in no way affect Tenant's obligations under any other provision of this Lease. In the event Tenant posts notices on the Demised Premises of its

intent to vacate the Demised Premises, Landlord shall have the right to advertise the Demised Premises for lease, including placing signage therefore on the Building. Additionally, during the last 120 days of the Lease Term, Tenant will allow brokerage representatives of Landlord to visit the Demised Premises during normal operating hours, provided such visits do not materially interfere with Tenant's operations.

8.02 USE OF ROOF. Use of the roof is reserved to Landlord, and Landlord may install equipment, signs, antenna, displays and other objects upon the roof, , provided such use does not materially detract from the aesthetics of the Building or interfere with Tenant's occupancy of the Demised Premises and/or Tenant's business operations within. No equipment, signs, antenna, displays or other objects installed on the roof by Landlord or permitted by Landlord shall obstruct or interfere with any equipment, signage, antennas, displays or other objects servicing the Demised Premises and/or Tenant's business operations within the Demised Premises. Landlord, at Landlord's sole cost and expense, shall repair all damage to the Demised Premises (including fixtures and equipment servicing the Demised Premises) caused by the installation, use, maintenance, repair, replacement or removal of equipment, signs, antenna, displays and other objects placed or permitted by Landlord on the roof of the Demised Premises for the benefit of third parties.

ARTICLE 9

9.01 SIGNS, STORE FRONTS. Save and except for fixtures, lighting, decoration, banners, window and door lettering, and placards typically utilized by Tenant in its health club facilities or as contemplated as part of Tenant's finish-out of the Demised Premises prior to its occupancy thereof, Tenant shall not, without Landlord's prior written consent (which such consent shall not be unreasonably withheld, conditioned or delayed), install any exterior lighting, decorations, paintings, awnings, canopies or the like; or erect or install any signs, banners, window or door lettering, placards, decorations or advertising media of any type that can be viewed from the exterior of the Demised Premises, excepting only dignified displays of customary type for its display windows in accordance with the sign criteria attached hereto as Exhibit "D". Landlord and Tenant hereby agree that Tenant's signage as shown on the attached Exhibit "D-1" is acceptable and approved for installation on the Building and Pylon, subject however to approval of the Pylon Sign by applicable governmental agencies without modification to the height of the Pylon Sign. Save and except for signage, banners, lettering, placards, decoration and advertising media typically utilized by Tenant in its health care facilities, all signs, banners, lettering, placards, decorations and advertising media shall conform in all respects to prior written approvals given by Landlord to Tenant for the Building from time to time in the exercise of its reasonable discretion, and shall be subject to the prior written approval of Landlord (which such approval shall not be unreasonably withheld, conditioned or delayed) as to construction, method of attachment, size, shape, height, lighting, color and general appearance. Nothing in this Article shall be deemed to prevent Tenant from maintaining and displaying on and about the Demised Premises its "Gold's Gym" logos, signage and other

indicia of operation typically utilized by Tenant in its health club facilities. Tenant shall keep all signs, banners, window or door lettering, placards, decorations and exterior lighting installed as advertising media in good condition and in proper operating order at all times. Upon the expiration or earlier termination of this Lease, Tenant shall remove its sign(s) banners, window or door lettering, placards, decorations or advertising media of any type and restore the surface to which such may be attached to the condition that existed as of the Commencement Date of this Lease at Tenant's expense. If Tenant fails to remove the above described items within fifteen (15) days following the expiration or earlier termination of this Lease, the items shall become the property of Landlord without any credit or compensation to Tenant, and Landlord may, but is not obligated to, remove and store or dispose of the items and Tenant shall be liable to Landlord for all reasonable costs incurred by Landlord in connection therewith. Tenant shall indemnify and hold Landlord harmless from all loss, damage, cost, expense and liability in connection with such removal, storage or disposal; provided however, that Tenant shall not be liable for any loss, damage, cost, expense or liability incurred in whole or in part as a result of Landlord's negligence, gross negligence or willful misconduct. Notwithstanding any provision to the contrary set forth in this Article, Tenant shall have the right to display banners and such other signage and decoration that Tenant reasonably deems necessary or desirable in connection with Tenant's "grand opening" of its business operations within the Demised Premises; provided, that any such signage shall be in conformance with the provisions of the Access and Parking Agreement. Provided that such signage and decoration fully complies with all applicable laws, statutes and codes, Tenant shall have the right to continually display all such "grand opening" signage and decorations for a period not to exceed sixty (60) days following the date on which Tenant opens the Demised Premises for business to the general public.

9.02 PYLON SIGN. For the duration of the Lease term (and all renewals thereof), Landlord shall provide one (1) space for Tenant's signage panels (such panels, whether one or more, collectively referred to herein as the "Tenant Sign" or "Tenant's Signage") on the pylon sign currently located on the Property (the "Pylon Sign") and on all other pylon signs, sign boxes, monuments, can or other type signage fixtures subsequently installed on the Property and utilized by more than one tenant or occupant of the Property, provided that Tenant pays for a proportionate part of the cost of construction of such signage, and/or Landlord and Tenant agree upon a rental for the space on such additional signage. Tenant shall have sufficient space on the Pylon Sign to permit Tenant's Signage to be visible from each direction faced by such Pylon Sign. The locations, size and dimensions of the spaces to be provided for Tenant's Sign on the Pylon Sign are set forth on Exhibit "D-1" attached hereto and incorporated herein by this reference. Tenant may use the sign box or can that is attached to the Pylon Sign for its sign, if such box or can is in place or is later put into place by any party. Notwithstanding that Tenant's Signage is the only sign on the Pylon Sign, Landlord will maintain the Pylon Sign and shall arrange for the upkeep and repair of the Pylon Sign in first class condition; provided, however, that Tenant shall be responsible at its expense for (i) maintaining the actual sign panel(s) of Tenant Signage and (ii) performing any maintenance necessary to keep the Signage operational. Subject to the provisions set forth herein, Landlord may, upon prior written notice to Tenant and at Landlord's sole cost and expense, install additional signs on the

Pylon Sign, and upon doing so, Tenant shall pay only a prorata share of expenses reasonably incurred by Landlord in maintaining and repairing the pylon. Unless signs are individually metered, Tenant shall pay a prorata share of all utilities consumed at the pylon sign. Such prorata share shall be based upon the square footage of Tenant's Sign relative to the square footage of all signs on the Pylon Sign for the applicable period of expenses. In no event shall any additional signage installed by Landlord on the Pylon Sign (i) obstruct the existing Tenant Signage on the Pylon Sign; (ii) be placed above the existing Tenant Signage on the Pylon Sign; (iii) exceed the size or dimensions of the existing Tenant Signage on the Pylon Sign; (iv) damage, alter or diminish the existing Tenant Signage on the Pylon Sign. Tenant will at its cost, fabricate the Tenant Sign, and at Tenant's option, Landlord shall install the Tenant Sign on the Pylon Sign at Tenant's sole cost, without damage or injury to the Pylon Sign or any other tenant's signs, within sixty (60) days after the Commencement Date of this Lease. Tenant's Sign shall conform to all applicable laws, ordinances, rules and regulations. Subject to Tenant's rights herein to display and utilize its "Gold's Gym" logos, signage and other indicia of operation typically displayed by Tenant in its health club facilities, Tenant's Sign shall comply to Landlord's Pylon Sign Criteria as it may be reasonably established and amended from time to time by Landlord on prior written notice to Tenant. Notwithstanding the foregoing to the contrary, but subject to Tenant's rights to display and utilize its "Gold's Gym" logos, signage and other indicia of operation, if Landlord's Pylon Sign Criteria is amended after the Tenant Signage is fabricated, all costs reasonably incurred by Tenant to modify such Signage to conform to Landlord's amendment of the Landlord's Pylon Sign Criteria shall be paid by Landlord at Landlord's sole expense. Tenant shall cause Tenant's Sign to be fully insured at all times during the term hereof against damage or loss due to fire or other hazards under a standard Texas form of all-risk fire and casualty insurance policy. Tenant, at Tenant's expense, shall promptly replace and repair the Tenant Sign should it become damaged (except to the extent such damage or repair is necessitated by the acts or omissions of Landlord), and shall maintain Tenant's Sign panels in good, attractive, first-class condition, as determined by Landlord in its commercially reasonable judgment. If Tenant's Sign is self-contained as to lighting, Tenant shall be responsible, at Tenant's cost, for changing the light bulbs for Tenant's Sign. Tenant shall promptly change out burned-out bulbs for Tenant's Sign as necessary. Landlord shall give Tenant and/or its employees, agents, contractors and representatives access to the Pylon Sign at all times for purposes of repair and maintenance of Tenant's Sign. The Tenant's Sign shall at all times remain the property of Tenant. Tenant shall render taxes and assessments separately to the relevant taxing authorities having jurisdiction over the Property and, if appropriate, the Tenant's Sign and shall take all commercially reasonable steps to ensure that property taxes for Tenant's Sign are invoiced directly to Tenant as its separate business property. Otherwise, Landlord shall be responsible for paying any assessments on the pylon(s) and Tenant shall be responsible for its pro-rata share of such assessments. Tenant, at Tenant's expense, shall obtain and pay all fees for permits and other governmental approvals necessary for Tenant's occupancy of space on the Pylon Sign; provided however, that in no event shall Tenant be liable or responsible for the payment of any fees or charges assessed for permits and other governmental approvals attributable in whole or in part to the Pylon Sign structure itself, except as such may be allocated as Common Area expenses. Tenant shall not permit, nor have or be deemed hereby to have been given by Landlord any right to create, any liens

against Landlord's interest in the Pylon Sign or the Property. Landlord and Tenant, as applicable, shall comply with all federal, state, county and municipal laws and ordinances and all rules and regulations of any duly constituted authority present and in the future affecting or respecting its use of the Pylon Sign. In case any restriction of the construction or maintenance of signs, sign boards or bulletin boards are imposed by statute or by ordinance of the municipality in which the Property is located, or, in case any such restriction, statute, ordinance or other rules or regulations, already existing, be enforced, or in case the federal, state, municipal and/or other public authority having jurisdiction shall hereafter establish any rules or regulations, or taxation, which shall have the effect of so restricting the location, construction, maintenance or operation of signs, sign boards or bulletin boards as to effectively prohibit the use of the Pylon Sign on a commercially reasonable basis or increasing Landlord's costs of maintaining the signs to a commercially unreasonable level, Landlord may terminate this agreement to permit Tenant to have Tenant's Sign on the Pylon Sign upon giving Tenant thirty (30) days' prior written notice. Upon such termination by Landlord, Landlord shall, if permitted under law, install, place and/or utilize another legally permissible sign structure on the Property in a location and of a size reasonably comparable with that of the Pylon Sign. If any part of the Pylon Sign or land upon which it is located is taken by governmental authorities or other authorized authorities by power of eminent domain, Tenant shall have no right to claim any interest in the proceeds of such condemnation. Tenant hereby assigns to Landlord any claim Tenant may have or claim, or which it could or might have or claim in the future, in, to or in respect of any such condemnation award or proceeding, except that Tenant may make its own separate claim in connection with such condemnation action for compensation for the depreciated cost of the Tenant's physical sign structure located on the Pylon Sign if Tenant's Sign is taken by the condemning authority. Landlord shall not owe Tenant any compensation whatsoever for the loss of Tenant's rights to signage on the Pylon Sign by reason of any casualty loss (except to the extent caused by the voluntary and discretionary acts or omissions of Landlord), condemnation or other governmental law or regulation, except to reimburse Tenant for any prepaid rentals. Within ninety (90) days of such loss, condemnation or operation of law, Landlord shall, if permitted under law, install and/or modify a legally permissible replacement sign structure (the "Replacement Structure") on the Property in a location and of a size reasonably comparable with that of the Pylon Sign. The cost of installing the Replacement Sign shall be equitably prorated between Landlord, Tenant and other tenants utilizing the Pylon Sign and shall be based upon the anticipated useful life of the Replacement Sign and the remaining Lease term.

ARTICLE 10

10.01 UTILITIES. Landlord agrees (provided it is within its reasonable control) to provide and maintain (or cause to be provided and maintained) the necessary mains, conduits and other utility facilities necessary to supply water, gas, electricity, telephone and sewerage service to the exterior wall of the Demised Premises and to use its commercially reasonable efforts to ensure that sufficient utility services are available to the Demised Premises. Tenant agrees to maintain (or cause to be maintained) all utility conduits and facilities inside the exterior walls of the Demised Premises and to pay for all utility service charges, including all charges for electricity, water, gas, telephone, cable,

sewerage service and other utilities furnished to the Demised Premises. In addition, Landlord may choose to provide utility services to the Demised Premises, and in such event Tenant shall purchase the use of such services as are tendered by Landlord, and shall pay on demand as Additional Rent the rates reasonably established therefore by Landlord, which shall not exceed the rates which would be charged for the same services if furnished directly by the local public utility companies to Tenant. Provided that alternative utility services are then available for the Demised Premises, Landlord may upon thirty (30) days prior written notice at any time discontinue furnishing any such service without obligation to Tenant other than to immediately connect the Demised Premises to the public utility, if any, furnishing such service. Landlord shall have Tenant's utility services separately metered from the remainder of the Building; provided however, that as long as the remainder of the Building not constituting the Demised Premises, is not leased to Tenant, utility services for the Demised Premises shall not be separately metered, and Tenant will pay the full amount billed for the Building. Landlord will reimburse Tenant for the portion used for the Building not including the Demised Premises within fifteen (15) days after receipt of reasonable evidence that the utility bill(s) in question has been paid by Tenant.

10.02 INTERRUPTION: Except to the extent caused by Landlord's gross negligence or willful misconduct, no interruption or malfunction of any utility services (including, without limitation, interruption of such utilities as a result of the enactment, enforcement or promulgation, regardless of the ultimate validity or enforceability thereof, of any federal, state or local law, statute, ordinance, decree, order, guideline or regulation now or hereafter enacted or promulgated by any governmental, quasi-governmental, regulatory or executive authority) shall constitute an eviction or disturbance of Tenant's use and possession of the Demised Premises or a breach by Landlord of any of its obligations hereunder or render Landlord liable for any damages (including, without limitation, consequential or special damages) or entitle Tenant to be relieved of any of its obligations hereunder (including the obligation to pay Rent) or grant Tenant any right or set-off or recoupment. If a utility service provided by Landlord that is reasonably necessary for the operation of Tenant's business is interrupted for more than 24 hours due to Landlord's negligence, gross negligence or willful misconduct and as a result Tenant is not able to operate its business during that time, the amount of Monthly Rent payable by Tenant for the applicable month shall be abated on a prorated basis for each 24 hour period thereafter that Tenant is unable to operate its business at all due to the interruption of the utility service. Additionally, if a utility service provided by Landlord that is reasonably necessary for the operation of Tenant's business is interrupted for twenty (20) or more days due to Landlord's negligence, gross negligence or willful misconduct and as a result Tenant is not able to operate its business at all during that time, Tenant may, upon the giving of five (5) days notice to Landlord, terminate the Lease. In the event of any such interruption of any such services, Landlord shall use all commercially reasonable efforts to restore such service in any circumstance in which such interruption is caused by the action or inaction of Landlord and not any governmental action. Notwithstanding the foregoing sentence, Landlord shall use all commercially reasonable efforts to cooperate with Tenant in contacting and coordinating with all applicable governmental or quasi-governmental agencies to ensure that utilities to the Demised Premises are not

discontinued or are discontinued for a minimal period of time. Landlord shall immediately notify Tenant of any notice received or relayed to Landlord regarding the anticipated or scheduled interruption of any utility service to the Property, including the Demised Premises. Notwithstanding the foregoing, Landlord does not warrant utility service by third parties to Tenant or to the Building.

ARTICLE 11

11.01 INDEMNITY. Except to the extent attributable in whole or in part to the negligence, gross negligence or willful misconduct of Landlord and/or Landlord's employees, agents, representatives, invitees or contractors, Landlord shall not be liable to Tenant or to Tenant's employees, agents, or visitors, or to any other person whomsoever, for any injury to persons or damage to property on or about the Demised Premises or the Common Area caused by the negligence or misconduct of Tenant, its employees, subtenants, licensees or concessionaires, or of any other person entering the Property or the Building under express or implied invitation of Tenant, or arising out of the use of the Demised Premises by Tenant and the conduct of its business therein, or arising out of any breach or default by Tenant in the performance of its obligations hereunder. Tenant hereby agrees to indemnify Landlord and hold Landlord harmless from any loss, expenses or claim arising out of such damage or injury. Except to the extent attributable in whole gross negligence or willful misconduct by Landlord or Landlord's employees, agents, representatives, invitees or contractors, Landlord's agents and employees shall not be liable to Tenant for any injury or death to persons or damage or destruction to property sustained by Tenant or any persons claiming through Tenant resulting from the Demised Premises or other portions of the Building caused by repair or defect in or failure of any structural element of the Demised Premises or of any equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the Demised Premises, nor shall Landlord be liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of the Building or of any other people, excepting only duly authorized employees and agents of Landlord. Landlord shall indemnify and hold Tenant and its employees, agents, representatives, partners, board members, directors, contractors and representatives harmless from any and all claims, losses, damages, costs and expenses incurred by Tenant or any party claiming by, through or under Tenant and resulting in whole or in part from the negligence, gross negligence or willful misconduct by Landlord or Landlord's employees, agents, representatives, invitees or contractors.

ARTICLE 12

12.01 TENANT INSURANCE. Tenant shall procure and maintain throughout the Term of this Lease a policy or policies of insurance, at its sole cost and expense, insuring both Landlord and Tenant against all claims, demands or actions arising out of or in connection with Tenant's use or occupancy of the Demised Premises, or by the condition of the Demised Premises. The limits of such policy or policies shall be in an

amount not less than \$1,000,000 combined single limit for bodily injury and/or property damage for each occurrence, and shall be written by insurance companies licensed to do business in Texas and reasonably satisfactory to Landlord; provided however, that upon the delivery to Landlord of documentation reasonably evidencing the worth of Tenant, Tenant may self-insure. Tenant shall obtain a written obligation on the part of each insurance company to notify Landlord at least 30 days (or the maximum period allowed under applicable Texas law) prior to cancellation of such insurance. Such policies or duly executed certificates of insurance shall be promptly delivered to Landlord and renewals thereof as required shall be delivered to Landlord at least 30 days prior to the expiration of the respective policy terms upon request by Landlord. If Tenant should fail to comply with the foregoing requirements relating to insurance, Landlord may obtain such insurance and Tenant shall pay to Landlord on demand, as Additional Rent hereunder, the premium cost thereof.

ARTICLE 13

13.01 CASUALTY. Tenant shall give immediate written notice to Landlord of any damage caused to the Demised Premises by fire or other casualty. If the Demised Premises shall be damaged or destroyed by fire or other casualty insurable under standard fire and extended coverage insurance and Landlord does not elect to terminate this Lease as hereinafter provided, Landlord shall, within one hundred twenty (120) days, rebuild and repair the Demised Premises. If the Demised Premises are not reasonably susceptible to reconstruction and repair within one hundred twenty (120) days following the date of the fire or other casualty (or if Landlord fails to complete such reconstruction and repair within the 120 day period), Tenant shall have the right, but not the obligation, to terminate this Lease upon the giving of ten (10) days written notice to Landlord on or before the expiration of one hundred twenty (120) days following the date of such fire or other casualty. If (a) the Building is destroyed or substantially damaged by a casualty not covered by Landlord's insurance; or (b) such building shall be destroyed or rendered substantially untenantable to an extent in excess of 25% of the floor area by a casualty covered by Landlord's insurance; or (c) the holder of a mortgage, deed of trust or other lien on the Demised Premises at the time of the casualty elects, pursuant to such mortgage, deed of trust or other lien, to require the use of all or substantially all of Landlord's insurance proceeds in satisfaction of all or part of the indebtedness secured by the mortgage, deed of trust or other lien, then Landlord may elect either to terminate this Lease or to proceed to rebuild and repair the Demised Premises. Landlord shall give written notice to Tenant of such election within 60 days after the occurrence of such casualty. If Landlord elects to rebuild and repair, Landlord shall proceed to do so with diligence at its sole cost and expense.

Landlord's obligation to rebuild and repair shall in any event be limited to restoring the Demised Premises to substantially the condition which existed prior to such casualty, exclusive of any alterations, additions, improvements, fixtures and equipment installed by Tenant. Tenant agrees that promptly after completion of such work by Landlord, Tenant will proceed with reasonable diligence and at Tenant's sole cost and

expense to restore, repair and replace all alterations, additions, improvements, fixtures, signs and equipment installed by Tenant. Tenant agrees that during any period of reconstruction or repair of the Demised Premises Tenant will continue the operation of its business within the Demised Premises to the extent reasonably practicable. During the period from the occurrence of the casualty until Landlord's repairs are completed, all Rent and other sums due hereunder shall be reduced to such extent as may be fair and reasonable under the circumstances.

ARTICLE 14

14.01 CONDEMNATION - DEMISED PREMISES. If during the Term of this Lease all of the Demised Premises is taken by any authority having the power of condemnation, then this Lease shall terminate, and the date of such termination shall be the earlier of either the date upon which possession shall be tendered to such authority by Landlord or the date upon which possession is taken by such authority. If a lesser part of the Demised Premises should be so taken (or if a portion of the parking facilities located adjacent to the Demised Premises are taken which reduces the parking below the ratio of 4.5 spaces/thousand square feet of space in the building), either Landlord or Tenant may elect to terminate this Lease upon the giving of thirty (30) days written notice to the other. If Landlord and Tenant elect to continue this Lease in effect, the Rent shall be reduced in proportion to the area of the Demised Premises so taken, and/or shall be equitably reduced to reflect the loss of Tenant's use of the adjacent parking facilities so taken, as applicable. Once Landlord and Tenant have mutually agreed to the reduction in Rent, such reduced sum shall be due and payable by Tenant to Landlord. The reduction in Rent shall be effective on the earlier of either the date upon which possession shall be tendered to such authority by Landlord or the date upon which possession is taken by such authority. At the request of Landlord, Tenant will execute a letter or other memorandum setting forth the amount of such Rent payable by Tenant. If Landlord and Tenant have elected to continue this Lease in effect, then upon Landlord's collection of the entire sum due and payable by such authority to Landlord by way of compensation and damages, Landlord shall restore the remaining portion of the Demised Premises so as to constitute such portion an enclosed building, with such nature of building improvements and facilities as Landlord furnished to Tenant at or prior to commencement of the Term, provided however, that if Landlord has not restored the remaining portion of the Demised Premises on or before the expiration of 120 days following the last of the date on which possession was tendered to such authority by Landlord or was taken by such authority or Tenant was no longer able to operate its business in the area taken by such authority, Tenant shall have the right to terminate this Lease by giving Landlord not fewer than ten (10) days prior written notice thereof within thirty (30) days following the expiration of such 120 day period. Except to the extent attributable to the gross negligence or willful misconduct by Landlord or Landlord's employees, agents, representatives, invitees or contractors, neither the restoration work, if any, by Landlord with respect to the Demised Premises nor the restoration work, if any, by Landlord with respect to any other portion of the Building or Property shall constitute an eviction or disturbance of Tenant's use and possession of the Demised Premises or

Building nor shall render Landlord liable for damages or entitle Tenant to be relieved of any of its obligations hereunder (with the exception of the aforesaid reduction in Rent) or grant Tenant any right of offset or recoupment.

14.02 **CONDEMNATION - COMMON AREAS.** Whether or not such authority may take any portion of the Demised Premises, Landlord or Tenant may nevertheless elect to terminate this Lease if such authority takes 50% or more of the Common Area or 50% of the ground floor building area of the Building.

ARTICLE 15

15.01 **ASSIGNMENT, SUBLETTING, LICENSING.** Except as set forth below, Tenant shall not assign or in any manner transfer this Lease or any estate or interest therein, or sublet the Demised Premises or any part thereof, or grant any license, concession or other right of occupancy of any portion of the Demised Premises without the prior written consent of Landlord, which such consent shall not be unreasonably withheld, conditioned or delayed. Consent by Landlord to one or more assignments or sublettings or to the grant of any license, concession or other right of occupancy of any portion of the Demised Premises shall not operate as a waiver of Landlord's rights as to any subsequent assignments or sublettings or the grant of any license, concession or other right of occupancy of any portion of the Demised Premises. Notwithstanding the foregoing to the contrary, (i) Tenant may assign, transfer and/or sublet this Lease (and may grant any estate or interest therein) to any person, firm or corporation, directly or indirectly controlling, controlled by or under common control with Tenant without obtaining Landlord's prior written or other consent to such assignment, transfer and/or subletting; (ii) Tenant shall have the right to grant licenses to vendors, persons and entities engaging in permissible "health club" uses (i.e. smoothie and other "health club" food and beverage vendors, exercise class instructors, stress therapists, etc.) without obtaining Landlord's prior written consent to such grants of licenses and other rights. Notwithstanding Tenant's right to enter into assignment and subletting agreements described above in this paragraph without Landlord's prior written consent, Tenant shall provide Landlord true and correct copies of all subletting, licensing and assignment agreements affecting the Demised Premises promptly after execution thereof. All such subletting agreements, license agreements shall state that the rights of the subtenant or licensee shall be subject in all respects to the provisions of this Lease. If Tenant is a corporation and if the stock of the corporation is not publicly traded, and if at any time during the Term of this Lease or any renewal or extension thereof, the person or people who own a majority of either the outstanding voting shares or all outstanding shares of capital stock of Tenant at the time of execution of this Lease cease to own a majority of such shares (except as the result of transfers by devise or descent), the loss of a majority of such shares shall be deemed an assignment of this Lease by Tenant and therefore subject in all respects to the provisions of this Section 15.01.

Notwithstanding any assignment or subletting or grant any license, concession or other right of occupancy of any portion of the Demised Premises, Tenant shall at all times

remain fully responsible and liable for the payment of the Rent herein specified and for compliance with all of the other obligations under this Lease (even if future assignments and sublettings or grant of any license, concession or other right of occupancy of any portion of the Demised Premises occur subsequent to the assignment or subletting or grant of any license, concession or other right of occupancy of any portion of the Demised Premises by Tenant, and regardless of whether or not Tenant's approval has been obtained for such future assignments, sublettings or grant of any license, concession or other right of occupancy of any portion of the Demised Premises.)

In the event of the transfer and assignment by Landlord of its interest in this Lease and in the Building to a person or entity expressly assuming Landlord's obligations under this Lease by written instrument delivered to Tenant, Landlord shall thereby be released from any further obligations hereunder, and Tenant agrees to look solely to such successor in interest of the Landlord for performance of such obligations. Any security given by Tenant to secure performance of Tenant's obligations hereunder may be assigned and transferred by Landlord to such successor in interest, and upon the express written assumption thereof by Landlord's successor-in-interest, Landlord shall thereby be discharged of any further obligation relating thereto.

ARTICLE 16

16.01 TAXES ON TENANT'S PROPERTY. Tenant shall be liable for and shall pay all taxes levied against personal property and trade fixtures placed by Tenant in the Demised Premises. If any such taxes are levied against Landlord or Landlord's property and if Landlord elects to pay the same or if the assessed value of Landlord's property is increased by inclusion of personal property and trade fixtures placed by Tenant in the Demised Premises and Landlord elects to pay the taxes based on such increase, Landlord shall notify Tenant in writing, and Tenant shall pay to Landlord upon demand, that part of such taxes for which Tenant is primarily liable hereunder as Additional Rent. Landlord shall deliver to Tenant all documentation reasonably requested by Tenant to evidence the share of taxes that Landlord claims is owed by Tenant.

16.02 TAXES ON PROPERTY. Except as provided in Sections 16.01 and 16.03, Landlord shall pay or cause to be paid all general real estate taxes, general and special assessments (including any assessments resulting from the Building, or any portion thereof, being included within any association of property owners or similar type of association), parking surcharges and other governmental charges (hereinafter collectively referred to as the "~~General Taxes~~") levied against the Property for each real estate tax year. Tenant shall pay to Landlord upon demand, and in addition to the rentals and other charges prescribed in this Lease, the general taxes attributable to the Demised Premises. The payment to be made by Tenant for the real estate tax year in which this Lease commences or terminates shall bear the same ratio to the payment which would be required to be made for the full tax year as the number of days of such tax year included within the Lease Term bears to a full tax year. The general taxes attributable to the Demised Premises shall be computed in accordance with the following formula:

$$T = A/B \times F$$

in which "T" equals the dollar amount of the general taxes attributable to the Demised Premises; "A" equals the total amount of General Taxes being paid by Landlord for the Property (the "Assessed Area"); "B" equals the total square footage of all buildings in the Assessed Area at the commencement of the real estate tax year in question; and "F" equals the herein stipulated gross square footage included in the Demised Premises.

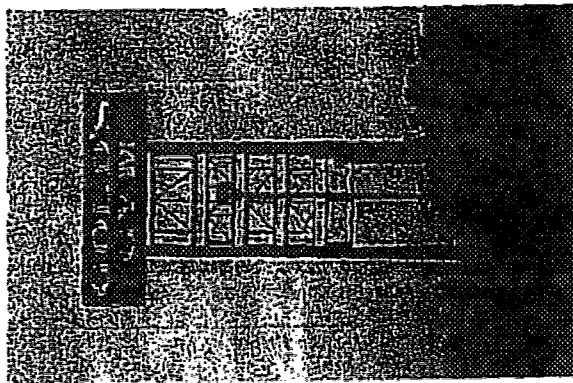
16.03 RENTAL TAXES: CHANGE IN METHOD OF TAXATION. If at any time during the Lease Term a tax or excise on rents, or other tax however described (except any franchise, estate, inheritance, capital stock, income or excess profits tax imposed upon Landlord) is levied or assessed against Landlord by any lawful taxing authority on account of Landlord's interest in this Lease or the rents or other charges reserved hereunder, as a substitute in whole or in part, or in addition to the general taxes described in Section 16.02 above, Tenant agrees to pay to Landlord upon demand, and in addition to the rentals and other charges prescribed in this Lease, a prorated amount of such tax or excess. In the event any such tax or excise is levied or assessed directly against Tenant, then Tenant shall be responsible for and shall pay the same at such times and in such manner as the taxing authority shall require.

16.04 INSURANCE PREMIUMS FOR LANDLORD'S INSURANCE. Subject to the provisions of Article 4, the premiums for any liability, property casualty loss or rental loss insurance coverage reasonably maintained by Landlord covering the Property (hereinafter referred to as the "Insurance Premiums") shall be paid by Landlord, and Tenant shall pay to Landlord upon demand, and in addition to the rentals and other charges prescribed in this Lease, as Additional Rent, all of the "Insurance Premiums Attributable to the Demised Premises." The payment to be made by Tenant for the insurance term in which this Lease commences or terminates shall bear the same ratio to the payment which would be required to be paid for the full insurance term as the number of days of such term within the Lease Term bears to the full insurance term. The "Insurance Premiums Attributable to the Demised Premises" shall mean an amount computed in accordance with the following formula:

$$P = A/B \times F$$

in which "P" equals the dollar amount of the insurance premiums attributable to the Demised Premises; "A" equals the total amount of insurance premiums being paid by Landlord for the Building in which the Demised Premises are located (the "Insured Building"); "B" equals the gross square footage of all floor area of the Insured Building at the commencement of the insurance term; and "F" equals to the herein stipulated gross square footage included in the Demised Premises. If more than one building or improvement is constructed on the Property for lease to third parties, the foregoing formula shall be modified so that "P" equals the dollar amount of the insurance premiums attributable to the Demised Premises; "A" equals the total amount of insurance premiums being paid by Landlord for all buildings and improvements located on the Property (the "Insured Improvements"); "B" equals the gross square footage of all floor area of such

Extended Illuminated Cabinet - Gold's Gym - San Antonio - Texas



SPECIFICATIONS FOR FABRICATING AND INSTALLATION

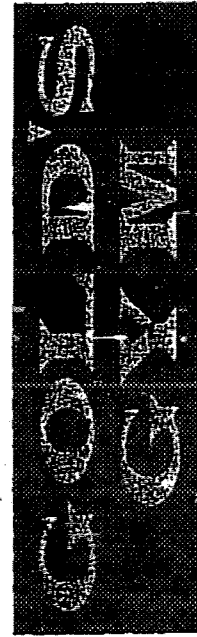
- Internally illuminated cabinet built to UL specification
- Extruded aluminum construction type White Poly (with or without)
- Quantity: one (1)
- Overall length of sign 28'-0" / Overall height of sign 8'-4.5"
- Cabinet depth 2'-0"
- Finish type: 1/2"
- Mounting method: ducts/pole
- Illuminated with high output fluorescent lamps / LEDs (12' section)
- Primary electrical requirement: 120 volt grounded within 10' (lead of supply others)

COLOR SPECIFICATIONS

- Cabinet painted with two-edge automotive acrylic
- Cabinet Color: Black
- Letter painted for internal illumination: white
- Face graphics: heat transfer graphics (to match black, plus 100% & PLUS 100%)

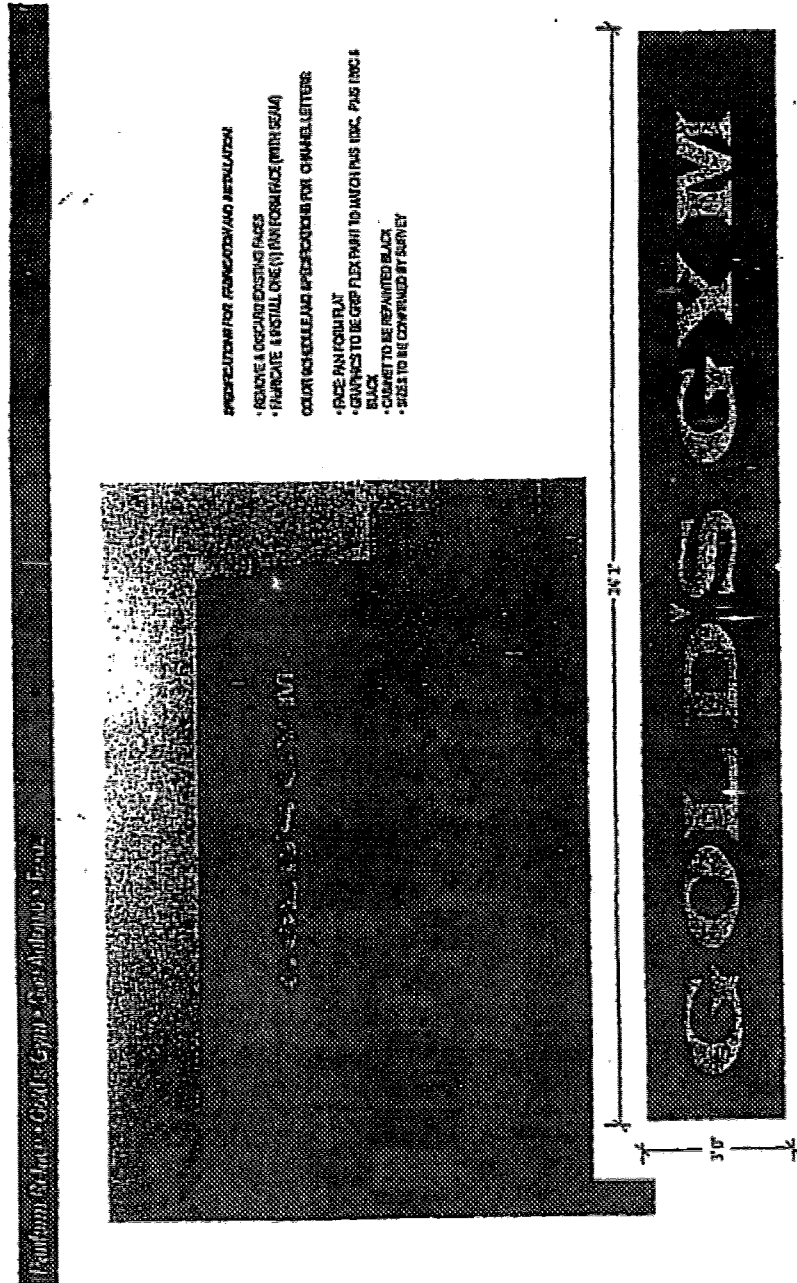
OTHER COMPONENTS / SPECIAL CONSTRUCTION CONSIDERATIONS

- Existing top cabinet to be removed and discarded



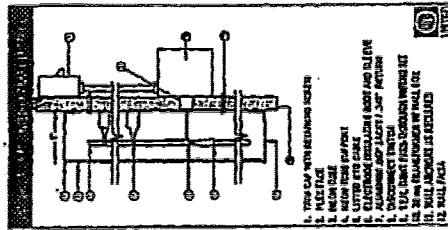
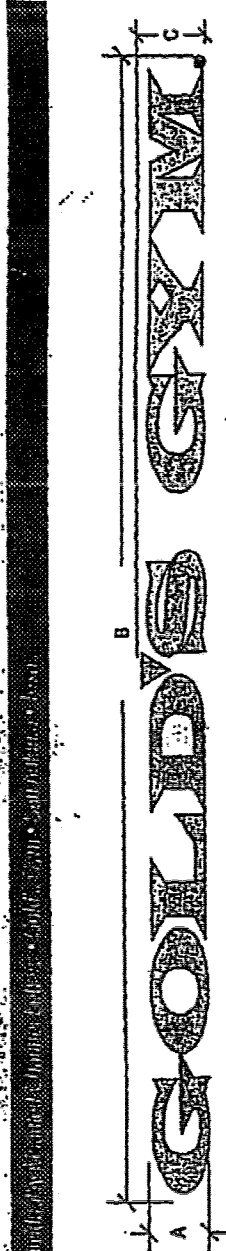
SCALE 1/8" = 1' 0"

| | | | |
|--|---|---|--|
| <p>GOLD'S GYM</p> <p>Address 2828 Goliad Rd San Antonio, TX</p> | <p>ILLUMINATED CABINET</p> <p>Dwg# 00312a.v1.a1 Job# 00312 Date: 09/15/2003 - Scale: 3/16" = 1' 0"</p> <p><small>1/2" Maximum Illumination for 12' Section, 12' Section, 12' Section, and 12' Section. All other dimensions and details are subject to change without notice. The quantity of signs is not guaranteed.</small></p> | <p>APPROVAL</p> <p>_____</p> <p>_____</p> <p>_____</p> | <p>SIGN TECH INTERNATIONAL</p> <p>SIGN SOLUTIONS THAT WORK</p> <p>1501 West Edin Street / Suite 107 / Austin, Texas 78703 800.377.1104 / P: 512.994.0007 / F: 512.494.0003 www.signtechinternational.com</p> |
|--|---|---|--|



- PREPARATION FOR FRAMING AND INSTALLATION**
- REMOVE & DISCARD EXISTING FINISH
 - FINISH WITH 1/2" (1/2") FINISH (WITH SEAL)
 - COLOR SCHEDULE AND PREPARE FOR CHANNEL LETTERS
 - FACE: PAN FORM FLAT
 - GRAPHICS TO BE GRP FLEX FIN TO MATCH PLUS 100% PLUS 100% PLUS 100%
 - CHANNELS TO BE REPAINTED BLACK
 - SIZE TO BE CONFIRMED BY SUPPLY

| | | | |
|--|---|--|--|
| <p>SIGN TECH INTERNATIONAL SIGN SOLUTIONS THAT WORK. 1501 West 85th Street / Suite 100 / Austin, Texas 78753 800.372.1104 / P. 512.494.0002 / F. 512.494.0003 www.signtechinternational.com</p> | <p>APPROVAL I have reviewed the proposed sign and find it acceptable for the above location. _____ Date: _____</p> | <p>PAN FORM REFACE Design: 803124 v1.s1 Job#: 80312 Date: 08/15/2003 - Scale: 1/8" = 1'-0" All Rights Reserved by the Manufacturer of this Sign. Without the Express Permission of Sign Tech International.</p> | <p>GOLD'S GYM Address 2028 Collier Rd San Antonio, TX</p> |
|--|---|--|--|



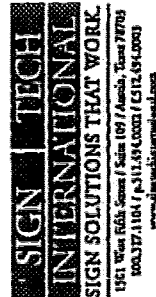
| A | C | VOLTS | NUMBER OF NEON BULBS |
|-----|-----|-------|----------------------|
| 36" | 41" | 120 V | 6 |

COLOR SCHEMULE AND SPECFICA NOW FOR CHANGEL LETTERS:

- FACE: 3/16" THICK X 1/4" X 5" PLATE: 2018 YELLOW
- TRIM CAP: 1" JEWELITE TRIM CAP: COLOR: BLACK
- LETTER RETURN: WINDOW GLASS: BLACK
- MEDAL SIZE: 1/4" X 1/4" COLOR: 8000 WHITE
- INTERIOR LTR. METAL: PAINTED WHITE FOR WALL ILLUMINATION

SECONDARY AND TERTIARY CATIONIC AND METALLATION

- [illegible]



APPROVAL




I hereby authorize and warrant the type setting printed in the
_____ of _____ by the undersigned subject to the following:

CHANNEL LETTERS

Drawg# B0312ay1.si
Job# B0312
Date: 09/15/2003 - Scar, nls
All Rights Reserved. The following of the above
information, including the name of the company, is the
property of the company and is not to be
reproduced, stored, or transmitted in any form or by any means
without the written permission of the company.

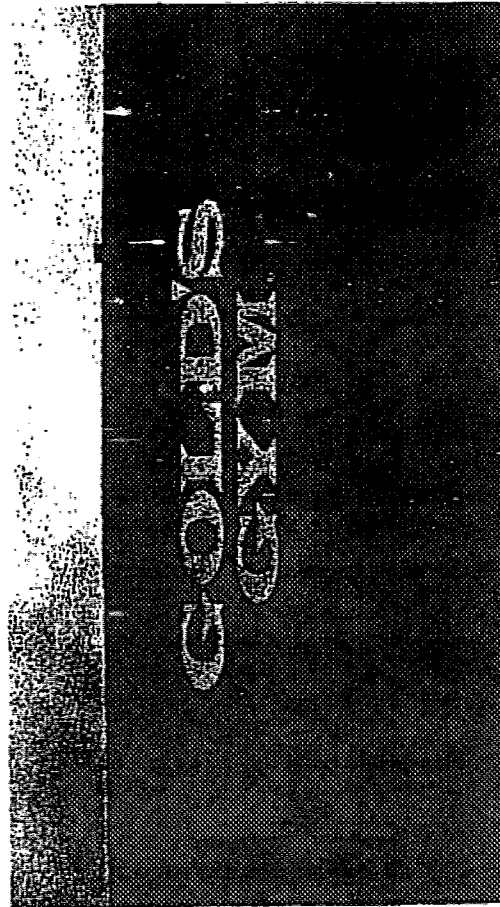
GOLD'S GYM

Address
2828 Goliad Rd
San Antonio, TX

© Registered Mail, ® Eagle Mail are trademarks of the United States Postal Service.

Individually Mounted Channel Letters • Gold's Gym • San Antonio • Texas



SIGN | TECH
INTERNATIONAL
 SIGN SOLUTIONS THAT WORK.
 1501 West 85th Street / Suite 107 / Austin, Texas 78750
 800.327.1104 / (512) 914.0003 / (512) 914.0003
www.signtechinternational.com

| |
|---|
| <p>APPROVAL</p> <p>_____ (Indicate if not approved or sign name next to the signature for the Installation Approval for the Project)</p> |
|---|

| |
|---|
| <p>CHANNEL LETTERS</p> <p>Drawn: 80312a.v1.a1 Job#: 80312 Date: 09/16/2003 - Scale: 1/8" = 1'-0"</p> <p><small>All designs provided are the property of Sign Tech International, Inc. and are not to be reproduced without the written permission of Sign Tech International, Inc.</small></p> |
|---|

| | |
|--|---|
| <p>GOLD'S GYM</p> <p>Address 2828 Goliad Rd San Antonio, TX</p> <p><small>© 2003 Sign Tech International, Inc. All Rights Reserved.</small></p> | <p>UNITED</p> <p>10/10/03</p> |
|--|---|



- FARESCAPE TWO IN CHANNEL LETTER SIGNS TO BE 1/2" - 1/4" DEPT.
- ALUMINUM BACKS, 3/8" / 1/2" SPACINGS, 3/8"
- LETTER DEPT. 1/2"
- MOUNTING METHOD: INDIVIDUAL WITH 1/4" STANDOFF FROM WALL.
- ALL TRANSPARENTS / LOGO / BACKGROUND MATERIALS BEHIND WALL.
- INCLUDE AND FOLLOW PROCEDURE
- BEHIND 1/2" SPECIFICATION WITH AN ELECTRICAL REQUIREMENT OF: VOLTAGE 208-277VOLT
- INTERNALLY ILLUMINATED CHANNEL LETTERS TO FOLLOW U.S.A. 71
- CHANNEL SPECIFICATIONS

- FACE-FLX
- GRAPHICS TO HEAT TRANSFER GRAPHICS TO MATCH PMS 500C, PMS 100C & BLACK
- REMOVES 7" COLOR BLACK
- LETTER RETURN WRIST GLOSS BLACK
- ILLUMINATED WITH TWO FLUORESCENT LIGHTS
- INTERIOR LIGHT ACTUALLY PRINTED WHITE FOR MAX. ILLUMINATION

GOLD'S GYM
Address
28228 Goliad Rd
San Antonio, TX

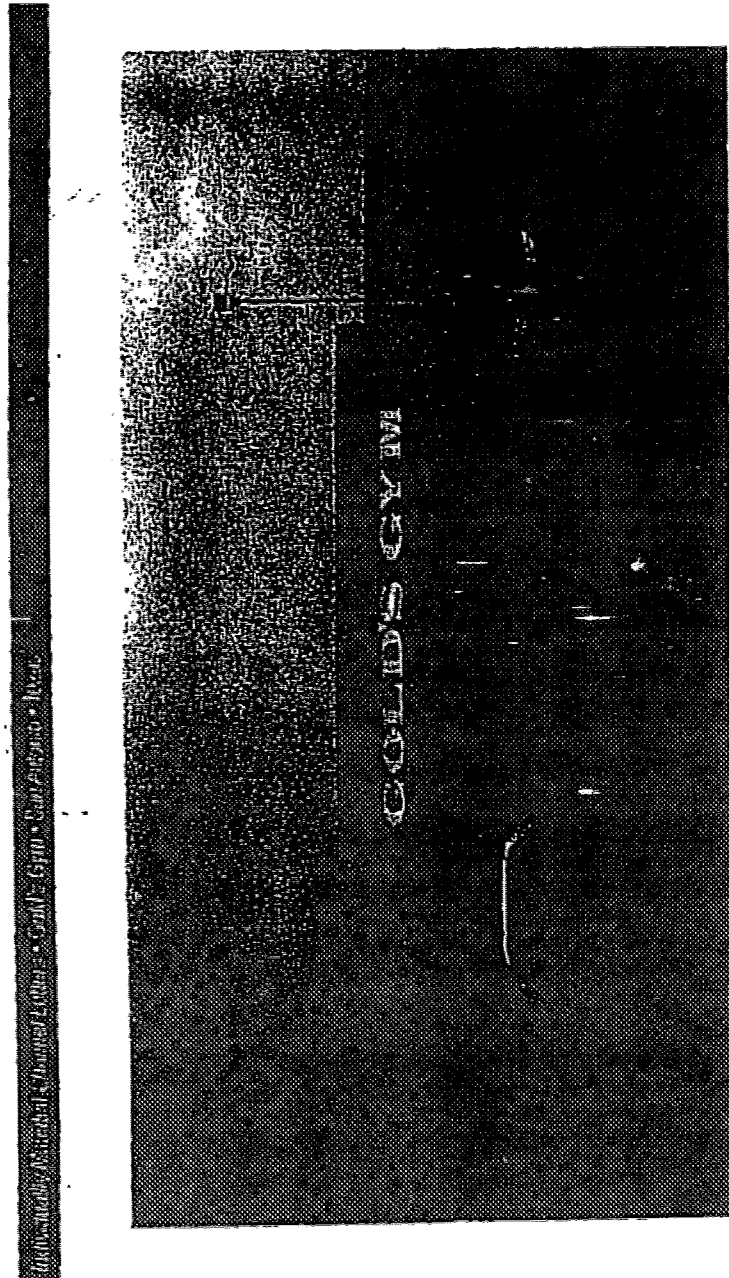
[illegible]

APPROVAL.

Please Review And Approve This High School Record In The
Student's Presence Before The Day Ending

SIGN TECH
INTERNATIONAL
SIGN SOLUTIONS THAT WORK.

1391 West Tech Street / Suite 107 / Aurora, Texas 77025
800.377.1104 / p. 912.49.0003 / f. 912.49.0003
www.signtechintl.com



Gold's Gym International, Inc. • Gold's Gym • San Antonio • Texas

| | | | |
|---|--|---|--|
| GOLD'S GYM Address 2828 Goldad Rd San Antonio, TX | CHANNEL LETTERS Drawn# 80312afav1.01 Job# 80312 Date: 03/15/2003 - Scale: 1/16" = 1'0" <small>© 2003 Gold's Gym International, Inc. All Rights Reserved. This drawing is the property of Gold's Gym International, Inc. and is not to be reproduced without written permission.</small> | APPROVAL <small>Signature of Installer Signature of Installer</small> | SIGN TECH INTERNATIONAL SIGN SOLUTIONS THAT WORK. 1501 West Fifth Street, Suite 109, Austin, Texas 78703 800.277.1194 / p. 512.491.0002 / f. 512.491.0003 www.signtechinternational.com |
|---|--|---|--|

EXHIBIT "E"

RULES AND REGULATIONS

1. **SERVICE REQUEST:** All service requests are to be reported promptly and directly to Landlord's Designated Agent (specified in Article 1) during normal office hours, excepting emergencies which shall be reported immediately at any time. (An answering service will take a message if personnel are unavailable.)
2. **REFUSE REMOVAL:** Initial move-in from inventory, including but not limited to packing crates, shall be removed at Tenant's sole cost and expense. Any wet trash, including but not limited to food debris, is to be placed in plastic bags and tied before being placed in trash containers. All boxes are to be broken down before placed inside the containers. Sidewalk containers are not for personal use. In the event any item is left at the rear of the Demised Premises or at the base of the refuse container and it can be determined to which tenant it belongs, Landlord has the right to charge such tenant the costs to have it removed. The exterior areas immediately adjoining the Demised Premises shall be kept clean and free from dirt and rubbish by Tenant to the reasonable satisfaction of Landlord, and Tenant shall not place or permit any impermissible obstruction or merchandise in such areas. No debris shall be swept or removed from the Demised Premises onto sidewalk or common areas.
3. **DELIVERIES:** All deliveries or shipments of any kind to and from the Demised Premises, including loading and unloading of goods, shall be made only by way of the rear of the Demised Premises or at any such reasonable location previously designated by Landlord to Tenant in writing, and only at such reasonable times previously designated for such purpose by Landlord to Tenant in writing. Trailers and/or trucks servicing the Demised Premises shall remain parked in the Building area only during those periods reasonably necessary to service Tenant's operations, and only in reasonable locations previously designated by Landlord to Tenant in writing.
4. **RETURNED CHECKS:** There will be a TWENTY-FIVE DOLLAR (\$25.00) fee per occurrence for any check returned to Landlord by Tenant's bank for insufficient funds. Returned checks must be redeemed within twenty-four (24) hours by Cashier's Check or Money Order. After the third occurrence, all checks must be in the form of a Cashier's Check or Money Order.
5. **SIGNS:** No home-made signs of any kind are to be affixed upon the glass panes and supports of the windows or the exterior walls of the building at any time, unless they are from an outsider advertising a community project which signs should be placed inside the windows with Tenant's permission and removed upon the expiration date. A limited number of charge insignias may be placed on the inside panes in a corner of the show windows. No handbills and/or circulars shall be distributed on the parking lot or common areas without obtaining Landlord's prior written consent (which such consent

shall not be unreasonably withheld, conditioned or delayed.) No mobile signs shall be permitted on the common areas without Landlord's prior written approval, (which such approval shall not be unreasonably withheld, conditioned or delayed.).

6. **BANNERS AND FLAGS:** Except as set forth to the contrary in the Lease, no banners or flags are permitted on the common areas, including Tenant's storefront without Landlord's prior written approval (which such approval shall not be unreasonably withheld, conditioned or delayed.)

NOTE: Landlord reserves and shall have the right to reasonably adopt and promulgate, from time to time, other reasonable rules and regulations, and to amend and supplement the same, applicable to the occupancy of the building of which the Demised Premises form a part, the demised premises and the common areas and facilities. Notice of such rules and regulations and amendments and supplements therein, if any, shall be given to Tenant and Tenant shall so comply once a copy of all amendments and supplements to the rules and regulations is received by Tenant.

EXHIBIT "F"

GUARANTY OF MONTHLY AND ADDITIONAL RENTAL PAYMENTS
GOLIAD LEASE

THIS GUARANTY given by the undersigned, Gold's Gym International, Inc., a Delaware corporation (hereinafter called "**Guarantor**") to Goliad Real Estate, Ltd., (hereinafter called the "**Landlord**").

WITNESSETH:

In order to induce the Landlord to lease to Gold's Texas Holdings, L.P., a Delaware limited partnership (hereinafter with its successors and assigns referred to as the "**Tenant**"), certain premises situated at 2528 Goliad in San Antonio, Texas, pursuant to the terms of a Lease Agreement dated and effective as of October 31, 2003 (which instrument together with any and all further modifications, amendments and extensions, as well as all instruments referred to therein, is hereinafter referred to as the "**Lease**"), the Guarantor agrees as follows:

1. The Guarantor hereby guarantees to the Landlord the full, prompt and complete payment by Tenant the Monthly Rent and Additional Rent as defined in the Lease commencing on the Rental Commencement Date and terminating as of the Expiration Date. This Guaranty is effective without regard to any forbearance, delay, neglect or failure on the part of Landlord in enforcing same.
2. The Guarantor hereby waives notice of acceptance hereof and any and all other notices which by law or under the terms and provisions of the Lease are required to be given to Tenant, and also waive any demand for or notice of default of the payment Monthly Rent and Additional Rent; and the Guarantor further expressly hereby waives any legal obligation, duty or necessity for the Landlord to proceed first against Tenant or to exhaust any remedy the Landlord may have against Tenant, it being agreed that in the event of default or failure by Tenant to pay Monthly Rent or Additional Rental under the Lease, the Landlord may proceed and have right of action solely against either the Guarantor or Tenant or jointly against the Guarantor and Tenant.
3. If Tenant becomes insolvent, shall be adjudicated a bankrupt, or shall file a petition for reorganization, arrangement or similar relief under any present or future provision of the National Bankruptcy Act, or if such a petition filed by creditors of Tenant shall be approved by a court, or if Tenant shall seek a judicial readjustment of the rights of its creditors under any present or future federal or state law, or if a receiver of all or part of its property and assets is appointed by any state or federal court, and in any such proceeding the Lease shall be terminated or rejected or the obligations of Tenant thereunder shall be modified, the Guarantor shall

immediately pay to the Landlord an amount equal to the unpaid portion of the amount otherwise due and payable to Landlord by Tenant.

4. Guarantor shall not be entitled to make any defense against any claim asserted by the Landlord in any suit or action instituted by Landlord to enforce this Guaranty or the Lease or to be excused from any liability hereunder which Tenant could not make or invoke, and Guarantor hereby expressly waives any defense in law or in equity which is not or would not be available to Tenant, it being the intent hereof that the liability of Guarantor hereunder is primary and unconditional.
5. If it is asserted that Tenant's obligations are void or voidable due to illegal or unauthorized acts by Tenant in the execution of the Lease, Guarantor shall nevertheless be liable hereunder to the same extent as Guarantor would have been if the obligations of Tenant had been enforceable against Tenant.
6. If suit or actions be brought upon and in connection with the enforcement of this Guaranty, the Guarantor shall pay reasonable attorneys' fees and all court costs incurred by the Landlord.
7. This Guaranty shall be binding upon the legal representatives, successors and assigns of Guarantor, and shall inure to the benefit of the heirs, legal representatives, successors and assigns of the Landlord.
8. The Guarantor agrees that the instrument is performable in Bexar County, Texas, and waives the right to be sued elsewhere.

EXECUTED as of the 31st day of October 2003

GUARANTOR:
Gold's Gym International, Inc., a
Delaware corporation

By: _____
Randall R. Schultz
Senior Vice President

GUARANTY OF MONTHLY AND ADDITIONAL RENTAL PAYMENTS
GOLIAD LEASE

THIS GUARANTY given by the undersigned, Gold's Gym International, Inc., a Delaware corporation (hereinafter called "Guarantor") to Goliad Real Estate, Ltd. (hereinafter called the "Landlord").

WITNESSETH:

In order to induce the Landlord to lease to Gold's Texas Holdings, L.P., a Delaware limited partnership (hereinafter with its successors and assigns referred to as the "Tenant"), certain premises situated at 2828 Goliad in San Antonio, Texas, pursuant to the terms of a Lease Agreement dated and effective as of October 31, 2003 (which instrument together with any and all further modifications, amendments and extensions, as well as all instruments referred to therein, is hereinafter referred to as the "Lease"), the Guarantor agrees as follows:

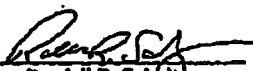
1. The Guarantor hereby guarantees to the Landlord the full, prompt and complete payment by Tenant the Monthly Rent and Additional Rent as defined in the Lease commencing on the Rental Commencement Date and terminating as of the Expiration Date. This Guaranty is effective without regard to any forbearance, delay, neglect or failure on the part of Landlord in enforcing same.
2. The Guarantor hereby waives notice of acceptance hereof and any and all other notices which by law or under the terms and provisions of the Lease are required to be given to Tenant, and also waive any demand for or notice of default of the payment Monthly Rent and Additional Rent; and the Guarantor further expressly hereby waives any legal obligation, duty or necessity for the Landlord to proceed first against Tenant or to exhaust any remedy the Landlord may have against Tenant, it being agreed that in the event of default or failure by Tenant to pay Monthly Rent or Additional Rental under the Lease, the Landlord may proceed and have right of action solely against either the Guarantor or Tenant or jointly against the Guarantor and Tenant.
3. If Tenant becomes insolvent, shall be adjudicated a bankrupt, or shall file a petition for reorganization, arrangement or similar relief under any present or future provision of the National Bankruptcy Act, or if such a petition filed by creditors of Tenant shall be approved by a court, or if Tenant shall seek a judicial readjustment of the rights of its creditors under any present or future federal or state law, or if a receiver of all or part of its property and assets is appointed by any state or federal court, and in any such proceeding the Lease shall be terminated or rejected or the obligations of Tenant thereunder shall be modified, the Guarantor shall

Immediately pay to the Landlord an amount equal to the unpaid portion of the amount otherwise due and payable to Landlord by Tenant.

4. Guarantor shall not be entitled to make any defense against any claim asserted by the Landlord in any suit or action instituted by Landlord to enforce this Guaranty or the Lease or to be excused from any liability hereunder which Tenant could not make or invoke, and Guarantor hereby expressly waives any defense in law or in equity which is not or would not be available to Tenant, it being the intent hereof that the liability of Guarantor hereunder is primary and unconditional.
5. If it is asserted that Tenant's obligations are void or voidable due to illegal or unauthorized acts by Tenant in the execution of the Lease, Guarantor shall nevertheless be liable hereunder to the same extent as Guarantor would have been if the obligations of Tenant had been enforceable against Tenant.
6. If suit or actions be brought upon and in connection with the enforcement of this Guaranty, the Guarantor shall pay reasonable attorneys' fees and all court costs incurred by the Landlord.
7. This Guaranty shall be binding upon the legal representatives, successors and assigns of Guarantor, and shall inure to the benefit of the heirs, legal representatives, successors and assigns of the Landlord.
8. The Guarantor agrees that the instrument is performable in Bexar County, Texas, and waives the right to be sued elsewhere.

EXECUTED as of the 31st day of October 2003

GUARANTOR:
Gold's Gym International, Inc., a
Delaware corporation

By: 
Randall R. Schult
Senior Vice President

LANDLORD AGREEMENT (SUBSIDIARY)

THIS LANDLORD AGREEMENT (this "Agreement") is made and entered into as of this 31st day of October, 2003, by and among Collad Real Estate, Ltd. ("Landlord"), Gold's Texas Holdings, L.P., a Delaware limited partnership ("Tenant"), and Heller Financial, Inc. or its successors and assigns, in its capacity as agent ("Agent") for certain financial institutions ("Lenders").

RECITALS

WHEREAS, Landlord is the landlord of premises described on Exhibit A annexed hereto (the "Premises") which are leased to Tenant pursuant to a Lease Agreement, dated as of October 31, 2003, between Landlord and Tenant (the "Lease"); and

WHEREAS, Lenders have agreed to provide financing to Gold's Holding Corp., a Delaware corporation of which Tenant is a subsidiary ("Borrower"), secured in part by a guaranty of Tenant and a security interest in all personal property of (excluding leasehold improvements which, under the terms of the Lease, constitute property of Landlord) which now or hereafter may be located on or about the Premises (the "Collateral"); and

WHEREAS, Lenders require Landlord's consent and agreement as set forth herein as a condition to extending credit to Borrower;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord hereby agrees as follows:

1. **Consent.** Landlord agrees that, at Agent's option the Collateral may remain upon the Premises and Agent may occupy the same for the purpose of preparing and processing the Collateral for sale, lease or other disposition (provided that Agent shall not conduct any auction of Equipment or other Collateral on the Premises) for a period up to 60 days after (i) the exercise by Agent of its right to the Collateral under its financing arrangements with Borrower or (ii) the receipt by Agent of written notice from Landlord directing removal thereof; provided that Agent shall be liable for rent at the rental provided under the Lease (or, if the Lease is not then in effect, at the rental provided under the Lease immediately prior to termination thereof), prorated on a per diem basis. Agent's payment of rent shall not result in Agent incurring any other obligations of Tenant under the Lease. If Agent is prohibited by any process or injunction issued by any court, or by reason of any bankruptcy or insolvency proceeding involving the Tenant, from enforcing its security interest in the Collateral, the 60 day period shall commence upon termination of such prohibition, so long as Agent is at all times pursuing its remedies with due diligence.

2. **Subordination.** Landlord hereby subordinates any lien, security interest or claim against the Collateral, whether arising under the Lease, provided by applicable law or otherwise, and any and all right of levy, distraint or execution against the Collateral for rent or other sums due or to become due Landlord, to the security interest of Lenders in the Collateral (it being understood that the foregoing subordination shall not be applicable with respect to any personal property of Tenant which does not constitute Collateral). Landlord waives any and all right to require Agent to marshal any property or assets of Tenant.

3. **Personal Property.** Landlord agrees that, as between Landlord and Agent, the Collateral shall remain personal property, notwithstanding the manner of attachment, and will not become part of the Premises.

4. Right of Entry. Agent may, upon not less than 2 business days' prior written notice to Landlord except in the case of an emergency, enter the Premises at any time to remove and/or dispose of the Collateral in the exercise of its rights and remedies against Tenant and the Collateral. Agent's entry and removal of the Collateral shall be peaceable and shall be subject to the reasonable control and direction of Landlord. Agent agrees to repair any damage caused by Agent's removal of the Collateral.

5. Estoppel. Landlord certifies to Agent as follows:

A. Valid Lease. The Lease is valid and enforceable according to its terms and has not been modified either orally or in writing.

B. No Defaults. To Landlord's knowledge, neither Landlord nor Tenant is in default under the Lease, nor has any event occurred which, with the passage of time, the giving of notice, or both, would constitute an event of default or default under the Lease.

6. Notice of Default and Opportunity to Cure. Landlord agrees that in the event of any claimed breach or default by Tenant which would entitle Landlord to terminate the Lease, Landlord shall notify Agent of such claimed breach or default by certified mail, return receipt requested, or Federal Express or other reputable overnight courier, at the following address:

Heller Financial, Inc.
500 West Monroe Street
Chicago, Illinois 60661
Attention: Account Manager
Corporate Finance Group

Upon receipt of said notice, Agent shall thereupon have five (5) days to cure any monetary default and thirty (30) days to cure any nonmonetary default which is capable of being cured (but in no event shall Agent be required to cure any such default); provided, however, in the event such default is a nonmonetary default which is capable of being cured but which is not reasonably susceptible of being cured within 30 days, such 30 day cure period shall be extended as reasonably necessary to allow Agent an opportunity to cure such default provided that Agent has commenced such cure within said 30 day period and thereafter continues to diligently pursue such cure to completion. Agent's cure of any such default shall include payment of interest, late charges and other costs and expenses for which Tenant would be liable under the Lease had Tenant cured such default.

7. Termination of Lease; New Lease. In the event Landlord terminates the Lease by reason of the occurrence of a default which by its nature cannot be cured by Agent (e.g., the filing of bankruptcy by the tenant under the Lease), Agent may elect to enter into a new Lease with Landlord providing for a rental rate equal to the greater of the rental provided under the Lease immediately prior to termination thereof and a fair market rental for the Premises at such time and otherwise on terms identical to those of the Lease for the remaining unexpired portion of the term of the Lease. If Agent fails to deliver written notice of such election within ten (10) days following such termination (time being strictly of the essence), Landlord shall have no further liability to Agent under this paragraph.

8. Continued Effectiveness. The effectiveness of this Agreement and Agent's rights hereunder shall not be affected by and shall extend to any amendment or modification of any of the loan documents between Tenant, Borrower, Agent and Lenders, including, without limitation, any change in the manner or time of payment, any renewal or extension of the term thereof, or any increase in the indebtedness due thereunder.

9. Governing Law. This Agreement shall be governed by and shall be construed and enforced in accordance with the internal laws of the State of Texas, without regard to conflicts of law principles, shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns, and may not be modified, amended or altered except by a writing signed by each of the parties hereto.

10. Other Provisions. The parties hereto acknowledge and agree that time is of the essence for purposes of this Agreement. Tenant agrees to reimburse Landlord for the fees and expenses of Landlord's counsel in connection with Landlord's performance under this Agreement.

IN WITNESS WHEREOF, Landlord has caused this Agreement to be made, executed and delivered the day and year first above written for the benefit of Tenant and Agent.

LANDLORD:

GOLIAD REAL ESTATE, LTD.

By: Goliad Investments, Inc., its General
Partner

By: 
Bruce Mickel
President

Sworn to and subscribed before me this ___ day
of ___, 2003.

Notary Public

TENANT:

GOLD'S TEXAS HOLDINGS, L.P.

By: Gold's Texas GP, Inc., its General
Partner

By: 
Randall R. Schmitz
Senior Vice President

Sworn to and subscribed before me this ___ day
of ___, 2003.

Notary Public

AGENT:

HELLER FINANCIAL, INC.

By: _____
Its: _____

Sworn to and subscribed before me this ___ day
of ___, 2003.

Notary Public

35074.001. 202252

FIRST AMENDMENT OF LEASE

THIS FIRST AMENDMENT OF LEASE ("Amendment") is dated as on September 11, 2013, (the "Effective Date") by and between Inland Western San Antonio Mission Limited Partnership, an Illinois limited partnership ("Landlord") and Gold's Texas Holdings Group, Inc., a Delaware corporation (as successor in interest to Gold's Texas Holdings, L.P.) ("Tenant")

RECITALS:

A. Goliad Real Estate, Ltd. ("Original Landlord"), as landlord, and Tenant, as tenant, entered into that certain Lease Agreement dated as of November 1, 2003 (the "Original Lease"), relating to approximately 48,945 rentable square feet of area ("Demised Premises") and being part of the shopping center commonly known as Mission Crossing located in San Antonio, Texas ("Shopping Center"); and

B. Landlord is the successor in interest to Original Landlord, and has the authority to modify the terms of the Lease; and

C. The Lease Term expires on November 1, 2013; and

D. Landlord and Tenant desire to amend the Lease and to extend the Lease Term and provide for the rental amounts to be paid during the Extension Period, defined herein; and

E. All capitalized terms, if not defined in this Amendment, shall have the same meaning as defined in the Lease.

NOW, THEREFORE, for good and valuable consideration including the mutual agreements contained herein, it is hereby agreed as follows:

1. Landlord and Tenant agree that the Lease Term shall be extended for a period of approximately five (5) years commencing November 2, 2013 and expiring October 31, 2018 (the "Extension Period"). The extension is in replacement for and in lieu of the first Renewal Option as set forth in Article 1 sections k and r and Section 23.21. Tenant shall retain the right to exercise the second and third Renewal Options, subject to the terms and conditions of the Lease.
2. Commencing November 2, 2013 and continuing throughout the Extension Period, Tenant shall pay Landlord annual Rent in the amount of \$278,986.56 (based on an annual rate of \$5.70 per square foot of the Demised Premises per year) payable in equal monthly installments of \$23,248.88.
3. In addition to the annual Rent due during the Extension Period, as set forth in Paragraph 2 above, Tenant shall pay Tenant's proportionate share of Common Area Maintenance Charges, Taxes and Insurance and other charges required to be paid pursuant to the Lease.
4. As of the date hereof, Section (a) and Section (d) of Article 23.22 of the Lease are hereby deleted in their entirety and are no longer of force and effect.
5. From and after the date hereof, notices to the Landlord shall be addressed as follows:

Inland Western San Antonio Mission Limited Partnership
c/o RPAI Southwest Management LLC
2021 Spring Road, Suite 200
Oak Brook, IL 60523
Attn: President/Property Management

With a copy to:

Inland Western San Antonio Mission Limited Partnership
c/o Retail Properties of America, Inc.

Received by
Lease Administration
9/12/13

2021 Spring Road, Suite 200
Oak Brook, IL 60523
Attn: Vice President/Director of Leasing

For any Additional Rent or collection matters, a copy to:

Inland Western San Antonio Mission Limited Partnership
c/o RPAI HOLDCO Management LLC
2021 Spring Road, Suite 200
Oak Brook, IL 60523
Attn: Director of Collections

From and after the date hereof, notices to the Tenant shall be addressed as follows:

Gold's Texas Holdings Group, Inc.
4001 Maple Avenue, Suite 200
Dallas, Texas 75219
Attention: Real Estate/Accounting Department

With a copy to:

CASE Commercial Real Estate Partners
14785 Preston Road, Suite 750
Dallas, Texas 75254
Attention: Lease Administration

6. Notwithstanding anything to the contrary set forth in the Lease, Landlord's insurance may be procured and or carried through third party insurance companies, captive insurance companies, programs of self-insurance or blanket policies of insurance or any combination of the foregoing.
7. From and after the Effective Date, within thirty (30) days after Landlord's written request therefor, Tenant shall submit to Landlord a statement certified as correct by Tenant, a principal officer of Tenant, or by a certified public accountant, which shall set forth by calendar month the total Gross Receipts of Tenant and of each subtenant, licensee and concessionaire with respect to the preceding calendar year. Upon Landlord's written request therefor, Tenant shall give Landlord the total gross sales and an itemization of each of the permitted deductions taken therefrom, to arrive at the total Gross Receipts.

The term "Gross Receipts" as used herein is hereby defined to mean gross receipts and sales from all business conducted upon or from the Demised Premises, whether such receipts be obtained at the Demised Premises or elsewhere, and whether such business be conducted by Tenant or by any licensees, concessionaires or tenants of Tenant, and whether such receipts be evidenced by cash, check, credit, charge account, exchange or otherwise.

8. Tenant represents and warrants to Landlord that it has not had any contacts or engaged in any actions, which would give rise to any claim from any broker in connection with the negotiation or execution of this Amendment. Tenant hereby indemnifies Landlord from and against any and all claims for brokers' commissions relating to the negotiation or execution of this Amendment and alleged to be due because of an agreement of the indemnifying party.
9. Hereafter, wherever the term, "term of this Lease" or "Lease Term" or similar phrase is used in the Lease, such term or phrase shall be deemed to include the Extension Period.
10. Except as expressly modified herein, all of the provisions of the Lease are hereby ratified and confirmed and shall remain unmodified and in full force and effect.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE.]

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on the date first written above.

LANDLORD:

Inland Western San Antonio Mission Limited Partnership,
an Illinois limited partnership

By: 

Name:

Title:

Steven P. Grimes
President and CEO

TENANT:

Gold's Texas Holdings Group, Inc.,
a Delaware corporation

By: 

Name:

Title:

Aaron Watkins

CFO

The undersigned Guarantor hereby executes this Amendment to confirm its consent to the Amendment and to acknowledge its continuing obligations under the Guaranty during the Extension Period.

Gold's Gym International, Inc.,
a Delaware corporation

By: 

Name:

Title:

Aaron Watkins

CFO

Date:

8/27/13



4001 Maple Avenue, Suite 200
Dallas, TX 75219
214.296.5851
Cliff.Fielden@goldsgym.com

July 23, 2018

**VIA OVERNIGHT COURIER
VIA ELECTRONIC MAIL
rrrotwein@nmlmcoelp.com**

Pleasanton Partners, L.P.
Attn: Richard Rotwein
6500 Montana Ave
El Paso, TX 79925

**SUBJECT: Notice of Renewal
Gold's Gym – Goliad
2828 Goliad Road, San Antonio, Texas**

Richard,

In accordance with that certain Lease Agreement dated November 1, 2003 (as amended and assigned, the "Lease"), between PLEASANTON PARTNERS, L.P. ("Landlord") and GOLD'S TEXAS HOLDINGS GROUP, INC. ("Tenant"), Tenant hereby gives notice to Landlord of Tenant's exercise of the second of three (3) five (5) year renewal options as specified in the Lease. The term of this renewal option shall commence on November 1, 2018 ("Commencement Date") and expire on October 31, 2023.

Enclosed is a duplicate copy of this letter. Please sign both this letter, and the duplicate copy, to acknowledge notification of renewal, and retain one (1) copy for your files and return the one (1) copy to my attention in the enclosed envelope.

You may also email a copy of the acknowledged letter to my attention at Cliff.Fielden@goldsgym.com. If you have any questions regarding this matter, please call me at 214.296.5851.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Cliff Fielden".

CLIFF FIELDEN
SR. DIRECTOR, REAL ESTATE
GOLD'S GYM

Enclosures (1)

Extension Acknowledged

This 25th day of July, 2018

A handwritten signature in cursive script, appearing to read "Richard Rotwein".

PLEASANTON PARTNERS, L.P.

By: Mesita Investors, L.L.C.

Its: General Partner

By: Richard Rotwein

Its: Manager-Agent for
Meyer Marcus, Manager

Fill in this information to identify the case:

Debtor 1 GOLD'S TEXAS HOLDINGS GROUP, INC.

Debtor 2
(Spouse, if filing)

United States Bankruptcy Court for the: Northern District of Texas

Case number 20-31337

Official Form 410

Proof of Claim

12/15

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

| | | |
|--|--|--|
| 1. Who is the current creditor? | <u>Pleasanton Partners, L.P., a Texas Limited Liability Company</u> Name of the current creditor (the person or entity to be paid for this claim) Other names the creditor used with the debtor _____ | |
| 2. Has this claim been acquired from someone else? | <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____ | |
| 3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g) | Where should notices to the creditor be sent? <u>The Ehrlich Law Firm</u> Name <u>444 Executive Center Blvd., Suite 240</u> Number Street <u>El Paso TX 79902</u> City State ZIP Code Contact phone <u>915-544-1500</u> Contact email <u>william@ehrllichlawfirm.com</u> | Where should payments to the creditor be sent? (if different) <u>Mimco, Inc.</u> Name <u>6500 Montana</u> Number Street <u>El Paso TX 79925</u> City State ZIP Code Contact phone <u>915-779-6500</u> Contact email <u>ymartell@mimcoelp.com</u> |
| Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____ | | |
| 4. Does this claim amend one already filed? | <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY | |
| 5. Do you know if anyone else has filed a proof of claim for this claim? | <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____ | |

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? ☒ No
☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 85,123.26 Does this amount include interest or other charges?
☐ No
☒ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
Limit disclosing information that is entitled to privacy, such as health care information.
Lease dated November 1, 2003/Amended and Assigned

9. Is all or part of the claim secured? ☒ No
☐ Yes. The claim is secured by a lien on property.
Nature of property:
☐ Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
☐ Motor vehicle
☐ Other. Describe: _____
Basis for perfection: _____
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ _____
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amounts should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ _____
Annual Interest Rate (when case was filed) _____ %
☐ Fixed
☐ Variable

10. Is this claim based on a lease? ☐ No
☒ Yes. Amount necessary to cure any default as of the date of the petition. \$ 85,123.26

11. Is this claim subject to a right of setoff? ☒ No
☐ Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)? ☒ No
☐ Yes. Check one:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

| | Amount entitled to priority |
|---|-----------------------------|
| <input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). | \$ _____ |
| <input type="checkbox"/> Up to \$2,775* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). | \$ _____ |
| <input type="checkbox"/> Wages, salaries, or commissions (up to \$12,475*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). | \$ _____ |
| <input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). | \$ _____ |
| <input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). | \$ _____ |
| <input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)() that applies. | \$ _____ |

* Amounts are subject to adjustment on 4/01/16 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- ☐ I am the creditor.
☒ I am the creditor's attorney or authorized agent.
☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

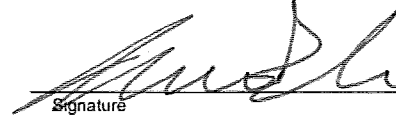
I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

8/27/20
MM/DD/YYYY


Signature

Print the name of the person who is completing and signing this claim:

| | | | |
|---------------|---|-------------|------------------------------------|
| Name | William Ehrlich | | |
| | First name | Middle name | Last name |
| Title | Attorney at Law | | |
| Company | The Ehrlich Law Firm | | |
| | Identify the corporate servicer as the company if the authorized agent is a servicer. | | |
| Address | 444 Executive Center Blvd., Suite 240 | | |
| | Number | Street | |
| | El Paso | TX | 79902 |
| | City | State | ZIP Code |
| Contact phone | 915-544-1500 | | Email: william@ehrllichlawfirm.com |

PRE-PETITION PROOF OF CLAIM SUMMARY

RE: GOLD'S TEXAS HOLDINGS GROUP, INC,
Bankruptcy Case No. 20-31337

This pre-petition proof of claim is filed and is a claim based on a Lease dated November 1, 2003 (as amended and assigned, the "Lease"), between PLEASANTON PARTNERS, L.P., a Texas limited partnership as Landlord and GOLD'S TEXAS HOLDINGS GROUP, INC., as Tenant

The leased premise was located at to 2828 Goliad in San Antonio, Texas.

The monthly rent due from April 1, 2020 and May 1, 2020 is \$27,327.63 per month plus taxes and insurance and common area maintenance charges (CAM) as provided in the lease of \$15,234.00 per month making the total monthly rent charge \$42,561.63.

The claim for the lease is for two (2) months unpaid rent, taxes, insurance and CAM totaling \$85,123.26. See 11USC502(b)(6)(A).

Enclosed:

Applicable Lease
First Amendment
Notice of Renewal
Ledger

Lease Ledger

Lease Information

Alyssa Haydin
Gold's Gym c/o ersp ID#43019
One Cowboys Way, Ste. 350
Frisco, TX, 75034

Date 06/09/2020
Lease Id golds
Property ij
Location 2902 Goliad - MISSION CROSSING
Assigned Space(s) 2828
Customer
ICS Code Gym/Fitness
Lease Type retail
Sales Category Retail
Lease Term From 11/01/2003 To 10/31/2023
Lease Area 48,945(Square Foot)
Monthly Rent 144795.65
Office Phone (469)608-8452
Fax No
E-Mail alyssa.haydin@ersp.com

| Date | Description | Charges | Payments | Balance |
|----------|--|-------------|-----------|---------------|
| | Balance Forward | | | 183.00 |
| 01/01/19 | Recon R/M.Disposal & Utilities (01/2019) :Revised by ctrl# 1010878 | 2,043.00 | | 2,226.00 |
| 01/01/19 | Recon Insurance (01/2019) :Revised by ctrl# 1010886 | 763.00 | | 2,989.00 |
| 01/01/19 | Recon Taxes & Reduction (01/2019) :Revised by ctrl# 1010894 | 11,041.00 | | 14,030.00 |
| 01/01/19 | Rent (01/2019) | 27,327.63 | | 41,357.63 |
| 01/01/19 | Recon R/M.Disposal & Utilities (01/2019) | 2,613.00 | | 43,970.63 |
| 01/01/19 | Reversed Recon R/M.Disposal & Utilities (01/2019) :Revises charge ctrl# 977001 | (2,043.00) | | 41,927.63 |
| 01/01/19 | Recon R/M.Disposal & Utilities (02/2019) | 2,613.00 | | 44,540.63 |
| 01/01/19 | Reversed Recon R/M.Disposal & Utilities (02/2019) :Revises charge ctrl# 984995 | (2,043.00) | | 42,497.63 |
| 01/01/19 | Recon R/M.Disposal & Utilities (03/2019) | 2,613.00 | | 45,110.63 |
| 01/01/19 | Reversed Recon R/M.Disposal & Utilities (03/2019) :Revises charge ctrl# 993252 | (2,043.00) | | 43,067.63 |
| 01/01/19 | Recon R/M.Disposal & Utilities (04/2019) | 2,613.00 | | 45,680.63 |
| 01/01/19 | Reversed Recon R/M.Disposal & Utilities (04/2019) :Revises charge ctrl# 1003078 | (2,043.00) | | 43,637.63 |
| 01/01/19 | Recon Insurance (01/2019) | 809.00 | | 44,446.63 |
| 01/01/19 | Reversed Recon Insurance (01/2019) :Revises charge ctrl# 977002 | (763.00) | | 43,683.63 |
| 01/01/19 | Recon Insurance (02/2019) | 809.00 | | 44,492.63 |
| 01/01/19 | Reversed Recon Insurance (02/2019) :Revises charge ctrl# 984996 | (763.00) | | 43,729.63 |
| 01/01/19 | Recon Insurance (03/2019) | 809.00 | | 44,538.63 |
| 01/01/19 | Reversed Recon Insurance (03/2019) :Revises charge ctrl# 993253 | (763.00) | | 43,775.63 |
| 01/01/19 | Recon Insurance (04/2019) | 809.00 | | 44,584.63 |
| 01/01/19 | Reversed Recon Insurance (04/2019) :Revises charge ctrl# 1003079 | (763.00) | | 43,821.63 |
| 01/01/19 | Recon Taxes & Reduction (01/2019) | 11,812.00 | | 55,633.63 |
| 01/01/19 | Reversed Recon Taxes & Reduction (01/2019) :Revises charge ctrl# 977003 | (11,041.00) | | 44,592.63 |
| 01/01/19 | Recon Taxes & Reduction (02/2019) | 11,812.00 | | 56,404.63 |
| 01/01/19 | Reversed Recon Taxes & Reduction (02/2019) :Revises charge ctrl# 984997 | (11,041.00) | | 45,363.63 |
| 01/01/19 | Recon Taxes & Reduction (03/2019) | 11,812.00 | | 57,175.63 |
| 01/01/19 | Reversed Recon Taxes & Reduction (03/2019) :Revises charge ctrl# 993254 | (11,041.00) | | 46,134.63 |
| 01/01/19 | Recon Taxes & Reduction (04/2019) | 11,812.00 | | 57,946.63 |
| 01/01/19 | Reversed Recon Taxes & Reduction (04/2019) :Revises charge ctrl# 1003080 | (11,041.00) | | 46,905.63 |
| 01/02/19 | direct dep - 12/28/18 Direct deposit | | 41,174.63 | 5,731.00 |

| Date | Description | Charges | Payments | Balance |
|----------|---|-----------|-----------|---------------|
| | Balance Forward | | | 183.00 |
| 02/01/19 | Recon R/M.Disposal & Utilities (02/2019) :Revised by ctrl# 1010880 | 2,043.00 | | 7,774.00 |
| 02/01/19 | Recon Insurance (02/2019) :Revised by ctrl# 1010888 | 763.00 | | 8,537.00 |
| 02/01/19 | Recon Taxes & Reduction (02/2019) :Revised by ctrl# 1010896 | 11,041.00 | | 19,578.00 |
| 02/01/19 | Rent (02/2019) | 27,327.63 | | 46,905.63 |
| 02/01/19 | Direct deposit - 01/30/19 Direct deposit | | 41,174.63 | 5,731.00 |
| 03/01/19 | Recon R/M.Disposal & Utilities (03/2019) :Revised by ctrl# 1010882 | 2,043.00 | | 7,774.00 |
| 03/01/19 | Recon Insurance (03/2019) :Revised by ctrl# 1010890 | 763.00 | | 8,537.00 |
| 03/01/19 | Recon Taxes & Reduction (03/2019) :Revised by ctrl# 1010898 | 11,041.00 | | 19,578.00 |
| 03/01/19 | Rent (03/2019) | 27,327.63 | | 46,905.63 |
| 03/04/19 | Direct deposit - 2/28/19 Direct deposit | | 41,174.63 | 5,731.00 |
| 04/01/19 | Recon R/M.Disposal & Utilities (04/2019) :Revised by ctrl# 1010884 | 2,043.00 | | 7,774.00 |
| 04/01/19 | Recon Insurance (04/2019) :Revised by ctrl# 1010892 | 763.00 | | 8,537.00 |
| 04/01/19 | Recon Taxes & Reduction (04/2019) :Revised by ctrl# 1010900 | 11,041.00 | | 19,578.00 |
| 04/01/19 | Rent (04/2019) | 27,327.63 | | 46,905.63 |
| 04/01/19 | Reconciled CAM, Tax, & Ins (01/2018 - 10/2018) | 5,486.91 | | 52,392.54 |
| 04/01/19 | Reconciled CAM, Tax, & Ins (11/2018 - 12/2018) | 1,097.38 | | 53,489.92 |
| 04/01/19 | Addtl Recovery Cam Tax Ins (01/2018 - 10/2018) | 7,712.10 | | 61,202.02 |
| 04/01/19 | Addtl Recovery Cam Tax Ins (11/2018 - 12/2018) | 1,542.42 | | 62,744.44 |
| 04/01/19 | Direct deposit - 3/29/19 Direct deposit | | 41,174.63 | 21,569.81 |
| 05/01/19 | Recon R/M.Disposal & Utilities (05/2019) | 2,613.00 | | 24,182.81 |
| 05/01/19 | Recon Insurance (05/2019) | 809.00 | | 24,991.81 |
| 05/01/19 | Recon Taxes & Reduction (05/2019) | 11,812.00 | | 36,803.81 |
| 05/01/19 | Rent (05/2019) | 27,327.63 | | 64,131.44 |
| 05/02/19 | Direct deposit - 4/30/19 Direct deposit | | 48,109.63 | 16,021.81 |
| 06/01/19 | Recon R/M.Disposal & Utilities (06/2019) | 2,613.00 | | 18,634.81 |
| 06/01/19 | Recon Insurance (06/2019) | 809.00 | | 19,443.81 |
| 06/01/19 | Recon Taxes & Reduction (06/2019) | 11,812.00 | | 31,255.81 |
| 06/01/19 | Rent (06/2019) | 27,327.63 | | 58,583.44 |
| 06/03/19 | Direct deposit - 5/31/19 Direct deposit | | 58,400.44 | 183.00 |
| 07/01/19 | Recon R/M.Disposal & Utilities (07/2019) | 2,613.00 | | 2,796.00 |
| 07/01/19 | Recon Insurance (07/2019) | 809.00 | | 3,605.00 |
| 07/01/19 | Recon Taxes & Reduction (07/2019) | 11,812.00 | | 15,417.00 |
| 07/01/19 | Rent (07/2019) | 27,327.63 | | 42,744.63 |
| 07/01/19 | Direct deposit - 6/28/19 Direct deposit | | 42,561.63 | 183.00 |
| 08/01/19 | Recon R/M.Disposal & Utilities (08/2019) | 2,613.00 | | 2,796.00 |
| 08/01/19 | Recon Insurance (08/2019) | 809.00 | | 3,605.00 |
| 08/01/19 | Recon Taxes & Reduction (08/2019) | 11,812.00 | | 15,417.00 |
| 08/01/19 | Rent (08/2019) | 27,327.63 | | 42,744.63 |
| 08/15/19 | Direct deposit - 7/31/19 Direct deposit | | 42,561.63 | 183.00 |
| 09/01/19 | Recon R/M.Disposal & Utilities (09/2019) | 2,613.00 | | 2,796.00 |
| 09/01/19 | Recon Insurance (09/2019) | 809.00 | | 3,605.00 |
| 09/01/19 | Recon Taxes & Reduction (09/2019) | 11,812.00 | | 15,417.00 |
| 09/01/19 | Rent (09/2019) | 27,327.63 | | 42,744.63 |
| 09/09/19 | Direct deposit - 9/3/19 Direct deposit | | 42,561.63 | 183.00 |
| 10/01/19 | Recon R/M.Disposal & Utilities (10/2019) | 2,613.00 | | 2,796.00 |
| 10/01/19 | Recon Insurance (10/2019) | 809.00 | | 3,605.00 |
| 10/01/19 | Recon Taxes & Reduction (10/2019) | 11,812.00 | | 15,417.00 |
| 10/01/19 | Rent (10/2019) | 27,327.63 | | 42,744.63 |
| 10/04/19 | Direct deposit - 10/1/19 Direct deposit | | 42,561.63 | 183.00 |
| 11/01/19 | Recon R/M.Disposal & Utilities (11/2019) | 2,613.00 | | 2,796.00 |
| 11/01/19 | Recon Insurance (11/2019) | 809.00 | | 3,605.00 |
| 11/01/19 | Recon Taxes & Reduction (11/2019) | 11,812.00 | | 15,417.00 |
| 11/01/19 | Rent (11/2019) | 27,327.63 | | 42,744.63 |
| 11/01/19 | Direct deposit - 10/31/19 Direct deposit | | 42,561.63 | 183.00 |
| 12/01/19 | Recon R/M.Disposal & Utilities (12/2019) | 2,613.00 | | 2,796.00 |
| 12/01/19 | Recon Insurance (12/2019) | 809.00 | | 3,605.00 |

| Date | Description | Charges | Payments | Balance |
|-----------|--|------------|---------------|------------|
| | Balance Forward | | | 183.00 |
| 12/01/19 | Recon Taxes & Reduction (12/2019) | 11,812.00 | | 15,417.00 |
| 12/01/19 | Rent (12/2019) | 27,327.63 | | 42,744.63 |
| 12/04/19 | Direct deposit - 12/2/19 Direct deposit | | 42,561.63 | 183.00 |
| 01/01/20 | Recon R/M.Disposal & Utilities (01/2020) | 2,613.00 | | 2,796.00 |
| 01/01/20 | Recon Insurance (01/2020) | 809.00 | | 3,605.00 |
| 01/01/20 | Recon Taxes & Reduction (01/2020) | 11,812.00 | | 15,417.00 |
| 01/01/20 | Rent (01/2020) | 27,327.63 | | 42,744.63 |
| 01/06/20 | Direct deposit - 1/2/2020 Direct deposit | | 42,561.63 | 183.00 |
| 02/01/20 | Recon R/M.Disposal & Utilities (02/2020) | 2,613.00 | | 2,796.00 |
| 02/01/20 | Recon Insurance (02/2020) | 809.00 | | 3,605.00 |
| 02/01/20 | Recon Taxes & Reduction (02/2020) | 11,812.00 | | 15,417.00 |
| 02/01/20 | Rent (02/2020) | 27,327.63 | | 42,744.63 |
| 02/01/20 | Reconciled CAM, Tax, & Ins (01/2019 - 12/2019) | 5,337.39 | | 48,082.02 |
| 02/01/20 | Addtl Recovery Cam Tax Ins (01/2019 - 12/2019) | (6,760.31) | | 41,321.71 |
| 02/10/20 | Direct deposit - 2/3/2020 Direct deposit | | 42,561.63 | (1,239.92) |
| 03/01/20 | Recon R/M.Disposal & Utilities (03/2020) | 2,613.00 | | 1,373.08 |
| 03/01/20 | Recon Insurance (03/2020) | 809.00 | | 2,182.08 |
| 03/01/20 | Recon Taxes & Reduction (03/2020) | 11,812.00 | | 13,994.08 |
| 03/01/20 | Rent (03/2020) | 27,327.63 | | 41,321.71 |
| 03/05/20 | Direct deposit - 3/2/2020 Direct deposit | | 42,561.63 | (1,239.92) |
| 04/01/20 | Recon R/M.Disposal & Utilities (04/2020) | 2,613.00 | | 1,373.08 |
| 04/01/20 | Recon Insurance (04/2020) | 809.00 | | 2,182.08 |
| 04/01/20 | Recon Taxes & Reduction (04/2020) | 11,812.00 | | 13,994.08 |
| 04/01/20 | Rent (04/2020) | 27,327.63 | | 41,321.71 |
| 05/01/20 | Recon R/M.Disposal & Utilities (05/2020) | 2,613.00 | | 43,934.71 |
| 05/01/20 | Recon Insurance (05/2020) | 809.00 | | 44,743.71 |
| 05/01/20 | Recon Taxes & Reduction (05/2020) | 11,812.00 | | 56,555.71 |
| 05/01/20 | Rent (05/2020) | 27,327.63 | | 83,883.34 |
| 06/01/20 | Recon R/M.Disposal & Utilities (06/2020) | 2,613.00 | | 86,496.34 |
| 06/01/20 | Recon Insurance (06/2020) | 809.00 | | 87,305.34 |
| 06/01/20 | Recon Taxes & Reduction (06/2020) | 11,812.00 | | 99,117.34 |
| 06/01/20 | Rent (06/2020) | 27,327.63 | | 126,444.97 |
| 06/01/20 | Direct deposit - 5/29/20 Direct deposit | | 42,561.63 | 83,883.34 |
| 0-30 Days | 31-60 Days | 61-90 Days | Above 90 Days | Amount Due |
| 42,561.63 | 42,561.63 | 0.00 | (1,239.92) | 83,883.34 |

5074-1 1 Gold's Gym

LEASE

LEASE AGREEMENT

Gold's Gym - Health & Fitness Center

Goliad Facility

ARTICLE 1

1.01 Summary of Basic Lease Provisions. When used herein, the following terms shall have the indicated meanings:

- a. Date of Lease: November 1, 2003
- b. Landlord: Goliad Real Estate, Ltd. by Goliad Investments, Inc. sole general partner
- c. Address of Landlord: % David Franke
2727 Allen Parkway
1500
Houston, TX 77019-2185
- d. Health Club: The Gold's Gym Health & Fitness Center located upon the lot, tract, or parcel of land situated in San Antonio, Bexar County, Texas, as more particularly described in Exhibit "A" attached hereto (the "Property"), together with such additions and extensions as Landlord and Tenant may from time to time designate in writing as being included within the building situated on the Property.
- e. Tenant: Gold's Texas Holdings, L.P., a Delaware limited partnership
- f. Tenant's Address: c/o Gold's Gym International, Inc.
2924 Telestar Court
Falls Church, VA 22042
Attn: Aaron Lieberman

With copies to:

Mr. Peter Klein
Brockway Moran & Partners, Inc.
225 N.E. Mizner Boulevard
Seventh Floor
Boca Raton, Florida 33432

and

Palm Beach Realty Partners, Inc.
214 Brazilian Avenue, Suite 200
Palm Beach, FL 33480

- g. Tenant's Trade Name: Gold's Gym
- h. Demised Premises: Approximately 48,945 square feet of area (including 2,241 of dock/storage space located adjacent to the main space) located within a portion of the building located on the Property and having an address of 2828 Goliad, San Antonio, Texas 78223 (the "Building.") Landlord represents to Tenant that the Building has a total building area of 56,055 square feet. The building area includes a mezzanine area equaling 1,494 square feet, which is included in the Demised Premises rent-free and free of Common Area Maintenance Charges, taxes and insurance.
- i. Address of Demised Premises: 2828 Goliad
San Antonio, TX 78223
- j. Permitted Use: Health club and related uses as set forth in Article 5 below.
- k. Lease Term: The term of this Lease shall commence on the "Commencement Date" (defined below), and shall terminate on the first day of the month that is one hundred twenty one months following the Commencement Date, unless sooner terminated in accordance with the provisions hereinafter set forth. Tenant

shall have the right to extend the term of the Lease for three additional five-year periods.

l. Commencement Date: November 1, 2003

m. Expiration Date: The first day of the 121st month following the Commencement Date

n. Estimated Completion Date: N/A

o. Security Deposit: None

p. Prepaid Rental (to be applied to the first accruing monthly installment of rent): None

q. Monthly Percentage Rent: N/A

r. Monthly Rent: \$16,315.00 per month - months 1-36
\$17,742.56 per month - months 37 - 72
\$19,170.13 per month - months 73 - 120
\$23,248.88 per month - first option term
\$27,327.63 per month - second option term
\$31,406.38 per month - third option term

s. Monthly Estimated Common Area Maintenance Charge: \$4895.83

t. Monthly Estimated Tax and Insurance Charge: \$6462.50 - real estate tax
-(insurance cost included in CAM above)

u. Miscellaneous: N/A

v. Gross Leaseable Building Area: 56,055 square feet

w. Proportionate Share of Leaseable Building Area allocated to Leased Premises: 87.3%

x. Guarantor (s): Gold's Gym International, Inc., a Delaware corporation

y. Broker: None

z Landlord's Designated Agent: David Franke, CPA
1500 Worham Tower
2727 Allen Parkway
Houston, TX 77019
Tel: (713) 529-9336
Fax: (713) 529-9408
Mobile: (713) 515-6595
Email: dfranke@pdq.net

Each of the foregoing Basic Lease Provisions and defined terms shall be construed in conjunction with the references thereto contained in the other provisions of this Lease. Each reference in this Lease to any of the foregoing Basic Lease Provisions and defined terms shall be construed to incorporate each term set forth above under such Basic Lease Provision or defined term.

1.02 DEMISED PREMISES. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, for the rent and subject to the provisions of this Lease, the Demised Premises described in Section 1.01 (h) hereof, as outlined on the plan attached hereto as Exhibit "B"; provided, however, Tenant will have the non-exclusive use of the parking area and traffic circulation areas shown on the site plan attached hereto as Exhibit "B." Such parking and circulation areas are subject to Landlord allocating designated parking spaces to one or more tenants in the Building as allowed herein. Notwithstanding the provisions of this paragraph, Landlord covenants and represents that at all times during the term of this Lease (and any renewals thereof), (i) the parking facilities located on the Property will always contain an aggregate of at least two hundred twenty five (225) ground level automobile parking spaces; (ii) Tenant and its employees, invitees, patrons, representatives, subtenants, licensees, concessionaires and contractors shall have the non-exclusive use and enjoyment of at least 200 parking spaces within a 100 yard radius of the Demised Premises; (iii) each parking space within the parking facility, regardless of angles of parking, shall have a minimum width of nine (9) feet on center, each measured at right angles to the side line of the parking space; (iv) Landlord shall not charge Tenant nor its employees, invitees, patrons, representatives, contractors, subtenants, licensees or concessionaires any parking "fees" in connection with the parking rights granted herein.

1.03 ACCEPTANCE OF DEMISED PREMISES. By occupying the Demised Premises, Tenant shall be deemed to have accepted the same for Tenant's intended purposes.

ARTICLE 2

2.01 TERM AND COMMENCEMENT. Subject to the other provisions hereof, and any exhibits hereto, this Lease shall be for a term equal to the Lease Term set forth in Section 1.01 (k) hereof commencing on the Commencement Date.

Within 15 days after the Commencement Date and at any time thereafter upon the prior written request of Landlord (which such request shall not exceed more than once each twelve month period), Tenant shall execute and deliver to Landlord a written declaration (in form and substance reasonably satisfactory to Landlord) specifying the date upon which the same occurred.

2.02 CONSTRUCTION. Tenant accepts the Demised Premises "as is, where is"; provided that Landlord warrants that the foundation, bearing walls, roof, plumbing and utility lines and to the best of its knowledge, HVAC and related facilities serving the Demised Premises are in good operating condition as of the date of the Lease.

ARTICLE 3

3.01 MONTHLY RENT. Tenant, as consideration for this Lease, agrees to pay to Landlord Rent in monthly installments in the amounts specified in Section 1.01 (c) hereof ("Monthly Rent"), payable at Landlord's address herein provided in legal tender of the United States of America, without notice, demand, counterclaim, set-off or abatement, in advance on or before the fifth (5th) day of each calendar month throughout the Lease Term.

The first monthly installment of Monthly Rent shall be due and payable on or before the Commencement Date, and subsequent installments shall be due and payable on or before the fifth day of each succeeding calendar month during the Term; provided that if the Commencement Date is a date other than the first day of a calendar month, then Tenant shall be required to pay only a pro rata share of the Monthly Rent due for such month. A penalty of two and one-half percent (2.5%) of the amount of the payment will be assessed for any Monthly Rent or Additional Rent, as described below in this Lease (collectively, "Rent") received after the tenth (10th) day of each calendar month, or after the fifth (5th) day after the date payable (which shall be at a minimum thirty (30) days from the date of the invoice), as the case may be, to cover Landlord's costs and expenses associated with processing a late payment, Tenant acknowledging that such fee is reasonable under the circumstances.

3.02 LATE PAYMENT INTEREST: It is understood that the Rent is payable on or before the fifth (5th) day of the month without offset or deduction of any nature. If any Rent is not received within 5 days after its due date for any reason whatsoever, it is agreed that the amount thus due shall bear interest from the date due until paid at the rate of 18% per annum; provided, however, in no event shall the rate of interest thereunder, together with any other fees paid by Tenant, which may be subject to usury laws, exceed the maximum non-usurious rate of interest (the "Maximum Rate") permitted by the applicable laws of the State of Texas or the United States of America, whichever shall permit the higher non-usurious rate, and as to which Tenant could not successfully assert a claim or defense of usury, and to the extent that the Maximum Rate is determined by reference to the laws of the State of Texas, the Maximum Rate shall be the indicated rate ceiling (as defined and described in Texas Revised Civil Statutes, Article 5069-1.04, as

amended) at the applicable time in effect. Any such interest shall be payable as additional Rent hereunder and shall be payable immediately on demand.

3.04 SECURITY DEPOSIT. NONE

ARTICLE 4

4.01 COMMON AREA. Landlord grants to Tenant and Tenant's patrons, invitees, employees, representatives, contractors, subtenants, licensees and concessionaires (such parties collectively referred to herein as the "Tenant Parties") the nonexclusive right to use and enjoy the Common Area of the Property. The term "Common Area" is defined for all purposes of this Lease as that part of the Property intended for the common use of all tenants of the Building and shall include, without limitation, all parking areas, roadways, pedestrian sidewalks, driveways, delivery areas, mall areas (whether open or closed), trash removal areas, landscaped areas, security areas, public restrooms (if any) and hallways and entry areas, but shall exclude (i) space in the Building currently designated for the exclusive occupancy by commercial tenants; and (ii) streets and alleys owned and maintained by a public authority. Landlord reserves the right to change from time to time the dimensions and location of the Common Area; provided however, that no fence, improvement, structure or obstruction of any kind shall be erected, installed or permitted in the Common Area (or on any portion of the Property) if such fence, improvement, structure or obstruction would materially obstruct view of signage associated with the Demised Premises from vehicular and pedestrian traffic on Babcock. Landlord covenants that all Tenant Parties at all times will have unobstructed means of ingress and egress between each entry of the Demised Premises and an adjacent public street. If any action (excluding those associated with any public taking) is knowingly taken or permitted by Landlord that interferes with Tenant Parties' quiet enjoyment of the Demised Premises and/or the visibility of the Demised Premises, and Landlord fails to cure such default after written notice and a reasonable period to cure, such action shall be deemed a default of Landlord under this Lease and Tenant shall be entitled to exercise any and all legal and equitable remedies available to it against Landlord, subject to the provisions of Section 23.04, below.

Save and except as set forth above, Tenant Parties' use of the Common Area shall be in common with other persons reasonably permitted by Landlord to use the same, and shall be subject to such reasonable rules and regulations governing use as Landlord may from time to time reasonably prescribe, including the designation of specific areas adjacent to the Building or in reasonable proximity thereto, in which automobiles owned by Tenant or other tenants in the Building, their patrons employees, subtenants, licensees and concessionaires shall be parked; provided, however, that any such designated spaces shall (i) not exceed ten (10) in total and (ii) be located immediately in front of the tenant's premises that requested the designated space(s). Spaces to be designated for specific tenants are limited to those areas shown on the plan attached as Exhibit "B". Except as expressly set forth herein with respect to Tenant's grand opening activities, Tenant shall not solicit business or display merchandise within the Common Area or

distribute handbills therein, or take any action which would interfere with the rights of other persons to use the Common Area. Landlord may temporarily close any part of the Common Area to the extent and only to the extent such closure is required to make repairs or alterations or to prevent the public from obtaining prescriptive rights to the Common Area. Landlord shall be solely responsible for the operation, management, and maintenance of the Common Area, the manner of maintenance and the expenditures therefore to be in keeping with first class properties located within the San Antonio, Texas area.

4.02 COMMON AREA MAINTENANCE CHARGES. In addition to rentals and other charges prescribed in this Lease, Tenant shall pay to Landlord Tenant's Proportionate Share (herein defined) of the cost of operation, maintenance and repair of the Common Area (including, among other costs, those for commercially reasonable lighting, painting, cleaning, policing, inspecting, repairing and replacing Common Area elements, and in the event of an enclosed mall or promenade in the Building constituting part of the Common Area, for heating and cooling)(and specifically excluding taxes and insurance (see Article 16) that may actually be incurred by Landlord, including a commercially reasonable management fee paid by Landlord to the manager of the Property or retained by Landlord as its fee for management (which shall in no event exceed ten percent (10%) of the Common Area Maintenance Costs per year), and the cost of maintaining and repairing all utility mains, lines, conduits and other facilities located on, above or under the Common Area (including common utility service lines wherever located) (all of the foregoing, collectively, are herein called the "Common Area Maintenance Costs"), but excluding depreciation of Landlord's original investment and the items set forth below. In addition, even if the roof and the pylon sign structure are not deemed to be part of the Common Area, Landlord and Tenant agree that roof and pylon sign maintenance, repair and replacement shall be included as a Common Area Maintenance Cost to the extent not specifically allocated to Tenant under this Lease or to another tenant pursuant to its lease. For purposes of this Lease, Tenant's "Proportionate Share" of any item shall mean the percentage that the stipulated square footage of the Demised Premises for the applicable calendar year during the Lease Term bears to the square footage area within the Building; provided however, that if additional buildings or improvements are constructed on the Property, Tenant's Proportionate Share of any item shall mean the percentage that the stipulated square footage of the Demised Premises bears to the total leasable square footage area of all buildings (including the Building) and other improvements on the Property for the applicable calendar year during the Lease Term

(a) Notwithstanding the foregoing to the contrary, in no event shall Common Area Maintenance Costs include or be deemed to include the following:

- (i) any ground lease rental payable by Landlord;

(ii) Costs of items considered capital repairs, replacements, improvements and equipment under generally accepted accounting principles ("Capital Items");

(iii) Rentals for items (except when needed in connection with normal repairs and maintenance of permanent systems) which if purchased, rather than rented, would constitute a Capital Item that is specifically excluded in (ii);

(iv) Costs incurred by Landlord for the repair of damage to the Property or any improvements thereon, to the extent that Landlord is reimbursed by insurance proceeds, and costs of all capital repairs, regardless of whether such repairs are covered by insurance;

(v) Costs, including permit, license and inspections costs, incurred with respect to the installation of tenant or other occupant's improvements in the Building or incurred in renovating or otherwise improving, decorating, painting or redecorating vacant space for tenants or other occupants of the Building.

(vi) Depreciation, amortization and interest payments, except on materials, tools, supplies and vendor-type equipment purchased by Landlord to enable Landlord to supply services Landlord might otherwise contract for with a third party where such depreciation, amortization and interest payments would otherwise have been included in the charge for such third party's services, all as determined in accordance with generally accepted accounting principles, consistently applied, and when depreciation or amortization is permitted or required, the item will be amortized over its reasonably anticipated useful life;

(vii) Marketing costs, including without limitation, leasing commissions, attorneys fees in connection with the negotiation and preparation of letters, deal memos, letters of intent, leases, subleases or assignments, space planning costs, and other costs and expenses incurred in connection with lease, sublease or assignment negotiations, and transactions with present or prospective tenants or other occupants of the Building and/or the Property;

(viii) Expenses in connection with services or other benefits that are not offered to Tenant or for which Tenant is charged for directly;

(ix) Costs incurred by Landlord due to the violation by Landlord or any tenant of the terms and conditions of any lease of space on the Property;

(x) Overhead and profit increment paid to Landlord or to subsidiaries or affiliates of Landlord for goods and services in or to the Building and/or the Property to the extent same exceeds the costs of such goods and services rendered by unaffiliated third parties on a competitive basis;

(xi) Interest, principal, points and fees on debts or amortization on any mortgage(s) or other debt instrument(s) encumbering the Property (except as permitted in (ii) above;

(xii) Landlord's general corporate overhead and general and administrative expenses, except as same relate to management of the Property;

(xiii) Any compensation paid to clerks, attendants or other persons in commercial concessions operated by Landlord in the Building or on the Property;

(xiv) intentionally omitted;

(xv) Advertising and promotional expenditures and costs of signs in or on the Building or other improvement on the Property identifying the owner of the Building or other tenant's signs;

(xvi) Costs incurred in connection with upgrading the Building to comply with life, fire and safety codes, ordinances, statutes or other laws in effect prior to the Commencement Date including, without limitation, the ADA, including penalties or damages incurred due to non-compliance, not including, however, life, fire and safety codes, ordinances, statutes or other laws in effect prior to the Commencement Date including, without limitation, the ADA, which are not required to be addressed on the Property as of the Commencement Date;

(xvii) Tax penalties incurred as a result of Landlord's negligence, inability or unwillingness to make payments or to file any tax or informational returns when due;

(xviii) Costs for which Landlord has been compensated by a management fee, and any management fees in excess of those management fees that are normally and customarily charged by landlords of comparable buildings;

(xix) intentionally omitted;

(xx) Despite any contrary provision of the Lease, including without limitation, any provision relating to capital expenditures, any and all costs arising from the presence of hazardous materials or substances (as defined by applicable laws in effect on the date this Lease is executed) in, on or about the Property;

(xxi) Costs arising from Landlord's charitable or political contributions, except as Landlord reasonably believes may be beneficial to the management of the Property;

(xxv) Costs (including all attorneys fees and costs of settlement judgments and payments) arising from claims, disputes or potential disputes in

connection with potential or actual claims litigation or arbitrations pertaining to Landlord, not related to Common Area Expenses applicable to the Building and/or the Property;

(xxvi) Costs associated with the operation of the business of the partnership or entity that constitutes Landlord as the same are distinguished from the costs of operation of the Building and the Property, including partnership accounting and legal matters, costs of defending any lawsuits with any mortgagee (except as the actions of Tenant may be in issue), costs of selling, syndicating, financing, mortgaging or hypothecating any of Landlord's interest in the Building and/or the Property, costs of any disputes between Landlord and its employees (if any) not engaged in Building operation, or outside fees paid in connection with disputes with other tenants;

(xxvii) Cost of any tap fees or any sewer or water connection fees for the benefit of any particular tenant in the Building or on the Property;

(xxviii) Capital Costs incurred in connection with any environmental clean-up, response action, or remediation on, in, under or about the Demised Premises, the Building and/or the Property, including, but not limited to, costs and expenses associated with the defense, administration, settlement, monitoring or management of them, except those costs incurred due to actions taken by Tenant or Tenant's failure to comply with any environmental clean-up, response action, or remediation on, in, under or about the Demised Premises applicable to Tenant;

(xxix) intentionally omitted

(xxx) Any entertainment or travel expenses for any purpose;

(xxxi) Any "finders fees" or brokerage commissions;

(xxxiv) intentionally omitted

(xxxv) The cost of any magazine, newspaper, trade or other subscriptions;

(xxxvi) The cost of any training or incentive programs, other than for tenant life safety information services;

(xxxvii) The cost of any tenant relations parties not consented to by an authorized representative of Tenant in writing;

(xxxvii) In-house legal and accounting fees; and

(xxxviii) Any other expenses that, in accordance with generally accepted accounting principles, consistently applied, would not normally be treated as Operating Expenses by landlords of comparable buildings.

(b) Common Area Maintenance Costs will be reduced by all cash discounts, trade discounts or quantity discounts received by Landlord or Landlord's managing agent in the purchase of any goods, utilities or services in connection with the operation of the Building and/or the Common Area. Landlord will make payments for goods, utilities and services in a timely manner in order to obtain the maximum possible discount. If capital items that are customarily purchased by landlords of comparable properties are leased by Landlord, rather than purchased, the decision by Landlord to lease the item in question will not serve to increase Common Area Maintenance Costs payable by Tenant beyond that which would have applied if the item in question been purchased.

(c) If any facilities, services or utilities used in connection with the Building or the Common Area are provided to another building or property owned or operated by Landlord or vice versa, the costs incurred by Landlord in connection with them will be allocated to Common Area Maintenance Costs by Landlord on an equitable basis.

(d) intentionally omitted

(e) Tenant's initial Proportionate Share is specified in Section 1.01(w). If Tenant's calculated Proportionate Share Common Area Maintenance Costs for any calendar year shall be more than the aggregate of the monthly payments previously paid by Tenant as specified in Section 1.01(s), Tenant shall pay such shortfall as Additional Rent to Landlord within thirty (30) days after written demand (thereof and delivery of written evidence reasonably documenting such shortfall, and Landlord shall have the right to then adjust the monthly Common Area maintenance charge specified in Section 1.01(s) to be an amount equal to one-twelfth (1/12) of Tenant's share of Common Area Maintenance Costs for the immediately preceding calendar year or the amount that Landlord estimates in good faith will be incurred during the current year. If Tenant's calculated Proportionate Share of Common Area Maintenance Costs for any calendar year shall be less than the aggregate of the monthly payments previously paid by Tenant for such calendar year, Landlord shall refund the excess amount to Tenant within sixty (60) days after the end of such calendar year.

4.03 PARKING. Tenant shall furnish to Landlord upon request a complete list of license numbers of all automobiles operated by Tenant, its employees, subtenants, licensees or concessionaires. Subject to the parking provisions set forth above, Tenant agrees that if any automobiles or other vehicle owned by Tenant or any of its employees, subtenants, licensees or concessionaires, or any of their respective employees, shall at any time be parked in any part of the Property other than the specific areas previously designated in writing by Landlord from time to time for employee parking, Landlord shall, after the delivery of prior written notice to Tenant, be and is hereby authorized to cause such automobile or other vehicle to be removed to such other location, either within or beyond the Property. Except to the extent attributable to negligence, gross negligence or willful misconduct, Tenant agrees to indemnify Landlord, its employees, and agents and hold each of them harmless from any and all claims of whatsoever nature

that may arise by reason of such removal. Landlord may from time to time substitute for any parking area other areas reasonably accessible to the tenants of the Building.

ARTICLE 5

5.01 USE. The Demised Premises may be used only as a health club and fitness facility. For purposes of this Lease, "health club and fitness facility" shall be deemed to include only the following facilities and uses: gymnasium, tanning salon, aerobic studio, physical rehabilitation facility, martial arts training facility, beauty and/or nail salon, free weights, sports medicine facility, retail sale of fitness apparel, preparation and/or sale of health food and beverages, child care services for members and invitees of the Demised Premises, and general administrative offices and no other purpose or use without the prior express written consent of Landlord, which such consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall use in the transaction of business in the Demised Premises the trade name set forth in Section 1.01 (g) hereof and no other trade name without the prior written consent of Landlord, which such consent shall not be unreasonably withheld, conditioned or delayed. Except to the extent caused in whole or in part by any casualty or other force or cause beyond the reasonable control of Tenant, Tenant shall not at any time leave the Demised Premises vacant, but shall in good faith continuously throughout the Term of this Lease conduct and carry on in the entire Demised Premises the type of business for which the Demised Premises are leased. Tenant shall operate its business in an efficient, high-class and reputable manner so as to produce the maximum amount of revenues from the Demised Premises.

5.02 USES PROHIBITED. Tenant shall not, without Landlord's prior written consent (which such consent shall not be unreasonably withheld, conditioned or delayed), keep anything within the Demised Premises or use the Demised Premises for any purpose that increases the insurance premium cost or invalidates any insurance policy carried on the Demised Premises or other parts of the Building by Landlord. All property kept, stored or maintained within the Demised Premises by Tenant shall be at Tenant's sole risk. Tenant shall not conduct within the Demised Premises any fire, auction, bankruptcy, "going-out-of-business", "lost-our-lease" or similar sales or operate within the Demised Premises a "wholesale" or "factory outlet" store, a cooperative store, a "second-hand" store, a "surplus" store or a store commonly referred to as a "discount house". Tenant shall not advertise that it sells its products or services at "discount", "cut-price", or "cut-rate" prices. Tenant shall not (a) permit any objectionable or unpleasant odors to emanate from the Demised Premises; (b) place or permit any radio, television, loudspeaker or amplifier on the roof of the Building or outside the Demised Premises; (c) place any antenna, awning or other projection on the exterior of the Demised Premises; (d) take any other action or permit or cause any sounds to emanate from the Leased Premises that would constitute an unreasonable nuisance or would unreasonably disturb or endanger other people who have a right to occupy the Building or unreasonably interfere with their use of their respective premises; nor (e) do anything which would tend to injure the reputation of the Building or the Property. Notwithstanding the foregoing to the contrary, noises and odors typically generated by gymnasium operations and other

uses permitted hereunder shall be expressly permitted and shall not be deemed to be in violation of this paragraph; provided that such sounds do not materially interfere with the business use of premises leased to third parties in the building or on adjoining property.

Tenant shall take good care of the Demised Premises and keep the same free from waste and vermin at all times. Subject to Landlord's responsibilities with respect to the Common Area, Tenant shall keep the sidewalks, hallways, stairways, service-ways and loading areas adjacent to the Demised Premises neat, clean and free from dirt or rubbish at all times, and shall store all trash and garbage within the Demised Premises, arranging for the regular pick-up of such trash and garbage at Tenant's expense, with such trash and garbage to be placed at a location in or near the Building reasonably selected by Landlord. Receiving and delivery of equipment, goods and merchandise and removal of garbage and trash shall be made only in the manner and areas reasonably prescribed by Landlord in writing. Tenant shall not operate an incinerator or burn trash or garbage within the Building. Tenant shall maintain all walls and display windows in a neat, attractive condition. Tenant shall procure at its sole expense all permits and licenses required for the transaction of business in the Demised Premises and otherwise comply with all applicable laws, ordinances, and governmental regulations pertaining to the operation of its business.

ARTICLE 6

6.01 LANDLORD'S REPAIRS. Landlord shall keep the foundation, the exterior walls (except plate glass windows, doors, door closure devices and other exterior openings; windows and door frames, molding, locks and hardware; special store fronts; lighting, heating, air conditioning, plumbing and other electrical, mechanical and electromotive installation, signs, placards, decorations or advertising media of any type located within the Demised Premises; and interior painting or other treatment of interior walls) and the roof of the Demised Premises in good repair in accordance with Section 4.01, subject to the provisions of Section 13.01 and Section 14.01. Landlord, however, shall not be required to make any repairs occasioned by the act or negligence of Tenant, its agents, employees, subtenants, licensees and concessionaires. If the Demised Premises are in need of repairs required to be made by Landlord, Tenant shall give immediate written notice to Landlord. Landlord shall not be responsible in any way for failure to make any such repairs until a reasonable time (not to exceed ten (10) business days) shall have elapsed after delivery of such written notice by Tenant; provided however, that if such repair is not reasonably susceptible to cure within such ten day period, or if the repair has no material impact upon Tenant's ability to operate its business out of the Demised Premises, Landlord shall have such excess time as is reasonably necessary to make such repair.

6.02 TENANT'S MAINTENANCE AND REPAIRS. Tenant shall keep the Demised Premises, the "store front" of the Demised Premises and any canopies and awnings servicing solely the Demised Premises, and the exterior walls of the Building outside the Demised Premises (not including the outside of the Building defining the area marked "RETAIL" on Exhibit "B" attached hereto) in good, clean and habitable

condition and shall at its sole cost and expense keep the Demised Premises free of insects, rodents, vermin and other pests. Tenant shall make all needed repairs and replacements within the Demised Premises, including replacement of cracked or broken glass, except for repairs and replacements required to be made by Landlord under the provisions of this Article, Section 13.01 and Section 14.01. It is understood that Tenant's responsibilities herein include, but are not necessarily limited to: (i) keeping the floors, walls and ceilings within the Demised Premises clean, with all floor, ceiling and wall coverings maintained, repaired and replaced as may be appropriate to maintain a first-class appearance; (ii) effecting the repair and replacement of all lighting, heating, air conditioning, plumbing and other electrical, mechanical and electromotive installation, equipment and fixtures located within and solely servicing the Demised Premises; (iii) maintaining and repairing all ducts, conduits, pipes and wiring located within the Demised Premises and serving solely the Demised Premises; and (iv) repairing any sewer stoppage located in, under and above the Demised Premises caused by activities of Tenant. If any maintenance or repairs required to be made by Tenant hereunder are not made within 10 business days after written notice is delivered to Tenant by Landlord, or if a longer period is required for such repair, if Tenant fails to commence repair promptly after notice or fails to continue with repair through completion, Landlord may at its option make such repairs at Tenant's expense, without liability to Tenant for any loss or damage which may result from the making of such repairs except for the gross negligence of Landlord or its employees or contractors. Landlord agrees to (i) use commercially reasonable standards in the hiring and contracting of outside third party vendors for the Property and (ii) assign to Tenant any warranties and rights it acquires with respect to any work performed or contracted for on Tenant's behalf. Tenant shall pay to Landlord within ten (10) days after written demand, as Additional Rent, the cost of such repairs plus 10%. At the expiration of this Lease, Tenant shall surrender the Demised Premises in good condition, excepting reasonable wear and tear and losses required to be restored by Landlord in this Article, Section 13.01 and Section 14.01 of this Lease.

ARTICLE 7

7.01 ALTERATIONS. Save and except for non-structural modifications and those made in connection with Tenant's finish-out of the Demised Premises, Tenant shall not make any alterations, additions or improvements to the Demised Premises without the prior written consent of Landlord, which such consent shall not be unreasonably withheld, conditioned or delayed. Tenant agrees to provide Landlord with copies of any drawings or specifications prepared relating to any non-structural modifications to the Demised Premises. Tenant may place in the Demised Premises movable and non-moveable trade fixtures that do not require drilling, cutting or otherwise defacing the Demised Premises but shall, upon the expiration or earlier termination of this Lease, remove the same and restore the Demised Premises to their original condition at Tenant's expense. If at the termination of this Lease, whether by expiration or any other reason, there are any movable trade fixtures remaining in the Demised Premises, and upon not fewer than fifteen (15) business days written notice, Tenant fails to remove them after being given the reasonable opportunity to do so, at the option of Landlord, and upon prior

written notice to Tenant, they shall be deemed abandoned by Tenant and shall become the property of Landlord. The provisions of this section of this Lease are deemed to be in addition to, and do not in any way reduce Landlord's rights described in Article 18, below. If Tenant desires to remodel or alter any part of the Demised premises, it shall do so at its sole cost without permitting any liens to be placed upon the Property, and in that regard prior to commencement of construction will provide such evidence of ability to pay for all improvements as Landlord may reasonably require. Prior to commencement of construction of modifications, whether Tenant must obtain Landlord's consent or not for the modifications, Tenant must first deliver to Landlord detailed construction plans, which plans must be approved by Landlord prior to commencement of construction. Landlord shall not unreasonably withhold, condition or delay its approval of such plans. Construction of improvements must be completed in a good workmanlike manner in substantial accordance with plans approved by Landlord and in compliance with all applicable laws, regulations and governmental approvals and in such manner as to cause a minimum of interference with other construction in progress and with the transaction of business on the Property. Tenant shall deliver to Landlord promptly after completion of the modifications as built drawings showing the modifications done by Tenant. Tenant agrees to indemnify, defend and hold harmless Landlord from and against any loss, liability, damage, claim or legal action resulting from such work, and Tenant shall, if requested by Landlord, furnish bond or other security reasonably satisfactory to Landlord against any such loss, liability or damage. Tenant acknowledges that Landlord's approval of Tenant's plans will not be deemed to be any warranty of the improvements for fitness of purpose, or that the improvements are in compliance with any laws or regulations applicable to the Property or Tenant's use of the Property.

ARTICLE 8

8.01 LANDLORD'S RIGHT OF ACCESS. Landlord shall have the right to enter upon the Demised Premises at any reasonable time and upon the giving of at least twenty four (24) hours prior written notice to Tenant, unless a shorter time is warranted in order to make repairs for the purpose of (a) inspecting the Demised Premises, or (b) making repairs to the Demised Premises, or repairs, alterations or additions to adjacent premises or the Building, or (c) during the last sixty (60) days of the lease term and any applicable renewals thereof, showing the Demised Premises to prospective purchasers, tenants or lenders. Landlord and its agents, employees, contractors and representatives will use all commercially reasonable efforts to minimize disruption of Tenant's business operations within and about the Demised Premises prior to, during and after Landlord's entry into the Demised Premises. Tenant will not change the locks to the Demised Premises without first notifying Landlord of such action and providing Landlord with a duplicate set of keys and any other information necessary to gain entry to the Demised Premises, such as security codes for alarms. Tenant will permit Landlord to place and maintain "For Rent" or "For Lease" signs on the Property including but not limited to the exterior walls of the Demised Premises during the last 30 days of the Term, it being understood that such signs shall in no way affect Tenant's obligations under any other provision of this Lease. In the event Tenant posts notices on the Demised Premises of its

intent to vacate the Demised Premises, Landlord shall have the right to advertise the Demised Premises for lease, including placing signage therefore on the Building. Additionally, during the last 120 days of the Lease Term, Tenant will allow brokerage representatives of Landlord to visit the Demised Premises during normal operating hours, provided such visits do not materially interfere with Tenant's operations.

8.02 USE OF ROOF. Use of the roof is reserved to Landlord, and Landlord may install equipment, signs, antenna, displays and other objects upon the roof, provided such use does not materially detract from the aesthetics of the Building or interfere with Tenant's occupancy of the Demised Premises and/or Tenant's business operations within. No equipment, signs, antenna, displays or other objects installed on the roof by Landlord or permitted by Landlord shall obstruct or interfere with any equipment, signage, antennas, displays or other objects servicing the Demised Premises and/or Tenant's business operations within the Demised Premises. Landlord, at Landlord's sole cost and expense, shall repair all damage to the Demised Premises (including fixtures and equipment servicing the Demised Premises) caused by the installation, use, maintenance, repair, replacement or removal of equipment, signs, antenna, displays and other objects placed or permitted by Landlord on the roof of the Demised Premises for the benefit of third parties.

ARTICLE 9

9.01 SIGNS, STORE FRONTS. Save and except for fixtures, lighting, decoration, banners, window and door lettering, and placards typically utilized by Tenant in its health club facilities or as contemplated as part of Tenant's finish-out of the Demised Premises prior to its occupancy thereof, Tenant shall not, without Landlord's prior written consent (which such consent shall not be unreasonably withheld, conditioned or delayed), install any exterior lighting, decorations, paintings, awnings, canopies or the like; or erect or install any signs, banners, window or door lettering, placards, decorations or advertising media of any type that can be viewed from the exterior of the Demised Premises, excepting only dignified displays of customary type for its display windows in accordance with the sign criteria attached hereto as Exhibit "D". Landlord and Tenant hereby agree that Tenant's signage as shown on the attached Exhibit "D-1" is acceptable and approved for installation on the Building and Pylon, subject however to approval of the Pylon Sign by applicable governmental agencies without modification to the height of the Pylon Sign. Save and except for signage, banners, lettering, placards, decoration and advertising media typically utilized by Tenant in its health care facilities, all signs, banners, lettering, placards, decorations and advertising media shall conform in all respects to prior written approvals given by Landlord to Tenant for the Building from time to time in the exercise of its reasonable discretion, and shall be subject to the prior written approval of Landlord (which such approval shall not be unreasonably withheld, conditioned or delayed) as to construction, method of attachment, size, shape, height, lighting, color and general appearance. Nothing in this Article shall be deemed to prevent Tenant from maintaining and displaying on and about the Demised Premises its "Gold's Gym" logos, signage and other

indicia of operation typically utilized by Tenant in its health club facilities. Tenant shall keep all signs, banners, window or door lettering, placards, decorations and exterior lighting installed as advertising media in good condition and in proper operating order at all times. Upon the expiration or earlier termination of this Lease, Tenant shall remove its sign(s) banners, window or door lettering, placards, decorations or advertising media of any type and restore the surface to which such may be attached to the condition that existed as of the Commencement Date of this Lease at Tenant's expense. If Tenant fails to remove the above described items within fifteen (15) days following the expiration or earlier termination of this Lease, the items shall become the property of Landlord without any credit or compensation to Tenant, and Landlord may, but is not obligated to, remove and store or dispose of the items and Tenant shall be liable to Landlord for all reasonable costs incurred by Landlord in connection therewith. Tenant shall indemnify and hold Landlord harmless from all loss, damage, cost, expense and liability in connection with such removal, storage or disposal; provided however, that Tenant shall not be liable for any loss, damage, cost, expense or liability incurred in whole or in part as a result of Landlord's negligence, gross negligence or willful misconduct. Notwithstanding any provision to the contrary set forth in this Article, Tenant shall have the right to display banners and such other signage and decoration that Tenant reasonably deems necessary or desirable in connection with Tenant's "grand opening" of its business operations within the Demised Premises; provided, that any such signage shall be in conformance with the provisions of the Access and Parking Agreement. Provided that such signage and decoration fully complies with all applicable laws, statutes and codes, Tenant shall have the right to continually display all such "grand opening" signage and decorations for a period not to exceed sixty (60) days following the date on which Tenant opens the Demised Premises for business to the general public.

9.02 PYLON SIGN. For the duration of the Lease term (and all renewals thereof), Landlord shall provide one (1) space for Tenant's signage panels (such panels, whether one or more, collectively referred to herein as the "Tenant Sign" or "Tenant's Signage") on the pylon sign currently located on the Property (the "Pylon Sign") and on all other pylon signs, sign boxes, monuments, can or other type signage fixtures subsequently installed on the Property and utilized by more than one tenant or occupant of the Property, provided that Tenant pays for a proportionate part of the cost of construction of such signage, and/or Landlord and Tenant agree upon a rental for the space on such additional signage. Tenant shall have sufficient space on the Pylon Sign to permit Tenant's Signage to be visible from each direction faced by such Pylon Sign. The locations, size and dimensions of the spaces to be provided for Tenant's Sign on the Pylon Sign are set forth on Exhibit "D-1" attached hereto and incorporated herein by this reference. Tenant may use the sign box or can that is attached to the Pylon Sign for its sign, if such box or can is in place or is later put into place by any party. Notwithstanding that Tenant's Signage is the only sign on the Pylon Sign, Landlord will maintain the Pylon Sign and shall arrange for the upkeep and repair of the Pylon Sign in first class condition; provided, however, that Tenant shall be responsible at its expense for (i) maintaining the actual sign panel(s) of Tenant Signage and (ii) performing any maintenance necessary to keep the Signage operational. Subject to the provisions set forth herein, Landlord may, upon prior written notice to Tenant and at Landlord's sole cost and expense, install additional signs on the

Pylon Sign, and upon doing so, Tenant shall pay only a prorata share of expenses reasonably incurred by Landlord in maintaining and repairing the pylon. Unless signs are individually metered, Tenant shall pay a prorata share of all utilities consumed at the pylon sign. Such prorata share shall be based upon the square footage of Tenant's Sign relative to the square footage of all signs on the Pylon Sign for the applicable period of expenses. In no event shall any additional signage installed by Landlord on the Pylon Sign (i) obstruct the existing Tenant Signage on the Pylon Sign; (ii) be placed above the existing Tenant Signage on the Pylon Sign; (iii) exceed the size or dimensions of the existing Tenant Signage on the Pylon Sign; (iv) damage, alter or diminish the existing Tenant Signage on the Pylon Sign. Tenant will at its cost, fabricate the Tenant Sign, and at Tenant's option, Landlord shall install the Tenant Sign on the Pylon Sign at Tenant's sole cost, without damage or injury to the Pylon Sign or any other tenant's signs, within sixty (60) days after the Commencement Date of this Lease. Tenant's Sign shall conform to all applicable laws, ordinances, rules and regulations. Subject to Tenant's rights herein to display and utilize its "Gold's Gym" logos, signage and other indicia of operation typically displayed by Tenant in its health club facilities, Tenant's Sign shall comply to Landlord's Pylon Sign Criteria as it may be reasonably established and amended from time to time by Landlord on prior written notice to Tenant. Notwithstanding the foregoing to the contrary, but subject to Tenant's rights to display and utilize its "Gold's Gym" logos, signage and other indicia of operation, if Landlord's Pylon Sign Criteria is amended after the Tenant Signage is fabricated, all costs reasonably incurred by Tenant to modify such Signage to conform to Landlord's amendment of the Landlord's Pylon Sign Criteria shall be paid by Landlord at Landlord's sole expense. Tenant shall cause Tenant's Sign to be fully insured at all times during the term hereof against damage or loss due to fire or other hazards under a standard Texas form of all-risk fire and casualty insurance policy. Tenant, at Tenant's expense, shall promptly replace and repair the Tenant Sign should it become damaged (except to the extent such damage or repair is necessitated by the acts or omissions of Landlord), and shall maintain Tenant's Sign panels in good, attractive, first-class condition, as determined by Landlord in its commercially reasonable judgment. If Tenant's Sign is self-contained as to lighting, Tenant shall be responsible, at Tenant's cost, for changing the light bulbs for Tenant's Sign. Tenant shall promptly change out burned-out bulbs for Tenant's Sign as necessary. Landlord shall give Tenant and/or its employees, agents, contractors and representatives access to the Pylon Sign at all times for purposes of repair and maintenance of Tenant's Sign. The Tenant's Sign shall at all times remain the property of Tenant. Tenant shall render taxes and assessments separately to the relevant taxing authorities having jurisdiction over the Property and, if appropriate, the Tenant's Sign and shall take all commercially reasonable steps to ensure that property taxes for Tenant's Sign are invoiced directly to Tenant as its separate business property. Otherwise, Landlord shall be responsible for paying any assessments on the pylon(s) and Tenant shall be responsible for its pro-rata share of such assessments. Tenant, at Tenant's expense, shall obtain and pay all fees for permits and other governmental approvals necessary for Tenant's occupancy of space on the Pylon Sign; provided however, that in no event shall Tenant be liable or responsible for the payment of any fees or charges assessed for permits and other governmental approvals attributable in whole or in part to the Pylon Sign structure itself, except as such may be allocated as Common Area expenses. Tenant shall not permit, nor have or be deemed hereby to have been given by Landlord any right to create, any liens

against Landlord's interest in the Pylon Sign or the Property. Landlord and Tenant, as applicable, shall comply with all federal, state, county and municipal laws and ordinances and all rules and regulations of any duly constituted authority present and in the future affecting or respecting its use of the Pylon Sign. In case any restriction of the construction or maintenance of signs, sign boards or bulletin boards are imposed by statute or by ordinance of the municipality in which the Property is located, or, in case any such restriction, statute, ordinance or other rules or regulations, already existing, be enforced, or in case the federal, state, municipal and/or other public authority having jurisdiction shall hereafter establish any rules or regulations, or taxation, which shall have the effect of so restricting the location, construction, maintenance or operation of signs, sign boards or bulletin boards as to effectively prohibit the use of the Pylon Sign on a commercially reasonable basis or increasing Landlord's costs of maintaining the signs to a commercially unreasonable level, Landlord may terminate this agreement to permit Tenant to have Tenant's Sign on the Pylon Sign upon giving Tenant thirty (30) days' prior written notice. Upon such termination by Landlord, Landlord shall, if permitted under law, install, place and/or utilize another legally permissible sign structure on the Property in a location and of a size reasonably comparable with that of the Pylon Sign. If any part of the Pylon Sign or land upon which it is located is taken by governmental authorities or other authorized authorities by power of eminent domain, Tenant shall have no right to claim any interest in the proceeds of such condemnation. Tenant hereby assigns to Landlord any claim Tenant may have or claim, or which it could or might have or claim in the future, in, to or in respect of any such condemnation award or proceeding, except that Tenant may make its own separate claim in connection with such condemnation action for compensation for the depreciated cost of the Tenant's physical sign structure located on the Pylon Sign if Tenant's Sign is taken by the condemning authority. Landlord shall not owe Tenant any compensation whatsoever for the loss of Tenant's rights to signage on the Pylon Sign by reason of any casualty loss (except to the extent caused by the voluntary and discretionary acts or omissions of Landlord), condemnation or other governmental law or regulation, except to reimburse Tenant for any prepaid rentals. Within ninety (90) days of such loss, condemnation or operation of law, Landlord shall, if permitted under law, install and/or modify a legally permissible replacement sign structure (the "Replacement Structure") on the Property in a location and of a size reasonably comparable with that of the Pylon Sign. The cost of installing the Replacement Sign shall be equitably prorated between Landlord, Tenant and other tenants utilizing the Pylon Sign and shall be based upon the anticipated useful life of the Replacement Sign and the remaining Lease term.

ARTICLE 10

10.01 UTILITIES. Landlord agrees (provided it is within its reasonable control) to provide and maintain (or cause to be provided and maintained) the necessary mains, conduits and other utility facilities necessary to supply water, gas, electricity, telephone and sewerage service to the exterior wall of the Demised Premises and to use its commercially reasonable efforts to ensure that sufficient utility services are available to the Demised Premises. Tenant agrees to maintain (or cause to be maintained) all utility conduits and facilities inside the exterior walls of the Demised Premises and to pay for all utility service charges, including all charges for electricity, water, gas, telephone, cable,

sewerage service and other utilities furnished to the Demised Premises. In addition, Landlord may choose to provide utility services to the Demised Premises, and in such event Tenant shall purchase the use of such services as are tendered by Landlord, and shall pay on demand as Additional Rent the rates reasonably established therefore by Landlord, which shall not exceed the rates which would be charged for the same services if furnished directly by the local public utility companies to Tenant. Provided that alternative utility services are then available for the Demised Premises, Landlord may upon thirty (30) days prior written notice at any time discontinue furnishing any such service without obligation to Tenant other than to immediately connect the Demised Premises to the public utility, if any, furnishing such service. Landlord shall have Tenant's utility services separately metered from the remainder of the Building; provided however, that as long as the remainder of the Building not constituting the Demised Premises, is not leased to Tenant, utility services for the Demised Premises shall not be separately metered, and Tenant will pay the full amount billed for the Building. Landlord will reimburse Tenant for the portion used for the Building not including the Demised Premises within fifteen (15) days after receipt of reasonable evidence that the utility bill(s) in question has been paid by Tenant.

10.02 INTERRUPTION: Except to the extent caused by Landlord's gross negligence or willful misconduct, no interruption or malfunction of any utility services (including, without limitation, interruption of such utilities as a result of the enactment, enforcement or promulgation, regardless of the ultimate validity or enforceability thereof, of any federal, state or local law, statute, ordinance, decree, order, guideline or regulation now or hereafter enacted or promulgated by any governmental, quasi-governmental, regulatory or executive authority) shall constitute an eviction or disturbance of Tenant's use and possession of the Demised Premises or a breach by Landlord of any of its obligations hereunder or render Landlord liable for any damages (including, without limitation, consequential or special damages) or entitle Tenant to be relieved of any of its obligations hereunder (including the obligation to pay Rent) or grant Tenant any right or set-off or recoupment. If a utility service provided by Landlord that is reasonably necessary for the operation of Tenant's business is interrupted for more than 24 hours due to Landlord's negligence, gross negligence or willful misconduct and as a result Tenant is not able to operate its business during that time, the amount of Monthly Rent payable by Tenant for the applicable month shall be abated on a prorated basis for each 24 hour period thereafter that Tenant is unable to operate its business at all due to the interruption of the utility service. Additionally, if a utility service provided by Landlord that is reasonably necessary for the operation of Tenant's business is interrupted for twenty (20) or more days due to Landlord's negligence, gross negligence or willful misconduct and as a result Tenant is not able to operate its business at all during that time, Tenant may, upon the giving of five (5) days notice to Landlord, terminate the Lease. In the event of any such interruption of any such services, Landlord shall use all commercially reasonable efforts to restore such service in any circumstance in which such interruption is caused by the action or inaction of Landlord and not any governmental action. Notwithstanding the foregoing sentence, Landlord shall use all commercially reasonable efforts to cooperate with Tenant in contacting and coordinating with all applicable governmental or quasi-governmental agencies to ensure that utilities to the Demised Premises are not

discontinued or are discontinued for a minimal period of time. Landlord shall immediately notify Tenant of any notice received or relayed to Landlord regarding the anticipated or scheduled interruption of any utility service to the Property, including the Demised Premises. Notwithstanding the foregoing, Landlord does not warrant utility service by third parties to Tenant or to the Building.

ARTICLE 11

11.01 INDEMNITY. Except to the extent attributable in whole or in part to the negligence, gross negligence or willful misconduct of Landlord and/or Landlord's employees, agents, representatives, invitees or contractors, Landlord shall not be liable to Tenant or to Tenant's employees, agents, or visitors, or to any other person whomsoever, for any injury to persons or damage to property on or about the Demised Premises or the Common Area caused by the negligence or misconduct of Tenant, its employees, subtenants, licensees or concessionaires, or of any other person entering the Property or the Building under express or implied invitation of Tenant, or arising out of the use of the Demised Premises by Tenant and the conduct of its business therein, or arising out of any breach or default by Tenant in the performance of its obligations hereunder. Tenant hereby agrees to indemnify Landlord and hold Landlord harmless from any loss, expenses or claim arising out of such damage or injury. Except to the extent attributable in whole gross negligence or willful misconduct by Landlord or Landlord's employees, agents, representatives, invitees or contractors, Landlord's agents and employees shall not be liable to Tenant for any injury or death to persons or damage or destruction to property sustained by Tenant or any persons claiming through Tenant resulting from the Demised Premises or other portions of the Building caused by repair or defect in or failure of any structural element of the Demised Premises or of any equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the Demised Premises, nor shall Landlord be liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of the Building or of any other people, excepting only duly authorized employees and agents of Landlord. Landlord shall indemnify and hold Tenant and its employees, agents, representatives, partners, board members, directors, contractors and representatives harmless from any and all claims, losses, damages, costs and expenses incurred by Tenant or any party claiming by, through or under Tenant and resulting in whole or in part from the negligence, gross negligence or willful misconduct by Landlord or Landlord's employees, agents, representatives, invitees or contractors.

ARTICLE 12

12.01 TENANT INSURANCE. Tenant shall procure and maintain throughout the Term of this Lease a policy or policies of insurance, at its sole cost and expense, insuring both Landlord and Tenant against all claims, demands or actions arising out of or in connection with Tenant's use or occupancy of the Demised Premises, or by the condition of the Demised Premises. The limits of such policy or policies shall be in an

amount not less than \$1,000,000 combined single limit for bodily injury and/or property damage for each occurrence, and shall be written by insurance companies licensed to do business in Texas and reasonably satisfactory to Landlord; provided however, that upon the delivery to Landlord of documentation reasonably evidencing the worth of Tenant, Tenant may self-insure. Tenant shall obtain a written obligation on the part of each insurance company to notify Landlord at least 30 days (or the maximum period allowed under applicable Texas law) prior to cancellation of such insurance. Such policies or duly executed certificates of insurance shall be promptly delivered to Landlord and renewals thereof as required shall be delivered to Landlord at least 30 days prior to the expiration of the respective policy terms upon request by Landlord. If Tenant should fail to comply with the foregoing requirements relating to insurance, Landlord may obtain such insurance and Tenant shall pay to Landlord on demand, as Additional Rent hereunder, the premium cost thereof.

ARTICLE 13

13.01 CASUALTY. Tenant shall give immediate written notice to Landlord of any damage caused to the Demised Premises by fire or other casualty. If the Demised Premises shall be damaged or destroyed by fire or other casualty insurable under standard fire and extended coverage insurance and Landlord does not elect to terminate this Lease as hereinafter provided, Landlord shall, within one hundred twenty (120) days, rebuild and repair the Demised Premises. If the Demised Premises are not reasonably susceptible to reconstruction and repair within one hundred twenty (120) days following the date of the fire or other casualty (or if Landlord fails to complete such reconstruction and repair within the 120 day period), Tenant shall have the right, but not the obligation, to terminate this Lease upon the giving of ten (10) days written notice to Landlord on or before the expiration of one hundred twenty (120) days following the date of such fire or other casualty. If (a) the Building is destroyed or substantially damaged by a casualty not covered by Landlord's insurance; or (b) such building shall be destroyed or rendered substantially untenantable to an extent in excess of 25% of the floor area by a casualty covered by Landlord's insurance, or (c) the holder of a mortgage, deed of trust or other lien on the Demised Premises at the time of the casualty elects, pursuant to such mortgage, deed of trust or other lien, to require the use of all or substantially all of Landlord's insurance proceeds in satisfaction of all or part of the indebtedness secured by the mortgage, deed of trust or other lien, then Landlord may elect either to terminate this Lease or to proceed to rebuild and repair the Demise Premises. Landlord shall give written notice to Tenant of such election within 60 days after the occurrence of such casualty. If Landlord elects to rebuild and repair, Landlord shall proceed to do so with diligence at its sole cost and expense.

Landlord's obligation to rebuild and repair shall in any event be limited to restoring the Demised Premises to substantially the condition which existed prior to such casualty, exclusive of any alterations, additions, improvements, fixtures and equipment installed by Tenant. Tenant agrees that promptly after completion of such work by Landlord, Tenant will proceed with reasonable diligence and at Tenant's sole cost and

expense to restore, repair and replace all alterations, additions, improvements, fixtures, signs and equipment installed by Tenant. Tenant agrees that during any period of reconstruction or repair of the Demised Premises Tenant will continue the operation of its business within the Demised Premises to the extent reasonably practicable. During the period from the occurrence of the casualty until Landlord's repairs are completed, all Rent and other sums due hereunder shall be reduced to such extent as may be fair and reasonable under the circumstances.

ARTICLE 14

14.01 CONDEMNATION - DEMISED PREMISES. If during the Term of this Lease all of the Demised Premises is taken by any authority having the power of condemnation, then this Lease shall terminate, and the date of such termination shall be the earlier of either the date upon which possession shall be tendered to such authority by Landlord or the date upon which possession is taken by such authority. If a lesser part of the Demised Premises should be so taken (or if a portion of the parking facilities located adjacent to the Demised Premises are taken which reduces the parking below the ratio of 4.5 spaces/thousand square feet of space in the building), either Landlord or Tenant may elect to terminate this Lease upon the giving of thirty (30) days written notice to the other. If Landlord and Tenant elect to continue this Lease in effect, the Rent shall be reduced in proportion to the area of the Demised Premises so taken, and/or shall be equitably reduced to reflect the loss of Tenant's use of the adjacent parking facilities so taken, as applicable. Once Landlord and Tenant have mutually agreed to the reduction in Rent, such reduced sum shall be due and payable by Tenant to Landlord. The reduction in Rent shall be effective on the earlier of either the date upon which possession shall be tendered to such authority by Landlord or the date upon which possession is taken by such authority. At the request of Landlord, Tenant will execute a letter or other memorandum setting forth the amount of such Rent payable by Tenant. If Landlord and Tenant have elected to continue this Lease in effect, then upon Landlord's collection of the entire sum due and payable by such authority to Landlord by way of compensation and damages, Landlord shall restore the remaining portion of the Demised Premises so as to constitute such portion an enclosed building, with such nature of building improvements and facilities as Landlord furnished to Tenant at or prior to commencement of the Term, provided however, that if Landlord has not restored the remaining portion of the Demised Premises on or before the expiration of 120 days following the last of the date on which possession was tendered to such authority by Landlord or was taken by such authority or Tenant was no longer able to operate its business in the area taken by such authority, Tenant shall have the right to terminate this Lease by giving Landlord not fewer than ten (10) days prior written notice thereof within thirty (30) days following the expiration of such 120 day period. Except to the extent attributable to the gross negligence or willful misconduct by Landlord or Landlord's employees, agents, representatives, invitees or contractors, neither the restoration work, if any, by Landlord with respect to the Demised Premises nor the restoration work, if any, by Landlord with respect to any other portion of the Building or Property shall constitute an eviction or disturbance of Tenant's use and possession of the Demised Premises or

Building nor shall render Landlord liable for damages or entitle Tenant to be relieved of any of its obligations hereunder (with the exception of the aforesaid reduction in Rent) or grant Tenant any right of offset or recoupment.

14.02 CONDEMNATION - COMMON AREAS. Whether or not such authority may take any portion of the Demised Premises, Landlord or Tenant may nevertheless elect to terminate this Lease if such authority takes 50% or more of the Common Area or 50% of the ground floor building area of the Building.

ARTICLE 15

15.01 ASSIGNMENT, SUBLETTING, LICENSING. Except as set forth below, Tenant shall not assign or in any manner transfer this Lease or any estate or interest therein, or sublet the Demised Premises or any part thereof, or grant any license, concession or other right of occupancy of any portion of the Demised Premises without the prior written consent of Landlord, which such consent shall not be unreasonably withheld, conditioned or delayed. Consent by Landlord to one or more assignments or sublettings or to the grant of any license, concession or other right of occupancy of any portion of the Demised Premises shall not operate as a waiver of Landlord's rights as to any subsequent assignments or sublettings or the grant of any license, concession or other right of occupancy of any portion of the Demised Premises. Notwithstanding the foregoing to the contrary, (i) Tenant may assign, transfer and/or sublet this Lease (and may grant any estate or interest therein) to any person, firm or corporation, directly or indirectly controlling, controlled by or under common control with Tenant without obtaining Landlord's prior written or other consent to such assignment, transfer and/or subletting; (ii) Tenant shall have the right to grant licenses to vendors, persons and entities engaging in permissible "health club" uses (i.e. smoothie and other "health club" food and beverage vendors, exercise class instructors, stress therapists, etc.) without obtaining Landlord's prior written consent to such grants of licenses and other rights. Notwithstanding Tenant's right to enter into assignment and subletting agreements described above in this paragraph without Landlord's prior written consent, Tenant shall provide Landlord true and correct copies of all subletting, licensing and assignment agreements affecting the Demised Premises promptly after execution thereof. All such subletting agreements, license agreements shall state that the rights of the subtenant or licensee shall be subject in all respects to the provisions of this Lease. If Tenant is a corporation and if the stock of the corporation is not publicly traded, and if at any time during the Term of this Lease or any renewal or extension thereof, the person or people who own a majority of either the outstanding voting shares or all outstanding shares of capital stock of Tenant at the time of execution of this Lease cease to own a majority of such shares (except as the result of transfers by devise or descent), the loss of a majority of such shares shall be deemed an assignment of this Lease by Tenant and therefore subject in all respects to the provisions of this Section 15.01.

Notwithstanding any assignment or subletting or grant any license, concession or other right of occupancy of any portion of the Demised Premises, Tenant shall at all times

remain fully responsible and liable for the payment of the Rent herein specified and for compliance with all of the other obligations under this Lease (even if future assignments and sublettings or grant of any license, concession or other right of occupancy of any portion of the Demised Premises occur subsequent to the assignment or subletting or grant of any license, concession or other right of occupancy of any portion of the Demised Premises by Tenant, and regardless of whether or not Tenant's approval has been obtained for such future assignments, sublettings or grant of any license, concession or other right of occupancy of any portion of the Demised Premises.)

In the event of the transfer and assignment by Landlord of its interest in this Lease and in the Building to a person or entity expressly assuming Landlord's obligations under this Lease by written instrument delivered to Tenant, Landlord shall thereby be released from any further obligations hereunder, and Tenant agrees to look solely to such successor in interest of the Landlord for performance of such obligations. Any security given by Tenant to secure performance of Tenant's obligations hereunder may be assigned and transferred by Landlord to such successor in interest, and upon the express written assumption thereof by Landlord's successor-in-interest, Landlord shall thereby be discharged of any further obligation relating thereto.

ARTICLE 16

16.01 TAXES ON TENANT'S PROPERTY. Tenant shall be liable for and shall pay all taxes levied against personal property and trade fixtures placed by Tenant in the Demised Premises. If any such taxes are levied against Landlord or Landlord's property and if Landlord elects to pay the same or if the assessed value of Landlord's property is increased by inclusion of personal property and trade fixtures placed by Tenant in the Demised Premises and Landlord elects to pay the taxes based on such increase, Landlord shall notify Tenant in writing, and Tenant shall pay to Landlord upon demand, that part of such taxes for which Tenant is primarily liable hereunder as Additional Rent. Landlord shall deliver to Tenant all documentation reasonably requested by Tenant to evidence the share of taxes that Landlord claims is owed by Tenant.

16.02 TAXES ON PROPERTY. Except as provided in Sections 16.01 and 16.03, Landlord shall pay or cause to be paid all general real estate taxes, general and special assessments (including any assessments resulting from the Building, or any portion thereof, being included within any association of property owners or similar type of association), parking surcharges and other governmental charges (hereinafter collectively referred to as the "General Taxes") levied against the Property for each real estate tax year. Tenant shall pay to Landlord upon demand, and in addition to the rentals and other charges prescribed in this Lease, the general taxes attributable to the Demised Premises. The payment to be made by Tenant for the real estate tax year in which this Lease commences or terminates shall bear the same ratio to the payment which would be required to be made for the full tax year as the number of days of such tax year included within the Lease Term bears to a full tax year. The general taxes attributable to the Demised Premises shall be computed in accordance with the following formula:

$$T = A/B \times F$$

in which T equals the dollar amount of the general taxes attributable to the Demised Premises; "A" equals the total amount of General Taxes being paid by Landlord for the Property (the "Assessed Area"); "B" equals the total square footage of all buildings in the Assessed Area at the commencement of the real estate tax year in question; and "F" equals the herein stipulated gross square footage included in the Demised Premises.

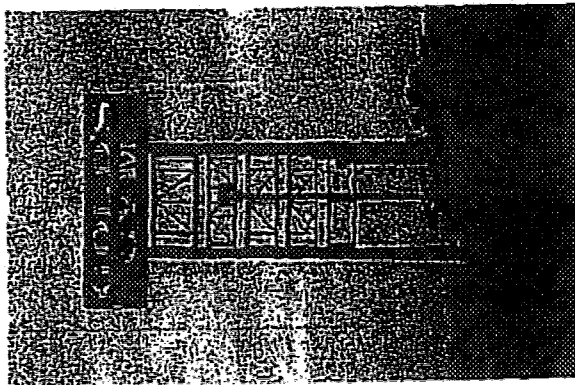
16.03 RENTAL TAXES: CHANGE IN METHOD OF TAXATION. If at any time during the Lease Term a tax or excise on rents, or other tax however described (except any franchise, estate, inheritance, capital stock, income or excess profits tax imposed upon Landlord) is levied or assessed against Landlord by any lawful taxing authority on account of Landlord's interest in this Lease or the rents or other charges reserved hereunder, as a substitute in whole or in part, or in addition to the general taxes described in Section 16.02 above, Tenant agrees to pay to Landlord upon demand, and in addition to the rentals and other charges prescribed in this Lease, a prorated amount of such tax or excess. In the event any such tax or excise is levied or assessed directly against Tenant, then Tenant shall be responsible for and shall pay the same at such times and in such manner as the taxing authority shall require.

16.04 INSURANCE PREMIUMS FOR LANDLORD'S INSURANCE. Subject to the provisions of Article 4, the premiums for any liability, property casualty loss or rental loss insurance coverage reasonably maintained by Landlord covering the Property (hereinafter referred to as the "Insurance Premiums") shall be paid by Landlord, and Tenant shall pay to Landlord upon demand, and in addition to the rentals and other charges prescribed in this Lease, as Additional Rent, all of the "Insurance Premiums Attributable to the Demised Premises." The payment to be made by Tenant for the insurance term in which this Lease commences or terminates shall bear the same ratio to the payment which would be required to be paid for the full insurance term as the number of days of such term within the Lease Term bears to the full insurance term. The "Insurance Premiums Attributable to the Demised Premises" shall mean an amount computed in accordance with the following formula:

$$P = A/B \times F$$

in which "P" equals the dollar amount of the insurance premiums attributable to the Demised Premises; "A" equals the total amount of insurance premiums being paid by Landlord for the Building in which the Demised Premises are located (the "Insured Building"); "B" equals the gross square footage of all floor area of the Insured Building at the commencement of the insurance term; and "F" equals to the herein stipulated gross square footage included in the Demised Premises. If more than one building or improvement is constructed on the Property for lease to third parties, the foregoing formula shall be modified so that "P" equals the dollar amount of the insurance premiums attributable to the Demised Premises; "A" equals the total amount of insurance premiums being paid by Landlord for all buildings and improvements located on the Property (the "Insured Improvements"); "B" equals the gross square footage of all floor area of such

Exterior Illuminated Cabinet • Gold's Gym • San Antonio • Texas



SCALE 1/8" = 1' 0"

EXTERIOR ILLUMINATED CABINET

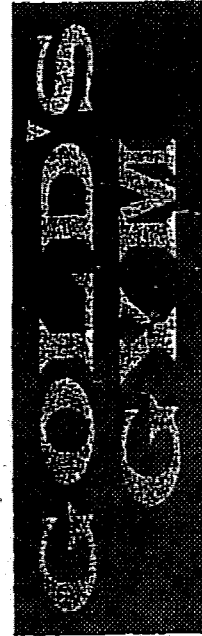
- Illuminated cabinet built to U.S. specifications
- Exterior illumination construction type: White Fluor (with air vents)
- Overall height: 11' 0"
- Overall width of sign: 28' 0" / Overall height of sign: 8' 4.5"
- Cabinet depth: 2' 0"
- Cabinet width: 2' 1/2"
- From type: Inc.
- No other cabinet should be used
- No other cabinet should be used (No other 11' 0" cabinet)
- Primary electrical requirements: 120 volt (provided within the field of sign by others)

COLOR SPECIFICATIONS

- Cabinet panel with two-stage reflective acrylic
- Cabinet Color: Black
- Cabinet panel with two-stage reflective acrylic
- From previous: head transfer system (to match black, PMS 100C & PMS 100B)

OTHER COMPONENTS / SPECIAL CONSTRUCTION CONSIDERATIONS

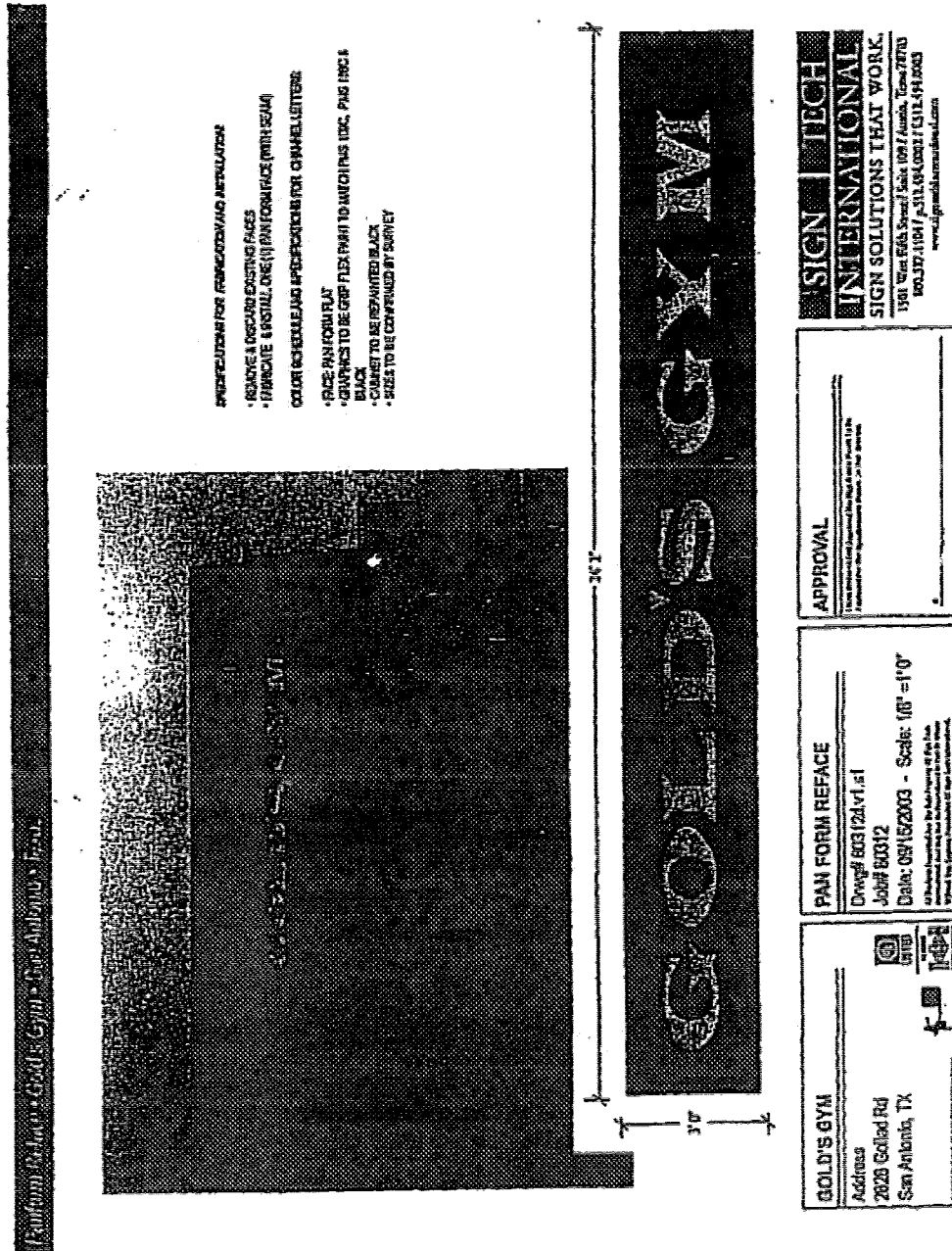
- Existing top cabinet to be removed and discarded

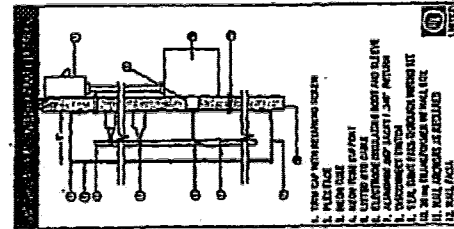
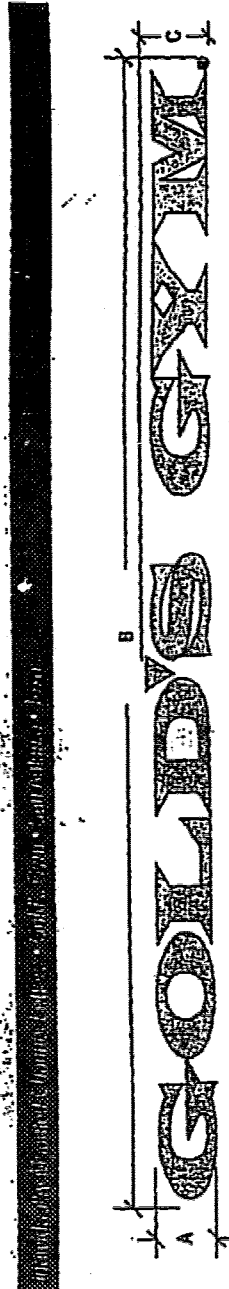


8' 4.5"

28' 0"

| | | | |
|--|---|--|--|
| GOLD'S GYM Address 2828 Goldard Rd San Antonio, TX | ILLUMINATED CABINET Drawn: 80312a.v1.a1 Job#: 80312 Date: 09/15/2003 - Scale: 3/16" = 1' 0" All changes must be made by the Project Manager. No changes to be made after the sign is installed. All changes must be made by the Project Manager. | APPROVAL I have reviewed and approved the sign and its location. I have reviewed the sign and its location. I have reviewed the sign and its location. | SIGN TECH INTERNATIONAL SIGN SOLUTIONS THAT WORK 1901 West 85th Street / Suite 109 / Austin, Texas 78750 100.377.1104 / P: 512.994.0007 / F: 512.994.0005 www.signtechinternational.com |
|--|---|--|--|





| A | C | YOU'S | NUMBER OF NECK STROKES |
|-----|-----|-------|------------------------------|
| 36" | 41" | 120 V | 6 |

SPECIFICATIONS FOR FABRICATION AND INSTALLATION

- FABRICATE ONE (1) CHANNEL LETTER SIGN TO READ: "GOLD'S GYM"
- ALL DIMENSIONS: DO NOT SCALE
- LETTER HEIGHT: 36"
- MOUNTING METHOD: HORIZONTAL WITH 1/4" STANDOFF FROM WALL
- ALL TRANSFORMERS / SECONDARY WIRING MOUNTED BEHIND WALL SIGN AND BELOW ROOFLINE
- BUILT TO UL SPECIFICATION WITH AN ELECTRICAL REQUIREMENT OF: 120VOLT
- INTERVALLY ILLUMINATED CHANNEL LETTERS TO FOLLOW UL-914 FABRICATION SPECIFICATIONS
- PRIMARY POWER MUST BE PROVIDED BY CUSTOMER'S ELECTRICIAN
- NOT INSTALLED BEHIND WALL WITHIN SIX FEET OF SIGN LOCATION

COLOR CODES AND SPECIFICATIONS FOR CHANNEL LETTERS

- FACE: 3119 FROM A HANS FLEX 2018 YELLOW
- TRIM: 3119 FROM A HANS FLEX 2018 YELLOW
- LETTER NETWORK WIRE: 3119 FROM A HANS FLEX 2018 YELLOW
- NECK: 3119 FROM A HANS FLEX 2018 YELLOW
- INTERIOR LTR: METAL PAINTED WHITE FOR MAX ILLUMINATION

SIGN TECH
INTERNATIONAL
SIGN SOLUTIONS THAT WORK

1561 West Rife Street / Suite 107 / Alhambra, Texas 77003
800.377.1104 / 281.544.0003 / 281.544.0003
www.signtechinternational.com

APPROVAL

I have reviewed and approved the sign specifications for the sign.

Signature: _____
Date: _____

CHANNEL LETTERS

Drawn: 80312a1.51
Job: 80312
Date: 09/15/2003 - Scale: n/a

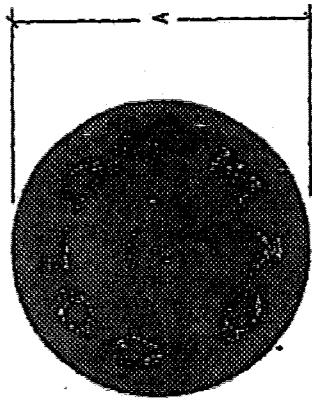
© 2003 Sign Tech International, Inc. All Rights Reserved. No part of this document may be reproduced without written permission of Sign Tech International, Inc.

GOLD'S GYM

Address: 2828 Collier Rd
San Antonio, TX

© 2003 Sign Tech International, Inc. All Rights Reserved. No part of this document may be reproduced without written permission of Sign Tech International, Inc.

Indemnity, General Liability, and Professional Liability Insurance Policies



| A | B |
|----------------|-----|
| OVERALL HEIGHT | 60" |

SPECIFICATIONS FOR FINISHES AND MATERIALS

- FINISHES TWO (2) CHANNEL LETTER SIZES TO BE: "GOLD'S GYM"
- ALUMINUM: 6063-T5 / SUBSTRATE: 300
- LETTER DEPTH: 1/2"
- MOUNTING METHOD: HANGING, WITH 1/4" STANDOFF FROM WALL
- ALL TRANSFORMERS / GEOMETRY MOUNTED BEHIND WALL
- FINISHES AND BELOW SPECIFICATIONS
- BUILD TO UL SPECIFICATION WITH AN ELECTRICAL REQUIREMENT OF: 120 VOLT-AMP, 20 AMP
- INTERNALLY ILLUMINATED CHANNEL LETTERS TO FOLLOW UL 911

COLOR SCHEDULE SPECIFICATIONS FOR CHANNEL LETTERS

- FACE: FLEX
- GRAPHICS TO BE: TRANSFER GRAPHICS TO MATCH PMS 100C, PMS 100C-2, BLACK
- REMARKS: 2" COLOR: BLACK
- LETTERS: 1/2" X 1/2" X 1/2" GLOSS BLACK
- ILLUMINATED WITH TWO (2) FLOUORESCENT LIGHTS
- INTERIOR LTR. METAL: PAINTED WHITE FOR MAX. ILLUMINATION

| | | | |
|---|---|---|--|
| GOLD'S GYM Address: 2828 Colliad Rd San Antonio, TX | CHANNEL LETTERS Order# 60312bV1.s1 Job# 60312 Date: 09/15/2003 - Scale: nls All work must be done in the presence of the client. If the client is not present, the work must be done in the presence of the client's representative. The client must sign the work order when the work is completed. | APPROVAL This work order must be signed by the client when the work is completed. The client must sign the work order when the work is completed. | SIGN TECH INTERNATIONAL SIGN SOLUTIONS THAT WORK 1591 West Roca Lane / Suite 109 / Austin, Texas 78705 800.377.1104 / p. 512.594.0003 / f. 512.494.0009 www.signtechinternational.com |
|---|---|---|--|

EXHIBIT "E"**RULES AND REGULATIONS**

1. **SERVICE REQUEST:** All service requests are to be reported promptly and directly to Landlord's Designated Agent (specified in Article 1) during normal office hours, excepting emergencies which shall be reported immediately at any time. (An answering service will take a message if personnel are unavailable.)
2. **REFUSE REMOVAL:** Initial move-in from inventory, including but not limited to packing crates, shall be removed at Tenant's sole cost and expense. Any wet trash, including but not limited to food debris, is to be placed in plastic bags and tied before being placed in trash containers. All boxes are to be broken down before placed inside the containers. Sidewalk containers are not for personal use. In the event any item is left at the rear of the Demised Premises or at the base of the refuse container and it can be determined to which tenant it belongs, Landlord has the right to charge such tenant the costs to have it removed. The exterior areas immediately adjoining the Demised Premises shall be kept clean and free from dirt and rubbish by Tenant to the reasonable satisfaction of Landlord, and Tenant shall not place or permit any impermissible obstruction or merchandise in such areas. No debris shall be swept or removed from the Demised Premises onto sidewalk or common areas.
3. **DELIVERIES:** All deliveries or shipments of any kind to and from the Demised Premises, including loading and unloading of goods, shall be made only by way of the rear of the Demised Premises or at any such reasonable location previously designated by Landlord to Tenant in writing, and only at such reasonable times previously designated for such purpose by Landlord to Tenant in writing. Trailers and/or trucks servicing the Demised Premises shall remain parked in the Building area only during those periods reasonably necessary to service Tenant's operations, and only in reasonable locations previously designated by Landlord to Tenant in writing.
4. **RETURNED CHECKS:** There will be a TWENTY-FIVE DOLLAR (\$25.00) fee per occurrence for any check returned to Landlord by Tenant's bank for insufficient funds. Returned checks must be redeemed within twenty-four (24) hours by Cashier's Check or Money Order. After the third occurrence, all checks must be in the form of a Cashier's Check or Money Order.
5. **SIGNS:** No home-made signs of any kind are to be affixed upon the glass panes and supports of the windows or the exterior walls of the building at any time, unless they are from an outsider advertising a community project which signs should be placed inside the windows with Tenant's permission and removed upon the expiration date. A limited number of charge insignias may be placed on the inside panes in a corner of the show windows. No handbills and/or circulars shall be distributed on the parking lot or common areas without obtaining Landlord's prior written consent (which such consent

shall not be unreasonably withheld, conditioned or delayed.) No mobile signs shall be permitted on the common areas without Landlord's prior written approval, (which such approval shall not be unreasonably withheld, conditioned or delayed.).

6. **BANNERS AND FLAGS:** Except as set forth to the contrary in the Lease, no banners or flags are permitted on the common areas, including Tenant's storefront without Landlord's prior written approval (which such approval shall not be unreasonably withheld, conditioned or delayed.)

NOTE: Landlord reserves and shall have the right to reasonably adopt and promulgate, from time to time, other reasonable rules and regulations, and to amend and supplement the same, applicable to the occupancy of the building of which the Demised Premises form a part, the demised premises and the common areas and facilities. Notice of such rules and regulations and amendments and supplements thereto, if any, shall be given to Tenant and Tenant shall so comply once a copy of all amendments and supplements to the rules and regulations is received by Tenant.

EXHIBIT "F"

GUARANTY OF MONTHLY AND ADDITIONAL RENTAL PAYMENTS
GOLIAD LEASE

THIS GUARANTY given by the undersigned, Gold's Gym International, Inc., a Delaware corporation (hereinafter called "**Guarantor**") to Goliad Real Estate, Ltd., (hereinafter called the "**Landlord**").

WITNESSETH:

In order to induce the Landlord to lease to Gold's Texas Holdings, L.P., a Delaware limited partnership (hereinafter with its successors and assigns referred to as the "**Tenant**"), certain premises situated at 2828 Goliad in San Antonio, Texas, pursuant to the terms of a Lease Agreement dated and effective as of October 31, 2003 (which instrument together with any and all further modifications, amendments and extensions, as well as all instruments referred to therein, is hereinafter referred to as the "**Lease**"), the Guarantor agrees as follows:

1. The Guarantor hereby guarantees to the Landlord the full, prompt and complete payment by Tenant the Monthly Rent and Additional Rent as defined in the Lease commencing on the Rental Commencement Date and terminating as of the Expiration Date. This Guaranty is effective without regard to any forbearance, delay, neglect or failure on the part of Landlord in enforcing same.
2. The Guarantor hereby waives notice of acceptance hereof and any and all other notices which by law or under the terms and provisions of the Lease are required to be given to Tenant, and also waives any demand for or notice of default of the payment Monthly Rent and Additional Rent; and the Guarantor further expressly hereby waives any legal obligation, duty or necessity for the Landlord to proceed first against Tenant or to exhaust any remedy the Landlord may have against Tenant, it being agreed that in the event of default or failure by Tenant to pay Monthly Rent or Additional Rental under the Lease, the Landlord may proceed and have right of action solely against either the Guarantor or Tenant or jointly against the Guarantor and Tenant.
3. If Tenant becomes insolvent, shall be adjudicated a bankrupt, or shall file a petition for reorganization, arrangement or similar relief under any present or future provision of the National Bankruptcy Act, or if such a petition filed by creditors of Tenant shall be approved by a court, or if Tenant shall seek a judicial readjustment of the rights of its creditors under any present or future federal or state law, or if a receiver of all or part of its property and assets is appointed by any state or federal court, and in any such proceeding the Lease shall be terminated or rejected or the obligations of Tenant thereunder shall be modified, the Guarantor shall

immediately pay to the Landlord an amount equal to the unpaid portion of the amount otherwise due and payable to Landlord by Tenant.

4. Guarantor shall not be entitled to make any defense against any claim asserted by the Landlord in any suit or action instituted by Landlord to enforce this Guaranty or the Lease or to be excused from any liability hereunder which Tenant could not make or invoke, and Guarantor hereby expressly waives any defense in law or in equity which is not or would not be available to Tenant, it being the intent hereof that the liability of Guarantor hereunder is primary and unconditional.
5. If it is asserted that Tenant's obligations are void or voidable due to illegal or unauthorized acts by Tenant in the execution of the Lease, Guarantor shall nevertheless be liable hereunder to the same extent as Guarantor would have been if the obligations of Tenant had been enforceable against Tenant.
6. If suit or actions be brought upon and in connection with the enforcement of this Guaranty, the Guarantor shall pay reasonable attorneys' fees and all court costs incurred by the Landlord.
7. This Guaranty shall be binding upon the legal representatives, successors and assigns of Guarantor, and shall inure to the benefit of the heirs, legal representatives, successors and assigns of the Landlord.
8. The Guarantor agrees that the instrument is performable in Bexar County, Texas, and waives the right to be sued elsewhere.

EXECUTED as of the 31st day of October 2003

GUARANTOR:
Gold's Gym International, Inc., a
Delaware corporation

By: _____
Randall R. Schultz
Senior Vice President

GUARANTY OF MONTHLY AND ADDITIONAL RENTAL PAYMENTS
GOLIAD LEASE

THIS GUARANTY given by the undersigned, Gold's Gym International, Inc., a Delaware corporation (hereinafter called "Guarantor") to Golliad Real Estate, Ltd., (hereinafter called the "Landlord").

WITNESSETH:

In order to induce the Landlord to lease to Gold's Texas Holdings, L.P., a Delaware limited partnership (hereinafter with its successors and assigns referred to as the "Tenant"), certain premises situated at 2828 Golliad in San Antonio, Texas, pursuant to the terms of a Lease Agreement dated and effective as of October 31, 2003 (which instrument together with any and all further modifications, amendments and extensions, as well as all instruments referred to therein, is hereinafter referred to as the "Lease"), the Guarantor agrees as follows:

1. The Guarantor hereby guarantees to the Landlord the full, prompt and complete payment by Tenant the Monthly Rent and Additional Rent as defined in the Lease commencing on the Rental Commencement Date and terminating as of the Expiration Date. This Guaranty is effective without regard to any forbearance, delay, neglect or failure on the part of Landlord in enforcing same.
2. The Guarantor hereby waives notice of acceptance hereof and any and all other notices which by law or under the terms and provisions of the Lease are required to be given to Tenant, and also waive any demand for or notice of default of the payment Monthly Rent and Additional Rent; and the Guarantor further expressly hereby waives any legal obligation, duty or necessity for the Landlord to proceed first against Tenant or to exhaust any remedy the Landlord may have against Tenant, it being agreed that in the event of default or failure by Tenant to pay Monthly Rent or Additional Rental under the Lease, the Landlord may proceed and have right of action solely against either the Guarantor or Tenant or jointly against the Guarantor and Tenant.
3. If Tenant becomes insolvent, shall be adjudicated a bankrupt, or shall file a petition for reorganization, arrangement or similar relief under any present or future provision of the National Bankruptcy Act, or if such a petition filed by creditors of Tenant shall be approved by a court, or if Tenant shall seek a judicial readjustment of the rights of its creditors under any present or future federal or state law, or if a receiver of all or part of its property and assets is appointed by any state or federal court, and in any such proceeding the Lease shall be terminated or rejected or the obligations of Tenant thereunder shall be modified, the Guarantor shall

Immediately pay to the Landlord an amount equal to the unpaid portion of the amount otherwise due and payable to Landlord by Tenant.

4. Guarantor shall not be entitled to make any defense against any claim asserted by the Landlord in any suit or action instituted by Landlord to enforce this Guaranty or the Lease or to be excused from any liability hereunder which Tenant could not make or invoke, and Guarantor hereby expressly waives any defense in law or in equity which is not or would not be available to Tenant, it being the intent hereof that the liability of Guarantor hereunder is primary and unconditional.
5. If it is asserted that Tenant's obligations are void or voidable due to illegal or unauthorized acts by Tenant in the execution of the Lease, Guarantor shall nevertheless be liable hereunder to the same extent as Guarantor would have been if the obligations of Tenant had been enforceable against Tenant.
6. If suit or actions be brought upon and in connection with the enforcement of this Guaranty, the Guarantor shall pay reasonable attorneys' fees and all court costs incurred by the Landlord.
7. This Guaranty shall be binding upon the legal representatives, successors and assigns of Guarantor, and shall inure to the benefit of the heirs, legal representatives, successors and assigns of the Landlord.
8. The Guarantor agrees that the instrument is performable in Bexar County, Texas, and waives the right to be sued elsewhere.

EXECUTED as of the 31st day of October 2003

GUARANTOR:
Gold's Gym International, Inc., a
Delaware corporation

By: 
Randall R. Schultz
Senior Vice President

LANDLORD AGREEMENT (SUBSIDIARY)

THIS LANDLORD AGREEMENT (this "Agreement") is made and entered into as of this 31st day of October, 2003, by and among Gollad Real Estate, Ltd. ("Landlord"), Gold's Texas Holdings, L.P., a Delaware limited partnership ("Tenant"), and Heller Financial, Inc. or its successors and assigns, in its capacity as agent ("Agent") for certain financial institutions ("Lenders").

RECITALS

WHEREAS, Landlord is the landlord of premises described on Exhibit A annexed hereto (the "Premises") which are leased to Tenant pursuant to a Lease Agreement, dated as of October 31, 2003, between Landlord and Tenant (the "Lease"); and

WHEREAS, Lenders have agreed to provide financing to Gold's Holding Corp., a Delaware corporation of which Tenant is a subsidiary ("Borrower"), secured in part by a guaranty of Tenant and a security interest in all personal property of (excluding leasehold improvements which, under the terms of the Lease, constitute property of Landlord) which now or hereafter may be located on or about the Premises (the "Collateral"); and

WHEREAS, Lenders require Landlord's consent and agreement as set forth herein as a condition to extending credit to Borrower;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord hereby agrees as follows:

1. **Consent.** Landlord agrees that, at Agent's option the Collateral may remain upon the Premises and Agent may occupy the same for the purpose of preparing and processing the Collateral for sale, lease or other disposition (provided that Agent shall not conduct any auction of Equipment or other Collateral on the Premises) for a period up to 60 days after (i) the exercise by Agent of its right to the Collateral under its financing arrangements with Borrower or (ii) the receipt by Agent of written notice from Landlord directing removal thereof; provided that Agent shall be liable for rent at the rental provided under the Lease (or, if the Lease is not then in effect, at the rental provided under the Lease immediately prior to termination thereof), prorated on a per diem basis. Agent's payment of rent shall not result in Agent incurring any other obligations of Tenant under the Lease. If Agent is prohibited by any process or injunction issued by any court, or by reason of any bankruptcy or insolvency proceeding involving the Tenant, from enforcing its security interest in the Collateral, the 60 day period shall commence upon termination of such prohibition, so long as Agent is at all times pursuing its remedies with due diligence.

2. **Subordination.** Landlord hereby subordinates any lien, security interest or claim against the Collateral, whether arising under the Lease, provided by applicable law or otherwise, and any and all right of levy, distress or execution against the Collateral for rent or other sums due or to become due Landlord, to the security interest of Lenders in the Collateral (it being understood that the foregoing subordination shall not be applicable with respect to any personal property of Tenant which does not constitute Collateral). Landlord waives any and all right to require Agent to marshal any property or assets of Tenant.

3. **Personal Property.** Landlord agrees that, as between Landlord and Agent, the Collateral shall remain personal property, notwithstanding the manner of attachment, and will not become part of the Premises.

4. Right of Entry. Agent may, upon not less than 2 business days' prior written notice to Landlord except in the case of an emergency, enter the Premises at any time to remove and/or dispose of the Collateral in the exercise of its rights and remedies against Tenant and the Collateral. Agent's entry and removal of the Collateral shall be peaceable and shall be subject to the reasonable control and direction of Landlord. Agent agrees to repair any damage caused by Agent's removal of the Collateral.

5. Estoppel. Landlord certifies to Agent as follows:

A. Valid Lease. The Lease is valid and enforceable according to its terms and has not been modified either orally or in writing.

B. No Defaults. To Landlord's knowledge, neither Landlord nor Tenant is in default under the Lease, nor has any event occurred which, with the passage of time, the giving of notice, or both, would constitute an event of default or default under the Lease.

6. Notice of Default and Opportunity to Cure. Landlord agrees that in the event of any claimed breach or default by Tenant which would entitle Landlord to terminate the Lease, Landlord shall notify Agent of such claimed breach or default by certified mail, return receipt requested, or Federal Express or other reputable overnight courier, at the following address:

Heller Financial, Inc.
500 West Monroe Street
Chicago, Illinois 60661
Attention: Account Manager
Corporate Finance Group

Upon receipt of said notice, Agent shall thereupon have five (5) days to cure any monetary default and thirty (30) days to cure any nonmonetary default which is capable of being cured (but in no event shall Agent be required to cure any such default); provided, however, in the event such default is a nonmonetary default which is capable of being cured but which is not reasonably susceptible of being cured within 30 days, such 30 day cure period shall be extended as reasonably necessary to allow Agent an opportunity to cure such default provided that Agent has commenced such cure within said 30 day period and thereafter continues to diligently pursue such cure to completion. Agent's cure of any such default shall include payment of interest, late charges and other costs and expenses for which Tenant would be liable under the Lease had Tenant cured such default.

7. Termination of Lease; New Lease. In the event Landlord terminates the Lease by reason of the occurrence of a default which by its nature cannot be cured by Agent (e.g., the filing of bankruptcy by the tenant under the Lease), Agent may elect to enter into a new Lease with Landlord providing for a rental rate equal to the greater of the rental provided under the Lease immediately prior to termination thereof and a fair market rental for the Premises at such time and otherwise on terms identical to those of the Lease for the remaining unexpired portion of the term of the Lease. If Agent fails to deliver written notice of such election within ten (10) days following such termination (time being strictly of the essence), Landlord shall have no further liability to Agent under this paragraph.

8. Continued Effectiveness. The effectiveness of this Agreement and Agent's rights hereunder shall not be affected by and shall extend to any amendment or modification of any of the loan documents between Tenant, Borrower, Agent and Lenders, including, without limitation, any change in the manner or time of payment, any renewal or extension of the term thereof, or any increase in the indebtedness due thereunder.

9. Governing Law. This Agreement shall be governed by and shall be construed and enforced in accordance with the internal laws of the State of Texas, without regard to conflicts of law principles, shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns, and may not be modified, amended or altered except by a writing signed by each of the parties hereto.

10. Other Provisions. The parties hereto acknowledge and agree that time is of the essence for purposes of this Agreement. Tenant agrees to reimburse Landlord for the fees and expenses of Landlord's counsel in connection with Landlord's performance under this Agreement.

IN WITNESS WHEREOF, Landlord has caused this Agreement to be made, executed and delivered the day and year first above written for the benefit of Tenant and Agent.

LANDLORD:

GOLIAD REAL ESTATE, LTD.

By: Goliad Investments, Inc., its General
Partner

By: 
Bruce Mickel
President

Sworn to and subscribed before me this ___ day
of ___, 2003.

Notary Public

TENANT:

GOLD'S TEXAS HOLDINGS, L.P.

By: Gold's Texas GP, Inc., its General
Partner

By: 
Randall R. Schulte
Senior Vice President

Sworn to and subscribed before me this ___ day
of ___, 2003.

Notary Public

AGENT:

HELLER FINANCIAL, INC.

By: _____
Its: _____

Sworn to and subscribed before me this ___ day
of ___, 2003.

Notary Public

35074.001. 202252

FIRST AMENDMENT OF LEASE

THIS FIRST AMENDMENT OF LEASE ("Amendment") is dated as of September 11, 2013, (the "Effective Date") by and between Inland Western San Antonio Mission Limited Partnership, an Illinois limited partnership ("Landlord") and Gold's Texas Holdings Group, Inc., a Delaware corporation (as successor in interest to Gold's Texas Holdings, L.P.) ("Tenant")

RECITALS:

A. Goliad Real Estate, Ltd. ("Original Landlord"), as landlord, and Tenant, as tenant, entered into that certain Lease Agreement dated as of November 1, 2003 (the "Original Lease"), relating to approximately 48,945 rentable square feet of area ("Demised Premises") and being part of the shopping center commonly known as Mission Crossing located in San Antonio, Texas ("Shopping Center"); and

B. Landlord is the successor in interest to Original Landlord, and has the authority to modify the terms of the Lease; and

C. The Lease Term expires on November 1, 2013; and

D. Landlord and Tenant desire to amend the Lease and to extend the Lease Term and provide for the rental amounts to be paid during the Extension Period, defined herein; and

E. All capitalized terms, if not defined in this Amendment, shall have the same meaning as defined in the Lease.

NOW, THEREFORE, for good and valuable consideration including the mutual agreements contained herein, it is hereby agreed as follows:

1. Landlord and Tenant agree that the Lease Term shall be extended for a period of approximately five (5) years commencing November 2, 2013 and expiring October 31, 2018 (the "Extension Period"). The extension is in replacement for and in lieu of the first Renewal Option as set forth in Article 1 sections k and r and Section 23.21. Tenant shall retain the right to exercise the second and third Renewal Options, subject to the terms and conditions of the Lease.
2. Commencing November 2, 2013 and continuing throughout the Extension Period, Tenant shall pay Landlord annual Rent in the amount of \$278,986.56 (based on an annual rate of \$5.70 per square foot of the Demised Premises per year) payable in equal monthly installments of \$23,248.88.
3. In addition to the annual Rent due during the Extension Period, as set forth in Paragraph 2 above, Tenant shall pay Tenant's proportionate share of Common Area Maintenance Charges, Taxes and Insurance and other charges required to be paid pursuant to the Lease.
4. As of the date hereof, Section (a) and Section (d) of Article 23.22 of the Lease are hereby deleted in their entirety and are no longer of force and effect.
5. From and after the date hereof, notices to the Landlord shall be addressed as follows:

Inland Western San Antonio Mission Limited Partnership
c/o RPAI Southwest Management LLC
2021 Spring Road, Suite 200
Oak Brook, IL 60523
Attn: President/Property Management

With a copy to:

Inland Western San Antonio Mission Limited Partnership
c/o Retail Properties of America, Inc.

Received by
Lease Administration
9/12/13

2021 Spring Road, Suite 200
Oak Brook, IL 60523
Attn: Vice President/Director of Leasing

For any Additional Rent or collection matters, a copy to:

Inland Western San Antonio Mission Limited Partnership
c/o RPAI HOLDCO Management LLC
2021 Spring Road, Suite 200
Oak Brook, IL 60523
Attn: Director of Collections

From and after the date hereof, notices to the Tenant shall be addressed as follows:

Gold's Texas Holdings Group, Inc.
4001 Maple Avenue, Suite 200
Dallas, Texas 75219
Attention: Real Estate/Accounting Department

With a copy to:

CASE Commercial Real Estate Partners
14785 Preston Road, Suite 750
Dallas, Texas 75254
Attention: Lease Administration

6. Notwithstanding anything to the contrary set forth in the Lease, Landlord's insurance may be procured and or carried through third party insurance companies, captive insurance companies, programs of self-insurance or blanket policies of insurance or any combination of the foregoing.
7. From and after the Effective Date, within thirty (30) days after Landlord's written request therefor, Tenant shall submit to Landlord a statement certified as correct by Tenant, a principal officer of Tenant, or by a certified public accountant, which shall set forth by calendar month the total Gross Receipts of Tenant and of each subtenant, licensee and concessionaire with respect to the preceding calendar year. Upon Landlord's written request therefor, Tenant shall give Landlord the total gross sales and an itemization of each of the permitted deductions taken therefrom, to arrive at the total Gross Receipts.

The term "Gross Receipts" as used herein is hereby defined to mean gross receipts and sales from all business conducted upon or from the Demised Premises, whether such receipts be obtained at the Demised Premises or elsewhere, and whether such business be conducted by Tenant or by any licensees, concessionaires or tenants of Tenant, and whether such receipts be evidenced by cash, check, credit, charge account, exchange or otherwise.

8. Tenant represents and warrants to Landlord that it has not had any contacts or engaged in any actions, which would give rise to any claim from any broker in connection with the negotiation or execution of this Amendment. Tenant hereby indemnifies Landlord from and against any and all claims for brokers' commissions relating to the negotiation or execution of this Amendment and alleged to be due because of an agreement of the indemnifying party.
9. Hereafter, wherever the term, "term of this Lease" or "Lease Term" or similar phrase is used in the Lease, such term or phrase shall be deemed to include the Extension Period.
10. Except as expressly modified herein, all of the provisions of the Lease are hereby ratified and confirmed and shall remain unmodified and in full force and effect.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE.]

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on the date first written above.

LANDLORD:

Inland Western San Antonio Mission Limited Partnership,
an Illinois limited partnership

By: 

Name:

Title:

Steven P. Grimes
President and CEO

TENANT:

Gold's Texas Holdings Group, Inc.,
a Delaware corporation

By: 

Name:

Title:

Aaron Watkins
CFO

The undersigned Guarantor hereby executes this Amendment to confirm its consent to the Amendment and to acknowledge its continuing obligations under the Guaranty during the Extension Period.

Gold's Gym International, Inc.,
a Delaware corporation

By: 

Name:

Title:

Aaron Watkins
CFO

Date:

8/27/13



4001 Maple Avenue, Suite 200
Dallas, TX 75219
214.296.5851
Cliff.Fielden@goldsgym.com

July 23, 2018

**VIA OVERNIGHT COURIER
VIA ELECTRONIC MAIL**
rrotwein@mimcoelp.com

Pleasanton Partners, L.P.
Attn: Richard Rotwein
6500 Montana Ave
El Paso, TX 79925

**SUBJECT: Notice of Renewal
Gold's Gym – Goliad
2828 Goliad Road, San Antonio, Texas**

Richard,

In accordance with that certain Lease Agreement dated November 1, 2003 (as amended and assigned, the "Lease"), between PLEASANTON PARTNERS, L.P. ("Landlord") and GOLD'S TEXAS HOLDINGS GROUP, INC. ("Tenant"), Tenant hereby gives notice to Landlord of Tenant's exercise of the second of three (3) five (5) year renewal options as specified in the Lease. The term of this renewal option shall commence on November 1, 2018 ("Commencement Date") and expire on October 31, 2023.

Enclosed is a duplicate copy of this letter. Please sign both this letter, and the duplicate copy, to acknowledge notification of renewal, and retain one (1) copy for your files and return the one (1) copy to my attention in the enclosed envelope.

You may also email a copy of the acknowledged letter to my attention at Cliff.Fielden@goldsgym.com. If you have any questions regarding this matter, please call me at 214.296.5851.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Cliff Fielden".

CLIFF FIELDEN
SR. DIRECTOR, REAL ESTATE
GOLD'S GYM

Enclosures (1)

Extension Acknowledged

This 25th day of July, 2018

A handwritten signature in cursive script, appearing to read "Richard Rotwein".

PLEASANTON PARTNERS, L.P.

By: Mesita Investors, L.L.C.

Its: General Partner

By: Richard Rotwein

Its: Manager-Agent for
Meyer Marcus, Manager

Northern District of Texas Claims Register

20-31337-hdh11 Gold's Texas Holdings Group, Inc.

Judge: Harlin DeWayne Hale

Chapter: 11

Office: Dallas

Last Date to file claims:

Trustee:

Last Date to file (Govt):

Creditor: (19145850)
PLEASANTON PARTNERS,
L.P.
6500 MONTANA
EL PASO, TEXAS 79925

Claim No: 12
Original Filed
Date: 08/27/2020
Original Entered
Date: 08/27/2020

Status:
Filed by: CR
Entered by: Herbert Ehrlich
Modified:

Amount claimed: \$85123.26

History:

Details 12-1 08/27/2020 Claim #12 filed by PLEASANTON PARTNERS, L.P., Amount claimed: \$85123.26
(Ehrlich, Herbert)

Description: (12-1) Pre-Petition Proof of Claim

Remarks:

Claims Register Summary

Case Name: Gold's Texas Holdings Group, Inc.

Case Number: 20-31337-hdh11

Chapter: 11

Date Filed: 05/04/2020

Total Number Of Claims: 1

| | |
|------------------------------|------------|
| Total Amount Claimed* | \$85123.26 |
| Total Amount Allowed* | |

*Includes general unsecured claims

The values are reflective of the data entered. Always refer to claim documents for actual amounts.

| | Claimed | Allowed |
|-----------------------|---------|---------|
| Secured | | |
| Priority | | |
| Administrative | | |