

**GRANADA HOLDINGS LLC
P.O. Box 1727
Alpine TX 79831**

Granada Theater Rental

Terms

Date:

Landlord: Granada Holdings LLC
P.O. Box 1727
Alpine TX 79831-1727

Tenant:

Tenant's Address:

Tenant's Trade Name (if any):

Premises (description of rented area):

All _____

Portion _____

Base Rent:

Tax and Insurance Charge:

Hours:

Commencement Date:

Termination Date:

Security Deposit:

Use:

Amount of Liability Insurance

Death/bodily injury:

Property:

Granada Holdings LLC does not have nor will it have a liquor license.

If the tenant will provide and/or allow consumption of alcohol beverages during the rental period, the following policies must be acknowledged and agreed to by the Tenant by means of her/his signature on the designated line below; each numbered sentence and/or paragraph shall be initialed as an indication of having read and agreed to each numbered policy:

_____ 1. Alcoholic beverages consumption during the rental period is restricted to beer and/or wine served by Tenant's bartender between the hours of _____ .m. and _____ .m.

_____ 2. Tenant will hire _____ as the A.B.C. Certified bartender for the rental period.

_____ 3. The bartender will be the sole source of alcoholic beverages for any and every agent, employee, invitee, licensee, and/or visitor during the rental period.

_____ 4. The Tenant is responsible for stopping all access to alcoholic beverages by any and all agents, employees, invitees, licensees and/or visitors after a maximum period of four hours during the rental period. The bartender is the Tenant's agent and the Tenant retains sole liability and responsibility for cessation of access to alcohol after a maximum period of four hours during the rental period.

_____ 5. There shall be no exceptions to policies 1 – 4, above.

- _____ 6. Failure to comply with any of the above five policies will result in
- (a) Forfeiture of Tenant's rental security deposit as liquidated damages and
 - (b) Refusal of Granada Holdings, LLC, to again contract with Tenant for use of the Granada Theater.

Tenant's signature on the above line affirms

- (1) Tenant's agreement with and
- (2) Tenant's promise to comply with all elements of the above six policy statements during the rental period, as well as
- (3) Tenant's agreement to take full responsibility for the consequences of failure to comply with policies #1 – #5 as described in policy #6.

Definitions

“Rent” means Base Rent plus any other amounts of money due Granada Holdings, LLC, by Tenant.

“Common Areas” means all facilities and areas of the Granada Theater that are intended and designated by Granada Holdings, LLC, from time to time for the common, general, and nonexclusive use of all tenants of the Granada Theater. Granada Holdings, LLC, has the exclusive control over and right to manage the Common Areas.

“Common Area Maintenance Charges (CAM)” means the reasonable cost of ownership, operation, and maintenance of the Common Areas.

“Taxes and Insurance” means all ad valorem taxes and all insurance costs incurred by Granada Holdings, LLC, with respect to the Granada Theater.

“Granada Holdings, LLC,” means Granada Holdings, LLC, and its agents, employees, agents, employees, invitees, licensees, or visitors.

“Tenant” means Tenant and its agents, employees, agents, employees, invitees, licensees, or visitors.

“Essential Services” means utility connections reasonably necessary for occupancy of the Premises for the Use.

Clauses and Covenants

A. Tenant agrees to—

1. Rent the Premises for the Rental Period beginning on the Commencement Date and ending on the Termination Date.
2. Accept the Premises in their present condition “AS IS,” the Premises being currently suitable for Tenant’s intended Use.
3. Obey all laws, ordinances, orders, and rules and regulations applicable to the use, condition, and occupancy of the Premises, including the rules and regulations of the Granada Theater adopted by Granada Holdings, LLC.
4. Pay, in advance, the Base Rent to Granada Holdings, LLC, at Granada Holdings, LLC’s office located in the Granada Theater.
5. Pay, as additional Rent, all other amounts due under this rental agreement.
6. Allow Granada Holdings, LLC, to enter the Premises to perform Granada Holdings, LLC’s obligations, inspect the Premises, and confirm Tenant compliance with all rental terms.
7. Keep the sidewalks, service ways, and loading areas adjacent to the Premises clean and unobstructed.
8. Repair any damage to the Premises caused by Tenant.
9. Maintain public liability insurance for the Premises and the conduct of Tenant’s business, naming Granada Holdings, LLC, as an additional insured, in the amounts stated in the rental agreement.
10. Maintain insurance on Tenant’s personal property.
11. Deliver certificates of insurance to Granada Holdings, LLC, before the Commencement Date and thereafter when requested.
12. Indemnify, defend, and hold Granada Holdings, LLC, harmless from any loss, attorney’s fees, court and other costs, or claims arising out of use of the Premises.
13. Conduct on the Premises the type of use for which the Premises are rented in an efficient and reputable manner.
14. Vacate the Premises on termination of this rental agreement.

B. Tenant agrees not to—

1. Use the Premises for any purpose other than that stated in the rental agreement.
2. Create a nuisance.
3. Interfere with any other tenant or with Granada Holdings, LLC,'s management of the Granada Theater.
4. Permit any waste.
5. Use the Premises in any way that is extrahazardous, would increase insurance premiums, or would void insurance on the Granada Theater.
6. Change Granada Holdings, LLC,'s lock system.
7. Alter the Premises.
8. Allow a lien to be placed on the Premises.
9. Assign this rental agreement or sublet any portion of the Premises without Granada Holdings, LLC,'s written consent.
10. Use the roof on the Premises.
11. Place any signs on the Premises without Granada Holdings, LLC,'s written consent.

C. Granada Holdings, LLC, agrees to—

1. Rent to Tenant the Premises for the Rental Period beginning on the Commencement Date and ending on the Termination Date.
2. Obey all laws, ordinances, orders, and rules and regulations applicable to the use, condition, and occupancy of the Granada Theater.
3. Provide normal utility service connections to the Premises.
4. Return the Security Deposit to Tenant, less itemized deductions, if any, within seven days after the termination of this rental agreement.

D. Granada Holdings, LLC, agrees not to—

1. Interfere with Tenant's possession of the Premises as long as Tenant is in compliance with the Rental Terms.
2. Unreasonably withhold consent to a proposed assignment or sublease.

E. Granada Holdings, LLC, and Tenant agree to the following:

1. *Alterations.* Any physical additions or improvements to the Premises made by Tenant will become the property of Granada Holdings, LLC. Granada Holdings, LLC, may require that Tenant, at termination of this rental agreement and at Tenant's expense, remove any physical additions and improvements, repair any alterations, and restore the Premises to the condition existing at the Commencement Date, normal wear excepted.

2. *Abatement.* Tenant's covenant to pay Rent and Granada Holdings, LLC,'s covenants are independent. Except as otherwise provided, Tenant will not be entitled to abate Rent for any reason.

3. *Release of Claims/Subrogation.* Granada Holdings, LLC, and Tenant release each other from any claim, by subrogation or otherwise, for any damage to the Premises, the Granada Theater, or personal property within the Granada Theater, by reason of fire or the elements, regardless of cause, including negligence of Granada Holdings, LLC, or Tenant. This release applies only to the extent that it is permitted by law, the damage is covered by insurance proceeds, and the release does not adversely affect any insurance coverage.

4. *Notice to Insurance Companies.*

Granada Holdings, LLC, and Tenant will notify the issuing insurance companies of the release set forth in the preceding paragraph and will have the insurance policies endorsed, if necessary, to prevent invalidation of the insurance coverage.

5. *Casualty/Total or Partial Destruction.*

If the Premises are damaged by casualty and cannot be restored within 30 days before the contracted for Rental Period, Tenant may terminate this rental agreement by written notice to Granada Holdings, LLC.

6. *Condemnation/Substantial or Partial Taking*

If the Premises cannot be used for the purposes contemplated by this rental agreement because of condemnation or purchase in lieu of condemnation, this rental agreement will Terminate.

7. *Default by Granada Holdings, LLC,/Tenant's Remedies.* Tenant's remedies for Granada Holdings, LLC,'s default are to sue for damages and to terminate this rental agreement.

8. *Default by Tenant/Events.* Default by Tenant is failing to pay timely Rent.

9. *Default by Tenant/Granada Holdings, LLC,'s Remedies.* Granada Holdings, LLC,'s remedies for Tenant's default are to terminate the rental agreement by written notice, after which Granada Holdings, LLC, may relet the Premises on behalf of Tenant and receive the rent directly by reason of the reletting, and Tenant agrees to reimburse Granada Holdings, LLC, for any expenditures made in order to relet.

10. *Default/Waiver/Mitigation.* It is not a waiver of default if the nondefaulting party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this rental agreement does not preclude pursuit of other remedies in this rental agreement or provided by law. Granada Holdings, LLC, and Tenant have a duty to mitigate damages.

11. *Security Deposit.* If Tenant defaults, Granada Holdings, LLC, may use the Security Deposit to pay arrears of Rent, to repair any damage or injury, or to pay any expense or liability incurred by Granada Holdings, LLC, as a result of the default.

12. *Holdover.* If Tenant does not vacate the Premises following termination of this rental agreement, Tenant will become a tenant at will and must vacate the Premises on receipt of notice from Granada Holdings, LLC,. No holding over by Tenant, whether with or without the consent of Granada Holdings, LLC,, will extend the Rental Period.

13. *Alternative Dispute Resolution.* Granada Holdings, LLC, and Tenant agree to mediate in good faith before filing a suit for damages.

14. *Attorney's Fees.* If either party retains an attorney to enforce this rental agreement, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court and other costs.

15. *Venue.* Venue is in the county in which the Premises are located.

16. *Entire Agreement.* This rental agreement, together with the attached exhibits and riders, is the entire agreement of the parties, and there are no oral representations, warranties, agreements, or promises pertaining to this rental agreement or to any expressly mentioned exhibits and riders not incorporated in writing in this rental agreement.

17. *Amendment of Rental agreement.* This rental agreement may be amended only by an instrument in writing signed by Granada Holdings, LLC, and Tenant.

19. *Limitation of Warranties.* THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS RENTAL AGREEMENT, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS RENTAL AGREEMENT.

20. *Notices.* Any notice required or permitted under this rental agreement must be in writing. Any notice required by this rental agreement will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this rental agreement. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein.

21. *Use of Common Areas.* Tenant will have the nonexclusive right to use the Common Areas subject to such reasonable rules and regulations governing use as Granada Holdings, LLC, may prescribe.

22. *Abandoned Property.* Granada Holdings, LLC, may retain, destroy, or dispose of any property left on the Premises at the end of the Rental Period.

For **Granada Holdings, LLC**

Tenant