

MAJOR LAND OFFERING

I-44 Interchange – Elgin, Oklahoma

5.82±
acres

Offered in 1 Tract

7347 Hwy 17, Elgin, OK 73538



PRIME COMMERCIAL DEVELOPMENT OPPORTUNITY IN ELGIN'S HIGH-GROWTH CORRIDOR

- High Visibility Corner Location
- 731 ft. Frontage along I-44 Exit Ramp
- Rapidly Expanding Elgin Business Corridor
- Substantial Retail Potential
- City Sewer & Water Adjacent to Site

SCHRADER
Real Estate and Auction Company, Inc.

4% Buyer's Premium

405.332.5505 • SchraderWellings.com

in
cooperation
with



RICHARD BRANCH
AUCTIONEERS

www.branchauction.com

Sealed Bid Deadline: Friday, May 23 • 5pm Central

Deliver in Person or via USPS/FedEx/UPS: 101 N. Main Street, Stillwater, OK 74075

Disclaimer

This information booklet includes information obtained or derived from third-party sources. Although believed to be accurate and from reliable sources, such information is subject to verification and is not intended as a substitute for a prospective buyer's independent review and investigation of the property. Prospective buyers are responsible for completing their own due diligence.

THIS PROPERTY IS OFFERED "AS IS, WHERE IS". NO WARRANTY OR REPRESENTATION, STATED OR IMPLIED, IS MADE CONCERNING THE PROPERTY. Without limiting the foregoing, Owner and Auction Company and their respective agents and representatives, assume no liability for (and disclaim any and all promises, representations and warranties with respect to) the information and reports contained herein.

Auction Manager: Brent Wellings • 405.332.5505 • brent@schraderauction.com



950 N. Liberty Dr., Columbia City, IN 46725

800.451.2709 | 260.244.7606 | www.schraderauction.com

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YouTube



AUCTION TERMS & CONDITIONS:

BIDDING PROCEDURE: The property will be offered via a Sealed Bid Auction with bidding procedures more specifically outlined in the Sealed Bid Packet. The final bids are subject to the Seller's acceptance or rejection.

PURCHASE CONTRACT: With the submission of a Bid(s), each Buyer is required to sign the purchase contract documents in the forms provided in the Sealed Bid Packet. All statements and information in the marketing materials are subject to the terms and conditions of the purchase contract documents. Seller shall not be bound by any statement, promise or inducement that is not contained in the purchase contract documents.

BUYER'S PREMIUM: The purchase price will be the bid amount plus a 4% buyer's premium.

DOWN PAYMENT: 10% of the total contract purchase price will be due as a down payment on the day of auction, with the balance due in cash at closing. The down payment may be made in the form of cashier's check, personal check, or corporate check. **YOUR BIDDING IS NOT CONDITIONAL UPON FINANCING, SO BE SURE YOU HAVE ARRANGED FINANCING, IF NEEDED, AND ARE CAPABLE OF PAYING CASH AT CLOSING.**

DEED: Seller shall be obligated only to convey a merchantable title by Special Warranty Deed.

LEASE ASSIGNMENT: Lessee shall assign their interest in the existing ground lease to Buyer, subject to the terms of the lease. Buyer must demonstrate a net worth of greater than the \$1,000,000.00 pursuant to Section 8 of the ground lease. Buyers are encouraged to thoroughly examine the terms of ground lease prior to submitting a bid.

EVIDENCE OF TITLE: Sellers shall furnish at Sellers' expense an updated title insurance commitment disclosing fee simple title to the real estate in the name of Sellers (free and

clear of any material encumbrance that does not constitute a Permitted Exception) as of a date after the Auction and prior to closing, subject to all standard requirements, conditions and exceptions and subject to the Permitted Exceptions. If Buyer and/or Buyer's lender elect(s) to purchase title insurance, the cost of issuing the owner's and/or lender's title insurance policy, and any desired endorsements, shall be at Buyer's sole expense.

CLOSING: The closing shall take place 45 days after the auction or as soon thereafter as applicable closing documents are completed by Seller.

POSSESSION: Possession shall be at closing.

SURVEY: A new survey will be obtained only in necessary to record the conveyance or if otherwise deemed appropriate in the Seller's sole discretion. If a new survey is obtained, the survey cost will be shared equally by Seller and Buyer.

TRACT MAPS; ACRES: Tract maps, advertised acres, building dimensions and square footages are approximations based on existing tax parcel data, legal descriptions &/or aerial mapping data and are not provided as survey products.

REAL ESTATE TAXES: Real Estate taxes shall be prorated to the date of closing.

MINERALS: Seller specifically excepts and reserves all minerals, including without limitation, oil, gas, coal, coalbed methane, and all other hydrocarbons, lignite, and all metallic minerals, etc., if any, associated with the referenced real estate, and the term "Property" will not include any mineral rights.

CONDUCT OF AUCTION: The conduct of the Sealed Bid Auction will be at the direction and discretion of the

Auction Company. Seller and its agents reserve the right to preclude any person from bidding if there are any questions as to the person's identity, credentials, fitness, etc.

AGENCY: Schrader Real Estate and Auction Company, Inc. and their representatives are exclusive agents of the Seller.

DISCLAIMER AND ABSENCE OF WARRANTIES: ALL PROPERTY IS OFFERED "AS IS, WHERE IS". NO WARRANTY OR REPRESENTATION, STATED OR IMPLIED, IS MADE BY SELLER OR AUCTION COMPANY CONCERNING THE PROPERTY. Prospective bidders are responsible for conducting their own independent inspections, investigations, inquiries and due diligence concerning the property. The information contained in the marketing materials is provided in order to facilitate (and not as a substitute for) a prospective bidder's pre-auction due diligence. All marketing materials are subject to a prospective bidder's independent verification. Seller and Auction Company assume no liability for any inaccuracies, errors or omissions in such materials. All sketches and dimensions are approximate.

CHANGES: Please regularly check www.schraderauction.com to review any changes and/or additional information. THE PURCHASE CONTRACT DOCUMENTS WILL SUPERSEDE THE MARKETING MATERIALS AND ANY OTHER PRIOR STATEMENTS.

**Auction Manager:
Brent Wellings**



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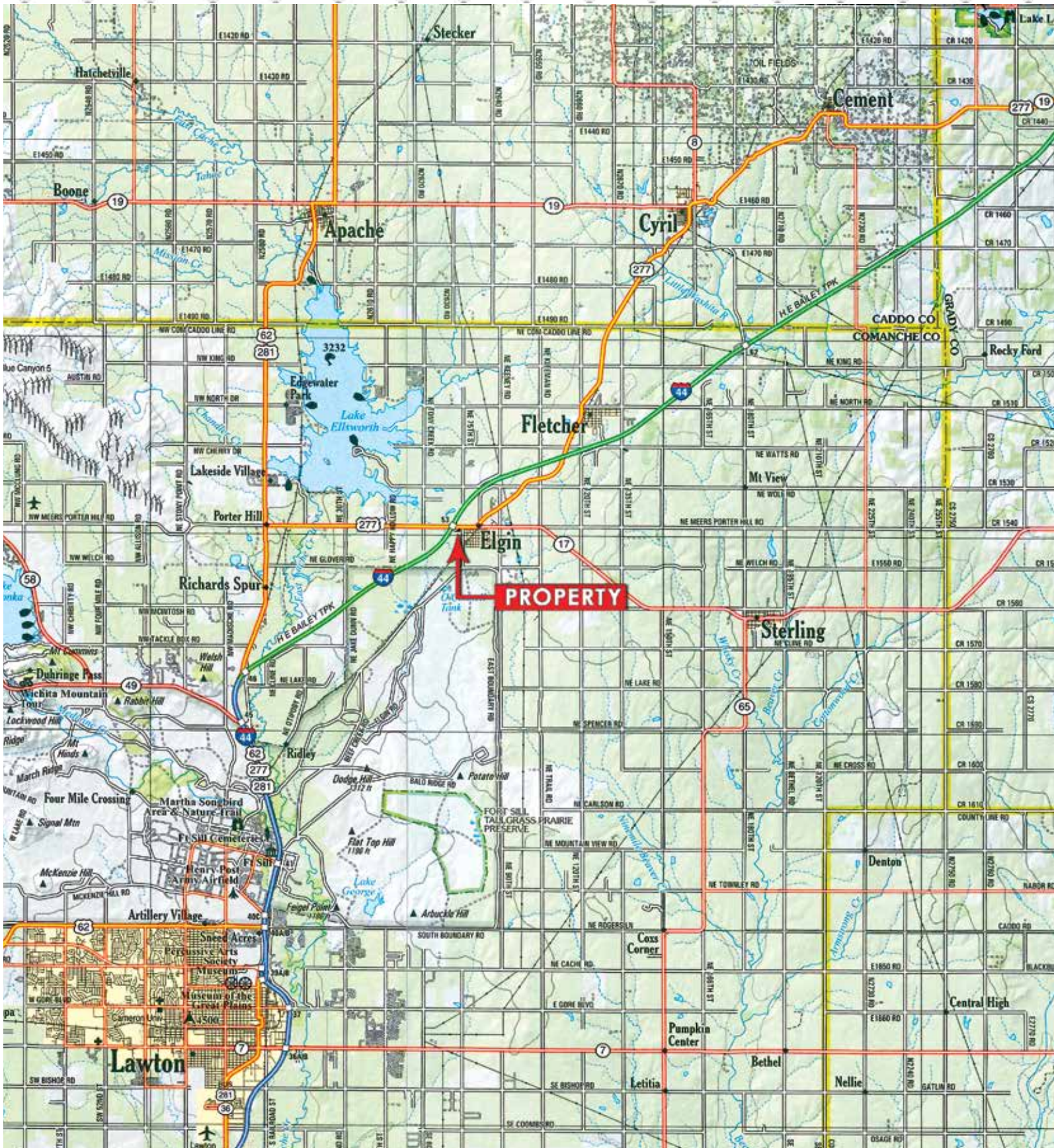
Ground Lease

Property Photos



LOCATION MAP

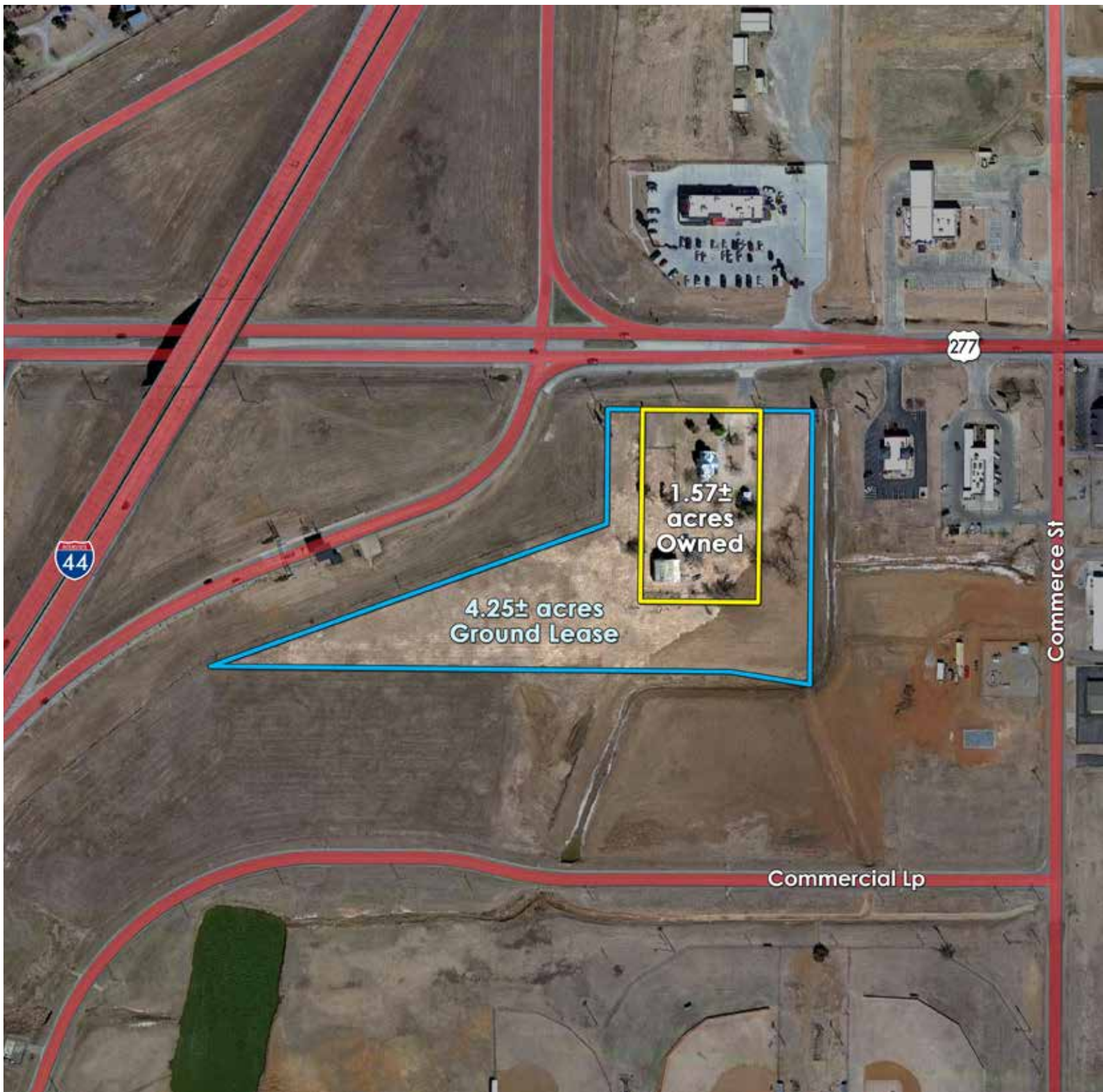
LOCATION MAP



Sealed Bid Deadline: Friday, May 23 • 5pm Central
Deliver in Person or via USPS/FedEx/UPS: 101 N. Main Street, Stillwater, OK 74075

TRACT MAP

TRACT MAP



Property Inspection / Tour Dates: Noon – 3:00pm
Thursday, April 24 • Friday, May 9 • Friday, May 23

TRACT DESCRIPTIONS

MAJOR LAND OFFERING

I-44 Interchange – Elgin, Oklahoma

5.82±
acres

Offered in 1 Tract

7347 Hwy 17, Elgin, OK 73538



PRIME COMMERCIAL DEVELOPMENT OPPORTUNITY IN ELGIN'S HIGH-GROWTH CORRIDOR

This unique offering combines 1.57± acres of deeded land with 4.25± acres under a long-term, unsubordinated commercial ground lease from the Commissioners of the Land Office of the State of Oklahoma—resulting in a highly visible 5.82± acre commercial site along Interstate 44. The ground lease, which will be assigned to the Buyer at closing, runs through March 2060 with options available for renewal, providing long-term stability for developers or end-users.

Positioned along the I-44 exit ramp, the property boasts approximately 731 feet of Interstate frontage and 355 feet along US Hwy 277, offering outstanding exposure and access for future customers and tenants.

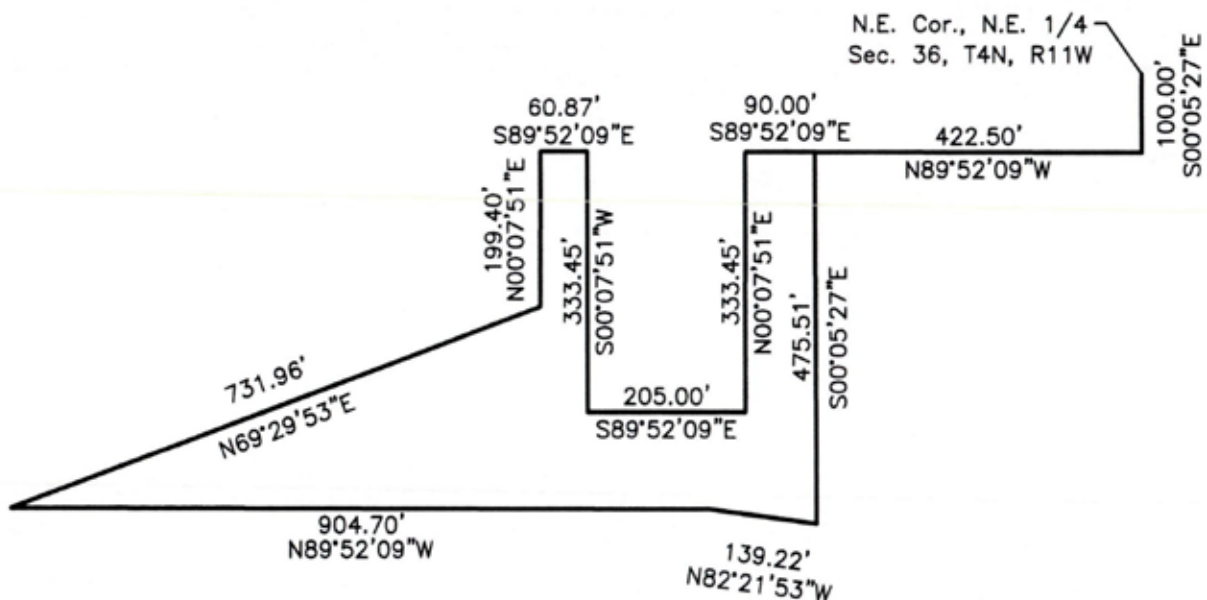
Located in the heart of Elgin—a thriving and fast-growing community in Southwest Oklahoma—this site presents an excellent opportunity for a wide range of commercial uses, including retail, food services, fuel stations, and service-oriented businesses.

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SURVEY

SURVEY



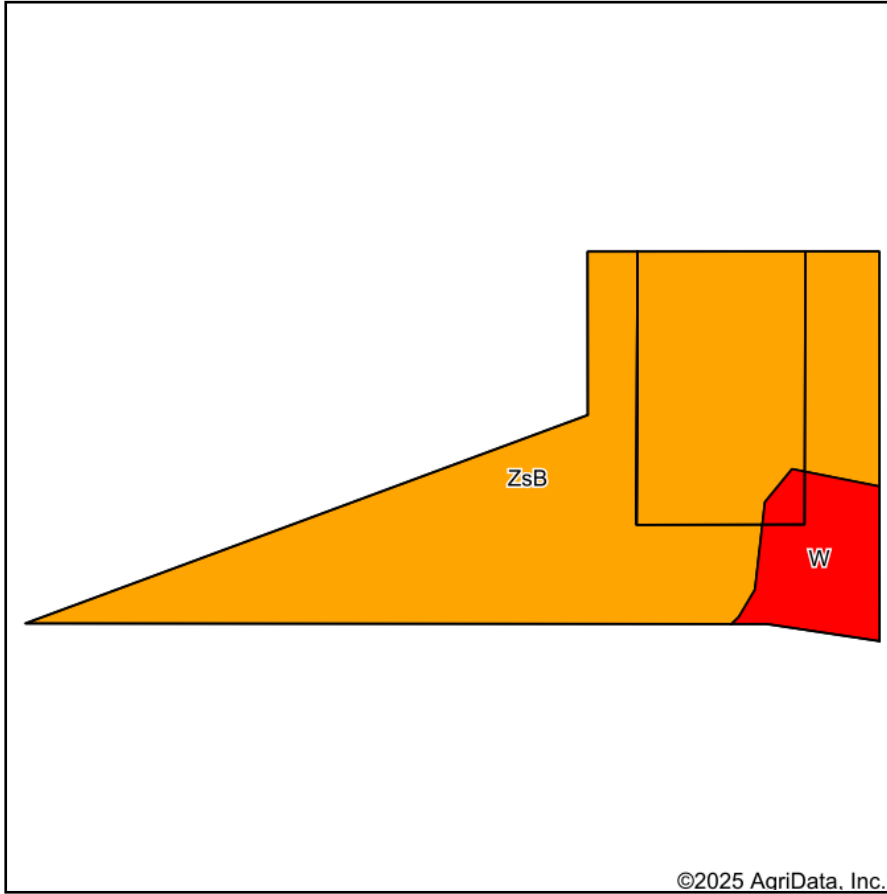
Commencing at the Northeast Corner of the Northeast Quarter of Section 36, T4N, R11W, I.M., Comanche County, Oklahoma;
 Thence S00°05'27"E a distance of 100.00 feet, on the East line of said Northeast quarter;
 Thence N89°52'09"W a distance of 422.50 feet, parallel with the North line of said Northeast quarter to the point of beginning;

Thence S00°05'27"E a distance of 475.51 feet, on the East line of said Northeast quarter;
 Thence N82°21'53"W a distance of 139.22 feet;
 Thence N89°52'09"W a distance of 904.70 feet, parallel with the North line of said Northeast quarter;
 Thence N69°29'53"E a distance of 731.96 feet;
 Thence N00°07'51"E a distance of 199.40 feet;
 Thence S89°52'09"E a distance of 60.87 feet, parallel with the North line of said Northeast quarter;
 Thence S00°07'51"W a distance of 333.45 feet, parallel with the East line of said Northeast quarter;
 Thence S89°52'09"E a distance of 205.00 feet, parallel with the North line of said Northeast quarter;
 Thence N00°07'51"E a distance of 333.45 feet, parallel with the East line of said Northeast quarter;
 Thence S89°52'09"E a distance of 90.00 feet parallel with the North line of said Northeast quarter,
 to the point of beginning, containing 4.25 acres more or less.

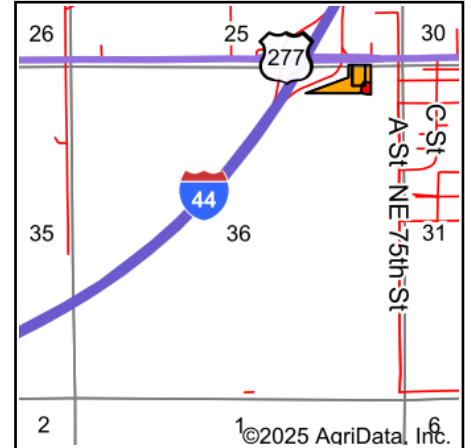
landmark (580) 357-2022
 2505 N.E. Skyline Place
 Lawton, Oklahoma
engineering
 OK CA# 2075
 FILE NAME: TOPO
 PROJECT NO: 01GEN29
 DATE: 5/25/2004
 SHEET 1 OF 1

SOILS MAP

SOILS MAP



Soils data provided by USDA and NRCS.



State: **Oklahoma**
 County: **Comanche**
 Location: **36-4N-11W**
 Township: **Northeast Comanche**
 Acres: **5.76**
 Date: **4/16/2025**

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 Real Estate and Auction Company, Inc.

Maps Provided By:
 **surety**[®]
 CUSTOMIZED ONLINE MAPPING
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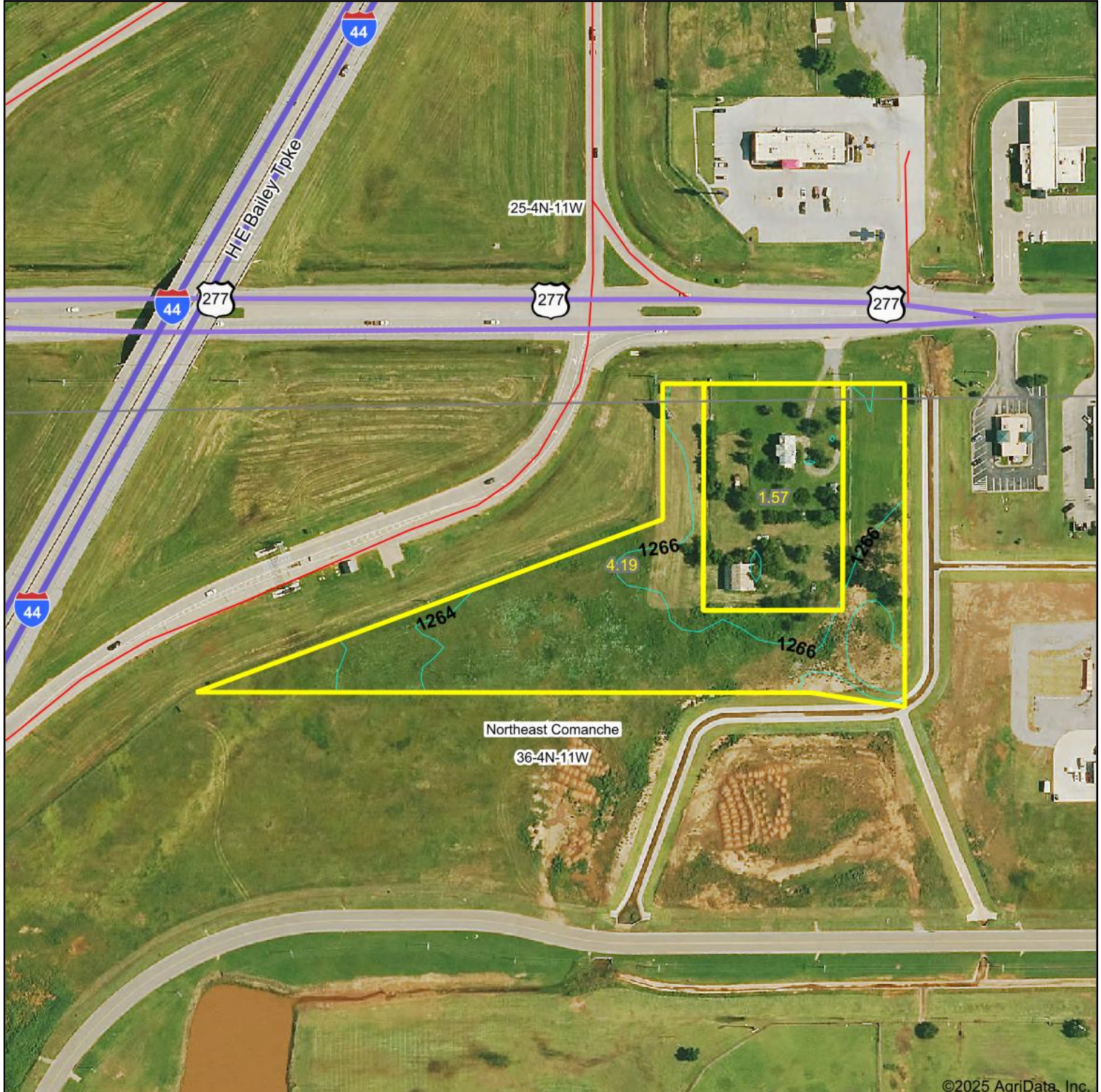
Area Symbol: OK031, Soil Area Version: 21

Code	Soil Description	Acres	Percent of field	Non-Irr Class Legend	Non-Irr Class	Irr Class	Alfalfa hay Tons	Cotton lint Lbs	Grain sorghum Bu	Improved bermudagrass AUM	Weeping lovegrass AUM	Wheat Bu
ZsB	Zaneis-Huska complex, 1 to 3 percent slopes	5.12	88.9%		IIIe	Ile	2	228	26	5	4	20
W	Water	0.64	11.1%		VIII							
Weighted Average					3.56	*-	1.8	202.7	23.1	4.4	3.6	17.8

*- Irr Class weighted average cannot be calculated on the current soils data due to missing data.

TOPOGRAPHY MAP

TOPOGRAPHY MAP



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Maps Provided By:

surety
CUSTOMIZED ONLINE MAPPING

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www.AgriDataInc.com

Source: USGS 10 meter dem

Interval(ft): 2.0

Min: 1,261.0

Max: 1,268.4

Range: 7.4

Average: 1,265.6

Standard Deviation: 1.41 ft

0ft 230ft 459ft



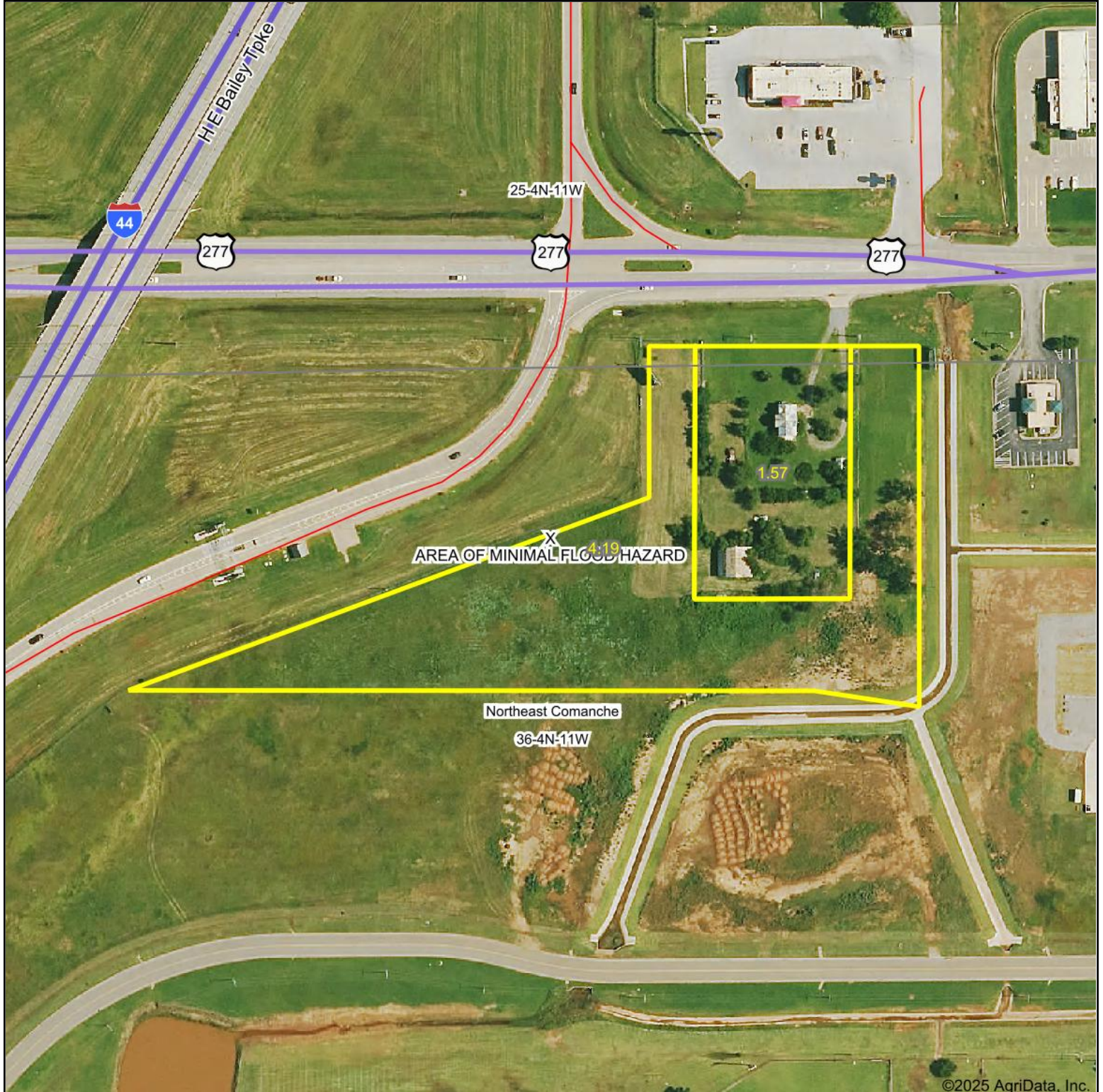
4/16/2025

36-4N-11W
Comanche County
Oklahoma

Boundary Center: 34° 46' 53.3, -98° 18' 9.48

FLOOD ZONE MAP

FLOOD ZONE MAP



Boundary Center: 34° 46' 53.3, -98° 18' 9.48

0ft 206ft 411ft



36-4N-11W
Comanche County
Oklahoma



4/16/2025

TAX STATEMENTS

TAX STATEMENTS

Tax Roll Inquiry

Comanche County Treasurer



Rhonda Brantley, Treasurer

315 SW 5th St Suite 300 Lawton OK 73501

Phone: 580-355-5763

Fax: 580-581-4554

E-Mail: comcotreasurer@comanchecountyok.gov



28248843427

Owner Name and Address

HART, CAMILLA ELAINE
C/O 1ST NATIONAL BANK
PO BOX 1130
CHICKASHA OK 73023-1130

Taxroll Information

Tax Year : 2024
Property ID : 04N11W-36-1-99977-000-0000
Location : 7347 US HIGHWAY 17 ELGIN
School District : R16 ELGIN SCHOOLS-RURAL
Type of Tax : Real Estate Mills : 105.08
Tax ID : 43427

Legal Description and Other Information:

36-4N-11W BEG AT A PT 100.45' S & 512.5' W OF NE/C NE/4 THN W 205' , S 333' , E 205' , N 333' TO POB 1.57 Acres

Assessed Valuations	Amount	Tax Values	Amount
Land	1912	Base Tax	884.00
Improvements	6505	Penalty	0.00
Net Assessed	8417	Fees	0.00
		Payments	884.00
		Total Paid	884.00
		Total Due	0.00

Date	Receipt	Paid With	Payment For	Amount	Paid By
11/22/2024	5536	Check	Taxes	884.00	THE FIRST NATIONAL BANK ->Check# 9289

PROPERTY RECORD CARD

PROPERTY RECORD CARD

Parcel: 04N11W-36-1-99977-000-0000

Comanche County Report

ID: 160043427

As of: 4/12/2025

Property Owner

Name: HART, CAMILLA ELAINE

Property Information

Physical Address: 7347 US HIGHWAY 17

Mailing Address: C/O 1ST NATIONAL BANK
PO BOX 1130
CHICKASHA, OK 73023-1130

Subdivision: FARM 4N-11W

Block / Lot: N/A / N/A

Type: (RI) Res. Improv.

S-T-R: 36-04N-11W

Tax Dist: (15) ELGIN RURAL105.08

Size (Acres): 1.570

Extended Legal: 36-4N-11W BEG AT A PT 100.45' S &; 512.5' W OF NE/C NE/4 THN W 205' , S 333', E 205', N 333'
TO POB

Market and Assessed Values:

Taxes:

	Fair Cash	Taxable Fair Cash	Full Assessed (11.25% Market Value)
Land:	\$16,995	\$16,995	\$1,912
Building:	61,417	61,417	6,910
Total:	\$78,412	\$78,412	\$8,822

Estimated Taxes: \$927

Homestead Credit:

\$0 Note: Tax amounts are estimates only. Contact the county tax collector for exact amounts.

Land:

Land Use	Size	Units
LOT AREA	1.57	Acre

Deed Transfers:

Date	Book	Page	Deed Type	Stamps	Est. Sale	Grantor	Code	Type
9/29/2003	0	0	Warr. Deed	195.00	\$130,000	WHITTAKER, JOHN W & WILMA~J	Ye	
7/30/2002	0	0	PRD	105.00	\$70,000	RYAN, ANNA LAURA	No	

GROUND LEASE

GROUND LEASE

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**STATE OF OKLAHOMA
UNSUBORDINATED COMMERCIAL GROUND LEASE
FIFTY-FIVE YEAR TERM
CONTRACT NUMBER: 106378/7427**

THIS AGREEMENT is entered into by and between the **Commissioners of the Land Office of the State of Oklahoma as Administrator of the Oklahoma School Lands Trust (Lessor or CLO)**, and Camilla Elaine Hart her sublessees, successors and assigns. (Lessee)

Lessor leases the real property described below to Lessee and the parties agree:

SECTION 1 - GRANT OF LEASE

1.1 LEASE.

Lessor grants Lessee a long-term commercial lease. (Land or Lease Premises)
The "Land" is described as follows and is subject to an official survey:

4.25 acres in the Northeast Quarter North Half (NE/4 N/2)
Section 36, Township 4 North, Range 11 West of the Indian Meridian, Comanche County, Oklahoma more particularly described as: Commencing at the Northeast Corner of the Northeast Quarter of Section 36, T4N, R11W, I.M. Comanche County, Oklahoma; Thence S 00°05'27" E a distance of 100.00 feet, on the East line of said Northeast quarter; thence N 89°52'09" W a distance of 422.50 feet, parallel with the North line of said Northeast quarter to the point of beginning; thence S00°05'27" E a distance of 475.51 feet, on the East line of said Northeast quarter; thence N82°21'53" W a distance of 139.22 feet; thence N89°52'09" W a distance of 904.70 feet, parallel with the North line of said Northeast quarter; thence N 69°29'53" E a distance of 731.96 feet; thence N00°07'51" E a distance of 199.40 feet; thence S 89°52'09" E a distance of 60.87 feet, parallel with the North line of said Northeast quarter; Thence S00°07'51" W distance of 330.45 feet, parallel with the East line of said Northeast quarter; thence S89°52'09" E a distance of 205.00 feet, parallel with the North line of said Northeast quarter; thence N 00°07'51" E a distance of 330.45 feet, parallel with the East line of said Northeast quarter, thence S89°52'09" E a distance of 90.00 feet parallel with the North line of said Northeast quarter, to the point of beginning, containing 4.25 acres more or less.

GROUND LEASE

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1.1.1. Mutual Access Easement.

Lessor grants and retains a non-exclusive easement for ingress and egress for vehicular and pedestrian traffic over and across the land and any contiguous CLO property. Lessor reserves an easement to permit all existing utility lines to remain and to install and/or modify existing utility lines necessary for development of its adjacent lands so long as they do not interfere with the use and enjoyment of Land by Lessee. Subject property may include a utility easement along northern boundary, not to exceed 10 feet in width.

1.1.2 Driveway Areas

Driveway Areas shall mean those portions of the tract which accommodate internal traffic with openings and access to public streets with respect to each tract, specifically excluding any land which is used or reserved for landscaping improvements or parking. Driveway areas shall specifically include reasonable and adequate access from an adjoining tract to specified public entrances or exits on the tract.

1.2 USE.

Lessee will construct and operate commercial retail or sales businesses meeting the zoning requirements (retail development) of the City of Elgin, Comanche County, Oklahoma along with any other improvements necessary for such use, subject to the terms of this Lease.

SECTION 2 - TERM

2.1 TERM.

The Term of this Lease is for a period of **fifty-five (55) years** (herein "**Term**") and shall commence on the Commencement Date and end on the Expiration Date. At the end of the initial lease term and for every three years thereafter, Lessee shall have the opportunity to apply to renew the lease for the then fair market rental rate for comparable commercial land. Lessee shall provide notice of its desire to renew three months prior to each lease termination date. Upon Lessors approval of renewal, which shall not be unreasonably withheld, Lessor shall provide Lessee, within thirty (30) days of Lessee's notice of desire to renew, its opinion of the current fair market rental for comparable land. Lessee then shall have 10 days to reject, accept or dispute such fair market determination.

2.2 POSSESSION.

Lessor will deliver possession of the Leased Premises to Lessee as soon as:

- (a) this Lease has been signed by both Lessor and Lessee,
- (b) Lessee has furnished Lessor satisfactory evidence of the insurance coverage's and any performance bond required by this Lease are in full force and effect, and
- (c) Lessor has received the Development Phase Payment.

VIEW ADDITIONAL LAND RECORDS AT

GROUND LEASE

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SECTION 3 - PAYMENTS

3.1 MINIMUM PAYMENTS.

Lessee agrees to pay Lessor throughout the Term the following Payments:

3.1.1 Development Phase.

During the Development Phase Lessee agrees to pay Lessor the sum of Two Thousand Six Hundred Dollars (\$2,600.00), which will be paid on or before the Commencement Date. The Payment will be made in advance and is non-refundable.

3.1.2 Construction Phase.

During the Construction Phase Lessee will also furnish Lessor with the performance bond required by this lease.

3.1.3 Operation Phase.

On the first day of the first full month of the Operation Phase or the first day of the 13th month after the Commencement Date whichever occurs first. Minimum Rent ("Minimum Rent") in the amount of Two Thousand Six Hundred Dollars (\$2,600.00) will begin on the Land and will be due and payable on the first of the month of the Commencement Date of the lease without notice and shall continue regularly until termination of this lease. If the Operation Phase begins on other than the 1st day of a month, annual rent will be prorated on a daily basis to the end of the first month.

3.1.4 Allowable Early Termination at Year 15, Year 20 or Year 25.

Lessee is permitted an election for early termination of the Lease at the end of the 15th, 20th, and 25th year.

3.2 RENT ADJUSTMENTS.

3.2.1 Adjustment of Minimum Rent.

The rent set forth in 3.1.3 above shall be adjusted at the end of each five (5) year period. The first such adjustment shall occur effective March, 2010, and subsequent adjustments shall occur at the end of each five year period until this Lease terminates. The adjustments shall be:

Years 6 through 10	\$ 2,990.00 per year
Years 11 through 15	\$ 3,440.00 per year
Years 16 through 20	\$ 3,950.00 per year
Years 21 through 25	\$ 4,540.00 per year
Years 26 through 30	\$ 5,220.00 per year
Years 31 through 35	\$ 6,000.00 per year
Years 36 through 40	\$ 6,900.00 per year
Years 41 through 45	\$ 7,935.00 per year
Years 46 through 50	\$ 9,125.00 per year

GROUND LEASE

Years 51 through 55

\$10,500.00 per year

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3.3 TAXES.

Lessee shall pay all taxes and assessments upon Improvements and structures, which would otherwise be subject to ad valorem property taxation if constructed on privately, owned real estate.

3.4 NET PAYMENTS; IMPOSITION; OTHER COSTS.

Rent will be absolutely net to Lessor throughout the Term. Lessee agrees to pay any and all water and sewer rates, rents, taxes and assessments (collectively "**Impositions**") which, during the Term, may be levied against or attributable to the Leased Premises, Lessee's interest therein, the Improvements and/or any other property of Lessee located on the Leased Premises. In addition, Lessee agrees to pay all utility charges, insurance premiums, and other costs and expenses attributable to Lessee's development, construction, use, occupancy, operation, management, maintenance, repair, modification, alteration (structural or otherwise), demolition or replacement of the Property ("**Leasehold Costs**"). Lessee shall have the right to contest the validity or amount of any Impositions or Leasehold Costs as provided in **Section 7** below.

3.5 NO NOTICE, REDUCTIONS OR ABATEMENT OF MINIMUM RENT.

Payments of Minimum Rent shall be made by Lessee to Lessor without prior notice or demand. Except as specifically provided in this Lease, Lessee will have no right to reduce, offset against, abate or defer payments of Minimum Rent for any reason.

3.6 INTEREST ON DELINQUENT AMOUNTS.

Any Minimum Rent or other amounts payable to Lessor under this Lease ("**Rent**") not received by Lessor on or before its due date shall bear interest from the due date until paid at the rate of **sixteen percent (16%)** per annum (the "**Default Rate**"). A ten (10) day grace period is granted for the rent payment to be received. Interest will be charged beginning on the tenth day and will be calculated from the first day of the month. At Lessor's option, payment of such interest shall be a condition precedent to curing any default.

SECTION 4 - USE; RESERVATIONS; PERMITS

4.1 POSSESSION; USE.

Lessee shall occupy and use the Leased Premises in compliance with the terms of this Lease. Lessee shall have the right to sublease or assign all or any part of its leasehold estate as provided at **Section 8** below.

4.2 EASEMENTS.

Lessor agrees to grant Governmental authorities or public utility companies easements over, under or across the Leased Premises reasonably necessary for Lessee to construct, install and use the Improvements; provided however, Lessee shall first furnish Lessor a survey showing the exact location of the proposed easement and the form of the

GROUND LEASE

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proposed easement, both of which shall be in form and substance reasonably satisfactory to Lessor. Lessor shall not be obligated to grant any such easement if it would impair the value of any other property owned by Lessor. Further, Lessor will not incur any liability or out-of-pocket expense in the performance of its obligation pursuant to this Section. Lessee agrees that easements to add utilities for lessor's lands from Governmental authorities or public utility companies may be granted across leased premises when necessary for adjoining properties.

4.3 WATER AND MINERAL RIGHTS RESERVED.

Lessor reserves from this Lease all water and water rights appurtenant to the Land and the Lease Premises. Lessor further reserves from this Lease all right, title and interest in and to all minerals and substances of value including but not limited to, coal, oil, gas and all gravel, rock, sand and other substances of value in, on or under the Land. Lessor specifically acknowledges its use of the Lease Premises for excavation or mineral exploration or production would be inconsistent with the use intended by the Lessee. In recognition of such fact, the Parties specifically agree as follows:

4.3.1 Minerals, Access Easement.

Lessor reserves and excepts to itself, its lessees, permittees and assigns, an easement with right of ingress and egress for purpose of exploring, drilling, developing and operating on premises; including installation of pipelines, machinery, storage tanks and other equipment, necessary for production, storage, transportation and marketing of oil and gas and coal, copper or other minerals of any kind or nature and their components which may be produced from said premises or from other premises owned by Lessor, or communitized with Trust land. Lessee may recover improvement damages, if any, for remaining term of the lease contract from said lessees, permittees, and assigns.

4.3.2 Easements.

Lessor reserves and excepts to itself, its lessees, permittees, and assigns an access easement to other property held in Trust. Lessor reserves the right to grant easements for access and other purposes across the lease premises.

4.3.3 Improvement Damages.

Lessee may recover improvement damages, if any, for remaining term of the lease contract as effected by paragraph 4.3.1 above from purchaser, condemnor, or developer. Lessor is entitled to all other damages and compensation.

4.4 PERMITS.

To the extent laws, rules or regulations applicable to Lessor require issuance of permits and licenses or require other administrative action by Lessor to facilitate use of the Land, Lessor agrees to do so upon written request of Lessee. Lessee will have the right to obtain permits, licenses and other administrative certificates from Governmental Authority required to facilitate Lessee's use of the Land. Lessor agrees to execute such permits and other documents and to take such other action as might be reasonably necessary. Lessor will not assume any liability or any out-of-pocket expense in the

GROUND LEASE

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performance of its obligations pursuant to this Section.

4.5 NO WASTE OR NUISANCE.

Lessee will not permit waste, trespass or pollution to occur to Lessor, or allow a nuisance on the Land; and Lessee will promptly report any waste, trespass, pollution, nuisance or damage to the Land or minerals.

SECTION 5 - IMPROVEMENTS

5.1 CONSTRUCTION.

Lessee is specifically authorized to construct Improvements on all or any part of the Land and to modify contour and grade of the Land; provided however, Lessee shall not take any action which would injure, damage or impair the value of any adjacent property or which would subject Lessee or Lessor to any liability to an adjacent property owner. Lessee will determine the nature, design and extent of the Improvements to be constructed on the Land and shall construct a live stock proof fence around the lease.

5.2 OWNERSHIP.

Lessee and/or its successors and assigns, exclusively, will hold legal title to and all incidents of ownership associated with the Improvements during the Term. Legal title to, and all incidents of ownership associated with, the Improvements including, without limitation, all rights to the proceeds of any insurance policies maintained by Lessee with respect to the Improvements will, without compensation to the Lessee, absolutely vest in Lessor on the Expiration Date, or any earlier date on which this Lease is terminated, free from all claims by Lessee and/or its successors and assigns and any Persons claiming through or against them.

5.3 MAINTENANCE; REPAIR.

Lessee or its sub-lessees will maintain the Property and Improvements in good condition, ordinary wear and tear excepted, and will promptly make all necessary and appropriate structural and cosmetic repairs. All such actions will be performed at the expense of Lessee. Lessor will not be required to maintain, alter, repair, rebuild or replace all or any part of the Property in any way.

5.4 ALTERATIONS; DEMOLITION.

During the Term Lessee may demolish, remove, replace, alter, relocate, reconstruct or add to all or any part of the Improvements, provided the value of the Improvements following completion of any such action by Lessee is comparable to the value of the Improvements prior to commencement of Lessee's work. Salvage of the Improvements resulting from such demolition, removal, replacement, alteration, relocation, reconstruction or addition during the Term will be property of Lessee. Rent shall not abate during the course of any such action by Lessee. This paragraph is not intended to prohibit Lessee from upscaling or downscaling its operations or reducing or increasing improvements in total value due to prevailing economic conditions subject to Lessor's approval, which will not be unreasonably withheld.

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5.5 OPTIONAL REMOVAL.

Lessee may remove any or all Improvements from Leased Premises at Lessee's expense within 60 days of termination of Lease. In such event Leased Premises shall be surrendered to Lessor free and clear of such Improvements and any lien for the cost of their removal.

5.6 LANDSCAPING.

Lessee agrees to install and maintain all landscaped areas and obtain necessary zoning for the Leased Premises at no cost to Lessor.

SECTION 6 - LEGAL REQUIREMENTS

6.1 COMPLIANCE.

Lessee agrees, at Lessee's expense, to comply with all Legal Requirements throughout the Term of this Lease. Lessee agrees to comply with all Legal Requirements pertaining to health or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), the Superfund Amendment and Reauthorization Act of 1986, as amended ("SARA"), the Resource Conservation and Recovery Act of 1987, as amended ("RCRA") and all similar state or local laws now in existence or to be enacted.

6.2 CONTAMINATION/REMEDATION.

Lessee agrees it will not knowingly cause or contribute to any contamination of the Land and warrants if such occurs, Lessee will notify Lessor and initiate remediation procedures upon notice of said condition and will comply with all laws and regulations regarding same and will cooperate with Governmental Authorities and Lessor in remediation, and responsibility for all costs of and damages flowing from contamination and remediation will be borne by Lessee.

SECTION 7 - PERMITTED CONTESTS

7.1 COMPLIANCE.

Lessee agrees to comply with all legal requirements throughout the Term at Lessee's expense. Except as provided by Section 4.4, Lessor will have no responsibility of any kind with respect to any legal requirement.

7.2 PERMITTED CONTEST.

Lessee will have the right to contest validity or application of any legal requirement by diligent pursuit of appropriate legal proceedings conducted at Lessee's expense.

7.3 LESSOR'S CONTESTS.

No act or omission shall in any way subject Lessor's interest in the Land to any lien or other encumbrance unless Lessor has consented in writing. In the event any action, proceeding, lien, encumbrance or other claim arising out of any act or omission of Lessee is filed or asserted against Lessor's interest in the Land, Lessor shall be entitled to defend

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against and seek to invalidate or remove same using counsel of its choice. Within ten (10) days after receipt of an invoice, Lessee agrees to reimburse Lessor for all reasonable costs and expenses, including attorney's fees, incurred by Lessor in taking such action.

SECTION 8 - LESSEE'S TRANSFERS

8.1 LESSEE'S RIGHT TO ASSIGN THE PROPERTY.

Lessee shall have the right to assign or transfer Lessee's interest, or any part therein, in this Lease subject to Lessor's prior written consent, which shall not be unreasonably withheld, and the estate created by this Lease may only be assigned as follows:

(a) To a successor or assignee that's net worth on the date of assignment is equal to or greater than \$1,000,000.00. The \$1,000,000.00 net worth shall exceed the total of all liabilities as determined by an independent certified public accountant in accordance with generally accepted accounting principles. For purposes of this paragraph, sale, assignment, transfer, or other disposition of issued and outstanding capital stock of Lessee, or of the interest of any general partner, joint venturer, syndicate member or cotenant, if Lessee is a partnership or joint venture or syndicate or cotenancy, which shall result in changing the control of Lessee, shall be construed as an assignment of this Lease. Control as used in provisions of this Lease relating to assignment, means fifty percent (50%) or more of the voting power of the corporation; and

(b) A successor is defined as:

- (1) Any corporation that controls or is controlled by Lessee,
- (2) Another corporation in connection with a corporate reorganization, or the merger of Lessee into, or the consolidation of Lessee with, another corporation or corporations,
- (3) Any successor of all or substantially all of Lessee's business or assets unless the assignment would otherwise be prohibited by provisions of this Lease, or
- (4) Limited liability companies, limited partnerships and general partnerships.

8.2 CONDITIONS PRECEDENT TO ASSIGNMENT.

The following are conditions precedent to Lessee's right of assignment:

(a) Lessee shall give Lessor reasonable notice of the proposed assignment with documentation showing the proposed assignee qualifies as a permitted assignee.

(b) The proposed assignee shall, in recordable form, expressly assume all the covenants and conditions of this Lease.

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8.3 LESSEE'S OBLIGATION TO PERFORM AFTER ASSIGNMENT.

Lessee will be liable for payment of the Rent and performance of all obligations under this Lease after any Lessee or assignee is accepted by written consent of assignment by Lessor. However, in the event Assignee's net worth is equal to or greater than that of Lessee, Lessee will not be liable for payment of rent.

8.4 LESSEE'S RIGHT TO SUBLEASE.

Lessee has the right to sublease portions of the leased premises for uses in compliance with paragraph 1.2 with written approval of the Lessor.

SECTION 9 - INDEMNITY; BOND; INSURANCE

9.1 INDEMNITY.

Lessee agrees to protect, indemnify and hold harmless Lessor, its agents, contractors and employees ("**Indemnified Parties**") from and against all losses, liabilities, obligations, claims, demands, damages, penalties, fines, actions, causes of action, judgments, costs and expenses, including, without limitation, reasonable attorney's fees, litigation expenses and settlements entered into in good faith, incurred by any Indemnified Party or asserted against the interest of the Lessor in the Land or this Lease which do not result from the willful act or negligence of an Indemnified Party, and which arise by reason of:

- (a) any injury to or death of any person or any damage to the Land, Improvements or any property located in or on the Property;
- (b) any use, condition or state of repair of all or any part of the Land or Improvements;
- (c) any failure by the Lessee to perform or observe its obligations under this Lease; or
- (d) any negligence or willful act or omission on the part of the Lessee or any of the Lessee's agents, contractors, employees, licensees, invitees or sublessees.

If any action, suit or proceeding is brought against an Indemnified Party, Lessee will defend such action, suit or proceeding, promptly after the written request by the Indemnified Party, at Lessee's expense with legal counsel designated by Lessor and which is reasonably acceptable to Lessee.

9.2 PERFORMANCE BOND.

Lessee will provide Lessor an adequate surety bond or irrevocable letter of credit, cancelable on completion of construction, in an amount sufficient to ensure

- (i) any Improvement(s) to the Leased Premises will be completed in accordance with the plans and specifications for such Improvement(s); or
- (ii) in the event such Improvement(s) is (are) not completed, the Land will be restored to its grade and conformation immediately prior to commencement

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of construction, at the option of Lessor. The Bond amount will be agreed on by the parties but shall be no less than **\$50,000.00**.

9.3 REQUIRED INSURANCE.

Lessee, sublessee's and their contractors will maintain, with responsible insurance carriers licensed to do business in the State of Oklahoma and having a general policyholder's service rating of not less than in Financial Size Category XI, as rated in the most current available Best's Insurance Reports.

9.3.1 *Builder's Risk Insurance.*

During the course of construction and until completion of the Improvements, Lessee, sublessee's, or its contractors will maintain builder's risk insurance on an "all risk" basis (including collapse) on a completed value form for full replacement value covering the interest of Lessee, and its contractors or subcontractors, in all work incorporated in the Improvements and all materials and equipment on or about the Property. All materials and equipment in any off-site storage location intended for permanent use in the Improvements, or incident to the construction thereof (but not including machinery, tools or equipment used by contractors and excluding foundations, excavation and footings below the lowest basement floor) shall be insured on an "all risk" basis as soon as the same have been purchased.

9.3.2 *Construction Period Liability Insurance.*

During the course of construction until completion of the Improvements, Lessee, sublessee's, or its contractors will maintain contractor's comprehensive general-automobile liability insurance in an amount not less than **One Million Dollars (\$1,000,000.00)** combined single limit for bodily injury and property damage. Such insurance coverage shall include premises liability, contractor's protective liability on the operations of all subcontractors, completed operations, blanket contractual liability, and automobile liability (owned, non-owned and hired).

9.3.3 *Permanent Property Insurance.*

Upon expiration of the builder's risk policy, Lessee or sublessee will maintain insurance against loss or damage by fire and such other risks or hazards as are insurable under then available standard forms of "all risk" insurance policies for the full replacement cost value of the Improvements (including an "agreed amount" endorsement).

9.3.4 *Lessee's Liability Insurance.*

Lessee or sublessee will maintain comprehensive general-automobile liability insurance, including blanket contractual liability, products and completed operations coverage, in an amount not less than **One Million Dollars (\$1,000,000.00)** combined single limit for bodily injury and property damage arising out of any one occurrence, or in any increase amount reasonably required by Lessor.

9.3.5 *Other Insurance.*

Lessee will maintain all insurance required by law including but not limited to

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Worker's Compensation and unemployment insurance, and other insurance with respect to the Property and Lessee's use and operation thereof and in such amounts as lessor may request, provided such other insurance shall be insurance which at the time is commonly maintained by owners of like properties and/or operators of like businesses.

9.4 POLICY PROVISIONS; SEPARATE INSURANCE.

All insurance required to be maintained by this Lease will:

- (a) name Lessor and Lessee as insureds as their respective interests appear;
- (b) provide the coverage afforded by such policies will not be canceled, materially changed or reduced without at least **thirty (30) days** prior written notice to Lessor; and
- (c) be in form reasonably satisfactory to Lessor.

Lessee agrees not to take out separate insurance, concurrent in form or contributing in the event of loss with that required above, unless

- (i) the policies are submitted to lessor for its prior approval, which approval will not be unreasonably withheld,
- (ii) the insurers thereunder and the terms thereof are acceptable to Lessor in accordance with this **Section 9**, and
- (iii) Lessor is included therein as an additional named insured.

9.5 DELIVERY OF POLICIES AND BOND.

Promptly after the execution of this Lease, prior to delivery of possession of the Leased Premises, and upon each renewal or securing a new policy throughout the Term, Lessee will deliver to Lessor true and correct duplicate originals of all insurance policies or a certificate of insurance and any original bond document required by this Lease, together with appropriate evidence of payment of premium.

9.6 REVIEW OF INSURANCE AND BOND COVERAGE.

Lessee agrees to conduct periodic reviews and analyses of the adequacy of the insurance coverages and bond amount required hereunder as often as significant valuation or construction changes occur and at least annually. A report of the results of such reviews along with any recommended action or changes will be forwarded to Lessor promptly after the reviews are made.

9.7 IN LIEU OF INSURANCE.

If Lessee's net worth as defined in its most recently published annual statement exceeds **One Hundred Million Dollars (\$100,000,000.00)**, or if the entity is a

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governmental agency, it is agreed Lessee shall have the right to carry its own risk in regards to the Leased Premises and improvements, and accordingly insurance coverage accruing to Lessor's benefits are not obligations under this Lease. In lieu of such coverage, Lessee agrees to indemnify and hold Lessor harmless from and against claims and liability for personal injury, death, property damage, or contract liability arising from the use, occupancy, disuse or condition of the premises, improvements, or adjoining areas or ways under Lessee's control.

SECTION 10 - DAMAGE; DESTRUCTION

10.1 NOTICE.

In case of damage to the Improvements, which would cost in excess of **Fifty Thousand Dollars (\$50,000.00)** to repair, Lessee will promptly give written notice to Lessor describing the nature and extent of the casualty.

10.2 RESTORATION.

If the Improvements are damaged or destroyed during the Term, as soon as practical after the casualty, at Lessee's discretion, the Lessee will restore the Improvements as nearly as possible to the condition which existed immediately prior to such damage or destruction or will clear the land. Lessee will not be entitled to any offset or abatement in Rent or to any termination or extension of the Term as a result of deprivation or limitation of use of the Improvements occasioned by any casualty or by repairs or replacements required by this **Section 10**.

10.3 INSURANCE PROCEEDS.

Subject to the requirements of any Mortgagee of lessee, insurance proceeds will be applied to payment of the costs of restoration as such costs are incurred. After full payment of all costs of restoring the Improvements, any balance of the insurance proceeds will be paid to Lessee.

SECTION 11 - CONDEMNATION

11.1 APPORTIONMENT OF AWARD.

In the event of a taking by eminent domain, partial or otherwise, or a granting in lieu of condemnation, the award shall be apportioned between the value of the land and improvements and such award shall be paid in accordance with the order of the court or the agreement of the parties with the political entity so taking.

11.2 PARTICIPATION IN PROCEEDINGS.

Lessor, Lessee, Mortgageor and Mortgagee will each have the right at their respective expense to participate in any proceeding seeking to take all or a portion of the Land or the Improvements and in any appeals which might be taken.

SECTION 12 - MORTGAGES

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12.1 LESSEE'S MORTGAGES.

From time to time during the Term, Lessee will have the right to execute one or more Mortgages without Lessor's consent, provided all rights of each Mortgagee will be subject to the terms of this Agreement, and subordinate to the rights of Lessor. Lessee may not encumber the estate of Lessor and all liens, mortgages and other claims against Lessee and Lessee's estate in the land shall be subordinate to the rights of Lessor. Nothing contained in this **Section 12** shall be deemed to waive or impair any right or remedy Lessor may have upon default by Lessee under this Lease.

12.2 RIGHTS OF MORTGAGEE.

If within **thirty (30) days** after execution of a Mortgage, the Mortgagee notifies Lessor in writing of the name and address of Mortgagee and provides to Lessor a copy of the Mortgage, then so long as the Mortgage remains of record the following provisions will apply:

12.2.1 Cancellation, Default.

The Lessor and Lessee agree not to cancel, surrender or modify this Agreement or terminate this Lease, without prior written notice to each Mortgagee and in the event of default ensure adequate notice and opportunity to cure.

12.3 NO MERGER.

So long as any Mortgage is in existence the fee title to the Leased Premises and the leasehold estate shall not merge but shall remain separate and distinct.

SECTION 13 - LESSEE'S DEFAULT; LESSOR'S REMEDIES

13.1 LESSEE'S DEFAULT.

The following events will be Events of Default by Lessee under this Agreement:

- (a) Failure to make any Payment when due; or
- (b) Failure by the Lessee to commence construction of site Improvements within **twenty-four (24) months** from Commencement Date, or
- (c) Failure to comply with any other term of this Agreement.

13.2 NOTICE; OPPORTUNITY TO CURE.

On the occurrence of any Event of Default Lessor may declare a Default by written notice to Lessee specifying its nature. In the event Lessee cures a Default within **thirty (30) days** after receipt of notice, or commences and diligently prosecutes action which can be reasonably expected to cure a Default within **ninety (90) days** after receipt of notice, Lessor and Lessee at Lessor's option may be restored to their respective rights and obligations under this Agreement as if no Event of Default occurred.

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13.3 REMEDIES.

On failure of Lessee to cure a Default within the time provided, Lessor will have the option to do any one or more of the following without further notice or demand, in addition to and not in limitation of any other remedy permitted by law or by this Agreement.

13.3.1 Termination.

Lessor may terminate this Agreement, in which event Lessee will immediately surrender Land and Improvements to Lessor, but if Lessee fails to do so, Lessor may, to the maximum extent permitted by law, without notice and without prejudice to any other remedy Lessor might have, enter and take possession of Land and Improvements and remove Lessee's property.

13.3.2 Option to Perform.

Lessor may perform or cause to be performed the obligations of Lessee under this Agreement and may enter Land and Improvements to accomplish such purpose. Lessee agrees to reimburse Lessor on demand for any expense Lessor might incur in effecting compliance with the terms of this Agreement on behalf of Lessee, which expense will bear interest at 16% until payment to Lessor.

13.4 NO WAIVER.

No action by Lessor during the Term will be deemed an acceptance by Lessor of an attempted surrender of Land or Improvements. No re-entry or taking possession of the Land or Improvements by Lessor will be construed as an election by Lessor to terminate this Agreement, unless Lessor signs a written notice of termination. Notwithstanding any re-entry or taking possession, Lessor may later elect to terminate this Agreement for a previous Default. Acceptance by Lessor of any Payment following the occurrence of an Event of Default will not be construed as waiver of such Event of Default. No waiver of any Event of Default by Lessor will be deemed to constitute a waiver of any other or future Event of Default. Forbearance by Lessor to enforce one or more remedies will not be deemed to constitute a waiver of any Default. No provision of this Agreement will be deemed waived by Lessor unless waiver is in writing signed by Lessor. Rights and remedies granted to Lessor in this Agreement are cumulative and every other right or remedy Lessor has in law or equity and the exercise of one or more rights or remedies will not prejudice the concurrent or subsequent exercise of other rights or remedies.

13.5 INCORPORATION BY REFERENCE OF SUBLEASE TO PROVISIONS OF CONTRACT.

In the event Lessee subleases under 8.4, its contracts with its sublessees shall incorporate by reference the provisions of this contract.

13.6 EFFECT OF DEFAULT ON SUBLEASES.

Each sublease, in writing, covered under these Leased Premises shall survive any default under or termination of this Lease and shall continue as a lease of Lessor, provided sublessee is in good standing under its sublease and its rent is no less favorable to Lessor than this initial Lease.

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SECTION 14 - SURRENDER OF PROPERTY

14.1 LESSEE'S DUTY TO SURRENDER.

If Lessee fails to surrender the premises at the expiration or sooner termination of this Lease, Lessee shall defend and indemnify Lessor from all liability and expense resulting from the delay or failure to surrender, including, without limitation, claims made by any succeeding tenant founded on or resulting from Lessee's failure to surrender. Lessee may remove from Improvements any Trade Fixtures, which can be removed without material damage to Land or Improvements. Any Trade Fixtures or other property not removed within **thirty (30) days** after the Expiration Date or earlier termination of this Lease will become the property of Lessor and may be retained or disposed of by Lessor, at its option and free of any claim of Lessee.

14.2 HOLDING OVER.

This Lease shall terminate without further notice at expiration of the term. Any holding over by Lessee after expiration or other termination shall not constitute a renewal or extension or give Lessee any rights in or to the premises except as expressly provided in this Lease.

SECTION 15 - MISCELLANEOUS PROVISIONS

15.1 FORCE MAJEURE.

If Lessee is delayed or prevented from performing any term of this Lease (other than payment of Rent) by reason of riots, war, natural disaster or other reason beyond Lessee's control, then performance will be excused for the period of delay and the time for performance will be extended for a period equal to the period of such delay. In no event will payment of Rent be abated or subject to offset.

15.2 GOVERNING LAW; VENUE; INTERPRETATION; TRUST OBLIGATIONS.

This Lease shall be interpreted in accordance with laws of the State of Oklahoma. Lessee agrees this Lease is deemed accepted, executed, approved and delivered in Oklahoma County. Lessee agrees any dispute, arbitration or litigation with Lessor in relation to this Lease shall be conducted in Oklahoma County, Lessor's only official residence and place of business.

15.3 LEASE SUBORDINATE.

This Lease will be subject and subordinate to, and Lessee will comply with, the Oklahoma Enabling Act, Oklahoma Constitution and Statutes, Court Orders, policies, procedures and rules, relative to the operation and management of the Oklahoma School Land Trust.

15.4 APPROVALS.

When approval by either Lessee or Lessor is required, such approval will not be unreasonably withheld.

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15.5 ENTIRE AGREEMENT.

This Lease contains the entire agreement between the parties. No promise, representation, warranty, or covenant not included in this Lease has been, is or will be relied on by either party. Each party has relied on his own examination of this Lease, the counsel of his own advisors, and the warranties, representations, and covenants in the Lease itself. Failure or refusal of either party in advance to inspect the Leased Premises or Improvements, to read the Lease or other documents, or to obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention, or claim that might have been based on such reading, inspection, or advice.

15.6 EXECUTION IN COUNTERPARTS.

This Lease may be executed in multiple counterparts when taken together shall constitute one agreement; and any party may execute this Lease by signing each counterpart.

15.7 TIME.

Time is of the essence of this Lease.

15.8 RECORDING.

Lessor and Lessee agree this Lease, or a memorandum of Lease, will be recorded in the records of Lessor and of the County Clerk of the County in which the Land is located.

15.9 SEVERABILITY.

The invalidity or illegality of any provision shall not affect the remainder of the Lease.

15.10 EXCULPATION.

Lessee understands and agrees neither Lessor, Trust, State of Oklahoma nor any Person acting on behalf of Lessor, Trust or State of Oklahoma will have any personal liability under this Lease.

15.11 RIGHT OF ENTRY.

Lessor may enter upon the Property at such times as may be reasonable for inspection, for the purpose of exercising any of its rights reserved under this Lease, or for the purpose of fulfilling any of its obligations hereunder.

15.12 AUDIT CLAUSE.

Lessee agrees all of its books, records, documents, working papers, accounting procedures and practices, and all other documents, items and other property relevant to Lessee's performance of this Lease are subject to examination by Lessor and the Oklahoma State Auditor and Inspector immediately upon request.

15.13 FAIR DEALING.

Lessee covenants and warrants the only Persons and entities interested in this Lease are named and no others have any interest in this Lease at this time; Lessee enters

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into this Lease without collusion on its part with any other Person, without fraud, and in good faith. Lessee further covenants and warrants no gratuities (in the form of entertainment, gifts or otherwise) were, or during the term will be, offered or given by Lessee, or any agent or representative of Lessee, to any officer, employee or agent of Lessor with a view toward securing this Lease or securing favorable treatment with respect to the performance of this Lease.

15.14 CONFLICT OF INTEREST.

Lessee covenants and agrees, upon the signing of this Lease, or within **five (5) days** after the acquisition of any interest herein or in Lessee by any other person during the term, Lessee will disclose in writing to Lessor whether any commissioner, board member, officer or employee of Lessor or any public official or employee has any direct, indirect, legal or beneficial interest in Lessee or in any contract or agreement between Lessor or Lessee, or in any franchise, concession, right or privilege of any nature or otherwise granted by Lessor to Lessee.

15.15 DISCRIMINATION.

Lessee agrees in the use, occupation and operation of the Leased Premises it will not discriminate against any person or class of persons by reason of race, color, national origin, ancestry, creed, religion or politics.

15.16 PROHIBITION AGAINST NUISANCE.

During the term of this Lease, Lessee agrees not to permit and/or promote any activity that may be determined to become a nuisance. Lessee agrees that in the event any such activity occurs on the Property during the term of this Lease that it will take all reasonable steps to prevent and/or abate the nuisance.

15.17 BUSINESS DIVERSION.

Taking into consideration Lessee's total business concerns, Lessee agrees to use its best efforts to not divert, or cause or allow to be diverted, from the Leased Premises any business or trade which Lessee might ordinarily obtain from its location at the Leased Premises.

15.18 NOTICES.

Any notice, payment, demand or communication required or permitted to be given by any provision of this Agreement will be deemed to have been given when delivered personally to the party or, when actually received if sent by registered or certified mail, postage and charges prepaid, addressed as follows:

To Lessor: Commissioners of the Land Office
P.O. Box 26910
Oklahoma City, Oklahoma 73126
Attention: Secretary

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With copy to: Commissioners of the Land Office
P.O. Box 26910
Oklahoma City, Oklahoma 73126
Attn: Director, Real Estate Management

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To Lessee: Camilla Elaine Hart
30 Hazy Brook Circle
Chickasha, OK 73018

Either party may change its notice address(es) by giving written notice to the other party as provided above.

SECTION 16 - DEFINITIONS

16.1 DEFINED TERMS.

The words defined in this Section are intended to have the following meanings when used in this Lease:

16.1.1 *Commencement Date.*

The date on which this Lease has been approved and executed on behalf of Lessor as evidenced by the date set opposite Lessor's execution below.

16.1.2 *Construction Phase.*

The period of time beginning with the end of the Development Phase and ending with the Operation Date, but no more than Six (6) months after the ending of the Development Phase.

16.1.3 *Development Phase.*

The period of time beginning with the Commencement Date and ending with the beginning of the Construction Date, but no more than **Eighteen (18) months** after the Commencement date.

16.1.4 *Expiration Date.*

The date is **Fifty-five (55) years** after the Commencement Date.

16.1.5 *Governmental Authorities.*

Any court, agency, authority, board (including, without limitation, environmental protection, planning and zoning), bureau, commission, department, office or instrumentality of any nature whatsoever of any governmental or quasi-governmental unit, whether federal, state, county, district, municipality, city, political sub-division or otherwise, whether now or hereafter in existence, or any officer or official of any of the foregoing.

16.1.6 *Improvements.*

All pipes, utility lines, drainage improvements, parking areas, roadways, access

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ways, sidewalks, landscaping, buildings, structures, facilities and other improvements now or hereafter installed in or constructed or located on the Land. The term "Improvements" specifically excludes Trade Fixtures.

16.1.7 Legal Requirement(s).

All statutes, ordinances, laws, orders, judgments, decrees, injunctions, rules, rulings, regulations, permits, licenses, authorizations, directions, determinations, policies and other requirements of any Governmental Authority (including, without limitation, those pertaining to zoning, building, health and the environment) in any way applicable to Lessee or the Property or any part, and all requirements of any insurance policy covering or applicable to all or any part of the Property or its use and all requirements of the issuer of any such policy and all orders, rules, regulations, recommendation and other requirements of the Board of Fire Underwriters or Insurance Service Office or any other body exercising the same or similar functions and having jurisdiction of all or any part of the Property in each case, whether now or hereafter enacted and in force, including, without limitation, those relating to the development, construction, use, occupancy, operation, management, maintenance, repair, modification, alteration (structural or otherwise), demolition of the Property or any part, and related permits, licenses, authorizations and regulations and covenants, agreements restrictions and encumbrances, contained in any instrument either of record or known to Lessee affecting Lessee or the Property or any part.

16.1.8 Mortgage(s).

A mortgage, security agreement, collateral assignment or other instrument creating a lien, security interest or other encumbrance covering all or any part of the Lessee's interest in: (i) this Lease; (ii) the leasehold estate created; (iii) the Leased Premises, or (iv) the Improvements.

16.1.9 Mortgagee(s).

Any Person holding a Mortgage and such Person's successors and assigns of which Lessor has received written notice.

16.1.10 Operation Date.

The date that the enterprise is first opened for business or no later than the first day of the twenty fourth (24th) month after the Commencement Date. Lessor and Lessee will certify the actual Operation Date.

16.1.11 Operation Phase.

The period of time beginning with the Operation Date and ending with the Expiration date, but no more than **Fifty-five (55) years** after the Commencement Date.

16.1.12 Person.

Any individual, corporation, association, trust, partnership, joint venture or other entity or any government commission or agency or political subdivision.

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16.1.13 Property.

Property means the Leased Premises and Improvements.

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16.1.14 Trade Fixtures.

Property owned by Lessee and/or sublessees occupying the Property not permanently affixed to the Land or the Improvements, and which can be removed without material injury to the Land or Improvements. Trade fixtures shall include all equipment installed on Leased Premises by Lessee including but not limited to store furnishings, metering devices, computer equipment, dispensers, compressors, and signs which shall remain the property of Lessee who may remove, repair or replace the same notwithstanding any contrary provision herein.

SECTION 17 - TERMINATING CONDITIONS

17.1 LESSEE'S TERMINATION.

Notwithstanding any contrary provision, Lessee may terminate this Lease at any time prior to the expiration of **six (6) months** from the Commencement Date, if:

- (i) Lessee shall have determined in the exercise of its good faith judgment, based on bona fide engineering studies conducted on the land, the Leased Premises are not suitable for Lessee's intended purposes, or
- (ii) Lessee shall have determined in exercise of its good faith judgment, after having made bona fide efforts to secure construction and long term financing for the Improvements, none is available on terms reasonably acceptable to Lessee, or
- (iii) Lessee shall have determined in the exercise of its good faith judgment, based on bona fide and timely attempts to obtain proper zoning or exceptions, and timely and thorough title, encumbrance and lien searches by a competent professional(s) and a licensed reputable title insurance company(s), proper zoning or exceptions is not reasonably obtainable or title to the Land is not insurable to reasonably guarantee Lessee possession and quiet enjoyment of the Land for the purposes of this Lease,
- (iv) Lessee shall be denied a franchise license, or
- (v) Lessee is unable to get proper zoning or building permits to economically construct improvements.
- (vi) Lessee is unable to obtain a suitable site plan.

GROUND LEASE

BOOK 4625 PAGE 102

17.2 TERMINATION NOTICE.

Lessee's right to terminate this Lease as provided in **Section 17.1** may be exercised at any time prior to **six (6) months** after the Commencement Date by giving Lessor 10 days prior written notice. If Lessee according to Section 17 terminates this Lease, Lessee will be entitled to **no** refund of any Rent, pro rata or otherwise.

17.3 EXPIRATION.

Unless Lessee has given prior notice required by **Section 17.2**, the terms of **Section 17** will expire at 12:00 p.m. Midnight the last day of the **sixth (6) month** after the Commencement Date or on such earlier date as Lessee may have waived its rights by written notice. Any such waiver shall be irrevocable. Upon written request, Lessor may grant an extension of time to exercise the right of termination at Lessor's sole discretion. IN WITNESS WHEREOF, Lessee and Lessor have executed and approved this Lease in **two (2)** original counterparts, on the date indicated.

[Balance of this page intentionally left blank]

GROUND LEASE

OFFICIAL EXECUTION AND APPROVAL

LESSEE

BOOK 4625 PAGE 163

"Lessee": CAMILLA ELAINE HART

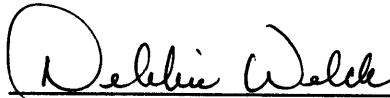
SSN/TIN # 443-54-2015

By: 

STATE OF OKLAHOMA)
COUNTY OF OKLAHOMA) ss.

The foregoing instrument was executed before me this 3rd day of March, 2005, by Camilla Elaine Hart.

[Seal]



Notary Public

My Commission Expires:



VIEW ADDITIONAL LAND RECORDS AT

22
OKCOUNTYRECORDS.COM

GROUND LEASE

NON COLLUSION AFFIDAVIT

STATE OF OKLAHOMA)
) SS:
COUNTY OF OKLAHOMA)

BOOK **4625** PAGE **164**

I, Camilla Elaine Hart, of lawful age, being first duly sworn on oath, says she is the Owner authorized to submit this contract to the State of Oklahoma; Affiant further states LESSEE has not paid, given, or donated or agreed to pay, give or donate to any officer or employee of the State of Oklahoma any money or other thing of value, either directly or indirectly, in the procuring of the contract.



Typed Name: Camilla Elaine Hart

Title: Owner

Subscribed and sworn to before me this 3rd day of March, 2005.

My Commission Expires


NOTARY PUBLIC

[Balance of this page intentionally left blank]

VIEW ADDITIONAL LAND RECORDS AT

GROUND LEASE

LESSOR

BOOK 4625 PAGE 165

COMMISSIONERS OF THE LAND OFFICE, ADMINISTRATORS
OKLAHOMA SCHOOL LAND TRUST
STATE OF OKLAHOMA, COUNTY OF OKLAHOMA

Approved Date: March 10, 2005

By: Mary Tallin

Co-Chairman

ATTEST:

(SEAL)

Clifton H. Scott
Clifton H. Scott, Secretary

STATE OF OKLAHOMA

COUNTY OF OKLAHOMA

The foregoing instrument was executed before me this 10th day of Mar., 2005, by Mary Tallin, Co-Chairman, and attested by Clifton H. Scott, Secretary, on behalf of the Commissioners of the Land Office of the State of Oklahoma, Trustees of the Oklahoma School Land Trust, an Oklahoma Public Trust.

[Seal]



Patricia Sheldon
Notary Public

My Commission Expires:

No. 106378
Vol. 2 Page 2
Recorded 3-11-05 (Date)
By J DeFatta
(Records Clerk)

VIEW ADDITIONAL LAND RECORDS AT

PROPERTY PHOTOS

Northeast Corner



Northeast Corner



North side



Northwest Corner



South Side



Southeast Corner







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