



February 9th, 2021

David Schulenburg  
Global Fund Investments, LLC  
4001 West Green Oaks Blvd, Suite 205  
Arlington, TX 76016

via email: [dschulenburg@gfinvestments.com](mailto:dschulenburg@gfinvestments.com)

**Letter of Intent for 2140 E Southlake Blvd.**

Dear David:

Rubicon Representation, LLC has been exclusively authorized by **Mathnasium** (“Tenant”) to present you this Letter of Intent. This Letter of Intent outlines the needs and requirements determined by our client and Rubicon Representation, LLC.

Please provide the information requested under each of the headings below.

**I. LANDLORD**

EQYInvest Owner II, Ltd., LLP

**II. TENANT**

Mathnasium. To be personally guaranteed for the first 24 months of the lease term. And thereafter for a period of twelve (12) months from the date Tenant defaults under the Lease plus the unamortized portion of any brokerage commissions and Tenant Improvement Allowance.

**III. BUILDING**

2140 E Southlake Blvd, Suite V  
Southlake, TX 76092

**IV. LEASE TERM**

TBD () month primary term.

The initial term must end on December 31<sup>st</sup>, 2025.

**V. COMMENCEMENT DATE & RENT COMMENCEMENT**

Letter of Intent  
2140 E Southlake Blvd, Suite 2140V  
Southlake, TX 76092



The Commencement Date shall occur on the later of 1) March 1, 2021; or 2) upon Landlord delivering possession of the Premises to Tenant.

The Rent Commencement Date shall be 150 days after the Commencement Date.

## **VI. PREMISES**

Tenant's space requirement will be for the entire 1,500 square foot space.

## **VII. ECONOMIC TERMS**

### **A. Base Rental**

\$25.00/sf/yr + NNN with 2% annual escalations.

### **B. Taxes, Common Area Maintenance and Insurance**

Tenant to pay its pro rata share of real estate taxes, common area maintenance, and insurance, based on its proportionate leasable building area out of the entire project subject to outparcels that self-insure/self-maintain. 2021 CAM, taxes and insurance payable by Tenant are estimated to be \$8.09 per square foot of leasable area.

Tenant requires a cumulative and compounding cap on all controllable CAM expense passthroughs at a maximum of five percent (5%) per year.

### **C. Tenant Improvement Allowance**

Landlord shall reimburse Tenant \$\$5.00 per square foot to complete Tenant's leasehold improvements, payable to Tenant within thirty (30) days of Tenant completing its work per the lease, providing the appropriate lien waivers, and Tenant accomplishing the following a) opening for business fully stocked, staffed and fixtured, and b) paid the first full month's rent after the Rent Commencement Date has occurred. Tenant improvements will be : installing new carpet, installing new signage, removing cabinets, and new paint.

## **VIII. RENEWAL OPTION**



So long as Tenant is open and operating and not in default, Tenant shall have one (1) option to renew the lease for five (5) years with six (6) months prior written notice to Landlord at three (3%) annual increases.

## **IX. SUBLEASE & ASSIGNMENT**

Tenant shall have the right to sublease all or any portion of the Premises to an unrelated entity with Landlord's approval, which shall not be unreasonably withheld, delayed, or conditioned. Tenant shall have the right to assign the Lease, without Landlord's approval, but with notice to Landlord, to franchisor of Tenant or to an approved Mathnasium franchisee, so long as such assignee has a net worth, liquidity and credit score similar or greater to that of Tenant and/or Guarantor as of the effective date of the lease ("Permitted Assignment"). Regarding a Permitted Assignment Tenant and Guarantor shall have no further liability after the effective date of such (excepting that which specifically survives the expiration of the lease) and for all other assignments Tenant and Guarantor to remain liable indefinitely unless otherwise agreed.

## **X. SIGNAGE**

Tenant requests the right for maximum fascia signage allowable by the city of Southlake and Landlord's Sign Criteria. Tenant will be allowed to install professionally made cling art as required by Mathnasium franchise agreement on the front windows subject to approval by Landlord and the applicable governing body. The art will not obscure the view into or out of the space. Tenant will be allowed to display an "Open" sign.

## **XI. HVAC & MAINTENANCE**

Landlord shall deliver the Premises on an as is basis except Landlord shall warrant that the HVAC system and units are in good, proper working condition within 30 days of delivering the Premises to Tenant (electricity shall be on at time of inspection). Landlord shall warrant that the plumbing system (not including fixtures) is in good, proper working condition upon delivering the Premises to Tenant.

Tenant's responsibilities for HVAC system repairs shall be capped at \$500.00 per unit per occurrence, for the first year after Landlord delivers possession of the Premises to Tenant so long as Tenant enters into a HVAC service contract for quarterly maintenance to the unit(s) and monthly replacement of the air filters. If Landlord replaces the existing HVAC unit(s) during the warranty period, Tenant shall be responsible for the HVAC unit(s) following such replacement.

## **XII. RESTORATION**

Landlord confirms that Tenant will have no restoration requirements for any of its initial leasehold improvements.

## **XIII. EXCLUSIVITY**



So long as Tenant is open and operating, Landlord shall not lease space to any other tenant within the center to operate as an educational business which provides math learning to children grades K-12. The foregoing restriction shall not apply to (a) any tenant now or hereafter leasing or occupying in excess of 10,000 square feet of Rentable Area in the Shopping Center, or (b) any existing tenant of the Shopping Center (or any such existing tenant's successors, assignees or sublessees), or (c) any tenant who shall at any time replace any such existing tenant (or any such existing tenant's successors, assignees or sublessees) with a similar use whether such replacement tenant shall occupy the same or different premises in the Shopping Center, or (d) any tenant deriving 20% or less of their gross revenues from an educational business which provides math learning to children grades K-12. Notwithstanding the aforementioned, Landlord shall not grant any existing or replacement tenant the right to alter its permitted use, so long as Landlord has approval rights per such tenant's lease, to be in conflict with Tenant's Exclusive Use.

#### **XIV. DISCLOSURE**

Rubicon Representation, LLC is representing Tenant in this transaction and is not representing the Landlord. Upon execution of a Lease, Rubicon Representation, LLC shall be paid a commission in the amount of four percent (4 %) of the base rent for the primary term by the Landlord pursuant to a separate agreement. Such commission shall be paid in **50%** on lease execution, removal of any lease contingencies, Landlord's receipt of Broker's W-9, and Landlord's receipt of Broker's invoice for the first half of the commission, and **50%** after Tenant has opened for business from its premises within the Shopping Center, commenced the payment of full rent under its lease, and Landlord's receipt of Broker's invoice for the second half of the commission.

#### **XV. CONFIDENTIALITY**

Landlord (and its agents, vendors, consultants, etc.) and Tenant (and its agents, vendors, consultants, etc.) all agree to keep all information with respect to this LOI confidential.

#### **XVI. SECURITY DEPOSIT**

Last month's Base Rent plus NNN for the Initial Term of the Lease Agreement payable at lease execution.

#### **XVII. PREPAID RENT**

First month's Base Rent plus NNN for the Initial Term of the Lease Agreement payable at lease execution.

It is expressly understood and agreed by both parties that the foregoing proposal constitutes an agreement in principle only with respect to a leasehold interest in the above referenced Premises and does not create any contractual rights or obligations on the part of either party. In no event shall any contractual rights or obligations exist until such time as a Lease Agreement is fully executed and delivered by both parties.



Accordingly, the parties agree not to rely on the terms of this Letter Of Intent and that any obligations incurred, funds spent and business opportunities lost are at each party's sole risk.

We appreciate your interest in accommodating the needs of our client and look forward to your response. Please submit your response within 4 business days and please call to discuss any questions.

Best regards,  
**RUBICON REPRESENTATION, LLC**

Parker Pierce  
Associate