

MOSAIC WELLNESS CENTER MANAGEMENT AGREEMENT

This MANAGEMENT AGREEMENT (this "*Agreement*") is made as of this, the effective date of the agreement, the 3rd day of May, 2010, by and between Pink Pilates Inc dba Wayne Martin Fitness, Texas ("*Company*") with an address of 5925 Almeda Road Houston, Texas 77004 and MOSAIC MASTER CONDOMINIUM ASSOCIATION, INC. ("*Mosaic*") with an address of 5925 Almeda Road, Houston, Texas 77004-7602.

RECITALS

WHEREAS, Mosaic operates Mosaic Hi Rise Condominiums (the "*Property*") located at 5925 & 5927 Almeda Road, Houston, Harris County, Texas; and

WHEREAS, Company is in the business of providing professionally operated wellness services for overall mind and body fitness; and

WHEREAS, Mosaic desires to provide the physical space and other amenities (as further described herein), and the Company desires to provide its professionally operated wellness services by creating the Mosaic Wellness Center at the Property (hereinafter the "*Service*"); and

WHEREAS, this Agreement contains the terms of engagement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the parties hereto, intending to be legally bound, agree as follows:

Definitions

"*Owner(s)*" shall be defined as those persons according to the Real Estate Property Records of Harris County, Texas having the limited common interest in the Property.

"*Resident(s)*" shall be defined as those persons who have contracted tenancy with the Owner(s) according to the Real Estate Property Records of Harris County, Texas having the limited common interest in the Property.

"*Exclusive Non-Resident member(s)*" shall be defined as those persons meeting the criteria and eligibility to reside at the property, and that through the Company's membership application process demonstrate a common interest in embracing a Mind and Body wellness lifestyle and pledges that while on the Property will conduct themselves in manner that is in the best interest of the Mosaic. All Non-Resident members shall be provided with access to the fitness facility only. The Company represents that at no time shall they authorize any non-resident to access any other amenity or area of the community.

WMf WM Date 11/19/10

MMCA [Signature] Date 11/19/10

ARTICLE I

APPOINTMENT

Mosaic grants Company the privilege and the sole and exclusive right to provide and operate the Service at the Property for the term and periods as outlined in this agreement. Company will provide the Service during the term of the Agreement in accordance with the policies, standards and procedures established by Mosaic, together with all applicable covenants and provisions set forth herein.

ARTICLE II

THE COMPANY'S OBLIGATION

Section 2.1. Services.

The Company will provide an onsite manager and all personnel necessary to facilitate professional management oversight and operation of the Mosaic Wellness Center. This includes offering a number of Mind and Body exercise activities and providing fitness center management services for current owners, residents and exclusive non-resident members. The Company will also assist the Mosaic staff in marketing of the units at the Property to prospective residents by assisting with tours of the wellness center. The company will also provide monthly statistical data to the Mosaic.

Section 2.2. Equipment To Be Supplied By Company.

All supplies, trade equipment, displays, and other equipment (e.g. Pilates equipment), which may be needed to operate the Service, shall be supplied, owned, and maintained by Company. Company will keep an inventory of such items and these items will be an expense of the operation.

Section 2.3. Cleaning and Maintenance; Conduct of Business

Company will maintain the proper appearance of the Wellness Center by keeping it clear of trash and soiled towels and will perform ongoing spot cleaning of the space and equipment. Mosaic will perform the general end of day cleaning. Company will report any damages or hazardous conditions immediately to Mosaic. Company agrees not to harm the Property; nor commit any nuisance; make any use of the Property which is offensive as determined by Mosaic in its reasonable discretion; nor do any act tending to injure the reputation of Mosaic. Should any act of Company be reasonably considered by Mosaic to be a nuisance, offensive, and/or injurious, it shall provide Company with written notice detailing the conduct. Company shall then have thirty (30) days from receipt of notice to cure said conduct.

WMf WM Date 11/19/18

MMCA SS Date 11/16/18

Section 2.4. Personnel

- (a) Company will recruit, employ, train and properly supervise all employees necessary for the smooth and efficient operation of the Service using Company's quality selection process. All personnel employed by Company will, at all times and all purposes, be solely in the employment of Company.
- (b) Company will provide adequate staffing by providing a minimum of one (1) employee daily. Mosaic agrees to provide Company reasonable notice that will allow The Company to increase staff if necessary to accommodate special events, parties or any other extraordinary activities. Reasonable notice shall be a period of no less than thirty (30) days.
- (c) All employees of the Company shall wear appropriate attire acceptable to Mosaic and when on the Property, will conduct themselves in a manner consistent with the standards, quality and image of the Property. Mosaic may, in writing require Company to remove from employment at the Property such employees of Company as Mosaic deem incompetent, careless, or otherwise objectionable or whose continued employment is contrary to the Mosaic's best interests. Company shall have thirty (30) days from the receipt of notice to cure or comply.
- (d) Company shall have a supervisor or supervisor's designee at the Property during all hours of operation.
- (e) Company will run a pre-employment, criminal background check on all potential employees prior to being employed by Company. No person(s) with unsatisfactory results will be used by Company at the Property. Company will keep all pertinent records for its employees.
- (f) The Company understands that as an employer it will be required to conform to all applicable regulations and guidelines necessary in the administration of its employees. Company will abide by all applicable state and federal regulations required of an employer, inclusive of payroll tax requirements and Workers Compensation if required by Law.

Section 2.5. Hours of Operation

At full occupancy capacity, the Company will maintain hours of operations between 6am to 9pm: Monday - Friday, 8am to 5pm on Saturday, and 12pm to 5pm on Sunday. Until the Property achieves its targeted occupancy, the Company will modify the hours of operations to accommodate the existing occupants. (See Exhibit B for an example of a possible class schedule).

The Company also agrees to put in place some mechanisms to give Residents priority access to the services it offers.

WMf W/W Date 11/19/10

MMCA [Signature] Date 11/19/10

MOSAIC'S OBLIGATION

Section 2.6. Services.

As a prerequisite to bring this agreement into effect, Mosaic has agreed to build out at its expense one additional group fitness room within sixty (60) days of the start of operations based on the number of requests documented by request of clients of The Company for such expansion.

For the term of this Agreement and any renewals, Mosaic will provide and maintain access to the property for the Company's staff and exclusive non-resident members at no cost to the Company. Mosaic will also provide three (3) residential units located at 5927 Alameda Road, Houston, TX 77004. The Mosaic has agreed to offer concessions for the residences based on the following: 1 -2 bedroom unit @100% abated rent, 1 -1 bedroom unit @50% market rent, and 1-1 bedroom unit @ 33% market rent. The market rental amounts shall be adjusted on an annual basis, and all executed residential leases will be on a month-to-month term. The Company agrees and warrants that it has full and sole responsibility for the use, maintenance and upkeep of the respective residential units. In the event of the termination of an employee, the Company agrees to have that individual or individual(s) vacate the premises within 72 hours. In the event of termination of this agreement regardless of cause, the Company agrees to vacate the premises in no less than 5 days. Company agrees to be the responsible party to all lease agreements. The employees of the Company acknowledge that they, on an individual basis, will be subject to the rental criteria for approval to be considered eligible for tenancy as described above. Employees of the Company will be required to abide by all of the rules, regulations and applicable covenants of the Mosaic. The Company also agrees and warrants that all employees will be subject to conform to all of the provisions outlined in the Residential Lease agreement and are subject to termination of the lease agreement for non-compliance of the requirements outlined in the agreement.

Section 2.7. Equipment To Be Supplied By Mosaic

Mosaic shall provide and own all exercise equipment, furniture, phone service, internet connectivity, and utilities (excluding massage tables and fixtures). An Itemized inventory of all equipment shall be a part of this agreement. (See Exhibit "D").

ARTICLE III

FINANCIAL

Section 3.1. Fees.

Thereby, this contract provides that Company will operate the facility at no or nominal charge to residents for basic services in lieu of rent. Company will earn income by selling memberships to exclusive non-residents members and group classes, private-or semi-private sessions, to residents and exclusive non-residents members. Company will also charge fees for other services such as physical therapy, massage therapy, stretch therapy and workshop/ seminars. Company agrees to offer discounts to most services for residents. (See Exhibit A for an example of

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the intended pricing structure. It is understood that Company may modify its menu of services to respond to demand and market innovations.). Company holds the exclusive right to all income and fees received.

ARTICLE IV

INSURANCE, INDEMNIFICATION AND CLAIMS

Section 4.1. Insurance

- (a) Company agrees to carry insurance in such amounts as shown below to cause such insurance to include the Mosaic

General Liability: \$1,000,000.00 per occurrence and
 \$2,000,000.00 aggregate General Liability.
 General Liability will name Mosaic as additional insured's
 with waiver of subrogation.

- (b) The insurance premiums for the foregoing shall be an expense of the Company.
- (c) Company's insurance provider will be responsible for handling the defense of both the Company and Mosaic in the event of any claim being presented based upon loss of or claim by an authorized user, covered under the insurance policy.
- (d) Insurance Policy Requirements.
- (i) All policies of insurance shall be issued by Insurance companies with a general policy holder's rating of not less than A-XII as rated in the most current "Best's Insurance Reports", and licensed to do business in the State of Texas and authorized to issue such policy or policies.
- (i) Company shall have the right to insure and maintain the insurance policies required by this Agreement under blanket insurance coverage so long as such blanket insurance policies comply with the amounts of insurance and other requirements herein.

Section 4.2. Claims/Damages.

Any claims received by Company for lost articles left in the Wellness center, including locker rooms and treatment rooms or discourteous treatment by Company associates shall be closely investigated by Company (with Mosaic having the right to be informed of the results of, as well as the right to participate in, all investigations) and thereafter promptly handled and resolved with the claimant. Company shall keep Mosaic informed of all handling and resolutions of complaints, and shall immediately notify Mosaic of any claim.

WMfwm Date 11/19/10

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Section 4.3 Indemnification by The Company

The Company agrees that The Mosaic, STR, PCMC, (List all entities) and its stockholders, officers, agents, or employees shall not be liable for any claim arising from or against it for any act or default by the Company or its stockholders, officers, agents, or employees which is in violation of any federal or state regulations or results from the negligence on the part of the Company or its stockholders, officers, agents, or employees thereof unless such liability is attributable and to that extent as a direct result of the gross negligence of The Mosaic. In the event that The Mosaic is required to defend any action arising from such claim, the Company shall indemnify said parties for any and all claims, demands, costs or judgment, including reasonable attorney's fees.

ARTICLE V

TERM AND TERMINATION

Section 5.1. Term

The commencement date will be May 1st, 2010. The initial term of this Agreement will be for five years beginning on the commencement date, during the initial term either party may cancel the agreement with or without within the first 6 months by providing a 60 notice of intent. The Agreement will then automatically be renewed at each 5th anniversary of the commencement date for an additional five (5) years term unless terminated by either party under the terms contained herein. The maximum number of automatic renewals shall be 20 years, unless the agreement conflicts with the provisions of Texas statutes as it relates to the transfer of control from the Developer/Owner to the Home Owners; at which time the provisions in the Statute shall supercede the parameters contained within this agreement.

Section 5.2. Termination

(a) Failure/Default. In the event that either party shall, at any time, fail to carry out and comply with any of the covenants and/or conditions within this Agreement to be performed by it, then, before taking any action, the other party must provide the non-complying party with written notice of such failure or default and provide an opportunity to cure of not less than thirty (30) days. Written notice must include the specific actions required to cure the failure or default. If and only if, the failure or default is not cured, the notifying party has the right to terminate the Agreement by giving a separate and additional written notice of termination to the other party of at least ninety (90) days.

(b) Serious Failure/Default. Should a failure/default occur that results in a danger to the safety of residents or visitors of the facility, Mosaic shall have the right to immediately suspend (notice of which may be orally given so long as written notice is promptly sent thereafter) the Company's right to operate the Service, and in such an event Company agrees to suspend the operation of the

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Service until such failure or default is cured. Mosaic and Company will cooperate in identifying the best ways to remove the danger and cure the serious failure or default. The written notice will outline the serious failure or default and enumerate the actions required for cure. In the event the serious failure or default is not cured within thirty (30) days, Mosaic shall have the right to cancel and terminate the Agreement without further notice. Company shall have the right to resume operation of the Service immediately upon the serious failure or default being cured as acknowledged Mosaic. Mosaic shall exercise its determination of cure both fairly and reasonably and in good faith.

(c) Economics/ Business. Company may terminate its obligations at any time during the terms of this Contract in the event it is unable to generate enough revenues to cover its expenses and return a profit to its investors, or if some other business conditions (e.g. loss of key personnel...) make it impossible for it to remain profitably in business at the Mosaic location. In such case, Company will give at least sixty (60) days notice to Mosaic.

Section 5.3 Non-Compete

The parties covenant and agree that Mosaic and its successors and assigns will not either on an individual basis or as a partner or in a joint venture with any other individual or as an employee or agent for any person, partnership, firm or corporation, hire or offer employment to any person who has been an employee or contractor of Company during the term of this Agreement, for a period of twelve (12) months from the date the Agreement terminates for any reason.

The parties covenant and agree that Mosaic and its successors and assigns will not permit businesses that offer services that compete with the Company to operate in the Mosaic Towers residential and retail spaces.

The parties acknowledge that no adequate remedy at law would exist in the event of a breach of the aforementioned covenant of non-compete and that an injunction by a court of appropriate jurisdiction is an appropriate remedy to enforce compliance or prevent a breach thereof. Should any litigation be commenced between the parties to this covenant of non-compete concerning this Agreement, or the rights and duties of either party in relation thereto, the party, prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to all reasonable and necessary attorney's fees, expenses and costs in such litigation which shall be determined by the court in such litigation or in separate action brought for that purpose. Nothing in this section shall be construed as a limitation of the kind and/or type of available remedies for the failure and/or breach of any other section of this Agreement.

Section 5.4 Collateral Material

Mosaic understands that Company is an independent economic entity that seeks to expand and develop other health & wellness centers locations and as such needs to develop its own brand (inclusive of logo, trademarks, website, and distinctive and independent collateral and advertising materials). Company however will submit to Mosaic for review any material that makes

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representations or descriptions that relate to the vision and lifestyle of the Mosaic community if any are made. Also, Company agrees to have the Mosaic Condominiums logo accompany the marketing materials directed to the Residents, the marketing materials posted in the Property, and the printed marketing materials intended to promote the Mosaic Condominiums location to the general public. Mosaic will furnish to Company the logo it wants used. The Mosaic Condominium logo will be affixed next or close to the Mosaic address.

ARTICLE VI

MISCELLANEOUS

Section 6.1. Notices.

All notices will be in writing and sent by certified mail (postage prepaid), return receipt requested or by recognized courier or delivery service, to the address specified in the first paragraph of this Agreement, or to such other persons or places as either party may from time to time designate by written notice to the other. Notices shall be deemed effectively delivered when received if sent by courier or delivery service, or upon the second mail delivery date after mailing if sent via certified mail. Actual notice, however, shall always be effective when received. Any change in address shall be sent to the other party in writing within a reasonable time of the change.

Section 6.2. Successors and Assigns.

The provisions hereof will be binding upon and inure to the benefit of the parties and to their respective successors and assigns. The Agreement may not be assigned, however, by either party without the prior written consent of the other; consent will not be unreasonably withheld. Notwithstanding, assignment shall not relieve the assigning party from its obligations under this Agreement.

Section 6.3. Equal Opportunity Employer.

Both the Company and Mosaic affirm that they are Equal Opportunity Employers and will comply with all laws and regulations prohibiting employment discrimination in the performance of the Agreement.

Section 6.4. Waiver

A failure of either party to insist upon or enforce any term or provision or to exercise any right, option, or remedy of the Agreement, or to require at any time performance of any provision hereof, shall not be construed as a waiver of any such term or provision. No waiver by either party or any term or provision hereof shall be binding unless made in writing and signed by such party and delivered to the other party as required in Section 6.1 Notices, in this Agreement.

WMf WM Date 11/19/10

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Section 6.5. Severability.

If any provisions of this Agreement are held to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect.

Section 6.6. Agreement and Amendments.

The four corners of this Agreement constitute all the agreements of the parties, superseding any prior agreements and may not be changed other than by an amendment to this Agreement in writing and signed by both parties. There are no oral agreements concerning the subject matter hereof between the parties.

Section 6.7. Security.

Mosaic acknowledges that Company has no background in security and is not contracted to perform such services. By signing this agreement, however, Company acknowledges that they have the limited responsibility to report any actions observed by Company's employees that have occurred or may endanger property or person to appropriate emergency agencies or Mosaic's staff, management or security.

Section 6.8. Relationship of the Parties.

Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto or of employer and employee, it being understood and agreed that nothing contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of an independent contractor. Company shall not hold itself out as, nor shall Company permit its employees to hold themselves out as agents, partners or employees of Mosaic.

Section 6.9. Governing Law.

This Agreement shall be construed under the laws of the State of Texas and venue shall be proper in Harris County, Texas.

Section 6.10. Incorporation by Reference

The attached Exhibits and any future written amendments, either to the Exhibits and/or the body of the Agreement itself, are hereby incorporated by reference as a part of this Agreement.

WMf WM Date 11/19/10

MMQA Q Date 11/19/10

Section 6.11. Authority.

The parties hereto represent and warrant that they possess the full and complete to covenant and agree as provided in this Agreement and, if applicable, to release other Parties and signatories as provided herein. If any Party hereto is a corporation or limited liability company, the signatory for any such corporation or limited liability company represents and warrants that such signatory possesses the and has been authorized by the corporation or limited liability company to enter into this Agreement, whether by resolution of the board of, upon the instruction by an authorized officer of, as authorized in the bylaws of the corporation on whose behalf the signatory is executing this Agreement, or otherwise.

IN WITNESS WHEREOF, the parties below have cause this Agreement and its related Exhibits to be executed as of the date set forth above, in multiple counterparts, each of which shall have the full force and effect of an original.

Company:

Pink Pilates Inc dba Wayne Martin Fitness.

By: [Signature]

Name: Wayne Martin

Title: President

By: Wayne Martin
President
5925 Alameda Road
Houston, Texas 77004

Mosaic Owner:

MOSAIC MASTER
CONDOMINIUM ASSOCIATION, INC

By: [Signature]

Name: FRED RODRIGUEZ

Title: GENERAL MGR

By: [Signature]

5925 Alameda Road
Houston, Texas 77004-7602

WMf WM Date 11/14/10

MMCA [Signature] Date 11/14/10

Exhibit A – Initial Pricing

Prices and services may vary depending on demand, promotions and other market factors

Service	Resident	Non Resident
Reformer Pilates	\$27/Class	\$30/Class
Pilates Intro Private Session (required to participate in Class)	\$62/Session	\$65/Session
Most other group classes	\$18/Class	\$20/Class
Private Sessions	\$65/Session	\$70/Session
Stretch Therapy	\$40/half hour	\$45/half hour
Massage	\$80/Session	\$85/Session
Seminars and Workshops	Event Specific	Event Specific
Gym Membership	No Charge	45/month

WMF WEM Date 11/19/10

MMCA C7 Date 11/19/10

Exhibit B

The following depicts what a typical schedule might look like when the property achieves its target occupancy. Actual classes and times may vary depending on response from the residents and actual occupancy.

	Mon	Tue	Wed	Thu	Fri	Sat	Sun
1 6:00 AM	RP	RP	RP	RP	RP		
2 7:00 AM		RP	RP	RP			
3 8:00 AM		RP	PP	RP			
4 9:00 AM	PP	PP	RP	PP	RP	RP	
5 10:00 AM	RP		RP			RP	
6 11:00 AM	RP		RP	PP	RP		
7 12:00 PM	PP	PP	PP		PP		
8 1:00 PM							
9 2:00 PM	RP						
10 3:00 PM	SS	PP	SS	PP	PP		
4:00 PM							
11 4:30 PM	PP	RP	PP	RP	RP		
12 5:30 PM	RP	RP	RP	RP			
13 6:30 PM	RP	RP	RP	RP			
14 7:30 PM	SS	RP	SS	RP			
Total	11	10	12	10	6	2	0

Studio B

	Mon	Tue	Wed	Thu	Fri	Sat	Sun
1 6:00 AM	MP	MP	MP	MP			
2 7:00 AM	Y	MP	Y	MP			
3 8:00 AM							
4 9:00 AM	Y		Y	Y			
5 10:00 AM							
6 11:00 AM							
7 12:00 PM		Y		Y			
8 1:00 PM							
9 2:00 PM							
10 3:00 PM							
4:00 PM							
11 4:30 PM		MP		MP	Y		
12 5:30 PM	Y	Y	Y	Y			
13 6:30 PM	MP	MP	MP	MP			
14 7:30 PM	MP		MP				

WMf WM Date 11/19/12

MMCA EB Date 11/19/12