

COMMERCIAL LEASE AGREEMENT

This Lease Agreement ("Lease") is entered into and made effective as of June 1, 2025, by and between:

LANDLORD: Sun Prairie Retail Partners

TENANT: Happy Nails Salon & Spa

WHEREAS, Landlord is the owner of certain real property located at 2847 Riverside Drive, Unit 4B, Plano, TX 75023; and

WHEREAS, Tenant desires to lease said premises for the purpose of nail salon, spa services, and retail sale of beauty products;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1 - PREMISES

1.1 Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the premises located at 2847 Riverside Drive, Unit 4B, Plano, TX 75023, comprising approximately 1,400 rentable square feet (the "Premises"), as more particularly described in Exhibit A attached hereto and incorporated herein by reference.

1.2 The Premises consist of approximately 1,400 square feet of Gross space as measured in accordance with BOMA standards (ANSI/BOMA Z65.1-2017).

ARTICLE 2 - TERM

2.1 The term of this Lease shall commence on June 1, 2025 (the "Commencement Date") and shall expire on May 31, 2028 (the "Expiration Date"), unless sooner terminated in accordance with the provisions of this Lease.

2.2 Renewal Options: One (1) three-year renewal option at the then-prevailing market rate for comparable retail space in the Plano, Texas area. Tenant must provide written notice of intent to renew no later than ninety (90) days prior to expiration.

ARTICLE 3 - RENT

3.1 Base Rent: Tenant shall pay to Landlord base monthly rent in the amount of \$2,800.00 per month, payable in advance on the first day of each calendar month during the term of this Lease. Annual base rent equals \$33,600.00.

3.2 Security Deposit: Tenant shall deposit with Landlord a security deposit in the amount of \$5,600.00, to be held by Landlord as security for the faithful performance by Tenant of all terms, covenants, and conditions of this Lease. The security deposit shall be returned to Tenant within thirty (30) days following the expiration or earlier termination of this Lease, less any amounts applied to cure Tenant defaults.

3.3 Escalation: Rent shall remain fixed for the initial three-year term at \$2,800 per month. Upon renewal,

rent shall be adjusted to market rate.

3.4 Late Payment: If any installment of rent is not received by Landlord within five (5) business days after the due date, Tenant shall pay a late charge equal to 5% of the overdue amount, plus interest at the rate of 1.5% per month on the unpaid balance.

ARTICLE 4 - PERMITTED USE

4.1 Nail salon, spa services, and retail sale of beauty products. Tenant shall not use the premises for any other purpose without Landlord's prior written consent.

4.2 Tenant shall not use the Premises for any unlawful purpose or in any manner that would constitute a nuisance, violate any applicable zoning ordinance, or increase the rate of insurance on the Premises or the building in which the Premises are located.

ARTICLE 5 - LEASE TYPE AND ADDITIONAL CHARGES

5.1 Lease Type: This Lease is a Gross lease.

5.2 CAM Charges: Common area maintenance charges are included in the gross rent. Tenant shall have no additional CAM obligations.

5.3 Tax Obligations: Real estate taxes are included in the gross rent. Landlord shall be solely responsible for payment of all real estate taxes and assessments.

ARTICLE 6 - RENEWAL OPTIONS

6.1 One (1) three-year renewal option at the then-prevailing market rate for comparable retail space in the Plano, Texas area. Tenant must provide written notice of intent to renew no later than ninety (90) days prior to expiration.

ARTICLE 7 - TERMINATION

7.1 No early termination permitted. Upon default, Tenant shall be liable for the balance of rent due for the remainder of the lease term. Landlord may pursue all remedies available at law or in equity.

7.2 Upon expiration or termination, Tenant shall surrender the Premises in good condition and repair, reasonable wear and tear excepted, and shall remove all personal property and trade fixtures.

ARTICLE 8 - MAINTENANCE AND REPAIRS

8.1 Tenant Responsibilities:

- Interior maintenance and repairs
- Plumbing fixtures and drains within the premises
- Storefront signage maintenance
- Interior painting and floor coverings

8.2 Landlord Responsibilities:

- Roof repairs and replacement
- Parking lot maintenance and resurfacing
- Exterior walls and structural elements

- HVAC system maintenance and replacement
- Common area landscaping

ARTICLE 9 - INSURANCE

9.1 Tenant shall maintain the following insurance coverages throughout the term of this Lease:

- General Liability (\$1,000,000 per occurrence)
- Property Insurance (contents only)

9.2 Minimum aggregate coverage: \$1,000,000.

9.3 Tenant shall name Landlord as an additional insured on all liability policies and shall provide Landlord with certificates of insurance upon request.

9.4 All insurance policies shall be issued by carriers with an A.M. Best rating of A- VII or better.

ARTICLE 10 - KEY PROVISIONS AND SPECIAL TERMS

10.1 Tenant is granted an exclusive use clause for nail salon and spa services within the shopping center. No other tenant within the center may operate a nail salon or similar personal care service.

10.2 Tenant may install storefront signage not to exceed 24 square feet, subject to Landlord's approval and local sign ordinances.

10.3 Tenant is allocated five (5) reserved parking spaces directly in front of Unit 4B.

10.4 Operating hours shall be consistent with the shopping center's posted hours unless otherwise approved by Landlord.

ARTICLE 11 - UTILITIES

Landlord shall provide water and sewer service to the premises. Tenant shall be responsible for electricity, gas, telephone, internet, and cable television service. Tenant shall contract directly with utility providers for such services.

ARTICLE 12 - HAZARDOUS MATERIALS

Tenant shall not store, use, or dispose of any hazardous materials on the premises except for standard beauty salon chemicals in quantities reasonably necessary for Tenant's business operations. Tenant shall comply with all applicable environmental laws and regulations.

GENERAL PROVISIONS

Governing Law: This Lease shall be governed by and construed in accordance with the laws of the state in which the Premises are located, without regard to conflict of law principles.

Entire Agreement: This Lease constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations, representations, warranties, commitments, offers, and agreements, whether written or oral.

Amendments: This Lease may not be modified or amended except by a written instrument signed by both Landlord and Tenant.

Notices: All notices required or permitted under this Lease shall be in writing and shall be deemed delivered when personally delivered, or three (3) business days after deposit in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the respective parties at the addresses set forth above or at such other address as either party may designate by notice.

Severability: If any provision of this Lease is held to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

Waiver: The failure of either party to enforce any provision of this Lease shall not be construed as a waiver of such provision or the right to enforce it at a later time.

SIGNATURES

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first written above.

LANDLORD:

Sun Prairie Retail Partners

Date: June 1, 2025

TENANT:

Happy Nails Salon & Spa

Date: June 1, 2025