

# LEASE SUMMARY

**TEAM: Houston TEXANS**

**Team Owner:** Bob McNair

[Team Website](#)

**FACILITY:** NRG Stadium

[Facility Website](#)

**Year Built:** 2000

**TITLE OF AGREEMENT:** NFL Club Stadium Lease Agreement

**Lessor:** Harris County Sports & Convention Corporation

**Lessee:** Houston NFL Holdings, L.P.

## **TERM OF AGREEMENT:**

This Agreement shall commence on the first day following the Substantial Completion Date and acceptance of the Leased Premises by Tenant, and shall continue for thirty years after such Date. Section 3.1, page 14.

## **ANNUAL FIXED PAYMENT:**

“For each Lease Year in the Lease Term, Tenant covenants and agrees to pay to Landlord certain annual payments . . . [which equals] and amount equal to \$4,010,000 for each Lease Year.” Section 4.1, page 15.

## **TERMINATION OF LEASE:**

### Tenant Default:

The occurrence of any one or more of the following matters constitutes a default by the Tenant:

- (a) Tenant’s failure to pay of the Guaranteed Payments or Additional Guaranteed Payment when due and payable under this Agreement, if such failure continues more than ten days after written notice thereof.
- (b) Tenant’s failure to pay any of the Additional Payments when due and payable under this Stadium Lease if such failure continues for more than thirty days after Landlord gives notices to Tenant that such amount was not paid when due.
- (c) Tenant’s failure to perform each and every covenant and agreement of Tenant with respect to insurance policies and coverages to be maintained by Tenant, if such failure is not remedied within five days after notice thereof.
- (d) Any material representation or warranty confirmed or made in this Agreement by Tenant or in any certificate required to be delivered by Tenant pursuant to this Stadium Lease shall be found to have been incorrect in any material respect when made or deemed to have been made if such failure is not remedied within thirty days after Landlord gives notice of such failure.
- (e) The filing by Tenant of a voluntary petition in bankruptcy, adjudication of Tenant as a bankrupt, or the filing of any petition or other pleading in any action seeking reorganization, rearrangement, adjustment, or composition of, or in respect of Tenant under the U.S. Bankruptcy Code or any other similar state or federal law dealing with

creditors' rights generally, unless within sixty days after such filing such proceeding is discharged.

(f) Appointment of a receiver, trustee, or other similar official of Tenant or its Property.

Section 17.1.1, pages 59-60.

Landlord Default:

The occurrence of any one or more of the following matters constitutes a default by the Landlord:

- (a) Failure of the Landlord to pay any of its monetary obligations
- (b) Misapplication by Landlord for any material amounts of monies deposited into the Capital Repair Reserve Account
- (c) Any material representation or warranty confirmed or made in this Agreement by Landlord shall be found to have been incorrect in any material respect when made or deemed to have been made if such failure is not remedied within thirty (30) days after Tenant gives notice of such failure.
- (d) The failure of Landlord to perform each and every covenant and agreement of Landlord with respect to insurance policies
- (e) Failure of Landlord to operate, Maintain, and repair the Leased Premises

Section 17.1.2, pages 60-62.

**USE OF FACILITY:**

“Tenant will have exclusive use of the Tenant’s facilities, the Joint Club/Rodeo Store, the Tenant’s Parking Spaces and Practice Facilities, and the Intellectual Property Rights attendant thereto . . . Tenant shall also have the uninterrupted access to such areas of the Leased Premises (including ingress and egress), on a year-round basis.” Section 2.5, page 7.

**MAINTENANCE:**

“Landlord shall, throughout the Lease Term . . . keep and maintain the Leased Premises . . . and perform all Maintenance and all Capital Repairs.” Section 6.2, page 24.

**INSURANCE:**

“Landlord shall, at its sole cost and expense, obtain, keep, and maintain, or cause to be obtained, kept and maintained, an ‘All-Risk’ property insurance policy” and other policies including commercial general liability insurance, workers’ compensation, automobile insurance, and overall “umbrella” coverage. Section 9.1, pages 31-32.