

**US GOVERNMENT  
LEASE FOR REAL PROPERTY**

DATE OF LEASE

5-17-11

LEASE NO. GS-07B-16893

THIS LEASE, made and entered into this date by and between Hertz Texaco Center, LLC

Whose address is 400 Poydras Street, Suite 1760, New Orleans, LA 70130-0616

and whose interest in the property hereinafter described is that of OWNER hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:

A total of 7,110 rentable square feet (RSF) of office and related space, which yields 5,838 ANSI/BOMA Office Area square feet (ABOA) of space located in Suite 2150 in a building known as 400 Poydras Tower located at 400 Poydras Street, New Orleans, LA 70130-0616 to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are 2 structured parking spaces for exclusive use of Government employees and patrons.

The premises is hereby further described as THAT TRACT OF LAND, situated in the FIRST DISTRICT OF THE CITY OF NEW ORLEANS, STATE OF LOUISIANA, in the entire SQUARE NO. 128, bounded by Poydras, Magazine, Lafayette and Constance Streets, designed as LOT T on Consolidation Plan by Gandolfe, Kuhn and Associates, dated October 28, 1983, approved by the Orleans Parish Planning Commission on December 30, 1983, recorded in COB 793, folio 185, which measures as follows:

Commencing at the intersection of the westerly right of way line of Constance Street and the southerly right of way line of Poydras Street, the Point of Beginning, run thence westerly along the southerly right of way line of Poydras Street toward Magazine Street, a distance of 139 feet, 11-5/8 inches to the easterly line of Magazine Street, thence at an interior angle of 90 degrees, 03 minutes, 15 seconds, run southerly along the easterly right of way line of Magazine Street toward Lafayette Street, a distance of 351 feet, 8-2/8 inches to the northerly line of Lafayette Street, thence, at an interior angle of 90 degrees, 11 minutes, 25 seconds, run easterly along the northerly right of way line of Lafayette toward Constance Street, a distance of 158 feet, 4 - 7/8 inches to the westerly line of Constance Street, thence, at an interior angle of 86 degrees, 48 minutes, 52 seconds, run northerly along the westerly right of way line of Constance Street toward Poydras Street, a distance of 352 feet, 10 inches to the Point of Beginning.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term that will commence on a date to be established by Supplemental Lease Agreement and continue for ten (10) years, five (5) years firm, subject to termination and renewal rights as may be hereinafter set forth.
3. The Government shall pay the Lessor annual rent of \$130,829.58 at the approximate rate of \$10,902.47 per month in arrears for years 1-5, which consists of annual shell rent of \$99,907.95 annual operating costs of \$30,921.63 and annual amortized tenant improvements cost over the firm term of the Lease of \$0.00 (per SFO requirements). The tenant improvement allowance is \$0.00 per ANSI/BOMA Office Area square feet or a total Tenant Improvements amount of \$0.00.

For years 6-10 the Government shall pay the Lessor annual rent of \$143,906.70 at the approximate rate of \$11,992.23 per month in arrears, which consists of annual shell rent of \$112,985.07 and annual operating costs of \$30,921.63.

Rent for a lesser period shall be prorated. Rent shall be made payable to:

Hertz Texaco Center, LLC  
400 Poydras Street, Suite 1760  
New Orleans, LA 70130-0616

4. The Government may terminate this lease in whole or in part, provided that the configuration of the terminated space is legally demisable and reasonably marketable, at any time on or after the of the fifth (5<sup>th</sup>) year by giving at least 60 days' notice in writing to the Lessor and no rental shall accrue after the effective date of termination, provided the Government has vacated the premises. Said notice shall be computed commencing with the day after the date of mailing.
5. ~~This lease may be renewed at the option of the Government for the following rentals: Provided notice is given in writing to the Lessor at least \_\_\_\_\_ days before the end of the original lease term or any renewal term, all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computer commencing with the first day after the date of mailing.~~
6. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
- A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO 9LA2058 dated June 28, 2010, as Amended July 9, 2010.
7. The following are attached and made a part hereof:
- A. Solicitation for Offers 9LA2058 dated June 28, 2010 as Amended July 9, 2010.  
B. GSA Form 3517B entitled GENERAL CLAUSES (Rev. [11/05]).  
C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])
8. The following changes were made in this lease prior to its execution:
- Paragraph 5 is deleted. Paragraphs nine (9) through nineteen (19) are added.
9. The lease is subject to Real Estate Tax reimbursement. For tax adjustments, the percentage of occupancy is 1.172%. The base tax year statement will be submitted within 60 calendar days after Lessor's payment of taxes to establish the base tax year. If the statement is for multiple parcels or buildings the value of each property shall be defined.
10. In accordance with the SFO paragraph entitled Operating Costs Base, the escalation base is established as \$4.35/RSF \$30,921.63/annum.
11. In accordance with the SFO paragraph entitled Common Area Factor, the common area factor is established as 1.218 (7,110 RSF/5,838 USF).
12. In accordance with paragraph 4.4 of the Solicitation, the Adjustment for Vacant Space is established at \$2.37 per ANSI/BOMA Office Area square feet (ABOA).
13. In accordance with the SFO Paragraph entitled Overtime Usage, the rate for overtime usage is established as \$75.00 per hour per floor or any portion thereof. Overtime usage will not apply to the building standard operating hours of 7:00AM - 5:00PM Monday through Friday. The cost to provide HVAC to those areas requiring 24 hour HVAC (LAN, etc.) will be reimbursed separately from rent at a rate of \$0.42/RSF/year.
14. Building Specific Amortized Security Costs (BSAC) is \$0.00.
15. The Lessor and Avant Properties, LLC. as Broker and The Crown Partnership, Inc. as co-broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease. The total amount of the commission is [REDACTED]. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction (Commission Credit).  
The commission credit is [REDACTED]. The first [REDACTED] of the entire commission shall be due upon Lease award and the remaining [REDACTED] less the commission credit shall be due upon acceptance of the space by the Government. The

Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted monthly rent:

- a) First month's rental payment \$10,902.47 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted first month's rent.
- b) Second month's rental payment \$10,902.47 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted second month's rent.

16. All questions pertaining to this lease shall be referred to the Contracting Officer of the General Service Administration (GSA) or his or her designees. The Government occupant is not authorized to administer this lease and GSA assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this Lease or any other cost authorized in writing by the GSA Contracting Officer. The Lessor will not be reimbursed for any services not provided for in this Lease, including but not limited to: repairs, changes in scope of work, alterations and overtime services without the written authorization of a Contracting Officer. Additionally, rental will not be paid for occupancy in whole or in part except for the term specified herein.
17. The Government reserves the right to install and maintain its own security system. The system shall remain the property of the Government and the Lessor shall waive all rights of restoration as it pertains to the system.
18. The Lessor hereby waives and forever relinquishes any right to make a claim against the Government for restoration arising from alteration or removal of any alteration by the Government during the term of this lease or any extensions, and for alterations completed by either the Government or Lessor including initial build out of the lease space and/or any subsequent modifications required during the lease period. At the Government's sole discretion, alterations that remain in the leased space after termination of the lease contract will become the property of the Lessor.
19. The resolution of the exceptions to the SFO requested by the Lessor in his Final Proposal Revision dated February 7, 2011 and identified Fire and Life Safety issues are as follows:
  - A. Paragraph 2.2 of the SFO "SEISMIC SAFETY" is waived.
  - B. Paragraph 4.11 (A) "MAINTENANCE AND TESTING OF SYSTEMS" of the SFO: The Lessor agrees to assume the maintenance obligation for the supplemental HVAC system at no cost or expense to the Government. The rental in Paragraph 3 includes this cost of \$0.07/RSF. This will be accomplished through a third party annual maintenance contract which the Lessor will keep in place during the occupancy of the premises by the Government.
  - C. Paragraph 8.9 (7) "HEATING AND AIR CONDITIONING" The Lessor agrees to Section 8.9 (7) Ductwork Re-use and Cleaning within the premises and will meet the requirements of the SFO at no additional cost or expense to the Government. The rental in Paragraph 3 includes this cost of \$0.40/RSF during the Firm Term to meet this requirement. Such cleaning will be completed prior to occupancy by the Government.
  - D. Paragraph 8.19 (A) of the SFO "LIGHTING: INTERIOR AND PARKING" is waived
  - E. Paragraph 8.19 (D) of the SFO "LIGHTING: INTERIOR AND PARKING" is waived
  - F. Paragraph 9.3 (C) of the SFO "FIRE ALARM SYSTEM" the Government and Lessor agree that the Lessor, at this time, does not have to replace Fire Control System but if the current fire alarm/fire control system no longer functions/works and cannot be satisfactorily repaired then the Lessor must install a new fire alarm/fire control system that meets the requirements of the SFO.
  - G. Paragraph 10.14 of the SFO "[REDACTED] PROTECTION REQUIREMENTS" is waived
  - H. At no additional cost or expense to the Government, the Lessor agrees to comply, correct and remediate, within 90 days of Lease Award, all recommendations set forth in the Fire and Life Safety evaluation completed by Terp Consulting and dated December 21, 2010 including any additional modifications or clarification itemized as follows:

1. Penetrations through the floor and ceiling in the 21st Floor telecom room should be protected in accordance with NFPA 101 Section 8.3.5 with a through-penetration firestop system providing a minimum 2-hour fire-resistance rating. Any and all new penetrations in the floor and/or ceiling are required to comply with NFPA 101.
2. An opening in the wall between the fire pump room and the transformer vault should be repaired to provide a minimum 1-hour fire-resistance rated separation per NFPA 20 Table 4.12.1.1.2. Any and all openings must be in compliance with NFPA 20 4.12.1.1.2
3. Garage rooftop Class III outlets were observed to be outside their allowable inspection windows in accordance with NFPA 25. The hose stations should be inspected when the next standpipe inspection occurs. This can be accomplished in next scheduled inspection; however it must be accomplished within 90 days.
4. A method of freeze protection should be provided for the exposed piping in each of the dry pipe riser rooms housing the garage sprinkler systems to maintain unprotected water-filled riser piping in accordance with NFPA 13 Section 8.16.4.1.3. This condition occurs for a small piece of pipe in each dry pipe riser room in the garage.
5. Generators should be tested a minimum of monthly with the available emergency power load in accordance with NFPA 110 Section 8.4.2.3. The Lessor will perform the generator emergency test within 30 days of occupancy and documentation shall be provided to the Government accordingly.
6. The grade-level rolling fire door needs to be repaired to operate upon a building alarm to maintain code compliant exiting from the tower stairwells. Repairs shall be completed and brought into compliance within a maximum of 30 days upon which time the Lessor shall notify the Government when the work is completed to allow for inspection by the GSA CCR.
7. Smoke detectors need to be installed for grade-level rolling fire door operation on either side of the opening within 5' of the opening in accordance with NFPA 72 Section 5.16.6.5.1.1.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

<p>LESSOR: Hertz Texas Center, LLC</p> <p>BY <u>[Signature]</u> (Signature)</p> <p>IN PRESENCE OF <u>J. Remick</u> (Signature)</p>	<p><u>AGENT</u> (Title)</p> <p><u>650 Boyden Street Suite 2300</u> (Address)</p> <p><u>NO CA 90130</u></p>
<p>UNITED STATES OF AMERICA</p> <p>BY <u>[Signature]</u> (Signature) Dusty Griffith</p>	<p>Contracting Officer, General Services Administration (Official Title)</p>