

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

July 13, 2011

LEASE NO.

GS-07B-16946

THIS LEASE, made and entered into this date by and between **Hiram Investments, LLC**

whose address is: 1080 Old Spanish Trail, Suite #10
Slidell, LA 70458-5002

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 9,600 rentable square feet (RSF) of office and related space, which yields 8,373 ANSI/BOMA Office Area square feet (USF) of space on the first floor, (units 11 – 14), of the building located at 924 Kenner Avenue, Kenner, LA 70062-7230 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 twenty-five (25) surface reserved parking spaces, and the fenced and paved area behind the building known as the "wareyard", for the exclusive use of Government employees and patrons.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on the date the Government accepts the premises as substantially complete and continuing for ten (10) years, five (5) years firm, subject to termination and renewal rights as may be hereinafter set forth. Actual lease term dates will be established by Supplemental Lease Agreement.

3. The Government shall pay the Lessor a total annual rent of \$213,312.00, paid monthly in arrears for years 1 through 5. This includes operating rent of \$59,800.00 per year in accordance with paragraph 13, Operating Costs.

The Government shall pay the Lessor a total annual rent of \$174,144.00, paid monthly in arrears for years 6 through 10. This includes operating rent of \$59,800.00 per year plus CPI's.

Rent shall be adjusted in accordance with the provisions of the Solicitation for Offers and General Clauses. Rent for a lesser period shall be prorated. Rent shall be made payable to:

Hiram Investments, LLC
1080 Old Spanish Trail, Suite #10
Slidell, LA 70458-5002

4. The Government may terminate this lease in whole or in part at any time after the fifth (5th) year by giving at least ninety (90) days' notice in writing to the Lessor and no rental shall accrue after the effective date of termination. 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 shall be 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 computed commencing with the day after the date of mailing.~~

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
 - A. Those facilities, services, supplies, utilities and maintenance in accordance with SFO 0LA2083 dated January 27, 2011.
 - B. Buildout in accordance with standards set forth in the SFO 0LA2083 dated January 27, 2011, and the Government's Design Intent Drawings.
 - C. The Lessor hereby waives restoration of the leased premises.
 - D. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.

7. The following are attached and made a part hereof:
 - A. Solicitation for Offers OLA2083 dated January 27, 2011, including Special Requirements (Pages 1-178);
 - B. GSA Form 3517B entitled GENERAL CLAUSES (Rev. 11/05) (Pages 1-33);
 - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07)
 - D. Exhibit A – Legal Description
 - E. Exhibit B – Floor Plans
8. The following changes were made in the lease prior to its execution:

Paragraph 5 is intentionally omitted and has been struck through.
9. Rent includes a Tenant Improvement Allowance of \$164,529.45 to be amortized through the rent over the full term of the Lease. The full term is (60 months) at the rate of 5.5%. In accordance with SFO Paragraph 3.3 *Tenant Improvements Rental Adjustment*, the actual cost of Tenant Improvements shall be reconciled and rent adjusted accordingly.
10. In accordance with SFO paragraph 2.5, *Broker Commission and Commission Credit*, Avant Properties, a licensed real estate broker in the State of Louisiana and its cooperating licensed broker, the Crown Partnership, Inc. (principal Small Business Sub-contractor to CB Richard Ellis Real Estate Services, Inc. – 'The Prime Contractor') along with its co-broker Transcapital Realty, LLC, (collectively "Broker"), is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease ("Commission"). The total amount of the Commission is [REDACTED]. The commission is payable per the Commission Agreement between the Broker and the Lessor. Due to the Commission Credit described in 2.5B only [REDACTED], which is [REDACTED] of the Commission, will be payable to the Broker when the Lease is awarded. The remaining [REDACTED], which is [REDACTED] of the Commission ("Commission Credit"), shall be credited to the shell rental portion of the annual rental payments due and owing under this lease to fully recapture this Commission Credit.
11. In accordance with SFO Paragraph 4.1, *Measurement of Space*, the common area factor is established as 1.15 (9,600 RSF / 8,373 USF).
12. In accordance with SFO Paragraph 4.2, *Tax Adjustment*, the percentage of Government occupancy is established as 29.63%.
13. In accordance with SFO paragraph 4.3, *Operating Costs Base*, the escalation base is established as \$59,800.00 per annum.
14. In accordance with SFO paragraph 4.4, *Adjustment for Vacant Premises*, the adjustment is established as \$1.92 RSF / \$2.20 USF for vacant space (rental reduction).
15. In accordance with the SFO paragraph 4.6, *Overtime Usage*, the rate for overtime usage is established as \$15.00 per hour beyond the normal hours of operation of 6:00AM to 4:00PM. HVAC for areas that require 24/7 is established as \$0.00 per rsf.
16. The Lessor hereby forever and unconditionally waives 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. 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 will remain in the leased space after termination of the Lease contract and will become property of the Lessor.
17. The Lessor shall not enter into negotiations concerning the space leased or to be leased with representatives of federal agencies other than the officers or employees of the U.S. General Services Administration or personnel authorized by the Contracting Officer.
18. Unauthorized Improvements: All questions pertaining to this lease agreement shall be referred in writing to the General Services Administration Contracting Officer. This contract is between GSA and Jefferson Plaza, LLC. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the

term of the lease agreement or authorized in writing by the GSA Contracting Officer. If Lessor delivers space with improvements not authorized or requested in writing by the GSA Contracting Officer, then Lessor shall not be entitled to compensation if the improvements remain in place after the Government's acceptance of the space."

19. Within thirty (30) days of lease occupancy, the Lessor shall provide the tenant agency representative (with a copy forwarded to the GSA Government Representative), on site, a copy of the name and phone number of maintenance personnel in order that any cleaning, maintenance, janitorial, etc. problems can be taken care of immediately.
20. Lessor, as a shell improvement, and at no cost to the Government, shall pave the fenced area behind the building known as the "wareyard". This shell building improvement shall be completed within 90 working days of receipt of Notice to Proceed from the Government and no later than the Government's acceptance of the leased premises.
21. The Lessor hereby agrees to deliver the space ready for occupancy within ninety (90) working days after the execution of this Lease and/or the Lessor's receipt of a Notice to Proceed from the Government, whichever is later. As part of the rental consideration, the Lessor agrees to obtain any special use or occupancy permit that may be required from the municipality permitting the use and occupancy by the Government at the premises.

Hiram Investments LLC	
[REDACTED]	NAME OF SIGNER JAMES H. KOSTMAYER
ADDRESS 1080 OLD SPANISH WALK - Suite 10 - Surfside, PA 70453	NAME OF SIGNER Ashley Kostmayer
[REDACTED]	UNITED STATES OF AMERICA
[REDACTED]	NAME OF SIGNER Kristine Danickson
[REDACTED]	OFFICIAL TITLE OF SIGNER CONTRACTING OFFICER

Previous edition is not usable

STANDARD FORM 2 (REV. 12/2006)
Prescribed by GSA - FPR (41 CFR) 1-16.60

Lessor JH & AD Government