

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

10-19-10

LEASE NO.

GS-07B-16737

THIS LEASE, made and entered into this date by and between **SAOP Northwest Center L.P.**

whose address is 7550 IH 10 W
San Antonio, TX 78229-5803

and whose interest in the property hereinafter described is that of **LESSOR**

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 44,201 rentable square feet (RSF) of office and related space, which yields 37,815 ANSI/BOMA Office Area square feet (USF) of space on a portion of the 2nd, 6th, 11th and 13th floors of the building known as Northwest Center located at 7550 IH 10 West, San Antonio, Texas 78229 to be used for such purposes as determined by the General Services Administration. The distribution of space shall be as follows:

SPACE LOCATION	RSF	ABOA
2 nd Floor	4,050	3,465
6 th Floor	14,971	12,808
11 th Floor	18,037	15,431
13 th Floor	7,143	6,111
TOTAL LEASE SPACE	44,201	37,815

Included in the rent at no additional cost to the Government are 153 on-site structured parking spaces including one (1) reserved structured parking space for AOUSC.

2. **TO HAVE AND TO HOLD** the said premises with their appurtenances for the term beginning on the date the Government accepts the leased premises but not to exceed 90 calendar days following the Government's issuance of Tenant Improvement Notice to Proceed and continuing for a term of ten (10) years, subject to termination and renewal rights as may be hereinafter set forth.

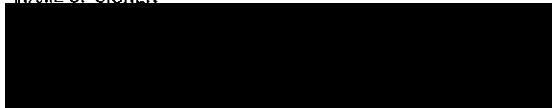
IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR

SIGNATURE

SAOP Northwest Center L.P.

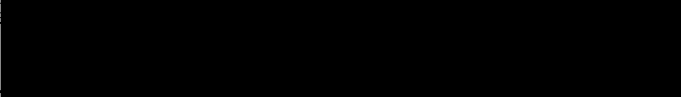
NAME OF SIGNER



ADDRESS

7550 IH 10 W, San Antonio, TX 78229-5803

IN THE PRE



NAME OF SIGNER

Robert A. Heimdal

ERICA

NAME OF SIGNER

Daphne E. Hasky

OFFICIAL TITLE OF SIGNER

Contracting Officer

3. The Government shall pay the Lessor rent as follows:

Months 1 – 60: Annual rent of \$1,087,786.61 at the rate of \$90,648.88 per month in arrears.
 Months 61 – 120: Annual rent of \$1,060,824.00 at the rate of \$88,402.00 per month in arrears.

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:

SAOP Northwest Center LP (Lessor)
 c/o Griffin Partners, Inc.
 7550 IH-10 West #110
 San Antonio, TX 77229-5803

4. The Government may terminate this lease in whole or in part at any time on or after the fifth (5th) year by giving at least 120 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. In the event the Government elects to terminate a portion of the Lease, the space returned to Lessor shall be in a marketable configuration as reasonably determined by Lessor and the Government.
5. This lease has no renewal options.
6. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
- A. Those facilities, services, supplies, utilities, maintenance, space improvements, parking and special requirements. This is a fully-serviced lease in accordance with SFO 8TX3135 dated November 24th, 2009, as amended by Amendment 1 dated December 16th, 2009 and Amendment 2 dated December 29, 2009.
- B. Build out in accordance with standards set forth in SFO 8TX3135 dated November 24th, 2009, as amended by Amendment 1 dated December 16th, 2009 and Amendment 2 dated December 29, 2009, and the Government's design intent drawings. Government space plans shall be developed subsequent to award. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. Lease term to be effective on date of occupancy, if different from the date identified in Paragraph 2. The Lessor hereby waives restoration.
- C. 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 SFO 8TX3135 dated November 24th, 2009, as amended by Amendment 1 dated December 16th, 2009 and Amendment 2 dated December 29, 2009.
- B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])
- C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])
- D. Exhibit A – Base Plan (4 pages)
- E. Exhibit B – Legal Description (1 page)
8. SFO Section 3.2 entitled *Tenant Improvements Included in Offer* sub paragraph A, shall be deleted in its entirety and replaced with the following:
- "A. The Tenant Improvement Allowance is \$13.459817 per ANSI/BOMA Office Area square foot or \$508,982.98 based on 37,815 ANSI/BOMA Office Area square feet. (Tenant improvements are the finishes and fixtures that typically take space from the "shell" condition to a finished, usable condition.) The Tenant Improvement Allowance shall be used for the buildout of the Government-demised area in accordance with the Government-approved design intent drawings. All Tenant Improvements required by the Government for occupancy shall be performed by the successful Offeror as part of the rental consideration, and all improvements shall meet the quality standards and requirements of this solicitation and its attachments."

INITIALS:



LESSOR

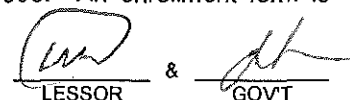
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9. In accordance with the SFO Section 3.3 entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$508,982.98 (37,815 USF x \$13.459817) shall be amortized through the rent for five (5) years at the rate of 7.0%. The total annual cost of Tenant Improvements for the amortization period shall be \$120,941.68.
10. In accordance with the SFO paragraph 4.3 entitled *Operating Costs*, the escalation base is established as \$7.04 per RSF (\$311,175.04 per annum).
11. In accordance with the SFO paragraph 4.1 C. entitled *Common Area Factor*, the common area factor is established as 1.1689 (44,201 RSF/37,815 USF).
12. In accordance with the SFO paragraph 4.4 entitled *Adjustment for Vacant Premises*, the adjustment is established as \$1.17 per USF for vacant space (rental reduction).
13. In accordance with the SFO Paragraph 4.6 entitled *Overtime Usage*, the rate for overtime usage is established as \$50.00 per hour per floor for the entire leased premises or any portion thereof. Overtime shall not be charged during normal building hours of operation or during the hours of operation set forth in the SFO paragraph entitled "Normal Hours."
14. Security costs in the total amount of \$93,805.00 shall be amortized through the rent for 60 months at the rate of 7.0%.
15. In accordance with the SFO Paragraph 4.2 entitled "Tax Adjustment," this lease is subject to real estate tax adjustment. The base amount is established as \$133,045.00. The percentage of occupancy is 18.309894%.
16. Fees applicable to Tenant Improvements shall not exceed:
 General Conditions – 4.0%
 General Contractor – 5.0%
 Architectural/Engineering – \$0.75 per USF
 Lessor Project Management Fee – 5.0%
17. In accordance with Paragraph 2.5 (Broker Commission and Commission Credit), Studley, Inc. ("Studley") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Studley 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]. This Commission is earned upon lease execution and payable (i) one-half (1/2) when the Lease is awarded and (ii) one-half (1/2) upon the earlier of Tenant's occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease. Due to the Commission Credit described in Paragraph 2.5, only [REDACTED], which is [REDACTED] of the Commission, will be payable to Studley 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 shall be reduced to fully recapture this Commission Credit. Notwithstanding Paragraph 3 of the 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 shell rent shall commence with the first full month of the rental payments as indicated in this schedule for adjusted Monthly Rent:
- First Month's Shell is \$52,746.53 minus the Commission Credit of [REDACTED]. First Month's adjusted Gross Monthly Rental Payment is [REDACTED].
- Second Month's Shell is \$52,746.53 minus the Commission Credit of [REDACTED]. Second Month's adjusted Gross Monthly Rental Payment is [REDACTED].
- Third Month's Shell is \$52,746.53 minus the Commission Credit of [REDACTED]. Third Month's adjusted Gross Monthly Rental Payment is [REDACTED].
18. Per the Debt Collection Improvement Act, effective July 27, 1996, Electronic Funds Transfer (EFT) shall be required on all existing and new leases/contracts not later than January 1, 1998. An enrollment form is attached to be completed and returned with this contract.

INITIALS:



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19. All questions pertaining to this Lease shall be referred to the Contracting Officer of General Services Administration (GSA) or their designee. 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 authorized in writing by Contracting Officer or their designee. The Lessor will not be reimbursed for any services not provided for in this Lease, including but not limited to: repairs, alterations and overtime services. Additionally, rental will not be paid for occupancy in whole or in part except for the term specified herein.
20. The Lessor shall represent and warrant that the building and premises meet the required NFPA 101A Life Safety Code. Should a GSA representative discover discrepancies pursuant to a physical inspection, Lessor agrees to remedy any deficiencies as required.
21. 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. 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 will become property of the Lessor.
22. Paragraph 3 of Amendment 1 dated December 15, 2009, specifically subparagraph C of Section 4.11 *MAINTENANCE AND TESTING OF SYSTEMS*, shall be deleted in its entirety and replaced with the following:
- "C. Lessor shall be responsible for maintenance, but not failure costs or replacement costs, of the existing 15 ton Leibert A/C unit in the 11th floor computer room."
23. Paragraph 4 of Amendment 1 dated December 15, 2009, specifically subparagraph B of Section 4.6 *OVERTIME USAGE*, shall be deleted in its entirety and replaced with the following:
- "B. If heating or cooling is required on an overtime basis, such services will be ordered orally or in writing by the Contracting Officer or the GSA Buildings Manager. When ordered, services shall be provided at the hourly rate established in the contract. Costs for personal services shall only be included as authorized by the Government.
- 24/7 cooling is required in the 11th floor computer room. Ten (10) normal business hours, 7:00 a.m. to 5:00 p.m., Monday through Friday shall be included as a part of rental consideration. Lessor shall be reimbursed for the remaining fourteen (14) hours Monday through Friday, and for weekends which shall be paid lump sum. This area is separately metered and the Government agrees to pay for the direct, actual electrical consumption."

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