

**U.S. GOVERNMENT LEASE FOR REAL PROPERTY**

DATE OF LEASE: August 9, 2010

LEASE NO. GS-07B-16757

THIS LEASE, made and entered into this date by and between Union Square SPE, LLC

whose address is: 10101 Reunion Place  
San Antonio, Texas 78216-4160

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:

- The Lessor hereby leases to the Government the following described premises:

A total of 5,252 rentable square feet (RSF) of office and related space, which yields 4,575 ANSI/BOMA Office Area square feet (USF) of space on the first floor of the building located in Union Square II, at 10001 Reunion Place, San Antonio, TX 78216-4127 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 two (2) covered, reserved parking spaces for the exclusive use of Government employees and patrons.

- 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, subject to termination and renewal rights as may be hereinafter set forth. Actual lease term dates will be established by Supplemental Lease Agreement.

- The Government shall pay the Lessor monthly in arrears in accordance with the following table:

Year	Start	Base Cost of Services	Tenant Improvement Allowance	Building Specific Security Costs	Total Annual Rent	Total Monthly Rent
1-5	8/9/10	\$ 34,835.00	\$ 30,420.00	\$ -	\$ 65,255.00	\$ 5,437.92
6-10	8/9/10	\$ 34,835.00	\$ -	\$ -	\$ 34,835.00	\$ 2,902.92

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 checks shall be made payable to:

**Union Square SPE, LLC**  
10101 Reunion Place  
San Antonio, Texas 78216-4160

- The Government may terminate this lease in whole or in part at any time after the fifth (5<sup>th</sup>) year by giving at least one hundred and eighty (180) 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

[Redacted Signature]		LESSOR - <u>Union Square SPE, LLC</u>
SIGNATURE	[Redacted Signature]	NAME OF SIGNER <u>ROBERT L. WORTH, JR.</u>
ADDRESS	[Redacted Address]	<u>7318 BROADWAY SUITE 201, SAN ANTONIO, TX. 78209</u>
IN THE PRESENCE OF	[Redacted Name]	NAME OF SIGNER <u>ROBERT CLINTON WORTH</u>
[Redacted Signature]		UNITED STATES OF AMERICA
SIGNATURE	[Redacted Signature]	NAME OF SIGNER
[Redacted Title]		OFFICIAL TITLE OF SIGNER <u>CONTRACTING OFFICER</u>
AUTHORITY	Previous e	STANDARD FORM 2 (REV. 12/2006) Prescribed by GSA - FPR (41 CFR) 1-16.60

5. Paragraph 5 is intentionally deleted.
6. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
  - A. The two (2) covered, reserved parking spaces with an additional fifteen (15) public parking spaces available within ½ block as described in paragraph 1 at no cost to the Government and parking spaces required by local code.
  - B. All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space, common areas, and related facilities ready for occupancy in accordance with the requirements of this lease and the Government's final construction drawings. Rent is subject to adjustment in accordance with Paragraph 3.3, "Tenant Improvement Rental Adjustment" of the SFO. All cost associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. 6TX0086 and its attachments.
  - C. Deviations to the Government's 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 6TX0086 dated June, 29, 2009 (Pages 1-54);
  - B. Amendment 1 to SFO 6TX0086, dated October 1, 2009 (1 Page);
  - C. Amendment 2 to SFO 6TX0086, dated November 4, 2009 (1 Page);
  - D. Amendment 3 to SFO 6TX0086, dated April 7, 2010 (1 Page);
  - E. GSA Form 3517B entitled GENERAL CLAUSES (Rev. 11/05) (Pages 1-33);
  - F. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07)
  - G. GSA-FAS Special Requirements dated May 4, 2008 (Pages 1-4);
  - H. Exhibit A – Base Plans
  - I. Exhibit B – Legal Description
  - J. Commission Agreement dated September 10, 2009 (Pages 1-2).
8. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$161,728.81 (4,575 USF x \$35.350560) shall be amortized through the rent for 5 years at the rate of 7.0%. The total annual cost of Tenant Improvements for the amortization period shall be \$38,429.09.
9. In accordance with the SFO paragraph entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 4%. Tax base is established at \$17,354.67.
10. In accordance with SFO paragraph 4.3, *Operating Costs Base*, the escalation base is established as \$6.65/RSF per annum.
11. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.1479 (5,252 RSF / 4,575 USF).
12. In accordance with SFO paragraph 4.4, *Adjustment for Vacant Premises*, the adjustment is established as \$0.07/USF for vacant space (rental reduction).
13. In accordance with SFO Paragraph 4.6, *Overtime Usage*, the rate for overtime usage is established as \$45.00 per hour beyond the normal hours of operation of 7:00 AM to 5:00PM. Areas that require 24/7 will be separately metered and reimbursed.
14. 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.
15. All questions pertaining to this lease shall be referred to the Contracting Officer of the General Services Administration (GSA) or his/her 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 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.

16. 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 Union Square SPE, 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."**
17. 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.
18. Window glazing shall be provided by the Lessor in accordance with SFO paragraph 10.22, *Shatter-Resistant Window Protection Requirements*. The cost is included in the shell rate.
19. The total ANSI/BOMA square foot area referred to in Paragraph 1 of the SF-2 herein is subject to an adjustment with the actual number of ANSI/BOMA square feet delivered to be determined by mutual field measurements in accordance with provision of Paragraph 4.1 in the SFO. However it is mutually agreed that the total ANSI/BOMA office area square feet must meet the minimum requirement of 4,575 ANSI/BOMA office area square feet as stated in Paragraph 1.1 of the SFO.

If the actual number of ANSI/BOMA square feet differs from Paragraph 1 of the SF-2, the Lease shall be amended by Supplemental Lease Agreement after field measurement to establish the square footage in compliance with the terms of this paragraph.

Rental is subject to a physical mutual measurement and will be based on the rate, per ANSI/BOMA Office Area square foot (USF) as noted in Paragraph 3 of the SF-2, and the actual USF in accordance with Paragraph 27, "PAYMENT" of the GENERAL CLAUSES. The lease contract and the amount of rent will be adjusted accordingly, but not to exceed the RSF requested in Paragraph 1.1 "AMOUNT AND TYPE OF SPACE" of the Solicitation for Offers (SFO).

20. In accordance with SFO paragraph 2.6, *Broker Commission and Commission Credit*, CB Richard Ellis, Inc. ("CBRE") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and CBRE 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 2.6, only [REDACTED], which is [REDACTED] of the Commission, will be payable to CBRE 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. The reduction in shell rent shall commence with the first full month of the rental payments and continue until the credit has been fully recaptured.

First month's rental payment of \$14,144.09 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted first month's rent).

Second month's rental payment of \$14,144.09 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted second month's rent).