

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

7/19/11

LEASE NO.
GS-07B-

(LTX 16 988

THIS LEASE, made and entered into this date by and between Nowklrk Statmont, L.P.

whose address is: 350 Pine Street, Suite 205
Beaumont, TX 77701-2437 *25 pd*

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 10,051 rentable square feet (RSF) of office and related space, which yields 9,177 ANSI/BOMA Office Area square feet (USF) of space on the seventh (7th) floor of the building located in Edlson Plaza, at 350 Pine Street, Beaumont, Texas 77701 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 fifty (50) parking spaces, including: ten (10) structured spaces in the building garage, and forty (40) on-site surface spaces, 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 \$219,714.86, paid monthly in arrears for Years 1 - 10.

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:

Nowklrk Statmont, L.P.
350 Pine Street, Suite 205
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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 5TX0099 dated January 10, 2011.
B. The Lessor hereby waives restoration of the leased premises.

7. The following are attached and made a part hereof:
A. Solicitation for Offers 5TX0099 dated January 10, 2011 (Pages 1-52);
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

Lessor *[Signature]* & *[Signature]* Government

8. The following changes were made in the lease prior to its execution:
- Paragraph 6 is intentionally omitted and has been struck through.
9. The Government accepts the space in "As-Is" condition. The tenant improvements specified in Section 3.2 TENANT IMPROVEMENTS INCLUDED IN OFFER, are not required and hereby deleted.
10. Sections 1.2.B, 1.2.C, 1.12.A.13, 3.2.C., 3.4.A.8, 3.7.A.1, and 3.7.B.10 are deleted without substitution. LEED- CI is not required under this lease.
11. In accordance with Paragraph 2.3 (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 2.3, 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 Government.
- The reduction in shell rent shall commence with the first full month of the rental payments and continue until fully captured.
12. In accordance with SFO Paragraph 4.1, *Measurement of Space*, the common area factor is established as 1.0952 (10,051 RSF / 9,177 USF).
13. In accordance with SFO Paragraph 4.2, *Tax Adjustment*, the percentage of Government occupancy is established as 2.364% (10,051 RSF / 425,198 RSF).
14. In accordance with SFO paragraph 4.3, *Operating Costs Base*, the escalation base is established as \$52,671.13 per annum.
15. In accordance with SFO paragraph 4.4, *Adjustment for Vacant Premises*, the adjustment is established as \$0.00 USF for vacant space (rental reduction).
16. In accordance with the SFO paragraph 4.6, *Overtime Usage*, the rate for overtime usage is established as \$60.00 per hour beyond the normal hours of operation of 6:30 AM to 6:30PM.
17. 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.
18. 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.

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19. 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 R.G.R. Inc. 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.

END

[REDACTED]	NAME OF SIGNER	James Dudley
	Dallas, TX 75251	
[REDACTED]	NAME OF SIGNER	Leslie Moore
	UNITED STATES OF AMERICA	
[REDACTED]	NAME OF SIGNER	Paul J. Baller
	OFFICIAL TITLE OF SIGNER	CONTRACTING OFFICER

STANDARD FORM 2 (REV. 12/2006)
 Prescribed by GSA - FPR (41 CFR) 1-10.00