

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

December 7, 2007

LEASE NO.

GS-07B-16422

THIS LEASE, made and entered into this date by and between Southeast Texas Asset Reversion, LLC

whose address is 20803 Stuebner Airline Road
Spring, TX 77379

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 consideration hereinafter mentioned, covenant and agree as follows:

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

27,059 rentable (25,236 ANSI/BOMA Office Area) square feet to be constructed on 3.188 acres out of Lot 23, Isom Road in San Antonio, Bexar County, Texas, and one hundred and sixty-six (166) on site parking spaces to be used for such general office purposes as determined by the General Services Administration. The common area factor is agreed to as 7.224%.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on the date the Government accepts the lease premises. The date of substantial completion is estimated to be approximately 180 working days after the Notice to Proceed, for a term of fifteen (15) years, ten (10) years firm term, subject to terms stated within.

3. The Government shall pay the Lessor annual rent payable monthly in arrears at the following rate:

TERM	RATE PER RSF	MONTHLY RENT	ANNUAL RENT
Months 1 -180	\$34.50	\$77,794.67	\$933,536.00

Rent for a lesser period shall be prorated. The Lessor and Government both acknowledge and agree this shall be a full service lease agreement in accordance with SFO 2TX0482.

Rent checks shall be made payable to:
Southeast Texas Asset Reversion, LLC
20803 Stuebner Airline Road
Spring, TX 77379

4. The Government may terminate this lease at any time after the 10th year by giving at least sixty (60) 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 terms and at the following rentals:
provided notice 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.~~

PARAGRAPH 5 DELETED WITHOUT SUBSTITUTION

 

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

STANDARD FORM 2
FEBRUARY 1965 EDITION

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Sheet 3, Attached to and made part of Lease GS-07B-16422
3.188 acres out of Lot 23, Isom Road, San Antonio, Bexar County, Texas

14. The Tenant Improvement Allowance of \$892,093.00 shall be amortized during a period of 180 months at 6.13%. Lessor acknowledges that it has elected to amortize the tenant buildout amount over the entire lease term at its sole risk. Therefore Lessor agrees that should the Government terminate the lease at any time following the 10th lease year, the Lessor shall not be reimbursed by the Government for any Tenant Improvement costs associated with the aforementioned Tenant Improvement Allowance.

15. During the term of the lease, the site organization and design must allow for expansion of up to 15% of the leased ANSI/BOMA Office Area Square feet and 15% of parking areas. Occupancy of the expansion space shall be provided within 120 calendar days of the date written notice is given to the Lessor to proceed with construction or upon submission of the Government-provided layout plans. Expansion space shall be subject to all other terms and conditions of the lease, and all requirements of this Solicitation, including but not limited to, all build out, restroom and parking requirements. No representation is made by the Government that it will exercise this right to expand or that if expansion space is required, it will be for the full 15% ANSI/ BOMA Office Area Square feet.

16. In accordance with SFO Paragraph 1.13 (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) [REDACTED] when the Lease is awarded and (ii) [REDACTED] 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 1.13, 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 portion of the annual rental payments until beginning in the first month and continuing until fully recaptured.

INITIALS	
GOV'T	LESSOR
	