

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

May 24, 2010

LEASE NO.

GS-07B-16695

THIS LEASE, made and entered into this date by and between **WAREHOUSE ASSOCIATES COPORATE CENTRE FANNIN 610, LTD.**

Whose address is 1345 CAMPBELL RD, SUITE 222
HOUSTON, TX 77055-6452

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 27,318 rentable square feet (RSF) of office and related space, which yields 27,318 ANSI/BOMA Office Area square feet (USF) of space at Warehouse Associates Corporate Centre Fannin, 10001 Fannin Street, Houston, TX to be used for such purposes as determined by the General Services Administration. The 27,318 ANSI/BOMA square feet leased by the Government consists of 1,300 ANSI/BOMA square feet of office space and 26,018 ANSI/BOMA square feet of warehouse space. The legal description of the property is also provided in attachment E to the lease. Included in the rent at no additional cost to the Government are 11 surface parking spaces for exclusive use of Government employees and patrons.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning upon completion and acceptance of the work required by this lease and continuing for a period of five (5) years, with a firm term of five (5) years, subject to termination and renewal rights as may be hereinafter set forth. The actual lease term dates will be forth established by Supplemental Lease Agreement.

3. The Government shall pay the Lessor annual rent of \$273,726.36 at the rate of \$22,810.53 per month in arrears for years 1 – 5, which consists of annual shell rent of \$235,935.76 at the rate of \$19,661.31 per month and annual operating costs of \$ 37,790.60 at the rate of \$3,149.22 per month.

Rent for a lesser period shall be prorated. Rent shall be made payable to:

WAREHOUSE ASSOCIATES COPORATE CENTRE FANNIN 610, LTD.
1345 CAMPBELL RD, SUITE 222
HOUSTON, TX 77055-6452

4. Paragraph 4 is INTENTIONALLY DELETED.

5. Paragraph 5 is INTENTIONALLY DELETED.

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

LESSOR

WAREHOUSE ASSOCIATES COPORATE CENTRE FANNIN 610, LTD.

BY



(Signature)

IN PRESENCE OF



(Signature)

(Title)

Authorized Agent

(Address)

1345 Campbell Rd, Suite 222
Houston, TX 77055

UNITED STATES OF AMERICA

BY



(Signature)

Contracting Officer, General Services
Administration

6. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
- A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO 8TX2349 dated April 8, 2009.
 - B. Fresh paint and carpet in accordance with standards set forth in SFO 8TX2349 dated April 8, 2009. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. The Lessor hereby waives restoration.
 - C. The Lessor shall provide janitorial services each tenant workday during normal working hours.

7. The following are attached and made a part hereof:
- A. Solicitation for Offers 8TX2349 dated April 8, 2009.
 - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [9/01])
 - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [9/01])
 - D. Sheet No. 3, Paragraphs 17 – 19 were added.
 - E. Legal Description of Property

8. The following changes were made in this lease prior to its execution:
- A. Paragraphs 4 and 5 were intentionally deleted.
 - B. Paragraphs 9 through 18 were added.

9. Tax Adjustment: Pursuant to Paragraph 4.2, "Tax Adjustment (AUG 2008)," for purposes of tax escalation, the Government occupies 27,318 / 218,966 (12.4759%) rentable square feet. Base year taxes are established at \$29,624.61 (\$1.0844/RSF). Taxes shall be increased or decreased from the base pursuant to annual adjustment per Section 4.2 of the SFO.

10. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$1.38336/RSF (\$37,790.60/annum). The *Operating Cost Base* does not include electricity, which the Government has elected to pay directly to the provider separate from rent.

11. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.00 (27,318 RSF/27,318 USF).

12. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$0.00/USF for vacant space (rental reduction).

13. The HVAC system provided in the leased premises operates on electricity and the electricity required for its operation will be paid directly by the Government. All service, maintenance, and repairs of the HVAC system and supporting systems remain the responsibility of the Lessor.

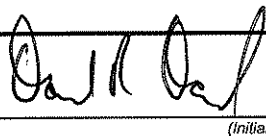
14. The Lessor hereby waives restoration.

15. The following repairs will be made by the Lessor within 60 working days of lease commencement and are included in this lease at no additional cost to the Government:

- A. Fresh paint and carpet will be provided. In accordance with SFO Paragraph 7.3 FINISH SELECTIONS (AUG 2008) Subparagraph C, the Government will be provided a minimum of 3 colorboards from which to select.
- B. Any leaks identified in the skylights provided within the leased space will be repaired.
- C. The flood light that shines on the U.S. Flag will be repaired or replaced.
- D. The leaks associated with A/C on top of the roof that occur during heavy rain will be repaired.
- E. The toilet seats, toilet paper dispensers, and soap dispensers in each restroom will be replaced.

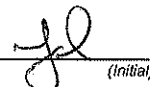
LESSOR

BY


(Initial)

UNITED STATES OF AMERICA

BY


(Initial)

SHEET 3
LEASE NO. GS-07B-16695


16. The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease. The total amount of the commission is [REDACTED]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction (Commission Credit). The Commission Credit is [REDACTED]. The Lessor agrees to pay the commission less the Commission Credit to the broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 3 of this 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 month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent.

First Month's Rental Payment of \$22,810.53 minus one half of the Commission Credit ([REDACTED]) equals [REDACTED] adjusted First Month's Rent.

Second Month's Rental Payment of \$22,810.53 minus one half of the Commission Credit [REDACTED] equals [REDACTED] adjusted Second Month's Rent.

17. All questions pertaining to this Lease shall be referred to the Contracting Officer of the 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 any other authorized cost 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 of 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.
18. Per the Debt Collection Improvement Act, effective July 27, 1996, Electronic Funds Transfer (EFT) shall be required on all existing and new lease contracts after January 1, 1998. An enrollment form is attached to be completed and returned with this contract.

INITIALS: LESSOR  & GOV'T 