

U.S. GOVERNMENT LEASE FOR REAL PROPERTY
(Short Form)

1. LEASE NUMBER
LTX16740

PART I - SOLICITATION/DESCRIPTION OF REQUIREMENTS (To be completed by Government)

A. REQUIREMENTS

2. The Government of the United States of America is seeking to lease approximately 2,438 rentable square feet of office space located in Laredo, Texas for occupancy not later than November 2, 2010 (date) for a term of ten (10) years, five (5) years firm. Rentable space must yield a minimum of 2,120 square feet of ANS/BOMA Office Area (ABOA) for use by Tenant for personnel, furnishing, and equipment.
3. INITIAL OFFERS ARE DUE ON OR BEFORE CLOSE OF BUSINESS Friday, March 5, 2010.

B. STANDARD CONDITIONS AND REQUIREMENTS

4. The following standard conditions and requirements shall apply to any premises offered for lease to the UNITED STATES OF AMERICA (the GOVERNMENT):
- a. Space offered must be in a quality building of sound and substantial construction meeting the Government's requirements for the intended use.
 - b. The Lessor shall provide floor plans for the offered space and a valid Certificate of Occupancy for the intended use of the Government and shall meet, maintain, and operate the building in conformance with all applicable current (as of the date of this solicitation) codes and ordinances. If space is offered in a building to be constructed for lease to the Government, the building must be in compliance with the most recent edition of the building code, fire code, and ordinances adopted by the jurisdiction in which the building is located.
 - c. Offered space shall meet or be upgraded to meet the applicable egress requirements in National Fire Protection Association (NFPA) 101, *Life Safety Code* or an alternative approach or method for achieving a level of safety deemed equivalent and acceptable by the Government. Offered space located below-grade, including parking garage areas, and all areas referred to as "hazardous areas" (defined in NFPA 101) within the entire building (including non-Government areas), shall be protected by an automatic sprinkler system or an equivalent level of safety. Additional automatic fire sprinkler requirements will apply when offered space is located on or above the 6th floor. Unrestricted access to a minimum of two remote exits shall be provided on each floor of Government occupancy. Scissor stairs shall be counted as only one approved exit. Open-air exterior fire escapes will not be counted as an approved exit. Additional fire alarm system requirements will apply when offered space is located 2 or more stories in height above the lowest level of exit discharge.
 - d. The Building and the leased space shall be accessible to persons with disabilities in accordance with appendices C and D of 36 CFR Part 1191 (ABA Chapters 1 and 2 and Chapters 3 through 10 of the ADA-ABA Accessibility Guidelines).
 - e. The leased space shall be free of all asbestos containing materials, except undamaged asbestos flooring in the space or undamaged boiler or pipe insulation outside the space, in which case an asbestos management program conforming to Environmental Protection Agency guidance shall be implemented. The space shall be free of other hazardous materials and in compliance with applicable Federal, State, and local environmental laws and regulations.
 - f. Services, utilities, and maintenance will be provided daily, extending from 7:00 a.m. to 6:00 p.m. except Saturday, Sunday, and Federal holidays. The Government shall have access to the leased space at all times, including the use of electrical services, toilets, lights, elevators, and Government office machines without additional payment.
 - g. The Lessor shall complete any necessary alterations within sixty (60) days after receipt of approved layout drawings.
 - h. The Offeror must have an active registration in the Central Contractor Registration (CCR) System (via the Internet at <http://www.ccr.gov>) prior to lease award and throughout the life of the lease. To remain active, the Lessor must update or renew its registration annually. The Government will not process rent payments to Lessors without an active CCR Registration. The Government will recognize no change of ownership of the leased premises until the new owner registers in the CCR system.

5. SERVICES AND UTILITIES (To be provided by Lessor as part of rent)

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|--|--|--|---|---|
| <input checked="" type="checkbox"/> HEAT | <input checked="" type="checkbox"/> TRASH REMOVAL | <input checked="" type="checkbox"/> ELEVATOR SERVICE | <input checked="" type="checkbox"/> INITIAL & REPLACEMENT LAMPS, TUBES & BALLASTS | <input checked="" type="checkbox"/> OTHER (Specify below) |
| <input checked="" type="checkbox"/> ELECTRICITY | <input checked="" type="checkbox"/> CHILLED DRINKING WATER | <input checked="" type="checkbox"/> WINDOW WASHING | <input checked="" type="checkbox"/> PAINTING FREQUENCY | Replace carpet every 5 years. |
| <input checked="" type="checkbox"/> POWER (Special Equip.) | <input checked="" type="checkbox"/> AIR CONDITIONING | Frequency <u>twice a year</u> | Space <u>5 years</u> | |
| <input checked="" type="checkbox"/> WATER (Hot & Cold) | <input checked="" type="checkbox"/> TOILET SUPPLIES | <input checked="" type="checkbox"/> CARPET CLEANING | Public Areas <u>5 years</u> | |
| <input type="checkbox"/> SNOW REMOVAL | <input checked="" type="checkbox"/> JANITORIAL SERV. & SUPP. | Frequency <u>two years</u> | | |

6. OTHER REQUIREMENTS

The Government requires three (3) reserved structured parking spaces near the building entrance and requests an additional six (6) spaces for employee use. These spaces shall be secured and lit in accordance with the Security Section in this Solicitation. The cost of this parking shall be included as part of the rental consideration.

Offerors should also include the following with their offers:

1. 3626 Supplemental Lease Requirements
2. Attachment #1 – 3626 Supplemental Lease Requirements –Minimum Lease Security Standards
3. Attachment #2 – 3626 Supplemental Lease Requirements
4. [REDACTED] Space Requirements
5. Commission Agreement
6. GSA Form 1364, Proposal to Lease Space
7. GSA Form 1217, Lessor's Annual Cost Statement
8. Lease Cost Breakdown
9. Pre-Lease Building Security Form
10. GSA Form 3517, General Clauses
11. GSA Form 3518, Representations and Certifications
12. GSA Form 3516, Solicitation Provisions, for additional instructions only
13. GSA Form 12000 – Prelease Fire Protection and Life Safety Evaluation – Low Rise Office Building
14. Seismic Certification – Existing Building
15. Disclosure of Contractor Access to Proprietary Information

7. NOTE: All offers are subject to the terms and conditions outlined above, and elsewhere in this solicitation, including the Government's General Clauses and Representations and Certifications.

8. BASIS OF AWARD

- THE ACCEPTABLE OFFER WITH THE LOWEST PRICE PER SQUARE FOOT, ACCORDING TO THE ANSI/BOMA Z65.1-1996 DEFINITION FOR BOMA USABLE OFFICE AREA, WHICH MEANS "THE AREA WHERE A TENANT NORMALLY HOUSES PERSONNEL AND/OR FURNITURE, FOR WHICH A MEASUREMENT IS TO BE COMPUTED."
- OFFER MOST ADVANTAGEOUS TO THE GOVERNMENT, WITH THE FOLLOWING EVALUATION FACTORS BEING
 - SIGNIFICANTLY MORE IMPORTANT THAN PRICE
 - APPROXIMATELY EQUAL TO PRICE
 - SIGNIFICANTLY LESS IMPORTANT THAN PRICE
 - (Listed in descending order, unless stated otherwise):

PART II - OFFER (To be completed by Offeror/Owner and remain open until lease award)

A. LOCATION AND DESCRIPTION OF PREMISES OFFERED FOR LEASE BY GOVERNMENT

1. NAME AND ADDRESS OF BUILDING (Include ZIP Code) Village Plaza 216 West Village Boulevard Laredo, TX 78041-2322	2. LOCATION(S) IN BUILDING	
	a. FLOOR(S) 1st	b. ROOM NUMBER(S)
	c. SQ. FT. RENTABLE <u>2,510</u> ABOA <u>2,162</u>	d. TYPE <input checked="" type="checkbox"/> GENERAL OFFICE <input type="checkbox"/> OTHER (Specify) <input type="checkbox"/> WAREHOUSE
	Common Area Factor <u>1.16</u>	

B. TERM

3. To have and to hold, for the term commencing on November 2, 2010 and continuing through November 1, 2020 inclusive. The Government may terminate this lease in whole or in part at any time on or after November 1, 2015, by giving at least sixty (60) days notice in writing to the Lessor. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

C. RENTAL

4. a. Rent shall be payable in arrears and will be due on the first workday of each month. When the date for commencement of the lease falls after the 15th day of the month, the initial rental payment shall be due on the first workday of the second month following the commencement date. Rent for a period of less than a month shall be prorated.

b. **TENANT IMPROVEMENT ALLOWANCE:** Lessor agrees to amortize tenant improvement costs, not to exceed \$41.03 per ANSI/BOMA square foot, at an amortization rate of 7.50% that will be compounded monthly over the five (5) year firm term of the lease.

c. **OPERATING COSTS:** The operating expense escalation base is established as \$16,000.00 per annum.

d. **PARKING:** Included in the rent at no additional cost to the Government are three (3) covered, reserved parking spaces and six(6) surface parking spaces for the exclusive use of Government employees and patrons.

e. **COMMISSION CREDIT CALCULATION:** In accordance with Paragraph 7 of the Supplemental Lease Requirements, 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] percent of the firm term value of this lease ("Commission"). The total amount of the Commission is [redacted]. The commission is earned upon lease execution and payable [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 7, only [redacted] which is [redacted] of the Commission, will be payable to CBRE. The remaining [redacted] which is [redacted] percent 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 month of the rental payments and shall continue until the credit has been fully recaptured.

First Month's rental payment of \$6,892.04 minus the prorated commission credit of [redacted] equals [redacted] (adjusted first month's rent).

Second Month's rental payment of \$6,892.04 minus the prorated commission credit of [redacted] equals [redacted] (adjusted second month's rent).

5. AMOUNT OF ANNUAL RENT \$82,704.50 Years 1 - 5 \$65,444.94 Years 6-10	7. HVAC OVERTIME RATE PER HOUR \$4.00 per hour	8. ELECTRONIC FUNDS TRANSFER PAYMENT SHALL BE MADE TO (Name and Address) DISA Properties 216 W. Village Blvd. Suite 302 Laredo, TX 78041
6. RATE PER MONTH \$6,892.04 Years 1-5 \$5,453.75 Years 6-10		

9a. NAME AND ADDRESS OF OWNER (Include ZIP code. If requested by the Government and the owner is a partnership or joint venture, list all General Partners, using a separate sheet, if necessary.)
DISA Properties, L.P., 216 West Village Boulevard, Suite 302, Laredo, Texas 78041-2322

9b. TELEPHONE NUMBER OF OWNER 956-727-2870	10. TYPE OF INTEREST IN PROPERTY OF PERSON SIGNING <input checked="" type="checkbox"/> OWNER <input type="checkbox"/> AUTHORIZED AGENT <input type="checkbox"/> OTHER (Specify)
11a. NAME OF OWNER OR AUTHORIZED AGENT (Type or Print) Eduardo Sajido, Jr.	11b. TITLE OF PERSON SIGNING Owner
11c. SIGNATURE OF OWNER OR AUTHORIZED AGENT 	11d. DATE 7/20/10

PART III - AWARD (To be completed by Government)

1. Your offer is hereby accepted. This award consummates the lease which consists of the following attached documents: (a) this GSA Form 3626, (b) Representations and Certifications, (c) the Government's General Clauses, and (d) the following changes or additions made or agreed to by you:
- (e) Amendment #1 to SFO 9TX2600
 - (f) Attachment #1 - 3626 Supplemental Lease Requirements - Minimum Lease Security Standards
 - (g) Attachment #2 - 3626 Supplemental Lease Requirements
 - (h) [redacted] Space Requirements
 - (i) Exhibit A - Base Plans
 - (j) Commission Agreement

2. THIS DOCUMENT IS NOT BINDING ON THE GOVERNMENT OF THE UNITED STATES OF AMERICA UNLESS SIGNED BELOW BY AUTHORIZED CONTRACTING OFFICER.

3a. NAME OF CONTRACTING OFFICER (Type or Print) Kelly Hantz -	3b. SIGNATURE OF CONTRACTING OFFICER 	3c. DATE 7/27/10
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SHEET 3 TO GSA FORM 3626
U.S. GOVERNMENT LEASE FOR REAL PROPERTY (Short Form)
OFFER DETAILS
LEASE NO. GS-07B-16740, LAREDO, TEXAS

1. This lease is subject to adjustments for vacant space as provided by Adjustment for Vacant Premises, GSAR 552.270-25 (6/94). The adjustment for vacant space is \$3.00 per ANSI/BOMA Office Area (Useable) square foot per annum.

2. This lease is subject to Real Estate Tax Escalation adjustments as provided by Tax Adjustment GSAR 552-270-24 (6/85). The Government's percentage of occupancy is established at ~~11.94%~~ ^{4.4%} of entire building.

3. This lease is subject to annual operating cost adjustments as provided by Operating Costs GSAR 552.270-23 (6/85). The base rate for adjustments is established at \$7.400555 per square foot of ANSI/BOMA Office Area (Usable).

4. Number of parking spaces being provided as part of the rental consideration nine (9).
Covered 3 Surface 6

5. The tenant buildout will conform to the specifications in Lease LTX16740, and are to be provided by the Lessor as part of the total rental payment. The tenant buildout costs of \$41.03 are amortized for a period of sixty (60) months at 7.50%. Tenant improvement rental adjustments shall be made in accordance with SFO Amendment #1.

6. Overtime rates shall not be paid during normal building hours of operation as identified on Page 1 of 2, Section B., of the GSA Form 3626.

7. In accordance with the revised Paragraph 1.13, CB Richard Ellis, Inc. ("Broker") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and CB Richard Ellis, Inc. 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 [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 7 of Attachment #2 (Supplemental Lease Requirements), only [REDACTED] which is [REDACTED] of the Commission, will be payable to CB Richard Ellis, Inc. 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 month of the rental payments and continue until the credit has been fully recaptured.

8. 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.

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