

# US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

8/30/11

LEASE NO.

GS-07B-16863

THIS LEASE, made and entered into this date by and between BURNET & BROCKTON JOINT VENTURE, LP

Whose address is 3345 BEE CAVE RD. STE. 203  
AUSTIN, TX 78746-6692

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 9,362 rentable square feet (RSF) of office and related space which yields 8,542 ANSI/BOMA Office Area square feet (USF) on the 2<sup>nd</sup> Floor at the Compass Bank Building, 10711 Burnet Road, Austin, TX 78758-4465, 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 seven (7) surface, reserved, and secure parking spaces for exclusive use of the Government and 37 general parking spaces for the use by Government employees and visitors.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning upon completion and acceptance of the space by the Government and continuing for a period of ten (10) years, subject to termination and renewal rights as may be hereinafter set forth.

3. For years 1-5, the Government shall pay the Lessor annual rent of \$255,957.08 at the rate of \$21,329.76 per month in arrears, which includes annual operating costs of \$45,592.94. This amount includes the amortization of \$266,568.00 for Tenant Improvements over five (5) years at the rate of 6.00% and amortization of \$43,750.00 for Security costs amortized for five (5) years at 6.00%.

For year 6, the Government shall pay the Lessor annual rent of \$205,121.42 at the rate of \$17,093.45 per month in arrears, which includes annual operating costs of \$45,592.94.

For year 7, the Government shall pay the Lessor annual rent of \$207,461.92 at the rate of \$17,288.49 per month in arrears, which includes annual operating costs of \$45,592.94.

For year 8, the Government shall pay the Lessor annual rent of \$209,802.42 at the rate of \$17,483.54 per month in arrears, which includes annual operating costs of \$45,592.94.

For year 9, the Government shall pay the Lessor annual rent of \$212,142.92 at the rate of \$17,678.58 per month in arrears, which includes annual operating costs of \$45,592.94.

pay the Lessor annual rent of \$214,483.42 at the rate of \$17,873.62 per month in arrears, which includes annual operating costs of \$45,592.94.

have hereunto subscribed their names as of the date first above written.

\_\_\_\_\_  
President, Hactman + Associates, Inc.

\_\_\_\_\_  
General Partner of Burnet + Brockton Joint Venture  
(Title) LP

\_\_\_\_\_  
Ste. 203  
3345 Bee Cave Rd. Austin, TX 78746-6692  
(Address)

\_\_\_\_\_  
Contracting Officer, General Services Administration  
(Official Title)

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

BURNET & BROCKTON JOINT VENTURE, LP  
3345 BEE CAVE RD. STE. 203  
AUSTIN, TX 78746-6692

4. The Government may terminate this lease in whole or in part at any time on or after Year 5 by giving at least 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 terms and at the following rentals:~~

~~provided notice be given in writing to the Lessor at least XX 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 to the rental consideration, the following:
  - A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO 6TX0169 dated April 15, 2010.
  - B. Build out in accordance with standards set forth in SFO 6TX0169 dated April 15, 2010, and the Government's design intent drawings. Government space plans shall be developed subsequent to award. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. Lease term to be effective on date of occupancy, if different from the date identified in Paragraph 2.
  - C. Deviations to the approved 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 6TX0169 dated April 15, 2010
  - B. Amendment 1 to SFO 6TX0169 dated July 13, 2010, Amendment 2 to SFO 6TX0169 dated September 1, 2010, Amendment 3 to SFO dated January 10, 2011, Amendment 4 to SFO dated May 27, 2011.
  - C. [REDACTED] Space Requirements dated May 20, 2009
  - D. GSA Form 3517B entitled GENERAL CLAUSES (Rev. 06/08)
  - E. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 06/07)
  - F. Attachment 1, Floor Plan
  - G. Legal Description

- 8. The following change was made to this Lease prior to its execution:
  - A. Paragraph 5 was intentionally deleted in its entirety.

9. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$266,568.00 shall be amortized through the rent for five years at the rate of 6.0%.

10. Lessor agrees that all costs associated with swing space needed for the completion of the tenant improvements prescribed in this lease are not reimbursable under this lease. Lessor agrees to be responsible for all costs associated with moving the tenant into and out of the swing space and preparing the swing space as necessary for the minimal disturbance of daily tenant operations. No costs associated with swing space shall be included in the tenant improvement total.

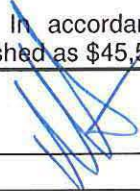
11. In accordance with Subsection B(9) of the SFO paragraph entitled Tax Adjustment, the percentage of Government occupancy is established as 18.64%.

12. In accordance with the SFO paragraph entitled Operating Costs Base, the escalation base is established as \$45,592.94.

LESSOR

UNITED STATES OF AMERICA

BY \_\_\_\_\_



(Initial)

BY \_\_\_\_\_



(Initial)

13. In accordance with Subsection C of the SFO paragraph entitled *Measurement of Space*, the common area factor is established as 1.09 (9,362 RSF/8,542 USF).

14. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$4.07/USF for vacant space (rental reduction).

15. In accordance with the SFO Paragraph entitled *Overtime Usage*, the rate for overtime usage is established as \$00.00 per hour. Overtime usage shall only apply outside the building's normal hours of HVAC operation. The building's normal hours are 7:00 a.m. to 5:00 p.m. except Saturdays, Sundays, and federal holidays. Lessor has elected not to charge for any overtime services under this lease.

16. Security costs in the total amount of \$43,750.00 shall be amortized through the rent for five years at the rate of 6.0%.

17. 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.

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 full month of the rental payments and continue in equal monthly installments until fully recaptured.

18. 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.

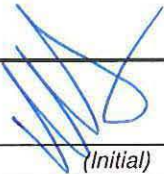
19. Per the Debt Collection Improvement Act, effective July 27, 1996, Electronic Funds Transfer (EFT) shall be required on all existing and new lease contracts after January 1, 1998. An enrollment form is attached to be completed and returned with this contract.

20. The Lessor hereby waives and forever relinquishes 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, and for 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 that remain in the leased space after termination of the lease contract will become property of the Lessor.

LESSOR

UNITED STATES OF AMERICA

BY \_\_\_\_\_

  
(Initial)

BY \_\_\_\_\_

  
(Initial)