

LEASE NO. GS-07B-17057

INSTRUCTIONS TO OFFERORS: Fill in this form with the required information where appropriate, initial each page, sign on this page (type in name and title), and have a witness to your signature sign also. Upon selection for award, GSA will countersign the Lease document.

This Lease is made and entered into between

Lessor's Name Palacios Cerda & Associates Realty Company

("the Lessor"), whose principal place of business is 220 W. Hillside Road, Laredo, Texas 78041, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

("the Government"), acting by and through the designated representative of the General Services Administration ("GSA"), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

The Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

Palacios Cerda Building, 220 W. Hillside Road, Suite 3, Laredo, Texas 78041

and more fully described in Section 1 and Exhibit A together with rights to the use of parking and other areas as set forth herein.

LEASE TERM

To Have and To Hold the said Premises with their appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

10 Years, 5 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth, to be used for such purposes as determined by GSA. The commencement date of this Lease along with any applicable termination and renewal rights, shall more specifically be set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

[Redacted Signature]

Name: Gabriel A. Palacios
Title: Tonia M. Cerda - owners
Date: 1/12/12

FOR THE
[Redacted Signature]

Garbett
Lease Contracting Officer
Date: 7/3/12

[Redacted Signature]

Title: _____
Date: 1/12/12

LESSOR: [Signature] GOVERNMENT: [Signature]

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SIMPLIFIED) (AUG 2011)

The Premises are as described under Exhibit A, Proposal to Lease Space, GSA Form 1364A.

1.02 EXPRESS APPURTENANT RIGHTS (SIMPLIFIED) (SEPT 2011)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Government Rules and Regulations within such areas. The Government will coordinate with the Lessor to ensure signage is consistent with the Lessor's standards. Appurtenant to the Premises and included with the Lease are rights to use the following:

A. Parking: Parking shall be provided as described under Block 6 of Exhibit A, Proposal to Lease Space, GSA Form 1364A. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

1.03 RENTAL CONSIDERATION (SIMPLIFIED) (SEPT 2011)

In consideration for the Lease, the grant of all associated rights, express or implied, and the performance or satisfaction of all of the Lessor's other obligations set forth herein, the Government shall pay the Lessor annual rent to be computed using the rental rate(s) specified on Exhibit A, GSA Form 1364A and the actual ANSI/BOMA Office Area (ABOA) delivered for occupancy and use by the Government, not to exceed the maximum ABOA solicited by the Government. Payment shall be made monthly in arrears. Rent for a lesser period shall be prorated. Rent shall be paid by Electronic Funds Transfer to an account to be designated by Lessor. Rent shall be inclusive of all costs incurred by the Lessor for the construction of building shell and Tenant Improvements (TIs) specified in the Lease, including those described on Exhibit A, GSA Form 1364A and the Agency Specific Requirements (ASR) attached hereto, all taxes of any kind, and all operating costs. Unless a separate rate is specified on Exhibit A, GSA Form 1364A, rights to parking areas will be deemed included in the rent.

Rent shall not be adjusted for changes in taxes or operating costs.

1.04 BROKER COMMISSION AND COMMISSION CREDIT (SIMPLIFIED) (APR 2011)

A. Jones Lang LaSalle ("Broker") is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total [redacted] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only a portion of the Commission will be payable to Jones Lang LaSalle with the remaining portion, which is the "Commission Credit", to be credited to the initial rental payments due and owing under this Lease. Beginning with the first month's rent due, the reduction shall be taken in equal monthly amounts over the fewest number of months until the credit has been fully recaptured. The exact amount of the Commission Credit and the schedule for adjusted Monthly Rent payments will be determined following Lease Award and documented in a Lease Amendment.

1.05 TERMINATION RIGHTS (SIMPLIFIED) (SEPT 2011)

The Government may terminate this Lease, in whole or in parts, effective after the firm term of this Lease by providing not less than 90 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination. The right of termination shall expire 120 days after the last day of the firm term.

1.06 RENEWAL RIGHTS (SIMPLIFIED) (APR 2011)

This Lease may be renewed at the option of the Government for a term of [redacted] at the rental rate(s) set forth on Form 1364A, provided notice is given to the Lessor at least 60 days before the end of the original Lease term; all other terms and conditions of this Lease, as same may have been amended, shall remain in full force and effect during any renewal term.

1.07 DOCUMENTS INCLUDED WITH LEASE (SIMPLIFIED) (AUG 2011)

The following documents are included as part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
Proposal to Lease Space (GSA Form 1364A)	2	
Agency Specific Requirements		
Representations and Certifications (GSA Form 3518A)	7	
Floor Plan Delineating the Premises		

1.08 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (SIMPLIFIED) (SEPT 2011) INTENTIONALLY DELETED

1.09 OPERATING COST BASE (SIMPLIFIED) (AUG 2011) INTENTIONALLY DELETED

1.10 ADDITIONAL BUILDING IMPROVEMENTS (AUG 2011) INTENTIONALLY DELETED