

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

JAN 04 2011

LEASE NO.

GS-03B-11304

THIS LEASE, made and entered into this date by and between CURTIS INVESTMENTS LLC

whose address is 5010 OLD GREENWOOD ST
FORT SMITH, AR 72903-6941

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:

19,530 Rentable Square Feet yielding approximately 18,670 ANSI/BOMA Office Area square feet and related space located on a 88,128 SF (2.02 acres) site at 5678 East Virginia Beach Boulevard, Norfolk, VA 23502-2428 together with four (4) reserved surface parking spaces for Government fleet vehicles plus an additional eighty-four (84) surface parking spaces to accommodate employees and visitors, at no extra cost.

to be used for such purposes as determined by the General Services Administration.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on (see Lease Rider Paragraph 11) through (see Lease Rider Paragraph 11), subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of (see Lease Rider Paragraph 11) at the rate of (see Lease Rider Paragraph 11) per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

CURTIS INVESTMENTS LLC
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4. The Government may terminate this lease in whole or in part at any time effective after the tenth (10th) full year of occupancy by giving at least ninety (90) days prior 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 paragraph has been deleted and is reserved for future use.

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

A. All services, utilities, maintenance, operations, and other considerations as set forth in this lease.

B. Build-out in accordance with standards set forth in SFO No. 9VA2203 dated August 24, 2009 and the Government's design intent drawings. Per SFO Paragraph 5.11.B, with direct input from [REDACTED] facilities staff, the Lessor shall prepare, as part of shell rent and provide to the Government for its approval, design intent drawings detailing the tenant improvements to be made by the Lessor within the Government-demised area. All tenant alterations shall be completed by the lease effective date identified in Lease Rider Paragraph 11.

C. In accordance with Paragraph 2.5 of the Lease, "Broker Commission and Commission Credit", the Lessor and Jones Lang LaSalle (the Broker) have agreed to a cooperating lease commission of [REDACTED] based on Aggregate Lease Value over the firm term. The total amount of this commission is [REDACTED] (Gross Commission). For the benefit of the Government, and in accordance with terms of the GSA National Broker Contract, 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, i.e., [REDACTED] (Net Commission), to the Broker in two (2) installments, fifty percent (50%) upon receipt of invoice following lease execution, and the remaining fifty percent (50%) upon receipt of invoice following occupancy. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. The Lessor is providing four (4) months' free rent to the Government during the base year of this lease equivalent to an aggregate lease value of \$253,565.40.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to fully capture this Commission Credit. The reduction in shell rent shall commence in the fifth (5th) month of the rental payments and continue as indicated in this schedule for adjustment monthly rent:

Fifth (5th) Month's Rental Payment of \$63,391.35 (which includes \$46,332.72 Shell) minus [REDACTED] Commission Credit (1/3) equals [REDACTED].

Sixth (6th) Month's Rental Payment of \$63,391.35 (which includes \$46,332.72 Shell) minus [REDACTED] Commission Credit (1/3) equals [REDACTED].

Seventh (7th) Month's Rental Payment of \$63,391.35 (which includes \$46,332.72 Shell) minus [REDACTED] Commission Credit (1/3) equals [REDACTED].

After three (3) months, the full Commission Credit is captured and regular monthly payments of \$63,391.35 will ensue in the eighth (8th) month of the base year.

*Subject to adjustment upon determination of actual TI expenditure.

7. The following are attached and made a part hercof:

- A. Rider to Lease No. GS-03B-11304 (3 pages)
- B. Solicitation for Offers # 9VA2033, Special Requirements, and Amendment Nos. 1, 2 and 3 (92 pages)
- C. GSA Form 3517, "General Clauses" version dated 06/08 (33 pages)
- D. GSA Form 3518, "Representations and Certifications" version dated 01/07 (7 pages)
- E. Form B - Document Security (2 pages)
- F. Site Plan, Test-Fit, Elevations Plan, Amenities Map -- Exhibit "A" (5 pages + cover)
- G. Davis-Bacon Wage Determination as of June 25, 2010 - Exhibit "B" (4 pages + cover)
- H. LEED-CI Checklist - Exhibit "C" (3 pages + cover)

This lease contains 151 pages.

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

LESSOR

CUP

BY

[REDACTED SIGNATURE]

(Signature)

Chris Curtis, President/Manager
(Printed Name and Title)

[REDACTED ADDRESS]

5641 SMU Blvd., Suite 100, Dallas, TX 75206
(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION, PUBLIC BUILDINGS SERVICE

BY

[REDACTED SIGNATURE]

Contracting Officer
(Official title)

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8. In no event shall the Lessor enter into negotiations concerning the space leased with representatives of Federal agencies other than Contracting Officers and their designated representatives of the General Services Administration.
9. In accordance with Paragraph 4.2.B.9, the total percentage of space occupied by the Government under the terms of the lease is equal to 100% of the total space available in the Lessor's building, and will be used as the basis for computing the Government's pro-rata share of real estate taxes, as defined in the Annual Real Estate Tax Escalation Clause. The percentage of occupancy is derived by dividing the total Government space of 19,530 Rentable Square Feet by the total building space of 19,530 Rentable Square Feet.
10. For purposes of determining the base rate for future adjustments to the operating costs, the Government agrees that the base rate of \$5.56 per ANSI/BOMA Office Area (ABOA) square foot is acceptable. This figure includes the Government's pro-rata share of operating costs.
11. Lessor shall complete the building shell as defined in the lease and complete all alterations, improvements, and repairs required by this lease, and deliver the leased premises ready for occupancy by the Government within one hundred eighty (180) calendar days from the date of notice to proceed with the construction of the tenant improvements. When Lessor has completed all such alterations, improvements, and repairs, Lessor shall promptly notify the Contracting Officer, who shall promptly cause the same to be inspected. Upon the date of completion of such alterations, improvements, repairs and inspection, and acceptance by the Government, the term of this lease shall commence and shall continue for fifteen (15) consecutive calendar years. The commencement date shall be more particularly set forth by a Supplemental Lease Agreement.

Upon acceptance of the leased premises by the Government, the same shall be measured and rental shall be paid, in accordance with Paragraph 4.1 of the lease, "Measurement of Space" and Paragraph 27 of the General Clauses, GSA Form 3517, "Payment" at the rate of:

Years 1 through 10:

Total Annual Rent: \$760,696.18 per year*

***Free Rent:** four (4) months during base year (aggregate value of \$253,565.40)

Shell Rent: \$555,992.60 per year or \$29.78 per ANSI/BOMA Office Area Square Foot (ABOA)

Amortized annual cost for Tenant Improvement Allowance*: \$97,418.47 per year

Interest rate at which Tenant Alterations are amortized: seven percent (7%)

Amortized annual cost for Building-Specific Security: \$3,479.91 per year

Annual Cost of Services: \$103,805.20 per year or \$5.56 per ANSI/BOMA Office Area Square Foot (ABOA), plus accrued escalations per SFO Paragraph 4.3, "Operating Costs"

Years 11 through 15:

Total Annual Rent: \$760,429.10 per year

INITIALS: Cc & JSZ
Lessor Government

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Shell Rent: \$656,623.90 per year or \$35.17 per ANSI/BOMA Office Area Square Foot (ABOA)

Amortized annual cost for Tenant Improvement Allowance*: N/A

Interest rate at which Tenant Alterations are amortized: N/A

Amortized annual cost for Building-Specific Security: N/A

Annual Cost of Services: \$103,805.20 per year or \$5.56 per ANSI/BOMA Office Area Square Foot (ABOA), plus accrued escalations per SFO Paragraph 4.3, "Operating Costs"

*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of **\$699,191.50** or **\$37.45** per ANSI/BOMA Office Area Square Foot, which is included in the rent, using the **7%** amortization rate over the firm term of **ten (10)** years. The Government, at its election, may pay lump sum for Tenant Improvements. If this occurs, the rent shall be reduced proportionately using the 7% amortization rate.

If the Government spends more than the allowance identified above, the Government reserves the right to: 1) reduce the Tenant Improvement requirements; 2) pay lump sum for the overage upon completion and acceptance of the improvements; or, 3) increase the rent according to the negotiated amortization rate over the firm term of the lease.

12. Pursuant to SFO Paragraph 1.1, "Amount and Type of Space", subparagraph G is amended as follows: "Approximately **two hundred fifty (250) square feet** of the ANSI/BOMA Office Area space required above will be used for the operation of a vending facility(ies) by the blind under the provisions of the Randolph-Sheppard Act (United States Code 20 USC 107 et. seq.). The Government will control the number, kind, and locations of vending facilities and will control and receive income from all automatic vending machines. The Lessor is required to provide necessary utilities and to make related alterations. The cost of the improvements will be negotiated, and payment will be made by the Government either on a lump sum basis or a rental increase. The Government will not compete with other facilities having exclusive rights in the building. The Lessor shall advise the Government if such rights exist. During the term of the lease, the Lessor may not establish any vending facilities within the leased space that will compete with the Randolph-Sheppard vending facilities."
13. Pursuant to SFO Paragraph 1.13, "Labor Standards", see Exhibit B attached hereto for Davis-Bacon Wage Determination as of June 25, 2010.
14. In accordance with SFO Paragraph 3.4, "GSA Forms and Pricing Information" and SFO Paragraph 5.3, "Tenant Improvements Pricing Requirements" of the Lease, the Lessor's Tenant Improvement Fees are established as follows:
 - (1) General Conditions fee charged by the Lessor's General Contractor for Tenant Improvements requested by the Government is **seven percent (7%)** of Total Subcontractors' costs.
 - (2) General Contractor's fee charged by the Lessor for Tenant Improvements requested by the Government is **six percent (6%)** of Total Subcontractors' costs.
 - (3) Architectural/Engineering fees charged by the Lessor for Tenant Improvements are **six percent (6%)** of Total Subcontractors' costs.

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- (4) Project Management fees charged by the Lessor for Tenant Improvements requested by the Government are **five percent** (5%) of Total Tenant Improvement Construction costs.
15. In accordance with SFO Paragraph 4.6, "Overtime Usage", of the lease, the additional cost to the Government for overtime use of Government leased space is **\$0.00** per hour.
16. It is understood and agreed that the Government retains title to all removable property covered by this agreement and may remove same if so desired. In the event such are not removed by the Government at the end of this lease term, or any extension thereof, title shall vest in the Lessor and all right of restoration waived.
17. The Lessor has offered free rent to the Government for the first four (4) months of the Lease. Therefore, the first four (4) months of the Lease shall be provided at no cost to the Government.
18. Definitions:
- A. Where the word "Offeror" appears it shall be considered "Lessor"
 - B. Where the word "should" appears it shall be considered to be "shall"
 - C. Where the word(s) "Solicitation" or "Solicitation for Offers" appears it shall be considered to be "Lease"

INITIALS: cc & JJZ
Lessor Government