

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

April 19, 2011

LEASE NO.

LOK16879

THIS LEASE, made and entered into this date by and between FIRST REALTY BETTER HOMES & GARDENS, INC.

Whose address is 602 S. 2nd
MCALESTER, OK 74501-5814

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 9,398 rentable square feet (RSF) of office and related space, which yields 9,098 ANSI/BOMA Office Area square feet (USF) of space at 524 S. 2nd, McAlester, Oklahoma 74501-5814 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 forty-two (42) onsite surface parking spaces for the exclusive use of the Government.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on the date the Government accepts the leased premises but not to exceed 90 calendar days following the Government's issuance of Tenant Improvement Notice to Proceed and continuing for a term of ten (10) years, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent at the following rate:

<u>TERM</u>	<u>MONTHLY RENT</u>	<u>ANNUAL RENT</u>
Years 1-10	\$17,151.35	\$205,816.20

Rent shall be paid monthly in arrears. Rent for a lesser period shall be prorated. Rent shall be made payable to:

First Realty Better Homes & Gardens, Inc.
602 S. 2nd
McAlester, OK 74501-5814

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

LESSOR
FIRST REAL

BY

IN PRES

President 1ST REALTY INC.
(Title)

(Address)

UNITED S

BY

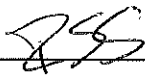
Contracting Officer, General Services Administration
(Official Title)

4. The Government may terminate this lease in whole or in part at any time on or after the fifth (5th) year 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 _____ 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, maintenance, space improvements, parking and special requirements. This is a fully-serviced lease in accordance with SFO 7OK2013 dated August 30, 2010.
 - B. Build out in accordance with standards set forth in SFO 7OK2013 dated August 30, 2010, and the Government's design intent drawings. Government space plans will be delivered to the Lessor within 90 working days from award. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. The Lessor hereby waives restoration.
 - 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 SFO 7OK2013 dated August 30, 2010 (50 pages)
 - B. Supporting SFO Information / Special Requirements (15 pages)
 - C. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05]) (33 pages)
 - D. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07]) (7 pages)
 - E. Exhibit A – Base Plan (1 page)
 - F. Exhibit B – Legal Description (1 page)
8. Paragraph 5 of Standard Form 2 has been deleted in its entirety.
9. In accordance with the SFO paragraph 3.2 entitled *Tenant Improvements Included in Offer*, Tenant Improvements in the total amount of \$310,132.99 shall be amortized through the rent for five (5) years at the rate of 7.50%. Beginning with year six of the Lease term, the rent shall remain the same for the remainder of the term, subject to termination and renewal rights as may be set forth in the Lease.
10. In accordance with the SFO paragraph 4.3 entitled *Operating Costs* are \$47,425.80 per annum. This lease is subject to operating cost escalation.
11. In accordance with the SFO paragraph 4.1 C. entitled *Common Area Factor*, the common area factor is established as 1.03297 (9,398 RSF/ 9,098 USF).
12. In accordance with the SFO paragraph 4.4 entitled *Adjustment for Vacant Premises*, the adjustment is established as \$5.00/USF for vacant space (rental reduction).
13. In accordance with the SFO Paragraph 4.6 entitled *Overtime Usage*, the rate for Overtime Heating and Cooling is established at \$10.00 per hour for the entire Government leased premises. The Lessor shall not charge the Government for Overtime Heating and Cooling if the building is open and the Heating and Cooling is operating for all other tenants beyond the Normal Hours stipulated in this agreement. The Overtime Heating and Cooling Usage rate shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day as specified by the lease agreement.
14. Building Security Amortized Costs (BSAC) in the total amount of \$5,000.00 shall be amortized through the rent for 60 months at the rate of 7.50%. Beginning with year six of the Lease term, the rent shall remain the same for the remainder of the term, subject to termination and renewal rights as may be set forth in the Lease.
15. In accordance with the SFO paragraph 4.2 entitled *Tax Adjustments*, this lease is subject to real estate tax adjustment. The percentage of occupancy is 100% (single tenant building).

LESSOR

UNITED STATES OF AMERICA

BY _____



(Initial)

BY _____



(Initial)

16. Fees applicable to Tenant Improvements shall not exceed:
 General Conditions – 5.0%
 General Contractor – 10.0%
 Architectural/Engineering – Flat Fee \$5,000.00 (if applicable).
 Lessor Project Management Fee – 0.0%

17. In accordance with Paragraph 2.5, Broker Commission and Commission Credit, Studley Inc. ("Studley") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Broker 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] and is earned upon lease execution, payable according to the Commission Agreement signed between the two parties. Due to the Commission Credit described in Paragraph 2.B, only [redacted] or [redacted] of the Commission, will be payable to Studley. The remaining [redacted] or [redacted] % which is the "Commission Credit", shall be credited to the shell rental portion of the annual rental payments due and owing 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 in equal monthly installments over the shortest time period practicable.

Notwithstanding Paragraph 3 of this Lease, 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 \$17,151.35 minus prorated Commission Credit of [redacted] equals [redacted] adjusted First Month's Rent
 Second Month's Rental Payment \$17,151.35 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Second Month's Rent
 Third Month's Rental Payment \$17,151.35 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Third Month's Rent
 Fourth Month's Rental Payment \$17,151.35 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Fourth Month's Rent

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.

19. 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.

LESSOR

UNITED STATES OF AMERICA

BY [Signature]
 (Initial)

BY [Signature]
 (Initial)