

# US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

*September 2, 2010*

LEASE NO.

GS-07B-16460

THIS LEASE, made and entered into this date by and between EAGLE FARMS, INC.

Whose address is 1801 HINKLE STE 150  
DENTON, TX 76201-1792

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 16,676 rentable square feet (RSF) of office and related space, which yields 15,832 ANSI/BOMA Office Area square feet (USF) of space at the Chase Bank Building, 200 North Travis Street, Sherman, Texas 75090 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 15 designated, reserved surface parking spaces for exclusive use of Government employees and patrons.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning upon completion and acceptance of the work required by this lease and continuing for a period 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 of \$307,672.20 at the rate of \$25,639.35 per month in arrears for years 1 – 10, which includes annual shell rent of \$193,274.84 and annual operating costs of \$114,397.36.

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

EAGLE FARMS, INC.  
1801 HINKLE STE 150  
DENTON, TEXAS 76201-1792

*Continued on next page.*

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

LESSOR  
EAGLE F

BY \_\_\_\_\_

IN PRESENCE OF \_\_\_\_\_

*JOHN R. PORTER - PRESIDENT*  
(Printed Name and Title)

*1801 HINKLE STE 150 DENTON, TX 76201-1792*  
(Address)

UNITED STATES OF AMERICA

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

4. The Government may terminate this lease at any time after the 10<sup>th</sup> year.

5. ~~This lease may be renewed at the option of the Government for the following terms and at the following rentals: provided notice must 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 terms. Said notice shall be computed commencing with the date after the date of mailing.~~

Paragraph 5 is deleted in its entirety without substitution.

- 6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
  - A. Those facilities, all services, supplies, utilities, maintenance and tenant improvements in accordance with SFO 5TX0158 dated November 27, 2007, as amended.
  - B. Build out in accordance with standards set forth in SFO 5TX0158 dated November 27, 2007, as amended, 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. 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 5TX0158 dated November 27, 2007, Amendment 1 dated November 29, 2007, Amendment 2 dated March 31, 2009, Amendment 3 dated May 26, 2009, and Amendment 4 dated July 19, 2010.
  - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. 6/08)
  - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 6/07)
  - D. Attachment A: Legal Description
  - E. Attachment B: Statement of Work dated October 26, 2009
  - F. Attachment C: Scaled Floor Plans for [REDACTED] dated November 14, 2009.

8. ~~In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$X,XXX,XXX.XX (XXX,XXX USF x \$XX.XX) shall be amortized through the rent for XX years at the rate of XX%. The total annual cost of Tenant Improvements for the amortization period shall be \$XXX,XXX.XX.~~

Paragraph 8 is deleted in its entirety without substitution.

9. The Government shall pay for Tenant Improvements via lump sum payment. No Tenant Improvements shall be amortized through the rent.

- 10. The following changes were made to the lease prior to execution:
  - A. Paragraph 5, regarding renewal options, was deleted in its entirety without substitution.
  - B. Paragraph 8, regarding Tenant Improvements, was deleted in its entirety without substitution.

11. The lease is subject to real estate tax reimbursement. In accordance with SFO Paragraph 3.6, *Percentage of Occupancy*, the percentage of Government occupancy is established as 26.36%.

12. In accordance with SFO Paragraph 3.8, *Operating Costs Base*, the lease is subject to operating cost escalation. For operating cost adjustment, the base for operating costs are established at \$6.86 per rentable square foot (\$114,397.36/annum).

13. In accordance with SFO Paragraph 3.11, *Common Area Factor*, the common area factor is established as 1.053310 (16,676 RSF/15,832 USF).

LESSOR

UNITED STATES OF AMERICA

BY



(Initial)

BY



(Initial)

14. In accordance with SFO Paragraph 3.14, *Adjustment for Vacant Premises*, the adjustment is established as \$1.58 per useable square foot for vacant space (rental reduction).

15. In accordance with SFO Paragraph 7.3, *Overtime Usage*, the overtime HVAC services will be provided at the rate of \$40.00 per hour for the entire building or any portion thereof. Overtime rates shall not be paid during normal building operation hours of 7:30 a.m. to 5:30 p.m., Monday through Friday, excluding federal holidays.

16. Janitorial services will be performed during tenant working hours of 7:30 a.m. to 5:30 p.m., Monday through Friday, excluding federal holidays.

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 attached to and forming a part of this lease.

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 month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent.

First Month's Rental Payment of \$25,639.35 minus one half of the Commission Credit [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Second Month's Rental Payment of \$25,639.35 minus one half of the Commission Credit [REDACTED] equals [REDACTED] adjusted Second Month's Rent.

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 modification required during the lease period.

LESSOR

UNITED STATES OF AMERICA

BY

  
(Initial)

BY

  
(Initial)