

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

8-27-09

LEASE NO.

GS-07B-16655

THIS LEASE, made and entered into this date by and between BRI 1818 GULF, LP

Whose address is 1140 EAST HALLANDALE BEACH BLVD
HALLANDALE BEACH, FL 33009

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 15,916 rentable square feet (RSF) of office and related space, which yields 13,764 ANSI/BOMA Office Area square feet (USF) of space at 8876 Gulf Freeway, Houston, TX to be used for such purposes as determined by the General Services Administration only for uses that are consistent with an office building. Included in the rent at no additional cost to the Government are fifty-six (56) secured 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, with a firm term of five (5) years, subject to termination and renewal rights as may be hereinafter set forth. The actual lease term dates will be established by Supplemental Lease Agreement.

3. The Government shall pay the Lessor annual rent of \$287,283.80 at the rate of \$23,940.32 per month in arrears for years 1 - 5, which consists of annual shell rent of \$81,254.36 at the rate of \$6,771.20 per month; annual operating costs of \$104,579.26 at a rate of \$8,714.94 per month; and annual amortized tenant improvements of \$101,450.18 at a rate of \$8,454.18 per month.

For years 6-10, the Government shall pay the Lessor annual rent of \$ 286,488.00 at the rate of \$23,874.00 per month in arrears, which consists of annual shell rent of \$181,908.74 at the rate of \$15,159.06 per month; annual operating costs of \$104,579.26 at a rate of \$8,714.94 per month.

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

BRI 1818 GULF, LP
1140 EAST HALLANDALE BEACH BLVD
HALLANDALE BEACH, FL 33009

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 120 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. Paragraph 5 is INTENTIONALLY DELETED.

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

LESSOR

BRI 1818 GULF, LP

BY

IN PRESEN

Maupig Mohr of BLS Contract Texas Management, LLC
(Title)
Contracting Officer

Contracting Officer, General Services Administration

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 8TX2423 dated November 17, 2008.
 - B. Build out in accordance with standards set forth in SFO 8TX2423 dated November 17, 2008, 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 as amended in SFO Paragraph 5.15 in Amendment 1.
 - 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 8TX2423 dated November 17, 2008 and Amendments 1-3 dated June 18, 2009, July 30, 2009, and August 5, 2009 respectively.
 - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [6/08])
 - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])
8. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$397,900.00 (13,764 USF x \$28.90875) shall be amortized through the rent for 5 years at the rate of 10.00%. The total annual cost of Tenant Improvements for the amortization period shall be \$101,450.18.
9. In accordance with the SFO paragraph entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 17.83%.
10. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$6.5707/RSF (\$104,579.26/annum).
11. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.156 (15,916 RSF/13,764 USF).
12. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$1.00/RSF (\$1.16/USF) for vacant space (rental reduction).
13. In accordance with the SFO Paragraph entitled *Overtime Usage*, the rate for overtime usage is established as \$25.00 per hour for the entire building or any portion thereof. The normal business hours are 7:00 a.m. to 6:00 p.m. except Saturdays, Sundays, and federal holidays.
14. The Lessor and the Broker have agreed to a cooperating lease commission. The total amount of the commission is \$57,456.76. 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] percent 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 \$23,940.32 minus one third the Commission Credit [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Second Month's Rental Payment of \$23,940.32 minus one third the Commission Credit [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Third Month's Rental Payment of \$23,940.32 minus one third the Commission Credit [REDACTED] equals [REDACTED] adjusted First Month's Rent.

15. 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.

16. 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.

LESSOR

UNITED STATES

BY _____
 (Initial)

BY _____