

# LEASE AGREEMENT

STATE OF TEXAS           §  
  §  
  §  
COUNTY OF HARRIS     §

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between

1. **LANDLORD:** Whitestone REIT Operating Partnership III, L.P., a Texas limited partnership d/b/a Corporate Park Northwest
2. **TENANT:** \_\_\_\_\_, each in their individual capacity and joint and severally.
3. **LEASED PREMISES:** Landlord, in consideration of covenants and agreements to be performed by Tenant and upon terms and conditions hereinafter stated, does hereby Lease to Tenant in “as-is”-“where-is” condition, except as stated in Exhibit “B”, Suite \_\_\_\_\_ of the building known as **Corporate Park Northwest (the “Building”)** located at **7135 W. Tidwell, Houston, TX 77092** (hereinafter called the “Leased Premises”) on a tract of land situated in the City of Houston, State of Texas, as described in **Exhibit A** attached hereto. The number of square feet contained in the Leased Premises is deemed to contain \_\_\_\_\_ rentable square feet.
4. **TERM:** For the term of \_\_\_\_\_ ( ) months beginning on \_\_\_\_\_, and ending on \_\_\_\_\_, to be continuously used and occupied during the term of this Lease by the Tenant for no other purpose than the Use stated herein. However, prior to delivery of the Premises, Tenant and Landlord shall execute a Lease Commencement Letter in the form of the template attached hereto as Exhibit “E”. Although Tenant’s payment obligations may begin, the Premises will not be delivered until Tenant executes said Lease Commencement Letter and Tenant’s failure to timely execute said Lease Commencement Letter will be an event of default of this Lease. If Tenant’s occupancy begins on a date other than \_\_\_\_\_, the Lease Commencement Letter will state the actual date of Tenant’s commencement of occupancy and the rent shall be adjusted proportionately.
5. **APPROVED USE:** Massage Clinic.

This Lease is conditioned upon faithful performance by Tenant of the following agreements, covenants, rules and regulations, herein set out and agreed to by Tenant.

6. **BASE RENTAL:** In consideration of this Lease, Tenant promises to pay Landlord the total sum of \$\_\_\_\_\_ payable in \_\_\_\_\_ ( ) monthly installments, in advance, without demand, on the first day of each and every calendar month during the term hereof; provided, however, that the first such monthly rental payment shall be due upon execution of this Lease. Payments should be made to Landlord’s lock box account, with all checks, money orders and/or cashier’s checks payable to **Whitestone REIT** and sent as follows:

**Whitestone REIT  
Department #234  
P.O. Box 4869  
Houston, TX 77210-4869**

Should the term of this Lease begin on a day other than the first day of a calendar month or terminate on a day other than the last day of a calendar month, the rent for such partial month shall be proportionately reduced. The monthly base rental (the “Base Rental”) shall be payable in the amounts as follows:

<b>04-01-09</b>	<b>To</b>	<b>03-31-10</b>	<b>\$690.00</b>
<b>04-01-10</b>	<b>To</b>	<b>03-31-11</b>	<b>\$717.60</b>

Additionally, Tenant agrees to pay Landlord in Houston, Harris County, Texas, on the date of Tenant’s execution and delivery of this Lease to Landlord, the total sum of \$\_\_\_\_\_, which is comprised of \$\_\_\_\_\_ as base rent for the **first (1<sup>st</sup>)** month of the Term and the **Security Deposit** in the amount of \$\_\_\_\_\_.

7. **LATE CHARGE:** Tenant agrees to pay Landlord an additional **amount of 10% of any sum owing** by Tenant under this Lease if such sum is not in Landlord’s office or postmarked by midnight of the **tenth (10<sup>th</sup>)** day following the date on which such sums become due for the extra expenses involved in handling delinquent payments. **Landlord will assess a \$25.00 charge for every returned check.**
8. **SERVICES BY LANDLORD:** Landlord agrees to furnish Tenant, while occupying the Leased Premises, water, project landscaping, electric lighting for all public areas, maintenance and repair of air conditioning and heating equipment, plumbing, and outside trash receptacles; but failure to furnish or any interruption of these services, from any cause whatsoever, shall not make Landlord liable for damage or loss to persons, property or Tenant’s business; shall not be considered an eviction of Tenant; shall not entitle Tenant to any refund or reduction of rent, and shall not relieve Tenant from compliance with any term or provision of this Lease. Landlord shall use reasonable diligence to repair promptly any malfunction of the project public area improvements or facilities but Tenant shall have no claim for rebate or abatement of rent for damages resulting from such repair or from any interruptions in service occasioned by such repair.
9. **PAYMENTS AND PERFORMANCE:** Tenant agrees to pay all rents and all other sums required to be paid to Landlord at the times and in the manner provided in this Lease. The obligation of Tenant to pay rent and all other such sums is an independent covenant and under no circumstances shall Tenant be released from its obligation to pay rent and all other such sums.
10. **REPAIRS AND RE-ENTRY:** Tenant will maintain the Leased Premises in sound condition, at Tenant’s own expense, and shall repair, using only contractors approved by Landlord, any damage done to the building or any part of the building by Tenant or Tenant’s agents, employees and invitees. If Tenant fails to make such repairs promptly, within **fifteen (15)** days of occurrence, Landlord shall have the option to make such repairs itself and Tenant shall reimburse Landlord for the reasonable cost of the repairs on demand. Tenant shall not commit nor allow any waste or damage to be committed on any part of the Leased Premises, and at the time of termination of this Lease, shall deliver the Leased Premises to Landlord in as good condition as existed on date of Tenant’s possession, ordinary wear and tear excepted, and Landlord shall have the right to re-enter and resume possession.
11. **ASSIGNMENT – SUBLETTING:** Tenant shall not assign or mortgage this Lease or any right under or interest in it; allow same to be assigned by operation of law or otherwise; sublet the Leased Premises or any part thereof, or allow any other person to occupy or use the

<b>Initials</b> _____ _____
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Leased Premises or any part thereof in place of Tenant without the prior written consent of Landlord, such consent not to be unreasonably withheld. Any such assignment, mortgage or subletting without Landlord's consent shall be void and shall, at Landlord's option, constitute a breach of this Lease.

12. **ALTERATIONS AND ADDITIONS BY TENANT:** Tenant shall make no alterations, additions or improvements to the Leased Premises, including the installation of trade fixtures, without the prior written consent of Landlord, such consent not to be unreasonably withheld. Tenant agrees to indemnify and hold Landlord harmless from and against, any and all, claims for mechanics, materialmens or other liens in connection with any alterations, additions or improvements, including trade fixtures. In addition, Tenant shall, if required by Landlord, furnish such waiver or waivers of lien in form and with surety satisfactory to Landlord before commencing any work on such alterations, additions or improvements, including trade fixtures.
13. **LEGAL USE - VIOLATIONS OF INSURANCE COVERAGE – NUISANCE:** Tenant will not use the Leased Premises nor allow the Leased Premises to be used for any purpose other than that stated in this Lease or for any purpose which is unlawful; disreputable; or extra-hazardous on account of fire, explosion or other casualty; nor permit any act which would increase the fire and casualty insurance on the building or its contents and, such unapproved use shall constitute a breach of this Lease.
14. **LAWS AND REGULATIONS:** Tenant will maintain the Leased Premises in a clean and healthful condition and will comply with all laws, ordinances, orders, rules and regulations of any governmental authority having jurisdiction over the use, conditions or occupancy of the Leased Premises.
15. **INDEMNITY AND LIABILITY:** By moving into the Leased Premises, Tenant acknowledges that the premises are received by it in a good state of repair, accepts the premises as suitable for the purposes for which same are leased, waives any and all defects of the premises, excepting any latent defects, and assumes all risks of damage to persons, property or Tenant's business. Landlord shall not be liable for any injury to person, damage to property or to Tenant's business arising from any acts or omissions of Landlord or from any cause whatsoever except Landlord's negligence or willful wrongdoing. Each party will indemnify and hold the other party harmless from all suits, actions, damages, liability and expense in connection with loss of life, bodily or personal injury or property damage arising from any occurrence upon the Leased Premises, from use or occupancy by Tenant of the Leased Premises, and from any acts or omission of either party, its agents, contractors, employees or invitees.
16. **RULES OF BUILDING:** Tenant, Tenant's agents, employees, customers, clients and invitees will comply fully with all building rules and regulations, uniformly applied, which are attached to this Lease and made a part of it by this reference. Landlord may amend or change the rules and regulations as it may deem advisable to provide for the safety, protection, care and cleanliness of the building, and Landlord shall give Tenant a written copy of all such rules and amendments.
17. **ENTRY FOR REPAIRS AND INSPECTION:** Landlord and its agents and representatives may enter the Leased Premises at any reasonable hour, upon prior reasonable notice, or at any time during emergencies to inspect, clean and make repairs, alterations or additions as Landlord reasonably deems necessary. Tenant will not be entitled to reduction or abatement of rent due to Landlord's entry for such purposes.
18. **CONDEMNATION:** If the Leased Premises shall be taken or condemned in whole, or in part, for public purposes, or transferred by agreement in connection with, or under threat of condemnation, this Lease shall, at Landlord's option, terminate at the time the title is transferred. Tenant shall not be entitled to any portion of the condemnation award or of any compensation paid for any transfer by agreement. However, Tenant shall have the right to claim and recover from the condemning authority, such compensation as may be separately awarded or recoverable by Tenant.
19. **LANDLORD'S LIEN AND SECURITY INTEREST:** In addition to the Landlord's lien provided by law, Landlord shall have, and Tenant hereby grants to Landlord, a security interest in all goods, furniture, fixtures, equipment, supplies and other property of Tenant, excepting the personal property of Tenant's officers, agents or employees or Tenant's business files, in the Leased Premises, and all proceeds thereof, as security for all Tenant's obligations under this Lease. .
20. **ABANDONED PROPERTY:** All of Tenant's furniture, movable trade fixtures and personal property not removed from the Leased Premises if the Tenant abandons the Leased Premises or within **five (5)** days of Landlord's written request at the termination of this Lease, whether such termination occurs by lapse of time or otherwise, shall be conclusively presumed abandoned by Tenant, and Landlord may declare such property to be the property of Landlord and may immediately, or any time thereafter, with or without notice to Tenant, sell, retain or otherwise dispose of the property by any method it deems advisable. Landlord's rights under this paragraph shall be cumulative of its rights under **Section 19** above.
21. **HOLDING OVER:** It is agreed and understood that any holding over by the Tenant of the Leased Premises at the termination of this Lease, whether such terminations occurs by lapse of time or otherwise, **shall be construed as a month-to-month tenancy with rental equal to 150% of the monthly rental payable during the last month prior to termination of this Lease.** Such tenancy shall be subject to all other terms and provisions of this Lease except any right of renewal.
22. **CASUALTY:** In the event fire or other casualty damages the Leased Premises covered by Landlord's insurance, Landlord shall repair the damage at its expense within a reasonable time, except that, if such damage cannot be repaired within **one hundred and twenty (120)** days (*as estimated by an architect chosen by Landlord*), either Landlord or Tenant may terminate this Lease by written notice given within **thirty (30)** days after receipt of the architect's damage certification with such termination to be effective as of the date such notice is given. Tenant shall pay all rent due under this Lease, prorated to the date of such fire or casualty damages, and all other sums owing at that time and shall immediately surrender possession of the Leased Premises to Landlord. However, if the damage can be repaired within **one hundred and twenty (120)** days or, if it cannot be repaired within such time but, neither party exercises its option to terminate this Lease, Landlord shall, within **thirty (30)** days of such damage or the date the option to terminate expires, as applicable, begin to repair the Leased Premises and shall proceed with reasonable diligence to restore the Leased Premises to the same condition as existed immediately prior to the occurrence of such casualty. The rent shall be abated during the time the Leased Premises are unfit for occupancy. Landlord shall not be required to rebuild, repair or replace any of the furniture, equipment, fixtures or other improvements, which may have been placed on the Leased Premises by Tenant. In the event any mortgagee under a deed of trust, security agreement or mortgage on the building should require that the insurance proceeds be used to retire the mortgage debt, Landlord shall have no obligation to rebuild and this Lease shall terminate upon written notice to Tenant. In the event the building is so badly damaged by fire or other casualty, even though Leased Premises may not be affected, that Landlord decides, within **ninety (90)** days after the destruction, not to rebuild or repair the building (*such decision being vested exclusively in the discretion of Landlord*), then in such event Landlord shall so notify Tenant in writing and this Lease shall terminate as of the time such notice is given, and the Tenant shall pay rent hereunder apportioned to the time such notice is given and shall pay all other obligations of Tenant owing on the date of termination, and Tenant shall immediately surrender the Leased Premises to Landlord. Notwithstanding the foregoing provisions of this **Section 22**, Tenant agrees that if the Leased Premises or any other part of the building is damaged by fire or other casualty caused by the fault or negligence of Tenant or Tenant's agents, employees or invitees, Tenant shall have no option to terminate this Lease which shall remain in full force and effect.
23. **FORCE MAJEURE:** In the event Landlord shall be delayed, hindered or prevented from the performance of any act required under this Lease by reason of acts of God; acts of common enemies; fire, storm, flood, explosion or other casualty; strikes; lockouts; labor disputes; labor troubles; inability to procure materials; failure of power; restrictive governmental laws or regulations; riots; insurrection; war; settlement of losses with insurance carriers; injunction; order of any court or governmental authority; or other cause not within the reasonable control of Landlord, then the performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

24. **RIGHT TO RELOCATE:** In the event the Leased Premises contain less than **10,000** square feet of Net Rentable Area, Landlord reserves the right, at its option and upon giving **sixty (60)** days prior written notice to Tenant, to relocate Tenant from the Leased Premises to any other available space of substantially equal size and area and similar layout in the Building. Landlord agrees to bear the reasonable cost of the relocation, such costs to include the cost to physically move Tenant's furniture, fixtures and equipment, relocate Tenant's phone system and computer system and all related cabling, as well as the cost to replace Tenant's stationery and business cards presently on hand. If the square footage of the substitute space is larger than that of the Leased Premises, then the Base Rent shall remain unchanged. If the square footage of the substitute space is smaller than that of the Leased Premises, the Base Rent shall be decreased in proportion to the square footage of the substitute space.
25. **INSURANCE:**  
*A. Subrogation:* Landlord and Tenant hereby waive and release any and all rights, claims, demands and causes of action each may have against the other on account of any loss, or damage, occasioned to Landlord or, to Tenant as the case may be, their respective businesses, properties, real and personal, the Leased Premises or its contents, arising from any risk or peril covered by an insurance policy carried by either party. Inasmuch as the above mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation (*or otherwise*) to an insurance company (*or any other person*), each party hereto hereby agrees immediately to give to its respective insurance companies written notice of the terms of said mutual waivers, and to have said insurance policies properly endorsed if necessary, to prevent the invalidation of said insurance coverage by reason of said waivers.  
*B. Liability Insurance:* Tenant shall place and maintain throughout the term of this Lease a policy or, policies of insurance, at its sole cost and expense, insuring Tenant, with Landlord named as an additional insured with a waiver of subrogation, against any and all liability for property damage or injury to or death of person or persons occasioned by, or arising out of, or in connection with, the use or occupancy of the Leased Premises, the limits of such policy or policies to be in an amount not less than **\$1,000,000.00** with respect to injuries to or death of any one person, in an amount not less than **\$2,000,000.00** with respect to any single incident, and in an amount not less than **\$300,000.00** with respect to property damaged or destroyed. Tenant shall furnish evidence satisfactory to Landlord of the maintenance of such insurance and shall obtain a written obligation on the part of each insurance company to notify Landlord at least **ten (10)** days prior to cancellation of such insurance.
26. **TRANSFER OF LANDLORD'S RIGHTS:** Landlord shall have the right to transfer and assign, in whole, or in part, all and every feature of its rights and obligations under this Lease and in the Building and property referred to in this Lease. In such event, Landlord shall be released from any further obligation under this Lease and Tenant agrees to look solely to Landlord's successor for the performance of such obligations.
27. **DEFAULT:** The following shall constitute events of default by Tenant under this Lease:
- (1) Tenant's failure to pay rent and other sums payable by Tenant under this Lease within **five (5)** days of when due.
  - (2) Any petition is filed by, or against Tenant under any section or chapter of the U.S. Bankruptcy Code, as amended, or under any similar law or statute of the United States or any state thereof and, in the case of an involuntary petition, such petition is **not dismissed within forty-five (45) days from the date of its filing.**
  - (3) Tenant becomes insolvent or makes a transfer in fraud of creditors.
  - (4) Tenant makes an assignment for the benefit of creditors.
  - (5) A receiver is appointed for Tenant or any assets of the Tenant.
  - (6) Tenant's failure to comply with any provisions of the Lease however, provided Tenant shall begin to cure within **thirty (30)** days after written notice of such failure to comply, and shall continue the pursuit of such cure with diligence and continuity, Tenant shall not be deemed to be in default.
  - (7) Notwithstanding (f) above, Tenant's desertion or abandonment of a substantial part of the Leased Premises, while failing to make the timely payment of Base Rent or any other sum due under this Lease.
  - (8) Any transfer of property by Tenant the purpose of which might tend to defeat the collection of rent due or to become due under this Lease.
28. **REMEDIES:**  
A. Upon the occurrence of any of the events of default listed in **Section 27** above, Landlord shall have the option to take any one, or more of the following actions without notice or demand in addition to, and not in limitation of any other remedy permitted by law or by this Lease:
- (1) Terminate this Lease, at which time Tenant shall immediately surrender the Leased Premises to Landlord. If Tenant fails to do so, Landlord may expel or remove Tenant and its property and retake possession of the Leased Premises, including changing the locks to the Leased Premises and preventing Tenant's re-entry, without liability for any prosecution or any claim for damages by reason of such actions and re-entry by Landlord. Upon **five (5)** days written notice, Landlord may also sell, retain or otherwise dispose of all of Tenant's furniture, movable trade fixtures and personal property remaining in the Leased Premises by any method it deems advisable, without being deemed guilty of any manner of trespass, and without liability for any damage of loss thereby occasioned, and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant. Tenant further agrees to indemnify Landlord for all loss and damage suffered by Landlord by reason of such termination, including costs incurred by Landlord in allowing Tenant to cure the default, loss of rental for the remainder of the lease term, and any other damages suffered or incurred by Landlord because of Tenant's default of this Lease.
  - (2) Enter upon and take possession of the Leased Premises as Tenant's agent without terminating this Lease, including changing the locks to the Lease Premises and preventing Tenant's re-entry without liability for any prosecution of any claim for damages by reason of such actions and re-entry, and relet the Leased Premises as Tenant's agent and receive rent therefore. Upon **five (5)** days written notice, Landlord may also sell, retain or otherwise dispose of all of Tenant's furniture, movable trade fixtures and personal property remaining in the Leased Premises by any method it deems advisable, without being deemed guilty of any manner of trespass, and without liability for any damage of loss thereby occasioned, and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant. Tenant agrees to pay Landlord on demand for any costs incurred by Landlord through such reletting, including costs of renovating or repairing the Leased Premises for a new tenant and for any deficiency that may arise between amount of rent due for the remainder of Tenant's lease and that received by Landlord from reletting the Leased Premises. It is expressly understood and agreed, however, that Landlord shall have no duty to relet the Leased Premises and Landlord's failure to do so shall not release or affect Tenant's liability for rent or damages.
  - (3) Landlord may do whatever Tenant is obligated to do under the term of this Lease and in order to accomplish this purpose Landlord may enter the Leased Premises without liability to prosecution or any claim for damage

therefor. Tenant shall reimburse Landlord for any expenses Landlord may incur in effecting compliance with this Lease on Tenant's behalf. Tenant further agrees that Landlord shall not be liable for any damages which may result to Tenant from such action by Landlord, whether caused by Landlord's negligence or otherwise. **ADDITIONALLY AND NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, TENANT AND LANDLORD AGREE THAT PARAGRAPHS (A), (B), (E), (F), AND (G) OF SECTION 93.002 OF THE TEXAS PROPERTY CODE SHALL NOT APPLY TO THE LEASE.**

- B. Upon the occurrence of the default event stated in **Section 27(a)** above, Landlord shall have the option, in addition to and not in limitation of any other remedy permitted by law or by this Lease, of declaring the entire amount of rent for the remainder of the lease term due and payable immediately; without terminating this Lease, as liquidated and agreed damages for the payment of costs and expenses that Landlord will incur in regaining possession, restoring or reletting the Leased Premises.
29. **NO WAIVER:** No action by Landlord or its agents shall constitute an acceptance of an attempted surrender of the Leased Premises and no agreement to accept such a surrender of the Leased Premises shall be valid unless in writing. Re-entry of the Leased Premises by Landlord shall not constitute an election by Landlord to terminate this Lease unless Landlord so notifies Tenant in writing. Acceptance of rent by Landlord following the occurrence of an event of default shall not waive such default, nor shall the receipt by Landlord of rent from any assignee, subtenant or occupant of said premises other than Tenant be deemed a waiver of **Section 11** of this Lease. Landlord's waiver of any default or breach of the terms of this Lease (*including any violation or failure to enforce the Building Rules attached hereto*) or failure by Landlord to enforce one or more of the remedies provided herein upon such default or breach shall not constitute a waiver of any other default or breach of this Lease. No provision of this Lease shall be deemed waived by Landlord unless evidenced in writing. Landlord's rights and remedies under this Lease shall be cumulative of every other right or remedy Landlord may have otherwise at law or in equity, and Landlord's exercise of one or more of the rights or remedies shall not bar or in any way impair Landlord's exercise of other rights and remedies..
30. **SUBORDINATION:** It is expressly stipulated and agreed that Tenant's rights, title, estate, and interest in, and under this Lease, and covenants of quiet enjoyment and warranties of Landlord herein contained are and shall be at all times subordinate and subject to all valid liens and security interests now existing or arising in the future. Tenant agrees that it shall, within **twenty (20)** days request of Landlord, execute and deliver recordable agreements submitted by Landlord expressly recognizing and confirming the foregoing subordination agreement with respect to any such lien or security interest.
31. **ESTOPPEL CERTIFICATES AND SUBORDINATION AGREEMENTS:** Tenant agrees at the request of Landlord to execute an Estoppel Certificate and/or Subordination, Nondisturbance, and Attornment Agreement in the form presented by Landlord and return same to Landlord within **twenty (20)** days. Failure to timely sign and return same will constitute a default under this Lease Agreement and, in addition, shall result in a penalty, payable on demand, of **\$50.00 per day from the 21<sup>st</sup> day** through and including the date such signed statement is received by Landlord.
32. **JOINT AND SEVERAL LIABILITY:** The obligations imposed upon multiple Tenants under this Lease shall be joint and several. If Tenant has a guarantor, the obligations of Tenant under this Lease shall be joint and several obligations of Tenant and guarantor. Landlord may proceed against guarantor without first proceeding against Tenant, and no guarantor shall be released from its guaranty for any reason, including, but not limited to, any amendment of this Lease, any waiver of Landlord's rights, failure of Landlord to give Tenant or any guarantor any notices, or release of any party liable for payment and performance of Tenant's obligations under this Lease.
33. **ATTORNEY'S FEES:** If Landlord brings any action under this Lease or consults or places this Lease or any amount payable under it with an attorney for the enforcement of any of Landlord's rights under this Lease, Tenant agrees in each case to pay Landlord reasonable attorney's fees and other costs and expenses incurred by Landlord in connection therewith. It is not necessary for the institution of any formal proceedings to entitle Landlord to the reimbursement of any attorney's fees and related costs.
34. **QUIET POSSESSION:** Landlord hereby covenants that Tenant, upon payment of rent as provided under this Lease and performing all other agreements contained in this Lease, shall and may peacefully have, hold and enjoy the Leased Premises. Likewise, Tenant covenants and agrees that it will conduct no activity which would constitute a nuisance or interfere with the quiet possession and enjoyment of premises by other tenants of the Building.
35. **BUILDING NAME:** Tenant may use the present name of the building in the name of its business and in its business address, provided, however, that Landlord reserves the right to change the name of the Building at any time without prior notice to Tenant. Tenant agrees to immediately cease use of the Building name in connection with its business upon termination of this Lease, by lapse of time or otherwise.
36. **PARKING:** Landlord reserves the right to designate specific areas and space within which Tenant, Tenant's employees, agents, visitors and customers may park. Tenant shall not, however, be entitled to exclusive use of such designated parking spaces (*unless granted such right by Landlord in writing*) and Landlord may, in its sole discretion, reassign the location of such parking spaces at any time. Landlord further reserves the right to promulgate rules and regulations of the use of all parking areas at any time during the term of this Lease. Notwithstanding any foregoing provision of this **Section 36**, Landlord shall have the right to designate any parking area or space for the exclusive use of a tenant or other person or persons. Tenant agrees that it will employ its best efforts to prevent the use by Tenant's employees, agents, visitors and customers of parking spaces allocated to other tenants.
37. **NOTICES:** Any notice required or permitted to be given by one party to the other under this Lease shall be in writing and shall be effective when deposited pursuant hereto with the United States Mail, Certified or Registered Mail, Return Receipt Requested, postage prepaid, addressed as follows:

Lessor:	Lessee:
<b>Whitestone REIT – Legal Department 2600 South Gessner, Suite 500 Houston, Texas 77063, and: Whitestone REIT Property Manager - CPNW 5715 NW Central Dr., Suite F-113A Houston, Texas 77092</b>	<b>John C. Doe 7135 W. Tidwell, Suite J-100 Houston, Texas 77092</b>

Either party may change its address as designated above by written notice to the other party.

39. **FINANCIAL STATEMENTS:** Tenant shall furnish upon Landlord's request from time to time, but no more than once per calendar year, a statement of financial condition of Tenant prepared by an independent certified public accountant and in form reasonably satisfactory to Landlord.
40. **LEASEHOLD IMPROVEMENTS:** If the Leased Premises are not ready for occupancy by Tenant on the lease commencement date, because Tenant's leasehold improvements are not substantially complete or for any other reason, the obligations of Landlord and Tenant shall nevertheless continue in full force and effect. In the event the Leased Premises are not ready for occupancy for reasons other than any delay in the installation of Tenant's leasehold improvements due to any changes or additions ordered by Tenant, then the rent hereinabove provided shall abate and not commence until the date the leasehold improvements to the Leased Premises are substantially

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complete; but such abatement of rent shall constitute full settlement of all claims that Tenant might otherwise have against Landlord by reason of the Leased Premises not being ready for occupancy by Tenant on the lease commencement date. If the Leased Premises are not ready for occupancy by Tenant on the lease commencement date, the term of this Lease shall be extended by the period of time which elapses between the lease commencement date and the date the Leased Premises are ready for occupancy by Tenant, and the parties agree to execute an agreement between them confirming any such extension of the Lease term.

41. **ENTIRE AGREEMENT:** Tenant agrees that as a material consideration for execution of this Lease there are no oral representations, understandings, stipulations or promises pertaining to this agreement that are not incorporated in this Lease, and it is also agreed that this Lease shall not be altered, waived, amended or extended except by written agreement signed by both parties, unless expressly provided otherwise in this Lease.
42. **SEVERABILITY:** If any provision of this Lease is illegal, invalid or unenforceable under present or future laws during the term of this Lease, it is the intention of both parties that the Lease shall not be affected, and that a clause shall be added to this Lease as similar to such invalid or unenforceable clause as possible that is legal, valid and enforceable.
43. **CAPTIONS:** The captions of each paragraph of this Lease are added as a matter of convenience only and shall not be considered in the construction or interpretation of any part of this Lease.
44. **BINDING EFFECT:** The provisions of this Lease shall be binding upon and inure to the benefit of Landlord and Tenant, respectively, and to their heirs, personal representatives, successors and assigns, subject to the provisions of **Section 26** above.
45. **SECURITY DEPOSIT:** It is expressly understood that the security deposit shall not be considered an advance payment of rental or a measure of Landlord's damages in case of default by Tenant or upon termination of this Lease. Landlord may commingle the security deposit with Landlord's other funds. Landlord may, from time to time, without prejudice to any other remedy, use the security deposit to the extent necessary to satisfy any other obligation of Tenant hereunder. Following any such application of the security deposit, Tenant shall pay to Landlord on demand the amounts applied in order to restore the security deposit to its original amount. If Tenant is not in default at the termination of this Lease, Landlord shall return the balance of the security deposit remaining after any such application to Tenant, such deposit to be returned within **thirty (30)** days of the expiration of the Lease and Tenant vacating the Leased Premises, whichever is later. If Landlord transfers its interest in the Leased Premises during the term of this Lease, Landlord may assign the security deposit to the transfer and thereafter shall have no further liability for the return of such security deposit.
46. **MEDIATION PROVISIONS:** The parties to this contract (and any broker who signs the contract) agree to negotiate in good faith in an effort to resolve any dispute related to the contract that may arise between the parties (or between a party and a broker). If the dispute cannot be resolved by negotiation, the dispute will be submitted to mediation before resorting to litigation. If the need for mediation arises, the parties to the dispute who shall share the cost of mediation services equally shall choose a mutually acceptable mediator.
47. **SPECIAL PROVISIONS:**
  - A. In consideration of Landlord's covenants and agreements hereunder, Tenant hereby covenants and agrees not to disclose any terms, covenants or conditions of this Lease to any other party without the prior written consent of Landlord.
  - B. Tenant covenants not to introduce any hazardous or toxic material into the Property without (a) first obtaining Landlord's written consent and (b) complying with all applicable federal, state and local laws or ordinances pertaining to the transportation, storage, use or disposal of such materials, including but not limited to obtaining proper permits. If Tenant's transportation, storage, use or disposal of hazardous material on the Property results in (i) contamination of the soil or surface or ground water or (ii) loss or damage to person(s) or property, then Tenant agrees to respond in accordance with the following paragraph. Tenant agrees (i) to notify Landlord immediately of any contamination, claim of contamination, loss or damage, (ii) after consultation and approval by Landlord, to clean up the contamination in full compliance with all applicable statutes, regulations, and standards, and (iii) to indemnify, defend, and hold Landlord harmless from and against any claims, suits, causes of action, costs and fees, including attorney's fees, arising from or connected with any such contamination, claim of contamination, loss or damage. This provision shall survive termination of the Lease.
  - C. Should Tenant decide to vacate the premises upon expiration of this Lease, Tenant agrees to provide Landlord with **ninety (90)** days prior written notice of its intent to vacate. If **ninety (90) days prior written notice** is not provided and the space are vacated upon expiration or anytime thereafter without proper notice, the Tenant agrees to forfeit the security deposit.
  - D. **Corporate Park Northwest is a non-smoking facility and there shall be no smoking anywhere inside any of the buildings comprising Corporate Park Northwest. Any smoking inside any of the buildings comprising Corporate Park Northwest will be considered an act of default under this Lease. Further, any damage or odors caused by smoking inside any of these buildings shall not be considered normal wear and tear under this Lease and the Tenant will be charged for the cost of repair of any such damage and/or the cost of remediation of odors caused by Tenant smoking or allowing smoking to occur in the Leased Premises or the common areas inside these buildings. This includes, but is not limited to, the cost for the repair of any burn marks, cleaning or replacement of carpet, drapes, mini-blinds, ceiling tiles, painting the Leased Premises, cleaning the air ducts and HVAC system, and deodorizing the Leased Premises, or any other affected areas.**

**SUBMISSION OF THIS INSTRUMENT FOR EXAMINATION OR SIGNATURE BY TENANT DOES NOT CONSTITUTE A RESERVATION OR AN OPTION FOR LEASE, AND IT IS NOT EFFECTIVE AS A LEASE OR OTHERWISE UNTIL EXECUTION AND DELIVERY BY BOTH LANDLORD AND TENANT.**

<b>Initials</b> _____ _____
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**LANDLORD:**

**Whitestone REIT Operating Partnership III, L.P.,  
a Texas limited partnership, d/b/a  
Corporate Park Northwest**

By: Whitestone REIT Operating Partnership III GP,  
L.L.C., a Texas limited liability company,  
its sole general partner

By: Whitestone REIT Operating Partnership, L.P.,  
a Delaware limited partnership, its sole member

By: Whitestone REIT, a Maryland real estate  
investment trust, its general partner

\_\_\_\_\_  
By: James C. Mastandrea  
Its: President & CEO

\_\_\_\_\_  
By: James C. Mastandrea  
Its: Chairman

\_\_\_\_\_  
Date

**TENANT:**

\_\_\_\_\_ and  
\_\_\_\_\_, each in their  
**individual capacity and jointly and severally**

\_\_\_\_\_  
By:

\_\_\_\_\_  
Date

\_\_\_\_\_  
By:

\_\_\_\_\_  
Date

<b>Initials</b>
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**EXHIBIT “A”**

**Legal Description**

**Corporate Park Northwest**

Being a tract or parcel containing 15.0784 acres (656,815 square feet) of land situated in the Joseph Bays Survey, Abstract Number 127, Harris County, Texas; being out of Reserve “A” of Northwest 100, a subdivision of record in Volume 292, Page 12, Harris County Map Records (H.C.M.R.), Harris County, Texas; said 15.0784 acre tract being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod found marking the north end of a cut-back line of the south right-of-way (R.O.W.) line of West Tidwell Road (100 feet wide) and the west R.O.W. line of Northwest Central Drive (60 feet wide) and being a northeast corner of said Reserve “A”;

THENCE, South 43° 51’ 14” East, 14.14 feet along the west R.O.W. line of said Northwest Central Drive to a 5/8-inch iron rod found marking the south end of said cut-back line and the beginning of a curve to the right;

THENCE, continuing along the west R.O.W. line of said Northwest Central Drive by the following courses:

50.00 feet along said curve to the right, having a radius of 460.00 feet, a central angle of 06° 13’ 40” and a chord which bears South 04°15’ 09” West, 49.98 feet to a 5/8-inch iron rod found marking the end of said curve;

South 07° 21’ 59” West, 50.00 feet to a 5/8-inch iron rod found marking the beginning of curve to the left;

126.24 feet along said curve to the left, having a radius of 1,044.86 feet, a central angle of 06° 55’ 21” and a chord which bears South 03° 54’ 19” West, 126.16 feet to a 5/8-inch iron rod found marking the end of said curve;

South 00° 26’ 38” West, 836.70 feet to a 5/8-inch iron rod found marking the north end of a cut-back line of the aforementioned west R.O.W. line of Northwest Central Drive and the north R.O.W. line of Northwest 100 Drive (60 feet wide);

THENCE, South 45° 26’ 38” West, 14.14 feet along said cut-back line to a 5/8 inch iron rod found marking the south end of said cut-back line;

THENCE, along the north R.O.W. line of said Northwest 100 Drive by the following courses:

North 89° 33’22” West, 64.11 feet to a 5/8-inch iron rod found marking an angle point;

South 84° 44’00” West, 100.50 feet to a 5/8-inch iron rod found marking an angle point;

North 89° 33’ 22” West, 175.00 feet to a 5/8-inch iron rod marking the beginning of a curve to the right;

80.95 feet along said curve to the right, having a radius of 140.00 feet, a central angle of 33° 07’ 39” and a chord which bears North 72° 59’ 32” West, 79.82 feet to a 5/8-inch iron rod found marking a southwest corner of the herein described tract;

THENCE, North 08°16’ 40” East, 595.28 feet to a 5/8-inch iron rod found marking an interior corner of the herein described tract;

THENCE, North 88° 51’ 41” West, 528.00 feet to a 5/8-inch iron rod found marking a southwest corner of the herein described tract;

THENCE, North 01° 08’ 19” East, 484.00 feet to a 5/8-inch iron rod found in the south R.O.W. line of the aforementioned West Tidwell Road marking the northwest corner of the herein described tract;

THENCE, South 88° 51’ 41” East, 873.73 feet along the south R.O.W. line of said West Tidwell Road to the POINT OF BEGINNING and contained 15.0784 acres (656,815 square feet) of land.

<b>Initials</b>
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**EXHIBIT “B”**  
**Tenant Improvements**

Tenant agrees to accept space on an “**as-is, where-is**” basis except for the following Tenant Improvements to be completed by the Landlord:

1. Landlord shall paint the Premises with building standard paint of Tenant’s choice of color from a selection offered by Landlord.
  
2. Landlord shall install building standard carpet throughout the currently carpeted areas of the Premises with of Tenant’s choice of carpet from a selection offered by Landlord.

<b>Initials</b> _____ _____
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# EXHIBIT "C"

## Sign Criteria

### 1. Sign Criteria

This criterion establishes the uniform policies for all Tenant sign identification within Corporate Park Northwest. This criterion has been established for the purposes of maintaining the overall appearance of the Building. Conformance will be strictly enforced. Any sign installed that does not conform to the criteria will be brought into conformity at the expense of the Lessee.

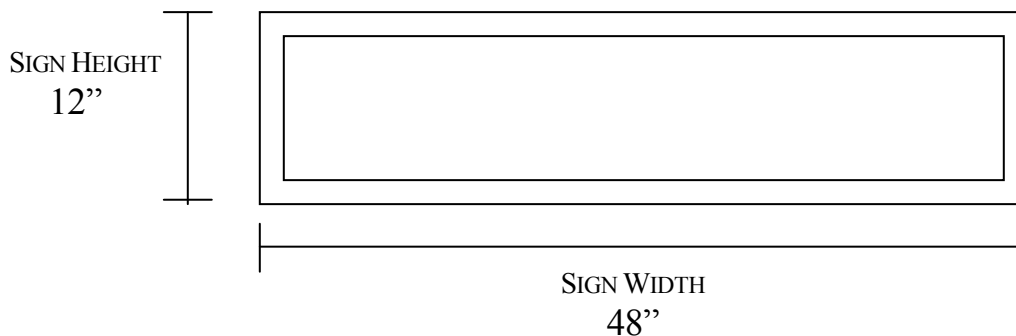
#### A. General Requirements

1. A drawing of the size and shape of the approved signage is shown below. Lettering and installation shall be paid by the Tenant.
2. Landlord shall approve all copy and/or logo design prior to the installation of the sign.
3. Landlord shall direct the placement of all Lessee signs and the method of attachment to the building.
4. Lessee shall be responsible for fulfillment of all requirements for these criteria.

#### B. General Specifications

1. The sign's dimensions shall be 12" high by 48" long.
2. Lessee shall be allowed one sign for each module leased.
3. All sign lettering shall be no larger than 3 1/2" and will be white in color. (No other color shall be allowed without Landlord's consent.) Use of the Lessee's individual company logo or insignia on any sign visible to public view shall be at the sole discretion of the Landlord and authorization must be obtained in writing.
4. No electrical or audible signs will be allowed.
5. Upon removal of any sign, any damage to the building will be repaired by Lessee.
6. Except as provided herein, no advertising placards, banners, pennants, names, insignias, trademarks, or other descriptive material shall be affixed or maintained upon any automated machine, glass panes of the building, landscaped areas, streets, or parking areas.

### TENANT SIGN EXAMPLE



Lessee shall pay the sum of \$125.00 in total payments for sign identification.

Initials
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# EXHIBIT "D"

## Building Rules and Regulations

1. Tenant agrees to make deposit, in amount fixed by Landlord from time to time, for each key issued by Landlord to Tenant for its offices, and upon termination of lease contract, to return all keys to Landlord. Landlord will refund the amount deposited on each key returned.
2. Tenant will refer all contractors, contractor's representatives and installation technicians rendering any service to Tenant to Landlord for Landlord's supervision, approval, and control before performance of any contractual service. This provision shall apply to all work performed in the building including installations of telephones, telegraph equipment, electrical devices and attachments, and installations of any nature affecting floors, walls, woodwork, trim windows, ceilings, equipment or any other physical portion of the building.
3. Movement in or out of the building of furniture or office equipment, or dispatch or receipt by Tenant of any merchandise or materials which requires use of stairways, or movement through the building entrances or lobby shall be restricted to hours designated by Landlord. All such movement shall be under supervision of Landlord and in the manner agreed between Tenant and Landlord by prearrangement before performance. Such prearrangement initiated by Tenant will include determination by Landlord and subject to its decision and control, time, method, and routing of movement, limitations imposed by safety or other concerns, which may prohibit any article, equipment or any other item from being brought into the building. Tenant shall assume all risk as to damage to articles moved and injury to persons or public engaged or not engaged in such movement, including equipment, property, and personnel of Landlord if damaged or injured as a result of acts in connection with carrying out this service for Tenant from time of entering property to completion of work; and Landlord shall not be liable for acts of any person engaged in or any damage or loss to any of said property or persons resulting from any act in connection with such service performed for Tenant.
4. No signs will be allowed in any form on the exterior of the Building or on windows inside or outside of the Building, except as Landlord may permit in its sole discretion. No signs except in uniform location in uniform style fixed by Landlord will be permitted in public corridors or corridor doors or entrances to Tenant's space. All signs will be contracted for by Landlord for Tenant at the rate fixed by Landlord from time to time, and Tenant will be billed and pay for such service accordingly.
5. No portion of Tenant's area or any other part of the Building shall at any time be used or occupied as sleeping or lodging quarters.
6. Tenant shall not place, install or operate on Leased Premises or in any part of the Building, any engine, stove, or machinery, or conduct mechanical operations or cook thereon or therein, or place or use in or about premises any explosives, gasoline, kerosene, oil, acids caustics, or any other inflammable explosive, or hazardous material without written consent of Landlord.
7. Landlord will not be responsible for lost or stolen property, equipment, money, or jewelry from Tenant's area of public rooms regardless of whether such loss occurs when area is locked against entry or not.
8. No birds or animals shall be brought into, or kept in, or about the Building.
9. Employees of Landlord shall not receive or carry messages for, or to any Tenant, or other person, not contract with or render free or paid services to any Tenant or Tenant's agents, employees, or invitees.
10. Landlord will not permit entrance to Tenant's offices by use of pass key controlled by Landlord, to any person at any time without prior written permission by Tenant except employees, contractors, or service personnel directly supervised by Landlord.
11. None of the entries, passages, doors, hallways or stairways shall be blocked or obstructed, or any rubbish, litter, trash, or material of any nature placed, emptied or thrown into these areas, or such areas be used at any time for access or egress by Tenant, Tenant's agents, employees, or invitees.
12. The Landlord desires to maintain the highest standards of environmental comfort and convenience for the Tenant. Any undesirable conditions or lack of courtesy or attention should be reported directly to the Landlord
13. Security gates shall be locked at 7:00 p.m. and opened at 7:00 a.m. Monday through Friday. On Saturday the electronic gate opens at 8:00 a.m. and locks at 5:00 p.m. and all other gates are locked. On Sunday the electronic gate is accessible by keypad entry only and all other gates stay locked. A security service shall make periodic drive-throughs at the times that the gates are secure. From time to time, Landlord reserves the right to change the service described above.

<b>Initials</b> _____ _____
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**EXHIBIT "E"**

**LEASE COMMENCEMENT LETTER DRAFT**

**EXEMPLAR ONLY – DO NOT SIGN**

RE: The Lease Agreement (the "Lease") dated \_\_\_\_\_, 2009 and entered into by **Whitestone REIT Operating Partnership III LP, a Texas limited partnership d/b/a Corporate Park Northwest**, (as "Landlord") and \_\_\_\_\_ and \_\_\_\_\_ (as "Tenant") for the demised premises located at **7135 W. Tidwell, Suite \_\_\_\_\_, Texas 77092** (the "Leased Premises") which is deemed to contain \_\_\_\_\_ square feet of net rentable space.

John C. Doe  
7135 W. Tidwell, Suite \_\_\_\_\_  
Houston, Texas 77092:

This letter shall serve as confirmation of the actual commencement and termination dates of the above referenced Lease and shall further verify the following terms and conditions:

1. The Tenant Improvements required of Tenant in **Exhibit "B"** of Lease have been satisfactorily completed by the Tenant and accepted by the Landlord;
2. The Leased Premises, along with the keys to same, have been delivered to and accepted by the Tenant;
3. The Commencement Date of the Lease is \_\_\_\_\_, 20\_\_ and the Termination Date is \_\_\_\_\_, 20\_\_ ;
4. Tenant's obligation to pay the Base Rental as set forth in the Lease, shall commence on \_\_\_\_\_, 20\_\_ and this obligation shall continue through \_\_\_\_\_, 20\_\_, however the obligation to pay any outstanding sum owed under the Lease shall continue until paid; and
5. Remittance of the foregoing payments shall be made on the **first (1<sup>st</sup>)** day of each month in accordance with the terms and conditions of the Lease at the following:

Whitestone REIT  
Department #234  
P. O. Box 4869  
Houston, Texas 77210-4869

WHEREBY, the following persons have the requisite knowledge and authority to confirm the matters set forth above by executing this Lease Commencement Letter.

**LANDLORD**

**TENANT**

\_\_\_\_\_  
**Name:**  
**Title: Property Manager**

\_\_\_\_\_  
**Name:**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
**Name:**

\_\_\_\_\_  
Date

<b>Initials</b>
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