

UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF NEW YORK	PROOF OF CLAIM
In re Allegiance Telecom, Inc , et al	Case Number 03-13075 (RDD)



CRDID 19437

NOTE This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name of Creditor and Address

LAUREL OFFICE PARK PARTNERSHIP III
17197 N LAUREL PARK DR STE 171
LIVONIA MI 48152

03805890019437

Creditor Telephone Number (734) **46202171**CREDITOR TAX I.D. #
38-2711501ACCOUNT OR OTHER NUMBER BY WHICH
CREDITOR IDENTIFIES DEBTORCheck here ☐ replaces
if this claim ☐ or
☐ amends

a previously filed claim dated _____

1 BASIS FOR CLAIM

- ☐ Goods sold ☐ Personal injury/wrongful death ☐ Retiree benefits as defined in 11 U.S.C. § 1114(a)
☐ Services performed ☐ Taxes ☐ Wages salaries and compensation (Fill out below)
☐ Money loaned ☒ Other (describe briefly below) Your social security number _____

Lease Rejection DamagesUnpaid compensation for services performed from _____ to _____
(date) (date)**2 DATE DEBT WAS INCURRED** May 14, 2003**3 IF COURT JUDGMENT, DATE OBTAINED****4 TOTAL AMOUNT OF CLAIM AT TIME CASE FILED** \$ 50,301.45 (unsecured) \$ _____ (secured) \$ _____ (unsecured priority) \$ 50,301.45 (total)

If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below

☐ Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.**5 SECURED CLAIM**☐ Check this box if your claim is secured by collateral (including a right of setoff)

Brief description of collateral

- ☐ Real Estate
☐ Motor Vehicle
☐ Other _____

Value of collateral \$ _____

Amount of arrearage and other charges at time case filed included in secured claim above if any \$ _____

6 UNSECURED PRIORITY CLAIM☐ Check this box if you have an unsecured priority claim

Specify the priority of the claim

- ☐ Wages salaries or commissions (up to \$4,650*) earned within 90 days before filing of the bankruptcy petition or cessation of the Debtor's business whichever is earlier 11 U.S.C. § 507(a)(3)
☐ Contributions to an employee benefit plan 11 U.S.C. § 507(a)(4)
☐ Up to \$2,100 of deposits toward purchase lease or rental of property or services for personal family or household use 11 U.S.C. § 507(a)(6)
☐ Alimony maintenance or support owed to a spouse former spouse or child 11 U.S.C. § 507(a)(7)
☐ Taxes or penalties owed to governmental units 11 U.S.C. § 507(a)(8)
☐ Other Specify applicable paragraph of 11 U.S.C. § 507(a) _____

Amounts are subject to adjustment on 4/1/01 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

7 CREDITS The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim**8 SUPPORTING DOCUMENTS** Attach copies of supporting documents such as promissory notes purchase orders invoices itemized statements of running accounts contracts court judgments mortgages security agreements and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS if the documents are not available explain. If the documents are voluminous attach a summary.**9 DATE-STAMPED COPY** To receive an acknowledgment of your claim, please enclose a self-addressed stamped envelope and an additional copy of this proof of claim.

The original of this completed proof of claim form must be sent by mail or hand delivered (FAXES NOT ACCEPTED) so that it is received on or before 5:00 p.m., November 26, 2003 Prevailing Eastern Time

BY MAIL TO: United States Bankruptcy Court
Southern District of New York
Allegiance Claims Docketing Center
Bowling Green Station P.O. Box 95
New York NY 10274-0095

BY HAND OR OVERNIGHT DELIVERY TO: United States Bankruptcy Court
Southern District of New York
Allegiance Claims Docketing Center
One Bowling Green Room 534
New York NY 10004-1408

DATE SIGNED

11-12-03

SIGN and print the name and title if any of the creditor or other person authorized to file this claim (attach copy of power of attorney if any)

Douglas A. Levine Douglas A. Levine - Director of Property Management, Inc

Penalty for presenting fraudulent claim is a fine of up to \$500,000 or imprisonment for up to 5 years or both 18 U.S.C. §§ 152 AND 3571

See Other Side For Instructions

FILED

U.S.B.C. SOUTHERN DISTRICT OF NEW YORK

☐ Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.☐ Check box if you have never received any notices from the bankruptcy court in this case.☐ Check box if this address differs from the address on the envelope sent to you by the court.

If you have already properly filed a proof of claim with the Bankruptcy Court, you do not need to file again.

1434

RECD NOV 19 2003

THIS SPACE FOR COURT
USE ONLY

NOV 13 2003

Allegiance Claim



01480

Laurel Office Park III, L L C

Rental Loss Due to Lease Rejection
Commencement Date 05/14/03

Coast to Coast Telecommunications, Inc - Suite 306
(Allegiance Telecom, Inc)

	Coast to Coast Monthly Rental Loss	Strategic Energy's Monthly Rental	TOTAL MONTHLY RENTAL LOSS
05/01/03 - 05/13/03 (Pre-Petition)	2,290 58		2,290 58
05/14/03 - 05/31/03	2,781 42		2,781 42
June-03	5,072 00		5,072 00
July-03	5,072 00		5,072 00
August-03	5,072 00		5,072 00
September-03	5,072 00		5,072 00
October-03	5,072 00		5,072 00
November-03	5,250 00	4,247 75	1,002 25
December-03	5,250 00	4,247 75	1,002 25
January-04	5,250 00	4,247 75	1,002 25
February-04	5,250 00	4,247 75	1,002 25
March-04	5,250 00	4,247 75	1,002 25
April-04	5,250 00	4,247 75	1,002 25
May-04	5,250 00	4,247 75	1,002 25
June-04	5,250 00	4,247 75	1,002 25
Jul-04	5,250 00	4,247 75	1,002 25
Aug-04	5,250 00	4,247 75	1,002 25
Sep-04	5,250 00	4,247 75	1,002 25
Oct-04	5,250 00	4,247 75	1,002 25
Total Through end of Coast-to Coast Lease Term	<u>\$ 93,432 00</u>	\$ 50,973 00	\$ 42,459 00
Cost to release space (lease commission)		<u>-7,842 45</u>	<u>7,842 45</u>
		<u>\$ 43,130 55</u>	<u>\$ 50,301 45</u>

Lease Rejection Claim is greater of

Rent for one (1) year = \$5,250 00 x 12 = \$63,000 00

OR

15% of remaining lease or obligation = \$ 14,014 80
(not to exceed three (3) years)

LAUREL OFFICE PARK PARTNERSHIP III

LEASE

September 17, 19 99

TENANT Name Coast to Coast Telecommunications, Inc , a Michigan Corporation

Mail Address 5850 Dixie Highway, Clarkston, MI 48346

PREMISES Suite No 306 in the Office Building at 17197 N Laurel Park Dr Livonia Wayne County Michigan in accordance with the floor plan attached as EXHIBIT A containing 2,614 **Rentable** square feet of Floor Area which includes 1 28 % of the Rentable Floor Area of the Building

TERM Begins November 1 19 99 Ends October 31 ~~XX~~ 2004

BASIC **
MONTHLY
RENT

\$ 4,574 50* First month paid _____ 19 _____

*First month's rent is due upon execution of Lease

**See Paragraph A of Rider for Basic Monthly Rent increases

SECURITY
DEPOSIT

\$ 4,574 50* Paid ~~XXXXXX~~ 19 ~~X~~

*Due upon execution of Lease

ADDI-
TIONAL
USE (IF ANY)

None

TAX
BASE RATE

\$ Not Applicable

EXPENSE

BASE RATE Not Applicable (See Article 8)

1 LEASE

LAUREL OFFICE PARK PARTNERSHIP III a Michigan limited partnership (Landlord) in consideration of the rents to be paid and the undertakings to be performed by the above named Tenant leases to Tenant the above described Premises for the above stated Term together with the non-exclusive right to use the parking areas and other common areas which may be designated by Landlord from time to time for use in connection with the Premises in common with others entitled to use the same Tenant upon paying the rent and performing its obligations under this Lease may peacefully and quietly enjoy the Premises during the Term subject to the provisions of this Lease

2 RENT

Tenant hires the Premises for the stated Term and agrees to pay the stated Basic Monthly Rent in advance on the first day of each month during the Term ~~and to pay the rent in advance on the first day of each month during the Term~~ without demand setoff or deduction and to perform the undertakings herein set forth Rent shall be paid at such place as Landlord may designate from time to time Landlord currently designates 17197 N Laurel Park Dr Suite 171 Livonia, MI 48152

3 USE

Tenant may use and occupy the Premises for office purposes and for the Additional Use stated above if any and for no other purpose without the prior written consent of Landlord Tenant its employees and invitees shall comply with all laws ordinances and regulations of all public authorities relating to the Premises and the use and occupancy thereof Tenant its employees and invitees shall comply with the Regulations set forth in EXHIBIT B attached as the same may be reasonably modified by Landlord from time to time and with such other and further reasonable regulations as Landlord may make from time to time

4 CONDITION OF PREMISES

Landlord will prior to commencement of the Term install in the Premises the improvements shown on EXHIBIT A and specified in the Supplement thereto in the manner provided in EXHIBIT C and such Supplement. Landlord shall have no other obligation to make any repairs or to remodel the Premises, and shall have no obligation to maintain the Premises in any other manner than as provided in the Supplement thereto.

5 POSSESSION

Landlord shall have no liability to Tenant if Landlord shall be unable to deliver possession of the Premises on the date of the commencement of the term of this Lease by reason of the holding over of the prior occupant or by reason of delay in completion of the building of which the Premises are a part or in completing repairing or remodeling the Premises for Tenant's occupancy if such is provided herein or for any other cause beyond the reasonable control of Landlord but in such event the term and rent shall not commence until possession of the Premises is tendered to Tenant and the expiration of the term shall be extended accordingly provided that if possession is not tendered to Tenant within 180 days after the stated commencement date other than by reason of delays caused by Tenant Tenant may terminate this Lease by notice to Landlord within 10 days thereafter. If delay in tender of possession is caused by Tenant Tenant shall pay Basic Monthly Rent for the period of such delay. If Tenant shall occupy the Premises prior to the date of the commencement of the term with the consent of Landlord such occupancy shall be subject to all of the terms and conditions of this Lease including payment of rent and all other charges. Tenant shall, from time to time within 10 days after request by Landlord execute and deliver to Landlord a certificate confirming this Lease the status thereof and of the Premises and Tenant's occupancy thereof in such form and with respect to such other matters as Landlord may reasonably request. Tenant shall not be entitled to withhold such certificate on the basis of any claimed default by Landlord hereunder.

6 UTILITIES AND SERVICES

Landlord shall furnish to the Premises without charge to Tenant except as hereinafter provided (a) janitor service daily except on Saturdays Sundays and holidays (b) hot and cold water for ordinary office purposes in public toilet rooms if not within the Premises and (c) heat and air conditioning to maintain a comfortable temperature and electricity for purposes of illumination and operation of normal office equipment (excluding other equipment requiring large amounts of electricity) between the hours of 8 00 A M and 6 00 P M Monday through Friday and from 8 00 A M to 1 00 P M on Saturday. If Tenant requires heat air conditioning or electricity during other hours or electricity or air conditioning for the operation of other equipment requiring large quantities of electricity or air conditioning, Tenant shall give Landlord reasonable advance notice and shall pay the reasonable charges of and as determined by Landlord for the same. All work and materials required to provide any such additional electric power or heating ventilating or air conditioning facilities shall also be paid by Tenant. If Tenant generates greater quantities of refuse than normal for general office occupancy Tenant shall pay the reasonable charges of Landlord for removal of such excess. Landlord shall have no liability to Tenant its employees or invitees and there shall be no abatement of rent by reason of any failure to furnish any utility or service if not due to the negligence of Landlord.

7 MAINTENANCE AND ALTERATIONS

Tenant shall keep the premises in good repair and at the expiration of the term shall yield and deliver up the same in like condition as when taken reasonable use and wear thereof excepted. Tenant shall not make any alteration to the Premises (including fastening any floor covering) without Landlord's prior written consent and then only by such contractors as may then be employed by Landlord. All alterations and additions made by either Landlord or Tenant including any floor covering fastened to the floor by nails or adhesive shall be the property of Landlord and shall remain upon the Premises at the termination of this Lease except that Tenant may remove all movable office furniture and equipment installed by Tenant and Tenant shall remove such other alterations and additions installed by Tenant as Landlord may direct. Tenant shall at Tenant's expense repair any damage to the Premises caused by the installation or removal of such furniture fixtures alterations or additions so removed and shall restore the Premises. If Tenant fails to remove all of Tenant's property and the property of others in the possession of Tenant from the Premises at the termination of this Lease Landlord may remove and dispose of such property in any manner without liability therefor, and Tenant shall pay all charges for such removal and disposal upon demand by Landlord. Tenant shall indemnify and hold harmless Landlord from any claim by other persons with respect to such property.

8 ~~ADDITIONAL RENT~~ RENTABLE FLOOR AREA

~~Tenant shall pay Additional Rent as follows:~~

A. If the Real Estate Taxes with respect to the land and building or which the leased Premises are a part (including all adjoining parking and other areas apportioned to the building by Landlord) for any calendar year or the term shall exceed the Tax Base Amount, Tenant shall pay to Landlord Tenant's Portion or such excess. For the purposes hereof:

(1) "Real Estate Taxes" shall be all (a) ad valorem real property taxes and assessments (including installments or special assessments required to be paid during the calendar year) and (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which (i) are enacted after the date of this Lease or if previously enacted are increased in any manner after the date of this Lease (but only to the extent of such increase) (ii) are in replacement or in addition to all or any part of ad valorem taxes as sources of revenue, and (iii) are based in whole or in part upon the land and building or which the Premises are a part or any interest therein or the ownership or operation thereof or the rents, profits or other income therefrom including without limitation income, single business franchise excise, license, privilege, sales use and occupancy taxes.

(2) The "Tax Base Amount" shall be the amount obtained by multiplying the stated Tax Base Rate by the number of square feet of Rentable Floor Area in the building or which the Premises are a part.

(3) Tenant's Portion shall be the percentage (as stated at the heading of this Lease) that the Rentable Floor Area of the leased Premises bears to the Rentable Floor Area of the building or which the leased Premises are a part. If the term of this Lease begins or ends other than at the beginning or ending of a calendar year, Tenant's Portion for the initial or final part of a calendar year, as the case may be, shall be adjusted in proportion to the number of days of the term which are included in such calendar year.

(4) "Rentable Floor Area" shall be the usable area of the Premises plus an allocable portion of the Common Areas of the Building. "Common Areas" of the Building shall be all areas designated by Landlord for public access or the Building operations, including but not limited to:

- (a) Building lobbies and entries
- (b) Stairways, duct shafts and elevator shafts
- (c) The standard building corridor areas
- (d) Toilet rooms
- (e) Utilities and maintenance rooms

whether or not any such areas are actually included within any leased premises including the Premises under this Lease.

~~B. If Operating Expenses with respect to the Building or which the leased Premises are a part (including all adjoining parking and other areas apportioned to the Building by Landlord) for any calendar year or the term shall exceed the Expense Base Amount, Tenant shall pay to Landlord Tenant's Portion or such excess. Tenant's Portion being determined under Paragraph 8A(3) and adjusted in accordance with Paragraph 8B(2). For the purpose hereof:~~

(1) "Operating Expense" shall be all amounts paid by Landlord or which Landlord shall be obligated to pay in connection with the ownership, management and operation of such building and areas, except (a) Real Estate Taxes as defined in Paragraph 8A(1), (b) building depreciation, (c) mortgage interest and principal payment, (d) real estate brokers' commissions paid with respect to leasing of premises, and (e) cost of capital improvements (excepting the cost including interest or labor or energy saving devices which will be amortized and charged to Operating Expense as reasonably determined by Landlord).

(2) Tenant's Portion under Paragraph 8B shall be adjusted as follows:

(a) Variable expenses: Tenant's Portion with respect to those Operating Expenses which vary depending upon the extent of Building occupancy ("Variable expenses") shall be as defined in Paragraph 8A(3) except that if the Building or which the leased Premises are a part is not fully occupied (100%) for any calendar year, Tenant's Portion with respect to such Variable expenses for such year shall be the percentage that the Rentable Floor Area of the leased Premises bears to the average occupied Rentable Floor Area of the Building for such year.

(b) Fixed expenses: Tenant's Portion with respect to Operating Expenses which are fixed and do not vary depending upon the extent of Building occupancy ("Fixed expenses") shall be defined in Paragraph 8A(3) except that if an average of 95% or more but less than 100% of the Rentable Floor Area of the Building or which the leased Premises are a part is occupied during any calendar year, Tenant's Portion with respect to such Fixed expenses for such year shall be the percentage that the Rentable Floor Area of the leased Premises bears to the average occupied Rentable Floor Area of the Building for such year.

(3) The "Expense Base Amount" shall be the amount obtained by multiplying the stated Expense Base Rate by the number of square feet of Rentable Floor Area in the building or which the Premises are a part.

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~~C On the first day of each month simultaneously with the payment of Basic Monthly Rent Tenant shall pay to Landlord an amount equal to one-twelfth (1/12th) of the estimated Additional Rent for the then current year based on the then current rates of operating expenses and taxes. On request Landlord shall deliver to Tenant a statement setting forth a computation of such estimated Additional Rent~~

~~D With reasonable promptness after the end of each calendar year or after any termination or expiration of this Lease Landlord shall deliver to Tenant a statement for the Additional Rent payable by Tenant with respect to such calendar year together with a statement of the computation thereof. If Additional Rent is due Landlord for such calendar year Tenant shall within 10 days following delivery of such statement pay to Landlord the amount of such Additional Rent for such calendar year less the portion thereof if any already paid on the estimated basis. If the amount theretofore paid hereunder for any calendar year shall exceed the amount determined in Landlord's annual statement the excess shall be credited on the installments of Additional Rent next maturing. If Landlord shall receive a refund on account of any amount for which Tenant has been charged Tenant shall be credited for the net received by Landlord after deduction of all expenses in connection therewith~~

9 ASSIGNMENT AND SUBLETTING See Paragraph D of Rider

Tenant may not assign this Lease or any interest therein or sublet the Premises or any part hereof without the prior written consent of Landlord. In the event Landlord shall so consent Tenant shall remain liable for all of its obligations under this Lease.

10 MORTGAGE

This Lease at the option of Landlord shall be subordinate or superior to any present or future mortgage of the building or which the Premises are a part. The holder of any first mortgage may also elect to have this Lease prior or subordinate to its mortgage. If in connection with obtaining financing for the Office Building the proposed lender shall request reasonable modifications of this Lease as a condition of such financing Tenant shall not unreasonably withhold or delay its agreement to such modifications provided that such modifications do not materially increase the obligations or materially and adversely affect the rights of Tenant under this Lease. Tenant shall attorn to any purchaser of the Premises at foreclosure sale as Landlord under this Lease subject to all of the terms and conditions of this Lease. Tenant shall from time to time, within 10 days after request by Landlord execute and deliver to Landlord a non-disturbance and attornment agreement which confirms the foregoing in such form as Landlord may reasonably request.

11 ACCESS See Paragraph E of Rider

Landlord shall have the right to enter upon the Premises at any reasonable time for the making of inspections, repairs or alterations as Landlord may deem necessary to exhibit the Premises to others and for any purpose related to the safety, protection, operation or improvement of the building.

12 FIRE

If the Premises are damaged or destroyed by fire or other casualty insured under standard fire and extended coverage insurance Landlord shall repair and restore the same with reasonable dispatch. The obligation of Landlord to restore is limited to the work required to be performed by Landlord under EXHIBIT A. Rent shall abate pro rata in proportion to the extent of untenantability until the Premises shall be restored to a tenantable condition. Notwithstanding any other provision herein if damage to the building of which the leased Premises are a part is so extensive that the same cannot reasonably be repaired within 180 days or if Landlord elects not to restore the building to its form prior to the damage Landlord may terminate this Lease by notice in writing to Tenant. If the leased Premises are not restored to a tenantable condition within 180 days other than by reason of causes beyond the reasonable control of Landlord Tenant may terminate this Lease by notice in writing to Landlord within 15 days after the expiration of the 180 day period. Neither Landlord nor Tenant nor their respective employees shall have any liability to the other by reason of any loss or damage however caused and without regard to negligence or fault to the extent that the same is reimbursed by insurance held by the injured party under a policy or policies which permit this waiver.

13 EMINENT DOMAIN

If all of the Premises or the use and occupancy thereof are taken under the power of eminent domain this Lease shall terminate at the time of such taking. If any portion of the building of which the Premises are a part or the use and occupancy thereof shall be taken under the power of eminent domain Landlord may at Landlord's option at any time after the entry of the verdict or order for such taking terminate this Lease by not less than 30 days notice in writing to Tenant. If 20% or more of the Premises shall be taken and the remainder is unsuitable for

Handwritten signatures and initials:
bhm
ocf

Tenant's purposes. Tenant may terminate this Lease by notice in writing to Landlord within 30 days after the taking and in such event Tenant shall vacate within 30 days after such termination, if Tenant does not terminate rent shall be reduced in proportion to the area of the Premises taken. All damages and compensation awarded for any taking under the power of eminent domain shall belong to and be the property of Landlord whether such damage or compensation be awarded for the leasehold or the fee or other interest of Landlord or Tenant in the Premises.

14 INDEMNITY AND LIABILITY INSURANCE

Tenant shall indemnify Landlord from all liability for damages to person or property in on or from the Premises from any cause whatsoever other than the negligent or wrongful act of Landlord and from all liability by reason of any negligent or wrongful act of Tenant. Tenant shall procure and keep in effect during the term comprehensive public liability and property damage insurance naming Landlord and Tenant as insureds with limits of not less than \$500,000 for damages resulting to one person, \$1,000,000 for damages resulting from any one occurrence, and \$500,000 for damage to property resulting from one occurrence. Tenant shall deliver policies of such insurance or certificates thereof to Landlord which shall provide that the same may not be cancelled without not less than 30 days prior written notice to Landlord.

15 DAMAGE

Landlord shall have no liability for any loss or damage that may be occasioned by or through the acts or omissions of others including persons occupying other premises in the building. Landlord shall have no liability for any loss or damage from water leakage from any source or from leakage, overflow, stoppage or backing up or other condition of any facilities or utilities or from fire, explosion or any other casualty or for any loss or damage from any other cause whatsoever including theft.

16 HOLDING OVER

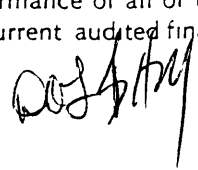
In the event Tenant holds over after the expiration of the term of this Lease, the tenancy shall thereafter be from month-to-month on the same terms and conditions as are herein set forth in the absence of a written agreement to the contrary, except that the Basic Monthly Rent shall be 150% of the amount stated at the heading of this Lease.

17 DELINQUENCY

If Tenant shall fail to pay or perform any obligation of Tenant hereunder, Landlord may at Landlord's option pay or perform the same in which event the amount expended by Landlord therefor shall be additional rent due and payable forthwith.

18 BANKRUPTCY

If the tenancy shall be taken in execution or by other process of law or if Tenant shall file a petition in bankruptcy or insolvency or if Tenant shall file a petition or any proceeding seeking reorganization or any relief as a debtor under any present or future bankruptcy or similar law or if Tenant shall be declared bankrupt or insolvent or if a receiver shall be appointed for Tenant's property or if an assignment shall be made of Tenant's property for the benefit of creditors, Tenant shall be in default under this Lease and to the extent permitted by applicable law, Landlord shall be entitled to exercise any or all remedies set forth in Paragraph 19 of this Lease. This Lease shall be deemed to have been rejected and terminated unless the trustee or Tenant assumes this Lease within 60 days after the filing of a proceeding under the Federal Bankruptcy Code or within such other time as may be provided under the Code. Tenant acknowledges that in entering into this Lease, Landlord relied upon a determination that Tenant would be able to perform its obligations under the Lease and that the character of Tenant's occupancy and use of the Premises would be compatible with the character of the building and the other tenants thereof. Therefore, no election by a trustee or Tenant to assume this Lease shall be effective unless the trustee or Tenant cures or gives adequate assurance of a prompt cure of any existing default, compensates or gives adequate assurance of compensation for any pecuniary loss incurred by Landlord arising out of any default of Tenant, and gives adequate assurance of future performance under this Lease, including but not limited to a reasonable security deposit as determined by Landlord. This Lease may be assigned by the trustee or Tenant only if Landlord acknowledges in writing that the intended assignee's use of the Premises will be compatible with the character of the building and the other tenants thereof and that the assignee has provided adequate assurance of future performance of all of the terms and conditions of this Lease, including but not limited to the submission of satisfactory current audited financial statements.



19 DEFAULT

If Tenant shall default in the payment of rent or other amounts or in the performance of any other obligation of Tenant hereunder and such default shall continue for 10 days after written notice to Tenant or if the Premises be vacated or if any of the events recited in Paragraph 18 shall occur Landlord may in addition to all other remedies permitted by law (a) terminate this Lease by notice to Tenant and recover Landlord's damages from Tenant, (b) with or without terminating this Lease reenter and repossess the Premises and Tenant and each and every occupant remove and put out preserving its right of damages In addition to all other damages provided by law Tenant shall pay Landlord the expense incurred in obtaining possession of the Premises and all expenses incurred in and about reletting the same and if Landlord relets the Premises each month the excess of the amounts payable by Tenant hereunder over the amounts actually received by Landlord on account of such month from such reletting

20 INTEREST AND DELINQUENCY CHARGES

If Tenant fails to make any payment due to Landlord under this Lease within ten (10) days after the due date thereof such payment shall bear interest from the due date at the rate of one and one-half (1 ½ %) percent per month or the maximum rate of interest allowed by law whichever is lower Tenant shall pay to Landlord a delinquency charge in the amount of Thirty-Five (\$35 00) Dollars to reimburse Landlord for its administrative expenses resulting from the late payment Any interest and delinquency charge shall be payable on the eleventh (11th) day following the due date for the payment to which the interest and charge is applicable The payment of interest or any delinquency charge shall not excuse or cure any default by Tenant under this Lease

21 SECURITY DEPOSIT

Landlord shall hold the amount recited above as a security deposit if any as security for the performance of all of the obligations of Tenant under this Lease Landlord shall not be obligated to apply the security deposit upon any rent or other damages and Landlord's right to terminate this Lease and to possession of the Premises in the event or default shall not be affected by the fact that Landlord holds such security Landlord may at any time apply the security upon damages theretofore suffered and may retain the security to apply upon such damages as may accrue thereafter If the security deposit is not applied to the payment of rent or damages the same shall be returned to Tenant upon expiration of the Lease and when Tenant shall have vacated the Premises and delivered possession to Landlord in the condition required hereby Landlord shall not be obligated to keep the security deposit as a separate fund but may mingle the same with Landlord's funds and no interest shall accrue thereon Tenant agrees not to look to the holder of a first mortgage of the building of which the Premises are a part as mortgagee mortgagee in possession or successor in title to the property for accountability for any security deposit required by the Landlord hereunder unless said sums have actually been received by said mortgagee as security for the Tenant's performance of this Lease

22 NOTICES

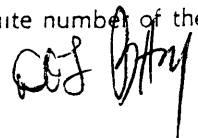
All notices provided herein shall be in writing Any notice to Tenant may be served at the Premises by hand delivery or by mailing by first-class mail postage prepaid addressed to the Premises unless a different mailing address shall have been designated by written notice received by Landlord Any notice to Landlord shall be served by depositing the same in the mail certified mail return receipt requested with postage prepaid addressed to the address at which rent is paid hereunder

23 RELOCATION

Landlord may at its election relocate Tenant in other comparable space in the building upon not less than 30 days' prior written notice to Tenant Landlord shall pay the cost of moving Tenant to the new space If Tenant does not wish to accept such relocation Tenant may object thereto by written notice to Landlord within 10 days after the notice from Landlord In the event Tenant so objects Landlord may rescind the notice of intention to relocate Tenant or may reaffirm such intention in which latter event Tenant may terminate this Lease by notice to Landlord within 10 days after notice of Landlord's reaffirmation and in that event Tenant shall vacate within 30 days thereafter

24 NAME

Landlord reserves the right to change the name or street address of the building or the suite number of the Premises



25 MISCELLANEOUS

This Lease shall enure to the benefit of the successors and assigns of Landlord and shall be binding upon the premitted successors and assigns of Tenant. In the event Landlord shall convey the building to any other person Landlord may assign this Lease to the grantee and pay the Security Deposit to the grantee and thereupon Landlord shall be relieved from all obligations under this Lease. The rights and remedies provided herein shall be cumulative and shall not be exclusive of any other rights or remedies or any rights or remedies provided by law.

26 RIDERS

Additional provisions of this Lease may be set forth in the Riders attached, if any, and signed by the parties hereto.

IN WITNESS WHEREOF, the parties have executed these presents as of the day and year first above written.

LAUREL OFFICE PARK PARTNERSHIP III

By 
Landlord

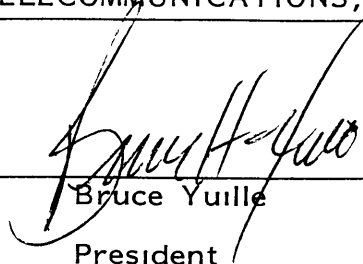
COAST TO COAST
TELECOMMUNICATIONS, INC.
By 
Bruce Yuille
Its President
Tenant

EXHIBIT B

REGULATIONS

Tenant shall comply with and shall not permit any violation of the following Regulations as the same may be reasonably amended by Landlord from time to time

1 The common or public areas of the building and grounds shall not be obstructed or used for any purpose other than ingress and egress to and from the Premises. Parking areas shall be used only for transient parking by tenants, their employees and invitees, and shall not be used to store vehicles or for parking large commercial or recreational vehicles.

2 Nothing shall be attached to the interior or exterior of the building outside the Premises without the prior written consent of Landlord. Standard building drapes shall be used in such windows as shall be designated by Landlord. No other drapes, curtains, blinds, shades, or screens or other object shall be attached to or hung in, or used in connection with, any window or door of the Premises without the prior written consent of Landlord. No article shall be placed on any window sill.

3 No sign or other representation shall be placed outside any part of the Premises, or inside the Premises if the same will be visible from outside the Premises, without the prior written consent of Landlord. Landlord will provide one standard tenant identification at Tenant's entrance and one in the building directories.

4 Landlord has the right to control access to the building and refuse admittance to the building during such hours as Landlord may determine and on Saturdays, Sundays and holidays, to any person or persons without satisfactory identification or a pass issued by a tenant.

5 All deliveries and removals of furniture, equipment or other bulky items must take place after notice to Landlord during such hours and in such manner as Landlord may determine from time to time. Tenant shall be responsible for all damage or injury resulting from the delivering or removal of all articles into or out of the Premises.

6 No load shall be placed on the floor of the Premises in excess of the limits which may be established by Landlord or in any place not approved by Landlord. Tenant's equipment shall be placed and operated only in such locations as shall be approved by Landlord.

7 No article deemed hazardous on account of fire or having other dangerous properties or any explosive shall be brought into the building or Premises. No bicycles, vehicles, or animals of any kind shall be brought into or kept in or about the building or the Premises.

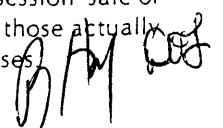
8 No marking, painting, drilling, boring, cutting or detaching of the Premises or the building will be permitted without the prior written consent of Landlord and as it may direct. Nothing shall be attached to the floor by adhesive without the written permission of Landlord. Clear plastic protective floor mats shall be maintained over all carpeted areas under desk chairs with casters.

9 No electric or other wires shall be brought into the Premises and the electrical system and light fixtures in the building and the Premises shall not be disturbed without Landlord's written permission specifying the manner in which same may be done. Only such electrical fixtures and equipment may be used as shall be approved by Landlord.

10 The toilets and other plumbing fixtures shall not be used for any purpose other than those for which they are designed, and no sweepings, rubbish or other similar substance shall be deposited therein.

11 No noise, vibration or odor shall be produced upon or from the Premise which is observable outside the Premises. No cooking shall be done or permitted on the Premises. Nothing shall be thrown out of the doors or windows or down the passageways.

12 The Premises shall not be used or permitted to be used for lodging or sleeping or for the possession, sale or furnishing of liquor or narcotics. No tenant shall engage or pay any employees on the Premises except those actually working for such tenant on such Premises, nor advertise for laborers giving an address at the Premises.



13 Canvassing soliciting and peddling in the building is prohibited and each tenant shall cooperate to prevent the same No vending machine shall be operated in the building by any tenant

14 Landlord is not responsible for mail boxes or for any damage or delay which may arise from the use thereof Landlord will not be responsible for lost or stolen property


15 Upon closing the Premises at any time all doors shall be locked and all windows shall be closed No additional locks or bolts of any kind shall be placed upon any of the doors or windows nor shall any changes be made in existing locks or the mechanism thereof Upon the termination of occupancy all keys to offices and restrooms shall be returned to Landlord and in the event of the loss of any keys furnished by Landlord the tenant shall pay to Landlord the cost thereof Landlord may retain a pass key to the Premises and shall be allowed admittance thereto at all reasonable times

16 The requirements of tenants will be attended to only upon application at the office of the building Landlord's employees shall not perform any work outside of their regular duties unless under special instruction from Landlord

LAUREL OFFICE PARK PARTNERSHIP III

By 
Landlord

COAST TO COAST
TELECOMMUNICATIONS, INC

By 
Bruce Yuille
President
Its _____
Tenant

September 17, 1999

RIDER TO LEASE

LANDLORD Laurel Office Park Partnership III

TENANT Coast to Coast Telecommunications, Inc ,
a Michigan Corporation

PREMISES Suite No 306, 17197 N Laurel Park Drive,
Livonia, Michigan 48152

A BASIC MONTHLY RENT Tenant's Basic Monthly Rent shall increase as follows

- 1 Commencing November 1, 2000 and through October 31, 2001,
Basic Monthly Rent will be \$4,735 00
- 2 Commencing November 1, 2001 and through October 31, 2002,
Basic Monthly Rent will be \$4,900 00
- 3 Commencing November 1, 2002 and through October 31, 2003,
Basic Monthly Rent will be \$5,072 00
- 4 Commencing November 1, 2003 and through October 31, 2004,
Basic Monthly Rent will be \$5,250 00

- B OPTION TO TERMINATE While this Lease is in effect and provided Tenant is not in default, Tenant will have a one-time option to terminate this Lease on October 31, 2002 by written notice to Landlord received by Landlord not later than April 30, 2002 accompanied by an additional payment on account of such early termination in an amount equal to the unamortized portion of tenant improvements for the leased Premises and any expansion thereof (including architectural and construction management fees), real estate brokerage commissions paid by Landlord in connection with leasing the Premises and any expansion thereof to Tenant plus an amount equal to three (3) times the monthly rent then in effect (collectively the "Early Termination Payment") Within one hundred eighty (180) days following the commencement date of the term of the Lease, Landlord shall provide to Tenant a calculation of such Early Termination Payment Tenant's failure to pay the Early Termination Payment to Landlord as provided herein shall cause Tenant to lose its right to terminate this Lease as set forth herein

[Handwritten signature]

C LEASEHOLD IMPROVEMENTS ^{ONE} Landlord shall remove ~~three (3)~~ ^{one (1)} private offices located along the north side of the leased Premises, install new carpet and paint the walls throughout the leased Premises at Landlord's sole cost and expense. See EXHIBIT A

To be approved by William Frohner.

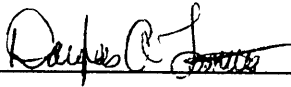
D ASSIGNMENT AND SUBLETTING Landlord will not unreasonably withhold its consent to a proposed assignment or subletting provided that the proposed assignee or sublessee and its intended use of the Premises are consistent with the character of the Building and the other tenants thereof

E ACCESS Landlord will give reasonable notice to Tenant prior to entry upon the Premises except in the event of a bona fide emergency as determined by Landlord in its sole, reasonable discretion and except for regularly scheduled janitor service

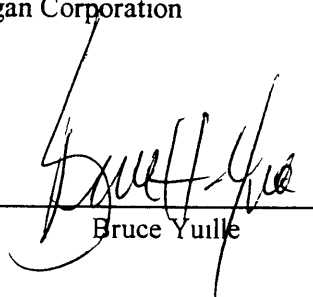
LAUREL OFFICE PARK
PARTNERSHIP III

COAST TO COAST
TELECOMMUNICATIONS, INC
a Michigan Corporation

By



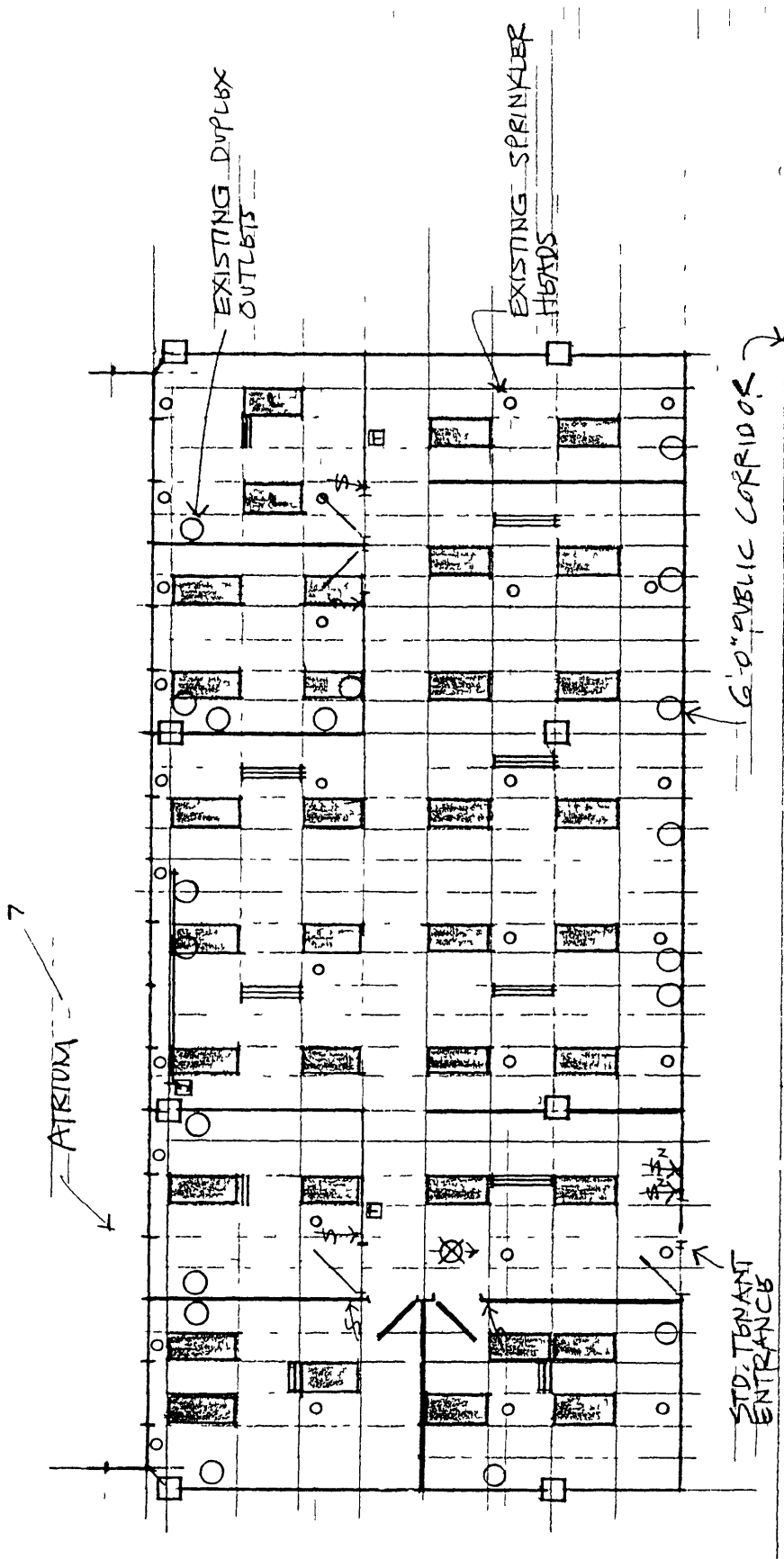
By



Bruce Yuille

Its

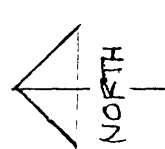
President



FLOOR PLAN (2614 R.S.F.)

[Handwritten signature]

EXHIBIT "A"



LEVINE PROPERTY MANAGEMENT, INC

17197 N LAUREL PARK DRIVE, SUITE 171, LIVONIA, MICHIGAN 48152

(734) 462-2171

FAX (734) 462-2177

November 1, 2003

STATEMENT

Laurel Office Park III, LLC
17197 N Laurel Park Drive
Suite 171
Livonia, MI 48152

Tenant	Strategic Energy, LLC
Location	Suite No 306 17197 N Laurel Park Drive Livonia, MI 48152
Size	2,614 rentable square feet
Rental Rate	\$19 50/rentable sq ft with \$ 50/square foot annual increases
Term	Three (3) years (11/1/03 - 10/31/06)
Gross Aggregate Rental	\$156,849 00
Commission	Five (5 %) percent
Commission Due	November 1, 2003
Amount Due	\$7,842 45

LAUREL OFFICE PARK PARTNERSHIP III

LEASE

September 22, 2003

TENANT Name Strategic Energy, L L C , a wholly owned subsidiary of
Custom Energy Holdings, L L C
Mail Address Two Gateway Center, Pittsburgh, PA 15222-1458

PREMISES Suite No 306 in the Office Building at 17197 N Laurel Park Dr, Livonia Wayne County
Michigan, in accordance with the floor plan attached as EXHIBIT A containing 2,614
Rentable
square feet of Floor Area which includes 1 28 % of the Rentable Floor Area of the
Building

TERM Begins November 1 2003 Ends October 31 2006

BASIC **
MONTHLY RENT \$ 4,247 75* First month paid September 22, 2003
*First month's rent is due upon execution of Lease.
**See Rider for Basic Monthly Rent increases

SECURITY DEPOSIT \$ 4,247 75* Paid September 22 2003
*Due upon execution of Lease

ADDITIONAL USE (IF ANY). None

TAX BASE RATE. See Paragraph 8 of Lease EXPENSE BASE RATE. Not Applicable (See Article 8)

1 LEASE III, L.L.C., liability company

LAUREL OFFICE PARK ~~XXXXXX~~, a Michigan limited ~~XXXXXX~~ (Landlord) in consideration of the rents to be paid and the undertakings to be performed by the above named Tenant leases to Tenant the above described Premises for the above stated Term, together with the non-exclusive right to use the parking areas and other common areas which may be designated by Landlord from time to time for use in connection with the Premises in common with others entitled to use the same Tenant, upon paying the rent and performing its obligations under this Lease may peaceably and quietly enjoy the Premises during the Term, subject to the provisions of this Lease

2 RENT

Tenant hires the Premises for the stated Term and agrees to pay the stated Basic Monthly Rent in advance on the first day of each month during the Term and Additional Rent as hereinafter provided, without demand, set off or deduction, and to perform the undertakings herein set forth Rent shall be paid at such place as Landlord may designate from time to time Landlord currently designates 17197 N Laurel Park Drive Suite 171

3 USE

Livonia, MI 48152

Tenant may use and occupy the Premises for office purposes and for the Additional Use stated above if any and for no other purpose without the prior written consent of Landlord Tenant its employees and invitees shall comply with all laws ordinances and regulations or all public authorities relating to the Premises and the use and occupancy thereof Tenant its employees and invitees shall comply with the Regulations set forth in EXHIBIT B attached as the same may be reasonably modified by Landlord from time to time and with such other and further reasonable regulations as Landlord may make from time to time

4 CONDITION OF PREMISES

Landlord will prior to commencement of the Term install in the Premises the improvements shown on EXHIBIT A and specified on the Supplement to EXHIBIT A. Tenant shall pay Landlord the cost of such improvements and remodeling to the extent and in the manner provided in EXHIBIT B and such Supplement. Tenant shall have no other obligation to make any repairs or removal of the Premises and fixtures or alterations or improvements in the Supplement to EXHIBIT A. Tenant accepts the Premises in this condition of this lease. Landlord shall deliver possession of the Premises to Tenant in broom clean condition.

5 POSSESSION

Landlord shall have no liability to Tenant if Landlord shall be unable to deliver possession of the Premises on the date of the commencement of the term of this Lease by reason of the holding over of the prior occupant or by reason of delay in completion of the building of which the Premises are a part or in completing, repairing or remodeling the Premises for Tenant's occupancy if such is provided herein or for any other cause beyond the reasonable control of Landlord, but in such event the term and rent shall not commence until possession of the Premises is tendered to Tenant and the expiration of the term shall be extended accordingly, provided that if possession is not tendered to Tenant within 180 days after the stated commencement date other than by reason of delays caused by Tenant, Tenant may terminate this Lease by notice to Landlord within 10 days thereafter. If delay in tender or possession is caused by Tenant, Tenant shall pay Basic Monthly Rent for the period of such delay. If Tenant shall occupy the Premises prior to the date of the commencement of the term with the consent of Landlord, such occupancy shall be subject to all of the terms and conditions of this Lease including payment of rent and all other charges. Tenant shall from time to time, within 10 days after request by Landlord, execute and deliver to Landlord a certificate confirming this Lease, the status thereof and of the Premises and Tenant's occupancy thereof in such form and with respect to such other matters as Landlord may reasonably request. Tenant shall not be entitled to withhold such certificate on the basis of any claimed default by Landlord hereunder. Notwithstanding to the provision hereof, if the term of this Lease commences or expires more than one year from the date of this Lease, the lease shall terminate and the parties shall have no liability to the other hereunder.

6 UTILITIES AND SERVICES

Landlord shall furnish to the Premises without charge to Tenant except as hereinafter provided: (a) janitor service daily except on Saturdays, Sundays and holidays; (b) hot and cold water for ordinary office purposes in public toilet rooms if not within the Premises; and (c) heat and air conditioning to maintain a comfortable temperature and electricity for purposes of illumination and operation of normal office equipment (excluding ~~normal~~ ~~and~~ other equipment requiring large amounts of electricity) between the hours of 8:00 A.M. and 6:00 P.M. Monday through Friday and from 8:00 A.M. to 1:00 P.M. on Saturday. If Tenant requires heat, air conditioning or electricity during other hours or electricity or air conditioning for the operation of ~~computer~~ or other equipment requiring large quantities of electricity or air conditioning, Tenant shall give Landlord reasonable advance notice and shall pay the reasonable charges of and as determined by Landlord for the same. All work and materials required to provide any such additional electric power or heating, ventilating or air conditioning facilities shall also be paid by Tenant. If Tenant generates greater quantities of refuse than normal for general office occupancy, Tenant shall pay the reasonable charges of Landlord for removal of such excess. Landlord shall have no liability to Tenant, its employees or invitees and there shall be no abatement of rent by reason of any failure to furnish any utility or service if not due to the negligence of Landlord.

7 MAINTENANCE AND ALTERATIONS

Tenant shall keep the premises in good repair and at the expiration or the term shall yield and deliver up the same in like condition as when taken, reasonable use and wear thereof excepted. Tenant shall not make any alteration to the Premises (including fastening any floor covering) without Landlord's prior written consent and then only by such contractors as may then be employed by Landlord. All alterations and additions made by either Landlord or Tenant, including any floor covering fastened to the floor by nails or adhesive, shall be the property of Landlord and shall remain upon the Premises at the termination of this Lease, except that Tenant may remove all movable office furniture and equipment installed by Tenant, and Tenant shall remove such other alterations and additions installed by Tenant as Landlord may direct. Tenant shall at Tenant's expense repair any damage to the Premises caused by the installation or removal of such furniture, fixtures, alterations or additions so removed and shall restore the Premises. If Tenant fails to remove all of Tenant's property and the property of others in the possession of Tenant from the Premises at the termination of this Lease, Landlord may remove and dispose of such property in any manner without liability therefor, and Tenant shall pay all charges for such removal and disposal upon demand by Landlord. Tenant shall indemnify and hold harmless Landlord from any claim by other persons with respect to such property.

8 ADDITIONAL RENT

Tenant shall pay Additional Rent as follows

A If the Real Estate Taxes with respect to the land and building of which the leased Premises are a part (including all adjoining parking and other areas apportioned to the building by Landlord) for any calendar year or the term shall exceed the Tax Base Amount Tenant shall pay to Landlord Tenant's Portion of such excess For the purposes hereof

(1) "Real Estate Taxes" shall be all (a) ad valorem real property taxes and assessments (including installments or special assessments required to be paid during the calendar year) and (b) all other taxes and other charges imposed by the State or Michigan or any subdivision thereof which (i) are enacted after the date of this Lease or if previously enacted are increased in any manner after the date of this Lease (but only to the extent of such increase) (ii) are in replacement or in addition to all or any part of ad valorem taxes as sources of revenue and (iii) are based in whole or in part upon the land and building or which the Premises are a part or any interest therein or the ownership or operation thereof or the rents profits or other income therefrom including without limitation income single business franchise excise license privilege sales use and occupancy taxes

(2) The "Tax Base Amount" shall be equal to the amount of Real Estate Taxes for calendar year 2003

(3) Tenant's Portion" shall be the percentage (as stated at the heading of this Lease) that the Rentable Floor Area of the leased Premises bears to the Rentable Floor Area of the building or which the leased Premises are a part If the term of this Lease begins or ends other than at the beginning or ending of a calendar year Tenant's Portion for the initial or final part of a calendar year as the case may be shall be adjusted in proportion to the number of days or the term which are included in such calendar year

(4) "Rentable Floor Area" shall be the usable area of the Premises plus an allocable portion of the Common Areas of the Building "Common Areas" of the Building shall be all areas designated by Landlord for public access or the Building operations, including but not limited to

- (a) Building lobbies and entries
- (b) Stairways duct shafts and elevator shafts
- (c) The standard building corridor areas
- (d) Toilet rooms
- (e) Utilities and maintenance rooms

whether or not any such areas are actually included within any leased premises including the Premises under this Lease

~~B If Operating Expenses with respect to the Building of which the leased Premises are a part (including all adjoining parking and other areas apportioned to the Building by Landlord) for any calendar year or the term shall exceed the Expense Base Amount Tenant shall pay to Landlord Tenant's Portion of such excess Tenant's Portion being determined under Paragraph 8A(3) and adjusted in accordance with Paragraph 8B(2) For the purpose hereof~~

~~(1) "Operating Expense" shall be all amounts paid by Landlord or which Landlord shall be obligated to pay in connection with the ownership management and operation of such building and areas except (a) Real Estate Taxes as defined in Paragraph 8A(1), (b) building depreciation (c) mortgage interest and principal payment (d) real estate brokers' commissions paid with respect to leasing of premises and (e) cost of capital improvements (excepting the cost including interest of labor or energy saving devices which will be amortized and charged to Operating Expense as reasonably determined by Landlord)~~

~~(2) Tenant's Portion under Paragraph 8B shall be adjusted as follows~~

~~(a) Variable expenses Tenant's Portion with respect to those Operating Expenses which vary depending upon the extent of Building occupancy ("Variable expenses") shall be as defined in Paragraph 8A(3) except that if the Building of which the leased Premises are a part is not fully occupied (100%) for any calendar year Tenant's Portion with respect to such Variable expenses for such year shall be the percentage that the Rentable Floor Area of the leased Premises bears to the average occupied Rentable Floor Area of the Building for such year~~

~~(b) Fixed expenses Tenant's Portion with respect to Operating Expenses which are fixed and do not vary depending upon the extent of Building occupancy ("Fixed expenses") shall be defined in Paragraph 8A(3) except that if an average of 95% or more but less than 100% of the Rentable Floor Area of the Building of which the leased Premises are a part is occupied during any calendar year Tenant's Portion with respect to such Fixed expenses for such year shall be the percentage that the Rentable Floor Area of the leased Premises bears to the average occupied Rentable Floor Area of the Building for such year~~

~~(3) The "Expense Base Amount" shall be the amount obtained by multiplying the stated Expense Base Rate by the number of square feet of Rentable Floor Area in the building of which the Premises are a part~~

C On the first day of each month, simultaneously with the payment of Basic Monthly Rent, Tenant shall pay to Landlord an amount equal to one-twelfth (1/12th) or the estimated Additional Rent for the then current year based on the then current rates of operating expenses and taxes. On request, Landlord shall deliver to Tenant a statement setting forth a computation of such estimated Additional Rent.

D With reasonable promptness after the end of each calendar year or after any termination or expiration of this Lease, Landlord shall deliver to Tenant a statement for the Additional Rent payable by Tenant with respect to such calendar year together with a statement of the computation thereof. If Additional Rent is due, Landlord for such calendar year, Tenant shall, within 10 days following delivery of such statement, pay to Landlord the amount of such Additional Rent for such calendar year less the portion thereof, if any, already paid on the estimated basis. If the amount theretofore paid hereunder for any calendar year shall exceed the amount determined in Landlord's annual statement, the excess shall be credited on the installments of Additional Rent next maturing. If Landlord shall receive a refund on account of any amount for which Tenant has been charged, Tenant shall be credited for the net received by Landlord after deduction of all expenses in connection therewith or refunded to Tenant if the lease expired.

9 ASSIGNMENT AND SUBLETTING (See Paragraph C of Rider)

Tenant may not assign this Lease or any interest therein or sublet the Premises or any part thereof without the prior written consent of Landlord. In the event Landlord shall so consent, Tenant shall remain liable for all of its obligations under this Lease.

10 MORTGAGE

This Lease, at the option of Landlord, shall be subordinate or superior to any present or future mortgage on the building of which the Premises are a part. The holder of any first mortgage may also elect to have this Lease prior or subordinate to its mortgage. If in connection with obtaining financing for the Office Building, the proposed lender shall request reasonable modifications of this Lease as a condition of such financing, Tenant shall not unreasonably withhold or delay its agreement to such modifications, provided that such modifications do not materially increase the obligations or materially and adversely affect the rights of Tenant under this Lease. Tenant shall attorn to any purchaser of the Premises at foreclosure sale as Landlord under this Lease subject to all of the terms and conditions of this Lease. Tenant shall, from time to time, within 10 days after request by Landlord, execute and deliver to Landlord a non-disturbance and attornment agreement which confirms the foregoing in such form as Landlord may reasonably request.

11 ACCESS (See Paragraph D of Rider)

Landlord shall have the right to enter upon the Premises at any reasonable time for the making of inspections, repairs, or alterations as Landlord may deem necessary to exhibit the Premises to others and for any purpose related to the safety, protection, operation, or improvement of the building.

12 FIRE

If the Premises are damaged or destroyed by fire or other casualty insured under standard fire and extended coverage insurance, Landlord shall repair and restore the same with reasonable dispatch. The obligation of Landlord to restore is limited to the work required to be performed by Landlord under EXHIBIT A. Rent shall abate pro rata in proportion to the extent of untenability until the Premises shall be restored to a tenantable condition. Notwithstanding any other provision herein, if damage to the building of which the leased Premises are a part is so extensive that the same cannot reasonably be repaired within 180 days or if Landlord elects not to restore the building to its form prior to the damage, Landlord may terminate this Lease by notice in writing to Tenant. If the leased Premises are not restored to a tenantable condition within 180 days, other than by reason of causes beyond the reasonable control of Landlord, Tenant may terminate this Lease by notice in writing to Landlord within 15 days after the expiration of the 180 day period. Neither Landlord nor Tenant nor their respective employees shall have any liability to the other by reason of any loss or damage, however caused and without regard to negligence or fault to the extent that the same is reimbursed by insurance held by the injured party under a policy or policies which permit this waiver.

13 EMINENT DOMAIN

If all of the Premises or the use and occupancy thereof are taken under the power of eminent domain, this Lease shall terminate at the time of such taking. If any portion of the building of which the Premises are a part or the use and occupancy thereof shall be taken under the power of eminent domain, Landlord may, at Landlord's option, at any time after the entry of the verdict or order for such taking, terminate this Lease by not less than 30 days' notice in writing to Tenant. If 20% or more of the Premises shall be taken and the remainder is unsuitable for

Tenant's purposes, Tenant may terminate this Lease by notice in writing to Landlord within 30 days after the taking and in such event Tenant shall vacate within 30 days after such termination, if Tenant does not terminate rent shall be reduced in proportion to the area of the Premises taken. All damages and compensation awarded for any taking under the power of eminent domain shall belong to and be the property of Landlord whether such damage or compensation be awarded for the leasehold or the fee or other interest of Landlord or Tenant in the Premises.

14 INDEMNITY AND LIABILITY INSURANCE

Tenant shall indemnify Landlord from all liability for damages to person or property in on or from the Premises from any cause whatsoever other than the negligent or wrongful act of Landlord and from all liability by reason or any negligent or wrongful act of Tenant. Tenant shall procure and keep in effect during the term comprehensive public liability and property damage insurance naming Landlord and Tenant as insureds with limits of not less than \$500,000 for damages resulting to one person \$1,000,000 for damages resulting from any one occurrence and \$500,000 for damage to property resulting from one occurrence. Tenant shall deliver policies of such insurance or certificates thereof to Landlord which shall provide that the same may not be cancelled without not less than 30 days prior written notice to Landlord.

15 DAMAGE

Landlord shall have no liability for any loss or damage that may be occasioned by or through the acts or omissions of others including persons occupying other premises in the building. Landlord shall have no liability for any loss or damage from water leakage from any source or from leakage overflow stoppage or backing up or other condition of any facilities or utilities or from fire explosion or any other casualty or for any loss or damage from any other cause whatsoever including theft.

16 HOLDING OVER

In the event Tenant holds over after the expiration of the term of this Lease the tenancy shall thereafter be from month-to-month on the same terms and conditions as are herein set forth in the absence of a written agreement to the contrary except that the Basic Monthly Rent shall be 150% of the ~~amount stated in the heading of this lease~~ Basic Monthly Rent in the last month of the term of the Lease.

17 DELINQUENCY

If Tenant shall fail to pay or perform any obligation or Tenant hereunder Landlord may, at Landlord's option pay or perform the same in which event the amount expended by Landlord therefor shall be additional rent due and payable forthwith.

18 BANKRUPTCY

If the tenancy shall be taken in execution or by other process of law or if Tenant shall file a petition in bankruptcy or insolvency or if Tenant shall file a petition or any proceeding seeking reorganization or any relief as a debtor under any present or future bankruptcy or similar law or if Tenant shall be declared bankrupt or insolvent or if a receiver shall be appointed for Tenant's property or if an assignment shall be made of Tenant's property for the benefit of creditors, Tenant shall be in default under this Lease and to the extent permitted by applicable law, Landlord shall be entitled to exercise any or all remedies set forth in Paragraph 19 of this Lease. This Lease shall be deemed to have been rejected and terminated unless the trustee or Tenant assumes this Lease within 60 days after the filing of a proceeding under the Federal Bankruptcy Code or within such other time as may be provided under the Code. Tenant acknowledges that in entering into this Lease Landlord relied upon a determination that Tenant would be able to perform its obligations under the Lease and that the character of Tenant's occupancy and use of the Premises would be compatible with the character of the building and the other tenants thereof. Therefore no election by a trustee or Tenant to assume this Lease shall be effective unless the trustee or Tenant cures, or gives adequate assurance of a prompt cure of any existing default compensates or gives adequate assurance of compensation for any pecuniary loss incurred by Landlord arising out of any default of Tenant and gives adequate assurance of future performance under this Lease including but not limited to a reasonable security deposit as determined by Landlord. This Lease may be assigned by the trustee or Tenant only if Landlord acknowledges in writing that the intended assignee's use of the Premises will be compatible with the character of the building and the other tenants thereof and that the assignee has provided adequate assurance of future performance of all or the terms and conditions of this Lease including but not limited to the submission of satisfactory current audited financial statements.

19 DEFAULT (See Paragraph E of Rider)

If Tenant shall default in the payment of rent or other amounts or in the performance of any other obligation of Tenant hereunder and such default shall continue for 10 days after written notice to Tenant or if the Premises be vacated or if any of the events recited in Paragraph 18 shall occur Landlord may in addition to all other remedies permitted by law, (a) terminate this Lease by notice to Tenant and recover Landlord's damages from Tenant (b) with or without terminating this Lease reenter and repossess the Premises and Tenant and each and every occupant remove and put out preserving its right of damages In addition to all other damages provided by law Tenant shall pay Landlord the expense incurred in obtaining possession of the Premises and all expenses incurred in and about reletting the same and if Landlord relets the Premises each month the excess of the amounts payable by Tenant hereunder over the amounts actually received by Landlord on account of such month from such reletting

20 INTEREST AND DELINQUENCY CHARGES

If Tenant fails to make any payment due to Landlord under this Lease within ten (10) days after the due date thereof such payment shall bear interest from the due date at the rate of one and one-half (1½ %) percent per month or the maximum rate of interest allowed by law whichever is lower Tenant shall pay to Landlord a delinquency charge in the amount of Thirty-Five (\$35.00) Dollars to reimburse Landlord for its administrative expenses resulting from the late payment Any interest and delinquency charge shall be payable on the eleventh (11th) day following the due date for the payment to which the interest and charge is applicable The payment of interest or any delinquency charge shall not excuse or cure any default by Tenant under this Lease

21 SECURITY DEPOSIT

Landlord shall hold the amount recited above as a security deposit if any as security for the performance of all or the obligations of Tenant under this Lease Landlord shall not be obligated to apply the security deposit upon any rent or other damages and Landlord's right to terminate this Lease and to possession of the Premises in the event of default shall not be affected by the fact that Landlord holds such security Landlord may at any time apply the security upon damages theretofore suffered and may retain the security to apply upon such damages as may accrue thereafter If the security deposit is not applied to the payment of rent or damages the same shall be returned to Tenant upon expiration of the Lease and when Tenant shall have vacated the Premises and delivered possession to Landlord in the condition required hereby Landlord shall not be obligated to keep the security deposit as a separate fund but may mingle the same with Landlord's funds and no interest shall accrue thereon Tenant agrees not to look to the holder of a first mortgage of the building of which the Premises are a part as mortgagee mortgagee in possession or successor in title to the property for accountability for any security deposit required by the Landlord hereunder unless said sums have actually been received by said mortgagee as security for the Tenant's performance of this Lease

22 NOTICES

All notices provided herein shall be in writing Any notice to Tenant may be served at the Premises by hand delivery or by mailing by first-class mail postage prepaid addressed to the Premises unless a different mailing address shall have been designated by written notice received by Landlord Any notice to Landlord shall be served by depositing the same in the mail certified mail return receipt requested, with postage prepaid, addressed to the address at which rent is paid hereunder

with a copy to Tenant's mailing address recited on the front page of the Lease-ATTN General Counsel

23 RELOCATION

Landlord may at its election relocate Tenant in other comparable space in the building upon not less than 30 days' prior written notice to Tenant Landlord shall pay the cost of moving Tenant to the new space If Tenant does not wish to accept such relocation Tenant may object thereto by written notice to Landlord within 10 days after the notice from Landlord In the event Tenant so objects Landlord may rescind the notice of intention to relocate Tenant or may reaffirm such intention in which latter event Tenant may terminate this Lease by notice to Landlord within 10 days after notice of Landlord's reaffirmation and in that event Tenant shall vacate within 30 days thereafter

24 NAME

Landlord reserves the right to change the name or street address of the building or the suite number of the Premises

25 MISCELLANEOUS

This Lease shall enure to the benefit of the successors and assigns of Landlord and shall be binding upon the permitted successors and assigns of Tenant. In the event Landlord shall convey the building to any other person Landlord may assign this Lease to the grantee and pay the Security Deposit to the grantee and thereupon Landlord shall be relieved from all obligations under this Lease. The rights and remedies provided herein shall be cumulative and shall not be exclusive of any other rights or remedies or any rights or remedies provided by law.

26 RIDERS

Additional provisions of this Lease may be set forth in the Riders attached, if any, and signed by the parties hereto.

IN WITNESS WHEREOF, the parties have executed these presents as of the day and year first above written.

LAUREL OFFICE PARK III, L L C

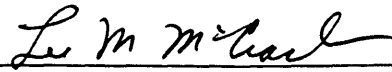
STRATEGIC ENERGY, L L C

By



Landlord

By



~~Trevor Lauer~~ LEE M MCCRACKEN

Its

Vice President - FINANCE

Tenant

EXHIBIT B

REGULATIONS

Tenant shall comply with and shall not permit any violation of the following Regulations as the same may be reasonably amended by Landlord from time to time

1 The common or public areas of the building and grounds shall not be obstructed or used for any purpose other than ingress and egress to and from the Premises. Parking areas shall be used only for transient parking by tenants, their employees and invitees, and shall not be used to store vehicles or for parking large commercial or recreational vehicles.

2 Nothing shall be attached to the interior or exterior of the building outside the Premises without the prior written consent of Landlord. Standard building drapes shall be used in such windows as shall be designated by Landlord. No other drapes, curtains, blinds, shades, or screens or other object shall be attached to or hung in, or used in connection with, any window or door of the Premises without the prior written consent of Landlord. No article shall be placed on any window sill.

3 No sign or other representation shall be placed outside any part of the Premises, or inside the Premises if the same will be visible from outside the Premises, without the prior written consent of Landlord. Landlord will provide one standard tenant identification at Tenant's entrance and one in the building directories.

4 Landlord has the right to control access to the building and refuse admittance to the building during such hours as Landlord may determine and on Saturdays, Sundays and holidays, to any person or persons without satisfactory identification or a pass issued by a tenant.

5 All deliveries and removals of furniture, equipment or other bulky items must take place after notice to Landlord during such hours and in such manner as Landlord may determine from time to time. Tenant shall be responsible for all damage or injury resulting from the delivering or removal of all articles into or out of the Premises.

6 No load shall be placed on the floor of the Premises in excess of the limits which may be established by Landlord or in any place not approved by Landlord. Tenant's equipment shall be placed and operated only in such locations as shall be approved by Landlord.

7 No article deemed hazardous on account of fire or having other dangerous properties or any explosive shall be brought into the building or Premises. No bicycles, vehicles, or animals of any kind shall be brought into or kept in or about the building or the Premises.

8 No marking, painting, drilling, boring, cutting or deracing of the Premises or the building will be permitted without the prior written consent of Landlord and as it may direct. Nothing shall be attached to the floor by adhesive without the written permission of Landlord. Clear plastic protective floor mats shall be maintained over all carpeted areas under desk chairs with casters.

9 No electric or other wires shall be brought into the Premises and the electrical system and light fixtures in the building and the Premises shall not be disturbed without Landlord's written permission specifying the manner in which same may be done. Only such electrical fixtures and equipment may be used as shall be approved by Landlord.

10 The toilets and other plumbing fixtures shall not be used for any purpose other than those for which they are designed, and no sweepings, rubbish or other similar substance shall be deposited therein.

11 No noise, vibration or odor shall be produced upon or from the Premise which is observable outside the Premises. No cooking shall be done or permitted on the Premises. Nothing shall be thrown out of the doors or windows or down the passageways.

12 The Premises shall not be used or permitted to be used for lodging or sleeping or for the possession, sale or furnishing of liquor or narcotics. No tenant shall engage or pay any employees on the Premises except those actually working for such tenant on such Premises, nor advertise for laborers giving an address at the Premises.

13 Canvassing soliciting and peddling in the building is prohibited and each tenant shall cooperate to prevent the same No vending machine shall be operated in the building by any tenant

14 Landlord is not responsible for mail boxes or for any damage or delay which may arise from the use thereof Landlord will not be responsible for lost or stolen property

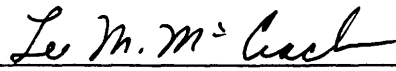
15 Upon closing the Premises at any time all doors shall be locked and all windows shall be closed No additional locks or bolts of any kind shall be placed upon any of the doors or windows nor shall any changes be made in existing locks or the mechanism thereof Upon the termination of occupancy all keys to offices and restrooms shall be returned to Landlord and in the event of the loss of any keys furnished by Landlord the tenant shall pay to Landlord the cost thereof Landlord may retain a pass key to the Premises and shall be allowed admittance thereto at all reasonable times

16 The requirements of tenants will be attended to only upon application at the office of the building Landlord's employees shall not perform any work outside of their regular duties unless under special instruction from Landlord

LAUREL OFFICE PARK III, L L C

STRATEGIC ENERGY, L L C

By 
Landlord

By 
~~Trevor Lauer~~ FLEEM MCCrackEN
Its Vice President - FINANCE
Tenant

RIDER TO LEASE

LANDLORD Laurel Office Park III, L L C

TENANT Strategic Energy, L L C , a wholly owned
 subsidiary of Custom Energy Holdings, L L C

PREMISES Suite No 306, in the Office Building at
 17197 N Laurel Park Drive,
 Livonia, Michigan 48152

This Rider is attached to and made a part of that certain Lease dated September 22, 2003 between Landlord and Tenant. In the event of a conflict between the terms of the Lease and this Rider, the terms of this Rider shall control.

A BASIC MONTHLY RENT

- 1 In the event that Tenant occupies the Premises prior to the stated commencement date of the Term of the Lease, the period prior to the stated commencement date shall be rent free. Notwithstanding the foregoing, Basic Monthly Rent will commence on November 1, 2003.
- 2 Tenant's Basic Monthly Rent shall increase as follows:
 - a Commencing November 1, 2004 and through October 31, 2005,
 Basic Monthly Rent will be \$4,357 00
 - b Commencing November 1, 2005 and through October 31, 2006,
 Basic Monthly Rent will be \$4,466 00

B OPTION TO EXTEND LEASE TERM While this Lease is in effect and provided Tenant is not in default, Tenant shall have the Option To Extend the Term of this Lease for three (3) additional years upon the same terms and conditions, except for rent, which shall be as follows:

<u>Inclusive Dates</u>	<u>Basic Monthly Rent</u>
November 1, 2006 - October 31, 2007	\$ 4,684 00
November 1, 2007 - October 31, 2008	\$ 4,793 00
November 1, 2008 - October 31, 2009	\$ 4,902 00


Tenant may exercise its Option To Extend the term of the Lease by providing written notice to Landlord received by Landlord not later than six (6) months prior to the expiration date of the initial three (3) year lease term.

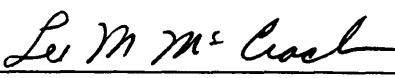
- C ASSIGNMENT AND SUBLETTING Landlord will not unreasonably withhold its consent to a proposed assignment or subletting provided that the proposed assignee or sublessee and its intended use of the Premises are consistent with the character of the Building and the other tenants thereof
- D ACCESS Landlord will give reasonable verbal notice to Tenant prior to entry upon the Premises except in the event of a bona fide emergency as determined by Landlord in its sole, reasonable discretion and except for regularly scheduled janitor service Notwithstanding the foregoing, in the event Tenant has not exercised its Option To Extend the Term of the Lease provided in Paragraph B above, Landlord may exhibit the Premises to prospective Tenant's during the last six (6) months of the Term of the Lease provided Landlord does not interfere with Tenant's business operations in the leased Premises
- E DEFAULT Notwithstanding anything contained in the Lease to the contrary, Tenant shall not be in default where the nature of such default is not in the payment of rent and cannot be cured within ten (10) days provided that (1) Tenant commenced curing such default within said 10-day time frame, and (2) Tenant continues to attempt to cure said default with due diligence until such default is cured Notwithstanding the foregoing, Tenant shall have a maximum cure period of 30 days following Landlord's notice for any non-monetary default

In the event of a default by Tenant, both parties shall be obligated to use commercially reasonable efforts, including promptly retaining real estate brokers to re-lease the Premises, in an effort to mitigate damages

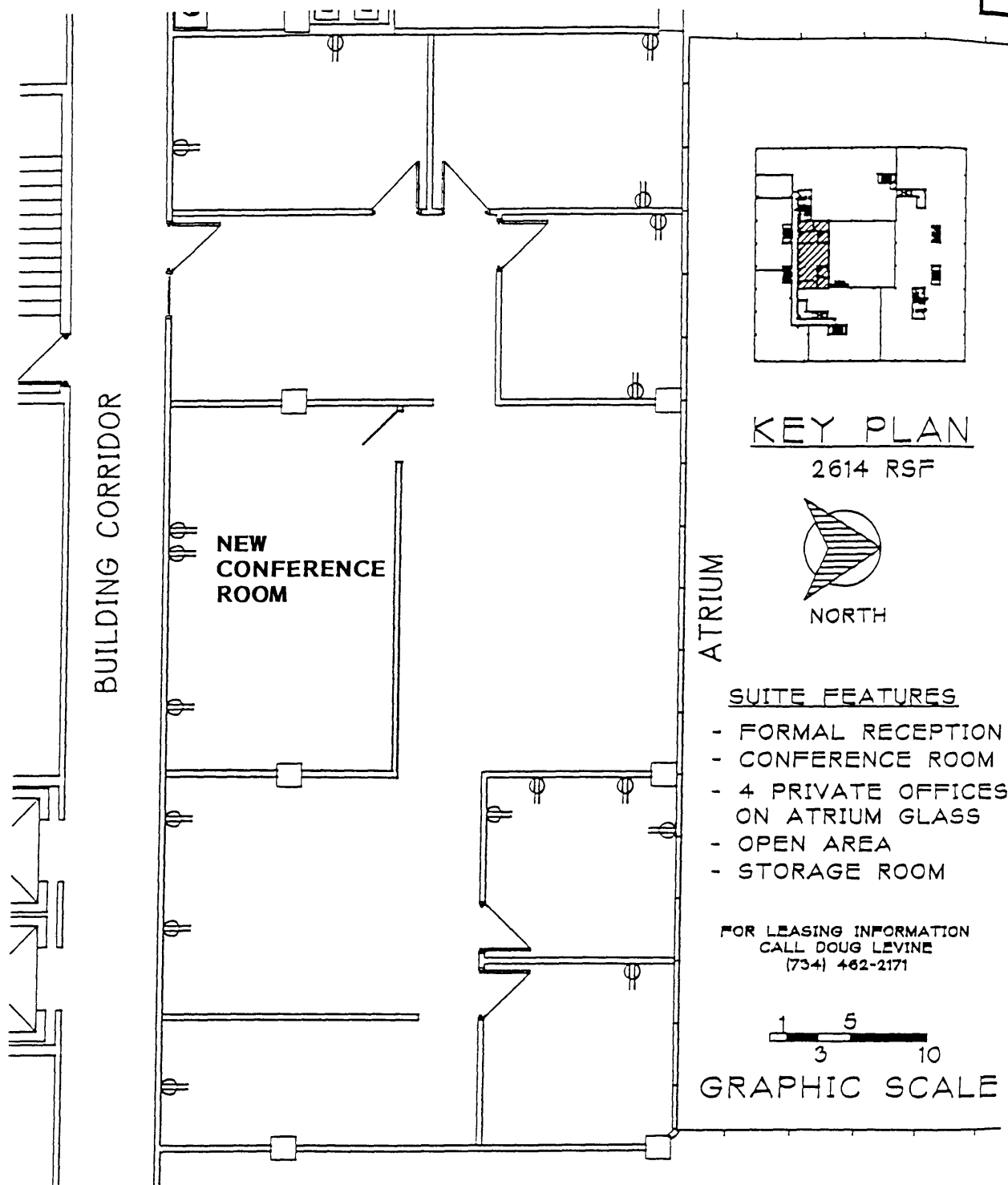
LAUREL OFFICE PARK III, L L C

STRATEGIC ENERGY, L L C ,
A WHOLLY OWNED SUBSIDIARY OF
CUSTOM ENERGY HOLDINGS, L L C

By 

By 
~~Trevor Lauer~~ LEE M MCCRACKEN

Its Vice President - FINANCE
Tenant



EXISTING CONDITIONS SUITE 306
LAUREL OFFICE PARK III

LIVONIA, MI

NO SCALE



SEYMOUR J. LEVINE ARCHITECTS, INC.

17187 N. LAUREL PARK DRIVE, SUITE 171
LIVONIA, MICHIGAN 48150TEL (734) 462-2171
FAX (734) 462-2177**DAVIS & DAVIS**5708 WEST MAPLE ROAD SUITE 108
WEST BLOOMFIELD, MI 48322
PHONE (248) 858-7040 FAX (248) 858-7744
WWW.DAVISDESIGN.TV

LAUREL OFFICE PARK III, L.C.C.

17197 N LAUREL PARK DRIVE, SUITE 171, LIVONIA, MI 48152

(734) 462-2171

FAX (734) 462-2177

November 12, 2003

United States Bankruptcy Court
Southern District of New York
Allegiance Claims Docketing Center
One Bowling Green, Room 534
New York, New York 10004-1408

RE Chapter 11 - Case No 03-13057 (RDD)

Dear Sirs

Allegiance Telecom, Inc (Coast to Coast Telecommunications, Inc) was a tenant in our building before they filed bankruptcy and subsequently rejected the lease (see enclosed lease) In an effort to mitigate our losses, we released the space to Strategic Energy, L L C at a substantially lower rent (see enclosed lease) and we incurred costs associated with releasing the space

Attached is our Proof of Claim for Lease Rejection damages along with our calculation of the damages

Sincerely,

LAUREL OFFICE PARK III, L L C



Douglas A Levine
Director of Property Management

Attachments

DAL,mac