

U.S. GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL AGREEMENT
NO. 2
PS# 0018663

DATE

10/21/10

TO LEASE NO.
GS-05B-17876

ADDRESS OF PREMISES

Marquette Plaza, 250 Marquette Ave.; 3rd floor, Minneapolis, MN 55401-2183

THIS AGREEMENT, made and entered into this date by and between

FRM Associates, LLC.

whose address is 250 Marquette Avenue; Suite 200
Minneapolis, MN. 55401-2183

Herein after called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease.

NOW THEREFORE, these parties for the consideration hereinafter mentioned covenant and agree that the said Lease is amended, effective as of the date of this Supplemental Agreement2 , as follows:

This Supplemental Lease Agreement (SLA) No. 2 is issued to establish the lease term effective date and to reflect the annual rent.

Paragraph 2 of the SF2 is hereby deleted in its entirety and replaced with the following:

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on March 18, 2010 and extended through March 17, 2020, subject to termination and renewal rights as may be hereinafter set forth. The Government may terminate this lease at any time after June 30, 2015, by giving ninety (90) DAYS NOTICE in writing to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing. The term of this lease is ten (10) years, five (5) years firm.

(continued on page 2)

All other terms and conditions of the lease shall remain in force and effect.

IN WITNESS WHEREOF, the parties subscribed their names as of the above date.

IN PRESEN

(Title)

250 Marquette Ave, Ste 200
Minneapolis, MN 55401
(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

BY

Lease Contracting Officer

(Official Title)

Paragraph 3 of the SF2 is hereby deleted in its entirety and replaced with the following:

3. The Government shall pay the Lessor annual rent

<u>Rent Components per year</u>	<u>Years 1-5</u>	<u>Years 6-10</u>
Shell Rent	\$438,700.96	\$627,217.76
T.I.s (60 months at 8% interest rate)	\$274,036.58	\$0.00
Operating cost base	\$215,036.96	\$215,036.96
Real Estate Taxes	<u>\$76,365.28</u>	<u>\$76,365.28</u>
Total Annual Rent:	\$1,004,139.78	\$918,620.00

Two structured parking spaces located at 250 Marquette Avenue are included in the shell rent.

A lumpsum payment of \$23,927.17 will be due to the Lessor.

An invoice must be submitted directly to: GSA Greater Southwest Finance Center (7BCP), P.O. Box 17181, Fort Worth, Texas, 76102 or to the GSA Finance Website at www.finance.gsa.gov. **Your invoice must be on letterhead of the lessor, include an invoice number, this lease number, and the following Pegasus Document Number: PS# 0018663.**

Rent checks shall be made payable to:

FRM ASSOCIATES, LLC
250 Marquette Avenue
Suite 200
Minneapolis, MN 55401-2183

Paragraph 13 of the SF2 is hereby deleted in its entirety and replaced with the following:

13. Operating cost adjustments: The rent is subject to annual operating cost adjustments in accordance with Section 4.3 of Solicitation for Offers No. GS-05B-17876 within this lease. It is understood and agreed that for operating cost adjustment purposes, the first year's operating cost will be \$215,036.96 or \$6.73 RSF.

Paragraph 14 of the SF2 is hereby deleted in its entirety and replaced with the following:

14. Real Estate Tax Adjustments: The lease is subject to annual tax escalations in accordance with Section 4.2 of the SFO No. GS-05B-17876. It is understood and agreed that for real estate tax adjustment purposes, the first year's real estate tax will be \$76,365.28 or \$2.39/ RSF.

Supplemental Lease Agreement 2
GS-05B-17876

Lessor Initials FR Govt Initials MM

Paragraph 15 of the SF2 is hereby deleted in its entirety and replaced with the following:

15. Government's percent of the net usf area of the building: It is understood and agreed that for real estate tax adjustment purposes, in accordance with Section 4.2 of Solicitation for Offers NO. GS-05B-17876 within this lease, the Government will occupy 6.113% percent of the net usable square foot area of the building.

Paragraph 22 of the SF2 is hereby deleted in its entirety and replaced with the following:

22. Lease Common Area Factor: The Lease Common Area Factor is 1.189974303 (26,851 useble square feet multiplied by 1.189974303 equals 31,952 rentable square feet of space).

Supplemental Lease Agreement 2

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Lessor Initials PA Govt Initials MM