| STANDARD FORM 2 | | | | | |
|-----------------------|--|--|--|--|--|
| FEBRUARY 1965 EDITION | | | | | |
| GENERAL SERVICES | | | | | |
| ADMINISTRATION | | | | | |
| FPR (41 CFR) 1-16.601 | | | | | |
| | | | | | |

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

October 7, 2009

GS-05B-18287

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

DRFC Metro LLC

whose address is

7101 W. 78th Street, Suite 100 Bloomington, MN 55439

and whose interest in the property hereinafter described is that of owner

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

WITNESSETH: The parties hereto for the consideration hereinafter mentioned, covenant and agree as follows:

- 1. The Lessor hereby leases to the Government the following described premises:
 - 81,548 rentable square feet which yields 71,533 ANSI/BOMA office area square feet as follows:

| 2901 Metr | o Drive | 2950 Metro Drive | | 3050 Me | tro Drive | 7851 Metro Parkway | | |
|-----------|---------|------------------|-------------|----------|-----------|--------------------|----------|--|
| Suite | RSF | Suite | RSF | Suite | RSF | Suite | RSF | |
| Block A - | | | | | | | | |
| -100 | 5,437 | -0- | | -0- | | -0- | | |
| -100 | 6,999 | | | | | | | |
| -Storage | 1,012 | | | | | | | |
| -208/212 | 2,505 | | | | | | <u> </u> | |
| -300 | 17,271 | | | | | | | |
| -300 | 2,994 | | | | | | | |
| Block B - | | | | | | | | |
| -100 | 5,878 | -114 | 1,085 | -101 | 3,460 | -250 | 3,485 | |
| -201 | 3,745 | -115 | 2,599 | | | -260 | 482 | |
| -214 | 4,042 | | | | | -325 | 8,359 | |
| 215 | 356 | | | | | | | |
| -220 | 2,312 | | | | | |] | |
| -225 | 1,750 | | | | | | | |
| -228 | 1,204 | | | <u> </u> | | | | |
| -300 | 202 | | | 1 | | | | |
| -300 | 316 | | | | | | | |
| -550 | 6,055 | | | | | | | |

in the Metro Office Park Buildings in Bloomington, Minnesota as described in Exhibit A – Legal Description attached hereto and eighty-seven (87) structured reserved garage parking spaces for official vehicles. The eighty-seven (87) structured reserved garage parking spaces shall be provided as a part of the rental consideration.

Said premises to be used for such general office purposes as determined by the General Services Administration.

2. TO HAVE AND TO HOLD the said premise Block A with their appurtenances for a term of seven (7) years, twenty-nine (29) months firm beginning the date the leasehold improvements constructed by the Lessor are substantially complete and accepted by the Government, subject to termination rights as hereinafter set forth. The date of the substantial completion is within sixty (60) working days after receiving the Notice to Proceed from the Government with the Tenant Buildout. Estimated date of substantial completion is April 1st, 2010.

TO HAVE AND TO HOLD the said premise Block B with their appurtenances for a term of seven (7) years, forty-eight (48) months firm beginning the date the leasehold improvements constructed by the Lessor are substantially complete and accepted by the Government, subject to termination rights as hereinafter set forth. The date of the substantial completion is within sixty (60) working days after receiving the Notice to Proceed from the Government with the Tenant Buildout. Estimated date of substantial completion is April 1st, 2010.

3. The Government shall pay the Lessor annual rent as follows:

Years 1-2 \$1,855,660.56 Year 3 \$1,847,632.26 Year 4 \$1,841,897.76 Years 5-7 \$1,520,054.76

INITIALS: LESSOR GOVERNMENT

STANDARD FORM 2

EXCEPTION TO SF-2

COMPUTER GENERATED FORM (10/91)

APPROVED BY GBA / IRMS 12-89

| Breakdown or ani | nuai rent: | Base | Amortized | Amortized Bldg-Specific | | | | Monthly Done |
|-----------------------|---------------|---------------------------|-------------------------|----------------------------|--------------|--------|----------------|---------------------------------------|
| Term Year <u>s</u> | Shell per RSF | Operating Cost per RSF | Ti Allowance per RSF | Security per RSF | Rate per RSF | Taxes | Annual Rent | Monthly Rent Payable in Arrears |
| Block A - 36,218 | 3 | • | | • | | • | • | |
| Months 1-29 | \$12.81 | \$5.98 | \$0.00 | \$0.23 | \$19.02 | \$2.24 | \$688,866.36 | \$57,405.53 |
| Months 30-84 | \$12.66 | \$5.98 | \$0.00 | \$0.00 | \$18.64 | \$2.24 | \$675,103.52 | \$56,258.63 |
| Block B - 45,330 |) | | | | | | | |
| Months 1-48 | \$12.81 | \$5.98 | \$6.80 | \$0.15 | \$25.74 | \$2.24 | \$1,166,794.20 | \$97,232.85 |
| Months 49-84 | \$12.66 | \$5.98 | \$0.00 | \$0.00 | \$18.64 | \$2.24 | \$844,951.20 | \$70.412.60 |

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

DRFC Metro LLC

7101 W. 78th Street, Suite 100

Bloomington, MN 55439

Tax Identification Number 20-5125236

The term of this lease for Block A, 36,218 RSF, shall be for seven (7) years, twenty-nine (29) months firm. The Government may terminate this lease in whole or in part at anytime after the twenty-ninth (29th) month (August 31st, 2012) of the lease by giving at least sixty (60) 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 for Block B, 45,330 RSF, shall be for seven (7) years, forty-eight (48) months firm. The Government may terminate this lease in whole or in part at anytime after the forty-eight (48th) month (March 31th, 2014) of the lease by giving at least sixty (60) 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.

- This lease may be renewed at the option of the Government, for the following terms and at the following rentals: provided notice be given in writing to the Lesser at least ______ days before the end of the original lease term or any renewal term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing
- The Lessor shall furnish to the Government, as part of the rental consideration, the following:

All cleaning, services, utilities, maintenance, space improvements, parking and Special Requirements as specified in the attached Solicitation for Offer, GS-05B-18287, and other requirements attached to this lease as described in the following Paragraph 7. THIS IS A FULLY SERVICED LEASE.

The following are attached and made a part hereof: 7.

Attachment A, Paragraphs 9-30 - 2 Pages

Solicitation for Offers (SFO) – GS-05B-18287 – 49 Pages Amendment No. 1 dated April 9th, 2009 – 2 Pages

Amendment No. 2 dated August 25th, 2009 - 3 Pages

Exhibit A. Legal Description - 1 Page

Exhibit B, Floor Plans - 8 Pages

Form B, Document Security - 2 Pages

Form 3517B, General Clauses - 34 Pages

Form 3518, Representations and Certifications - 7 Pages

Also, as part of the rental consideration, the Lessor shall meet all responsibilities and obligations as defined in the Solicitation for Offers No. GS-05B-18287 and other Attachments to the lease referenced in this Paragraph 7.

- The following changes were made in this lease prior to its execution:
 - Amendment 1 dated April 9th, 2009 was issued to modify Solicitation for Offers (SFO) GS-05B-18287 Section 1.4 Offer Due Date (AUG 2008); Section 4.12 Novation and Change of Name (AUG 2008) and Section 10.14 Magnetometer at Public Entrances (NOV 2005).
 - Amendment 2 dated August 25th, 2009 was issued to modify Solicitation for Offers (SFO) GS-05B-18287 Section 5.10 Construction Schedule and Acceptance of Tenant Improvements (MAR 2007)

PARAGRAPH 5 WAS DELETED IN ITS ENTIRETY WITHOUT SUBSTITUTION

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

| BY | (Signature) 107 W. 18 57. Sente 100 Bloomington Mrs. 55439 (Address) |
|------------|--|
| UNITED STA | |
| BY | Contracting Officer (Official rule) |

EXCEPTION TO SF-2 COMPUTER GENERATED FORM (10/91)

APPROVED BY GSA / IRMS 12-89 CPage 2 of 2 INITIALS: GOVERNMENT LESSOR

- The date of this lease, October 7, 2009, is the date this contract was formed as a result of the Government's acceptance of the Lessor's Final Proposal Revision submitted by the Lessor on September 2nd, 2009 under SFO GS-05B-18287. This lease reflects the terms and conditions of the accepted Final Proposal Revision.
- 10. The actual lease effective date shall be established by Supplemental Lease Agreement after substantial completion and acceptance of the space by the Government. The lease will then be in effect for seven (7) years, twenty-nine (29) months firm for Block A and seven (7) years, forty-eight (48) months firm for Block B. The anniversary date for annual escalations and operating cost adjustments shall be adjusted to coincide with any revised, actual commencement date.
- 11. The total square footage referred to in Paragraph 1, Standard Form 2, is the total amount of space under lease by the Government. If the actual amount of space exceeds usable square feet, there will be no additional cost to the Government. If the actual amount of space is less than 71,533 usable square feet, the rent will be decreased accordingly.
- 12. In accordance with Paragraph 4.1 Measurement of Space of SFO GS-05B-18287, the common area factor is established as 1.14%.
- For the purpose of computing Operating Cost adjustments in accordance with Paragraph 4.3 of Solicitation for Offers GS-05B-18287, this lease has a cost of services base of \$487,656.92 based on 81,548 rentable square feet per annum.
- 14. For the purpose of computing Real Estate Tax adjustments in accordance with Paragraph 4.2 of Solicitation for Offers GS-05B-18287, it is agreed that the Government occupies 21.4% of the Buildings (381,117 RSF) of which the Government shall pay taxes when they exceed the base year of \$182,715.18 budgeted for taxes per GSA Form 1217, signed May 13th, 2009. The blocks and lots/parcels are:

Bldg 2901 - 01-027-24-11-0013 Bldg 2950 - 01-027-24-11-0006 Bldg 3050 - 01-027-24-11-0010 Bldg 7851 - 01-027-24-11-0009

- 15. Lessor agrees to provide \$26.98 per usable square foot for 39,763 USF of Tenant Improvement Allowance (\$26.98 x 39,763 usf = \$1,072,995 at 7% interest over four (4) years = \$1,233,321.64 or \$308,330.41 annually). In the event that the tenant improvement cost is less than the amount provided above, Lessor agrees to refund such difference in the form of a reduction to base rent using a discount rate of 7%. The refund shall be a credit to base rent equally amortized for Years 1 through 4 of the term.
- 16. The building-specific security cost of \$41,400 for shatter-resistant window protection is amortized as follows: CIS Block A- \$18,387.03 for twenty-nine (29) months at 7% interest rate or \$0.23 per RSF ICE Block B-\$23,012.97 for forty-eight (48) months at 7% interest rate or \$0.15 per RSF
- 17. Lessor at its sole cost, shall install on each floor occupied by the Government a restroom which shall be in compliance with the Architectural Barriers Act Accessibility Standard (ABAAS) paragraphs 1.12; 6.1; and 8.6 of the SFO. The location and design to be mutually agreed upon during the design intent drawing phase.
- 18. Fees applicable to tenant improvements shall not exceed:

General Condition – 4% General Contractor – 6% Architectural/Engineering – 4% Lessor Project Management Fund – 2.5%

- 19. Lessor shall perform alterations to the space according to approved layout drawings. The Lessor will complete alterations within 60 working days after receiving the Notice to Proceed from the Government. (Please refer to Form B, Document Security Form, for procedures that must be followed in reference to Government drawings.) Occupancy may occur earlier if the space is completed, the Lessor has an occupancy permit, and GSA has inspected and accepted the space and it is free of safety hazards.
- 20. Lessor shall provide "as-built" drawings within 14 working days of occupancy of the space. An AutoCAD CD with the name of the building identified and all layers identified to access the respective drawings will also be provided per SFO Paragraph 5.13 of this lease. The Lessor and Government will agree upon the method of providing "as-built" drawings after Construction Drawings are completed.

INITIALS: 4 GOVERNMEN

- 21. The hourly rate for overtime HVAC per SFO is established as \$25.00 per hour for the 2901 Metro Building and \$10.00 per hour for the 2950 Metro Parkway; 3050 Metro Parkway and 7851 Metro Parkway. Normal building hours are established as 6:00 a.m. to 6:00 p.m., Monday through Friday and 9:00 a.m. to 1:00 p.m. on Saturday.
- 22. In accordance with Paragraph 4.4 of Solicitation for Offers GS-05B-18287, the Adjustment for Vacant Space is \$0.68 per ABOA (usable) square feet per year on a minimum reduction of 2,500 ABOA (usable) square feet.
- Lessor shall provide janitorial service within Tenant's space during daytime business hours to be mutually agreed to by Lessor and Tenant, Monday through Friday; except Federal Holidays.
- 24. Information regarding Electronic Funds Transfer Payment Methods is provided in Paragraph 24, 552.232-76, General Clauses, Form 3517B. Per the Debt Collection Improvement Act, effective July 27, 1996, Electronic Funds Transfer (EFT) shall be required on all existing and new lease contracts after January 1, 1998. An enrollment form is attached to be completed and returned with this contract.
- 25. The Lessor is a small business, not a woman-owned business or a veteran-owned small business concern. The Tax Identification Number is 187937726.
- 26. Lessor shall complete the Central Contractor Registration (CCR) as referenced in Paragraph 11 of the Representations and Certifications, Form 3518, as a requirement for payment of rent by the Government.
- 27. In accordance with Paragraph 2.3 (Broker Commission and Commission Credit), Studley, Inc. ("Studley") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Studley have agreed to a cooperating lease commission of per per rentable square foot per year of the firm term of this lease ("Commission"). The total amount of the Commission is execution and payable (i) one-half (1/2) when the Lease is awarded and (ii) one-half (1/2) upon the earlier of Tenant's occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease. Due to the Commission Credit described in Paragraph 2.3, only the commencement which is the Commission, will be payable to Studley when the Lease is awarded. The remaining the commencement which is the Commission ("Commission Credit"), shall be credited to the Government as follows:

The shell rental portion of the annual rental payments (\$1,044,630 / 12 months = \$87,052.49 per month) due and owing shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue throughout the second month of the lease term as indicated in the following schedule of adjusted Monthly Rent:

Month 1: \$154,638.38 minus prorated Commission Credit of equals adjusted First Month's Rent

Month 2: \$154,638.38 minus prorated Commission Credit of equals adjusted Second Month's Rent

- 28. All questions pertaining to this Lease shall be referred to the Contracting Officer of General Services Administration (GSA) or their designee. The Government occupant is not authorized to administer this lease, and GSA assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this Lease or authorized in writing by Contracting Officer or their designee. The Lessor will not be reimbursed for any services not provided for in this Lease, including but not limited to: repairs, alterations and overtime services. Additionally, rental will not be paid for occupancy in whole or in part except for the term specified herein.
- 29. It is agreed by the parties hereto that all the terms and conditions of this Lease as expressly contained herein represent the total obligations of the Lessor and the Government. Any agreements, written or oral, between the Lessor and Government prior to the execution of this Lease are neither applicable nor binding. This agreement may be amended only by written instrument executed by the Lessor and the Government.
- 30. The Contracting Officer represents the General Services Administration (GSA) as an agent with authority to enter into this lease on behalf of the Government and executes this document in his/her official capacity only and not as an individual.