

GENERAL SERVICES ADMINISTRATION  
PUBLIC BUILDINGS SERVICE  
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL AGREEMENT  
NO. 1

DATE  
3/25/12

TO LEASE NO.  
GS-05B-18566

ADDRESS OF PREMISES 705 5<sup>th</sup> Street NW, Suite E  
Bemidji, MN 56601-2932

THIS AGREEMENT, made and entered into this date by and between  
whose address is

S&J Development, LLC  
3801 Bemidji Avenue North  
Bemidji, MN 56601-4364

hereinafter 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 January 5, 2012 as follows:

This Supplemental Lease Agreement (SLA) No. 1 is amended to establish beneficial date of occupancy, amend the Suite number of the space, change the termination date of the lease, correct broker commission paragraph, and document a punchlist item as well as maintenance items. The following paragraphs have been deleted in their entirety and replaced with the following. Paragraphs 24 and 25 have been added to the lease contract.

1. The Lessor hereby leases to the Government the following described premises:

- A. A total of approximately 4,896 rentable square feet (RSF), consisting of a minimum of 4,252 ANSI/BOMA Office Area square feet (USF) of space located in a one-story retail building known as 705 5<sup>th</sup> Street NW, Suite E, Bemidji, MN 56601-2932 as indicated on the attached Floor Plan, to be used for such purposes as determined by the General Services Administration.
  - B. In accordance with the SFO paragraph entitled Common Area Factor, according to Form 1364-Proposal to Lease Space, the common area factor is 1.151456.
  - C. In accordance with the SFO paragraph entitled Percentage of Occupancy, the percentage of Government occupancy is established as 20.40%.
- A total of fourteen (14) surface parking spaces for Government employees are included in the rental rate at a \$0.00 cost per month per vehicle to the Government.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for a term of ten (10) years, five (5) years firm, beginning January 5, 2012 through January 4, 2022, subject to termination and renewal rights as may be hereinafter set forth.

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

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

LESSOR :

BY

[Redacted Signature]

(Signature)

President

(Title)

IN PRESENCE OF

[Redacted Address]

3801 Bemidji Avenue

(Address)

UNITED STATES OF AMERICA [Redacted] ADMINISTRATION

BY

PATRICIA A. BENDA

(Signature)

Contracting Officer

(Official Title)

4. The Government may terminate this lease at any time after the firm term date of January 4, 2017 by giving at least 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.
22. The Lessor and Government Broker Representative have agreed to a cooperating lease commission of [REDACTED] of the scheduled total annual rent per year for the initial term of the lease, or [REDACTED]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). **The Commission Credit is [REDACTED].** The Commission paid to the Broker is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this Lease.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this Lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and will continue until the commission credit has been accounted for which is in two (2) months.

The monthly rent adjusted for the commission credit is as follows:

Rent Period	Scheduled Total Monthly Rent	Scheduled Monthly Shell Rent	Applied Commission Credit	Commission Credit Remaining	Adjusted Monthly Rent Payment
Month 1	\$12,586.80	\$6,550.15	[REDACTED]	[REDACTED]	[REDACTED]
Month 2	\$12,586.80	\$6,550.15	[REDACTED]	[REDACTED]	[REDACTED]
Month 3	\$12,586.80	No adjustment	No adjustment	\$0.00	Full rent \$12,586.80

24. All punchlist items have been corrected except for the touch-up/repainting of the outside walls of the building due to the window replacement. With occupancy in January, exterior painting is delayed until spring. Painting will be completed by June 30, 2012. The Lessor will contact Ms. Denise McCormick, GSA's Property Manager to schedule a visit to the building once the painting has occurred.
25. Lessor is responsible for the maintenance of the kitchen sink garbage disposal and purchase and cleaning of carpet runners for flooring protection as needed due to weather conditions.

INITIALS:   *Ar*   Government        *SA*   Lessor