

|   |                              |
|---|------------------------------|
| <b>GENERAL SERVICES ADMINISTRATION<br/>PUBLIC BUILDINGS SERVICE</b><br><br><b>LEASE AMENDMENT</b>     | LEASE AMENDMENT No. 2        |
|   | TO LEASE NO. GS-05P-LMN19029 |
| ADDRESS OF PREMISES<br>Norman Pointe II<br>5600 West American Boulevard<br>Bloomington, MN 55437-1173 | PDN Number: PS0029268        |

**THIS AMENDMENT** is made and entered into between **RT Norman Pointe II LLC**  
 whose address is: **5600 W American Blvd, Bloomington, MN 55437-1274**

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

**WHEREAS**, the parties hereto desire to amend the Lease to: 1. Establish the Amortized Tenant Improvements and Building Specific Amortized Costs (BSAC) amortized into the Lease; 2. Reimburse the Lessor for the BSAC above the Amortized BSAC in the Lease by Lump Sum; 3. Revise the floor plans, 4. Establish the annual rent, commission, and commission credit; 5. Accept and occupy the space in phases and commence the rent in phases, 6. Determine the composite rent start and end dates based on progressive occupancy, and 7. Revise the 24 Hour HVAC Lease Clause for annual reimbursement.

**WHEREAS**, the Lessor proposed and the Government accepted a phased occupancy schedule (see page 8 of this Lease Amendment #2) for [REDACTED] occupying the space in partial increments. Therefore, per the "Progressive Occupancy" Clause of the Lease's "General Clauses" (Exhibit H - Section 11 on the GSA Form 3517B), a progressive occupancy rent payment schedule shall apply.

**WHEREAS**, [REDACTED] were determined as being Substantially Complete between August 27, 2014 and January 7, 2015 with their Space being accepted by the Government for Commencement of Rent. [REDACTED] were both considered Substantially Complete and the Space accepted by the Government on February 18, 2015 with their Space being accepted by the Government for Commencement of Rent.

**WHEREAS**, [REDACTED] and [REDACTED] composite rent commencement date is therefore established as November 1, 2014, and [REDACTED] rent commencement date is established as February 19, 2015.

**WHEREAS**, October 31, 2024 is established as the end of the ten (10) year firm term and October 31, 2029 is established as the end of the five (5) year non-firm term.

**NOW THEREFORE**, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective **November 1, 2014** as follows:

(Continued on page 2)

This Lease Amendment contains 9 pages.

[REDACTED SIGNATURE]

and effect.  
of the below date.

FOR THE G

[REDACTED SIGNATURE]

Signature:  
Name:  
Title: Lease Contracting Officer  
A, Public Buildings Service,

Date: 7/14/15

Date: 7-20-15

WITNESSE

[REDACTED SIGNATURE]

Signature:  
Name:  
Title: Associate General Counsel  
Date: 7/14/15

**1. The TO HAVE AND TO HOLD Paragraph on page 1 of the Lease is deleted in its entirety and replaced as follows:**

"TO HAVE AND TO HOLD:

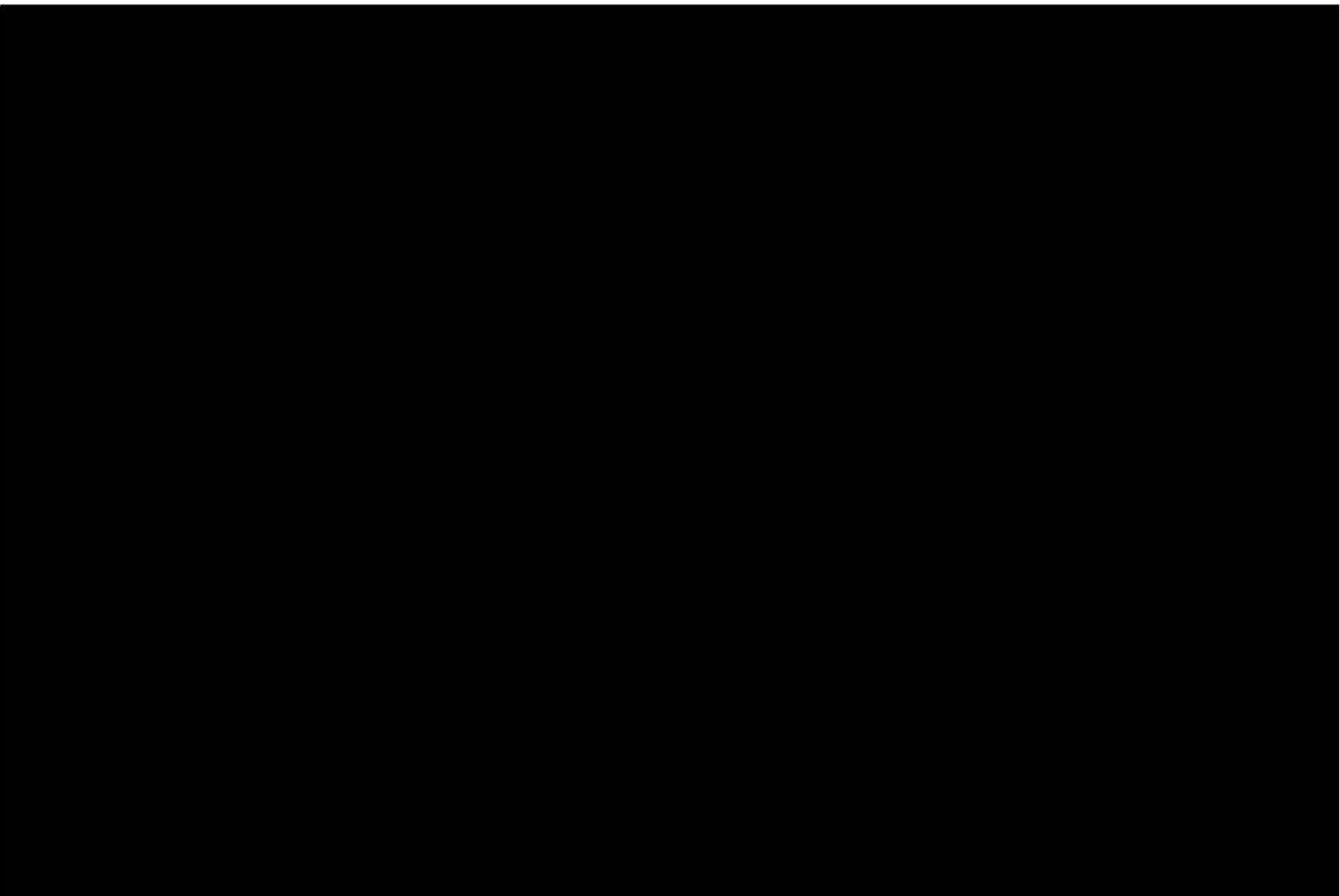
- A. [REDACTED] premises with their appurtenances consisting of 46,359 RSF / 42,994 ABOA SF shall have a composite rent start date of November 1, 2014, which shall continue through October 31, 2029, subject to termination and renewal rights as may be hereinafter set forth.
- B. [REDACTED] premises with their appurtenances consisting of 11,942 RSF / 11,075 ABOA SF shall have a rent start date of February 19, 2015, which shall continue through October 31, 2029, subject to termination and renewal rights as may be hereinafter set forth.

**2. Section 1.01 THE PREMISES and Exhibit A – Floorplans (2 pages) of the Lease are hereby deleted in their entirety and replaced as follows:**

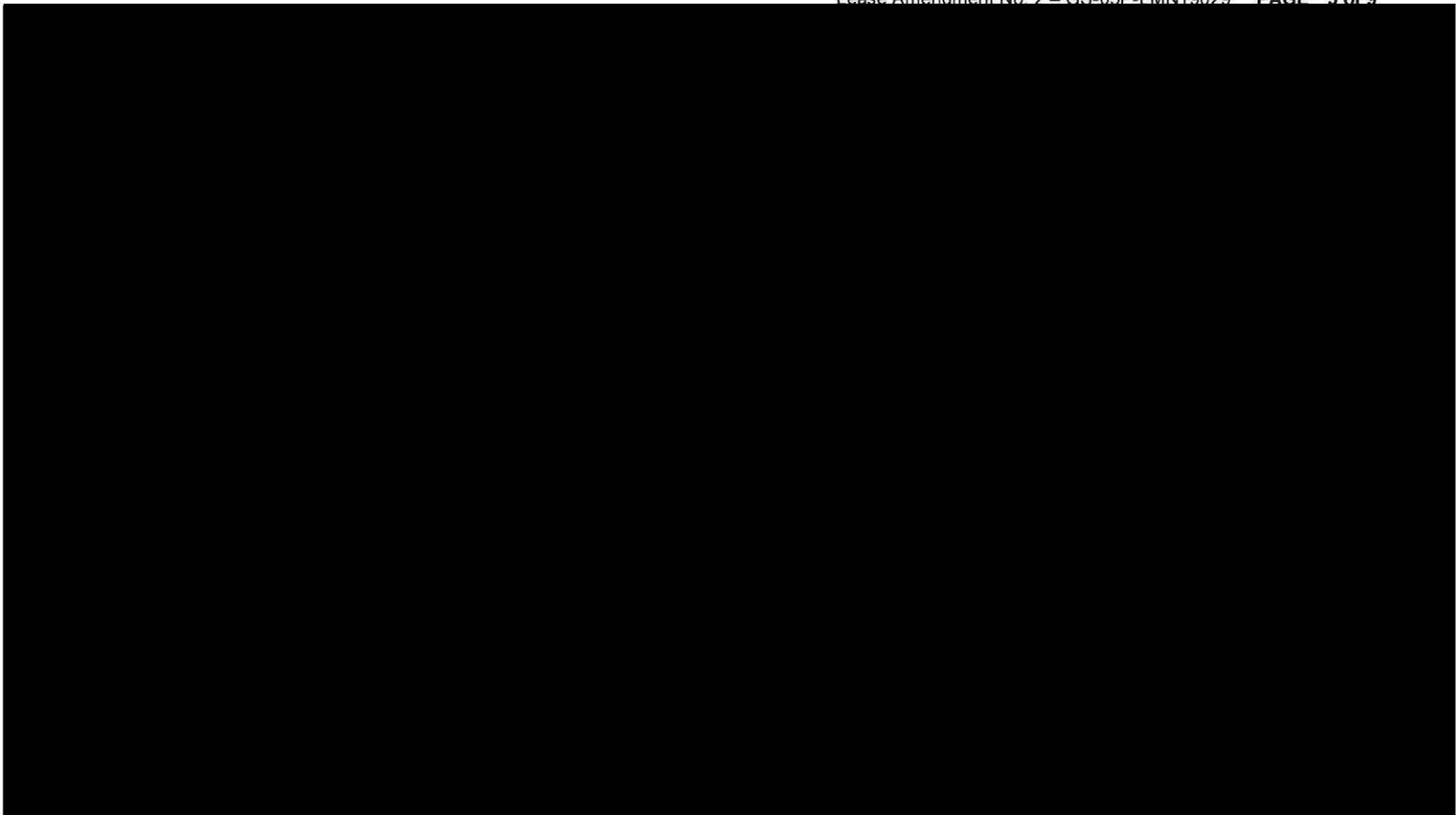
**1.01 THE PREMISES (JUN 2012) MODIFIED**

The Premises are described as follows:

- A. Office and Related Space: **58,301** rentable square feet (RSF), yielding **54,069** ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related space, as depicted on the following floor plans that replace Exhibit A in the Lease.



INITIALS: [Signature] LESSOR & [Signature] GOVT



**7<sup>th</sup> & 8<sup>th</sup> Floor Summary**


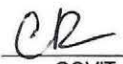
| CBP Component | Rent Start Date   | RSF   | CAF             | ABOA SF   | % Occupancy  |
|---------------|-------------------|---|-----------------|---|--|
|               | November 1, 2014  | 46,359<br>(14,265 on 7 <sup>th</sup> +<br>32,094 on 8 <sup>th</sup> ) | 1.078270        | 42,994<br>(14,265 on 7 <sup>th</sup> +<br>29,764 on 8 <sup>th</sup> ) | 79.5%  |
|               | February 19, 2015 | 11,942<br>(9,031 for [REDACTED]<br>2,911 for [REDACTED])              | 1.078270        | 11,075<br>(8,375 for [REDACTED]<br>2,700 for [REDACTED])              | 20.5%<br>(15.5% for [REDACTED]<br>5.0% for [REDACTED]) |
| <b>TOTAL</b>  |                   | <b>58,301</b>   | <b>1.078270</b> | <b>54,069</b>   | <b>100.0%</b>  |

B. Common Area Factor: The Common Area Factor (CAF) is established as 1.078270 percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

**3. Section 1.03 RENT AND OTHER CONSIDERATION, Subparagraph A. of the Lease is deleted in its entirety and replaced with the following:**

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

- From November 1, 2014 to February 18, 2015 beginning the Firm Term for 46,359 RSF / 42,994 ABOA SF (for [REDACTED] and [REDACTED] on the 7<sup>th</sup> and 8<sup>th</sup> Floors):

INITIALS:  &   
LESSOR GOV'T



| FIRM TERM ANNUAL RENT<br>NOVEMBER 1, 2014 –<br>FEBRUARY 18, 2015 |                       |
|--|-----------------------|
| SHELL RENT <sup>1</sup>  | \$ 769,369.79         |
| TENANT IMPROVEMENTS RENT <sup>2</sup>                            | \$ 195,586.88         |
| OPERATING COSTS <sup>3</sup>                                     | \$ 237,766.28         |
| BUILDING SPECIFIC AMORTIZED CAPITAL <sup>4</sup>                 | \$ 5,421.58           |
| PARKING <sup>5</sup>   | \$ 0.00               |
| <b>TOTAL ANNUAL RENT</b>   | <b>\$1,208,144.53</b> |

<sup>1</sup> Shell rent (Firm Term) calculation: \$16.5959100 per RSF multiplied by 46,359 RSF = **\$769,369.79**.

<sup>2</sup> [REDACTED] Tenant Improvements (TIs) is \$1,955,868.80 (being the amortized TI's of \$2,460,212.33 x [REDACTED] 79.5% occupancy amortized at a rate of 0 percent per annum over 10 years) or \$195,586.88 annually. The total annual payment for [REDACTED] is therefore **\$195,586.88**.

<sup>3</sup> Operating Costs rent calculation: \$5.1288052 per RSF multiplied by 46,359 RSF = \$237,766.28.

<sup>4</sup> Building Specific Amortized Capital (BSAC) for [REDACTED] of \$54,215.82 (being the amortized BSAC of \$68,196.00 x [REDACTED] 79.5% occupancy amortized at a rate of 0 percent per annum over 10 years) or \$5,421.58 annually. The total annual payment for [REDACTED] BSAC is therefore **\$5,421.58**.

<sup>5</sup> Parking costs described under sub-paragraph H.

| RENT PAYMENTS<br>NOVEMBER 1, 2014 –<br>FEBRUARY 18, 2015   |                     |
|--|---------------------|
| NOVEMBER 2014  | \$ 100,678.71       |
| DECEMBER 2014  | \$ 100,678.71       |
| JANUARY 2015   | \$ 100,678.71       |
| FEBRUARY 1 – 18, 2015 <sup>1</sup>                         | \$ 64,722.03        |
| <b>TOTAL RENT NOVEMBER 1, 2014 –<br/>FEBRUARY 18, 2015</b> | <b>\$366,758.16</b> |

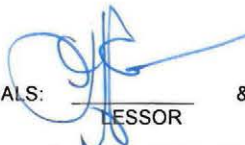

<sup>1</sup> Annual Rent of \$1,208,144.53 / 12 months = Monthly Rent of \$100,678.71 / 28 days for February x 18 days = **\$64,722.03**.

2. From February 19, 2015 to October 31, 2024 for the remaining Firm Term consisting of the entire leased space of 58,301 RSF / 54,069 ABOA SF (after the [REDACTED] space were accepted):

| FIRM TERM ANNUAL RENT<br>FEBRUARY 19, 2015 –<br>OCTOBER 31, 2024  |                       |
|---|-----------------------|
| SHELL RENT <sup>1</sup>   | \$ 967,558.15         |
| TENANT IMPROVEMENTS RENT <sup>2A+2B=2C</sup>                      | \$ 247,600.21         |
| OPERATING COSTS <sup>3</sup>                                      | \$ 299,014.47         |
| BUILDING SPECIFIC AMORTIZED CAPITAL <sup>4A+4B=4C</sup>           | \$ 6,863.37           |
| PARKING <sup>5</sup>  | \$ 0.00               |
| <b>TOTAL ANNUAL RENT FEBRUARY 19,<br/>2015 – OCTOBER 31, 2024</b> | <b>\$1,521,036.20</b> |

<sup>1</sup> Shell rent (Firm Term) calculation: \$16.5959100 per RSF multiplied by 58,301 RSF = **\$967,558.15**

<sup>2A</sup> [REDACTED] Tenant Improvements (TIs) are \$1,955,868.80 (being 79.5% occupancy x the amortized TI's of \$2,460,212.33) amortized at 0 percent over 10 years equals \$195,586.88 annually.

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<sup>2B</sup> [REDACTED] TIs are \$504,343.53 (being 20.5% occupancy x the amortized TI's of \$2,460,212.33) amortized at 0% over 9.6964287 years (calculated as 9 years + .6666667 years for 8 months / 12 months per year + .0297619 years for 10 days / 28 days in February / 12 months per year) equals \$52,013.33 annually.

<sup>2C</sup> The total annual payment for TIs is therefore (\$195,586.88 + \$52,013.33 =) **\$247,600.21**.

<sup>3</sup> Operating Costs rent calculation: \$5.1288052 per RSF multiplied by 58,301 RSF = **\$299,014.47**.

<sup>4A</sup> [REDACTED] Specific Amortized Capital (BSAC) are \$54,215.82 (being 79.5% occupancy x the total amortized BSAC of \$68,196.00) amortized at a rate of 0 percent per annum over 10 years equals \$5,421.58 annually.

<sup>4B</sup> [REDACTED] Audits BSAC are \$13,980.18 (being 20.5% occupancy x the total amortized BSAC of \$68,196.00) amortized at 0% over 9.6964287 years equals \$1,441.79 annually.

<sup>4C</sup> The Total Annual payment for BSAC is therefore (\$5,421.58 + \$1,441.79 =) **\$6,863.37**.

<sup>5</sup> Parking costs described under sub-paragraph H.

| RENT PAYMENTS<br>FEBRUARY 19, 2015 –<br>OCTOBER 31, 2024                 |                        |
|--|------------------------|
| FEBRUARY 19 – 28, 2015 <sup>1</sup>                                      | \$ 45,268.94           |
| TOTAL MONTHLY RENT FROM MARCH 1, 2015 TO OCTOBER 31, 2015 <sup>2,3</sup> | \$ 1,014,024.13        |
| TOTAL ANNUAL RENT FROM NOVEMBER 1, 2015 TO OCTOBER 31, 2024 <sup>4</sup> | \$13,689,325.80        |
| <b>TOTAL RENT FEBRUARY 19, 2015 – OCTOBER 31, 2024</b>                   | <b>\$14,748,618.87</b> |

<sup>1</sup> Annual Rent of \$1,521,036.20 / 12 months = \$126,753.02 Monthly Rent / 28 days for February x remaining 10 days in February = **\$45,268.94**.

<sup>2</sup> Annual Rent of \$1,521,036.20 / 12 months = \$126,753.02 Monthly Rent x 8 months = **\$1,014,024.13**.

<sup>3</sup> Not including Commission Rent Credits per Lease Section 1.04 BROKER COMMISSION AND COMMISSION CREDIT.

<sup>4</sup> Annual Rent of [REDACTED].

3. From November 1, 2024 to October 31, 2029 consisting of 58,301 RSF / 54,069 ABOA SF for the Non-Firm term, subject to termination rights:

| NON FIRM TERM ANNUAL RENT<br>NOVEMBER 1, 2024 –<br>OCTOBER 31, 2029 |                       |
|---|-----------------------|
| SHELL RENT <sup>1</sup>   | \$1,111,869.73        |
| TENANT IMPROVEMENTS RENT  | \$ 0.00               |
| OPERATING COSTS <sup>3</sup>  | \$ 299,014.47         |
| BUILDING SPECIFIC AMORTIZED CAPITAL                                 | \$ 0.00               |
| PARKING <sup>5</sup>  | \$ 0.00               |
| <b>TOTAL ANNUAL RENT NOVEMBER 1, 2024 – OCTOBER 31, 2029</b>        | <b>\$1,410,884.20</b> |

<sup>1</sup> Shell rent (Non-Firm Term) calculation: \$19.0711948 per RSF multiplied by 58,301 RSF = **\$1,111,869.73**.

<sup>3</sup> Operating Costs rent calculation: \$5.1288052 per RSF multiplied by 58,301 RSF = **\$299,014.47**.

<sup>5</sup> Parking costs described under sub-paragraph H.

**4. Section 1.04 BROKER COMMISSION AND COMMISSION CREDIT of the Lease is deleted in its entirety and replaced with the following:**

**1.04 BROKER COMMISSION AND COMMISSION CREDIT (AUG 2011)**

A. DTZ Americas, Inc. (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed

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between the two parties. Only [REDACTED] of the Commission will be payable to DTZ Americas, Inc. with the remaining [REDACTED] which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Month 5 (March 2015) Rental Payment \$126,753.02 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 5<sup>th</sup> Month's Rent.

Month 6 (April 2015) Rental Payment \$126,753.02 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 6<sup>th</sup> Month's Rent.

Month 7 (May 2015) Rental Payment \$126,753.02 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 7<sup>th</sup> Month's Rent.

Month 8 (June 2015) Rental Payment \$126,753.02 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 8<sup>th</sup> Month's Rent.

Month 9 (July 2015) Rental Payment \$126,753.02 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 9<sup>th</sup> Month's Rent.

Month 10 (August 2015) Rental Payment \$126,753.02 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 10<sup>th</sup> Month's Rent.

C. The Government confirms that it has had no dealing with any broker or agent in connection with the negotiation or execution of this Amendment, other than DTZ Americas, Inc.

**5. Section 1.05 TERMINATION RIGHTS of the Lease is hereby deleted in its entirety and replaced as follows:**

**1.05 TERMINATION RIGHTS (MODIFIED)**

The Government may terminate this Lease, in whole or in part, at anytime effective after **October 31, 2024** by providing not less than **90** days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of the termination.

**6. Section 1.08 TENANT IMPROVEMENT ALLOWANCE of the Lease is deleted in its entirety and replaced by the following:**



**1.08 TENANT IMPROVEMENTS**

The negotiated Total Tenant Improvement costs to produce the space pursuant to the Design Intent Drawings, Security Requirements, RLP Requirements, Construction Drawings, and Change Orders 1 through 43 was **\$2,460,212.33** per the TI, BSAC, and Change Order Notice to Proceeds (See page 9 of this Lease Amendment #2).

**7. Section 1.18 24-HOUR HVAC REQUIREMENT (APR 2011) MODIFIED of the Lease is deleted in its entirety and replaced by the following:**

**1.18 24-HOUR HVAC REQUIREMENT (APR 2011) MODIFIED**

The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of **\$1.00** per ABOA SF for **1,010** ABOA SF receiving the 24-hour HVAC for an annual cost of **\$ 1,010.00**. See Lease Paragraph 7.06 **SPECIAL PAYMENT INSTRUCTIONS FOR NON-ESCALATING ANNUAL REIMBURSABLE EXPENSES** for billing instructions. Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants in the Building at no additional charge.

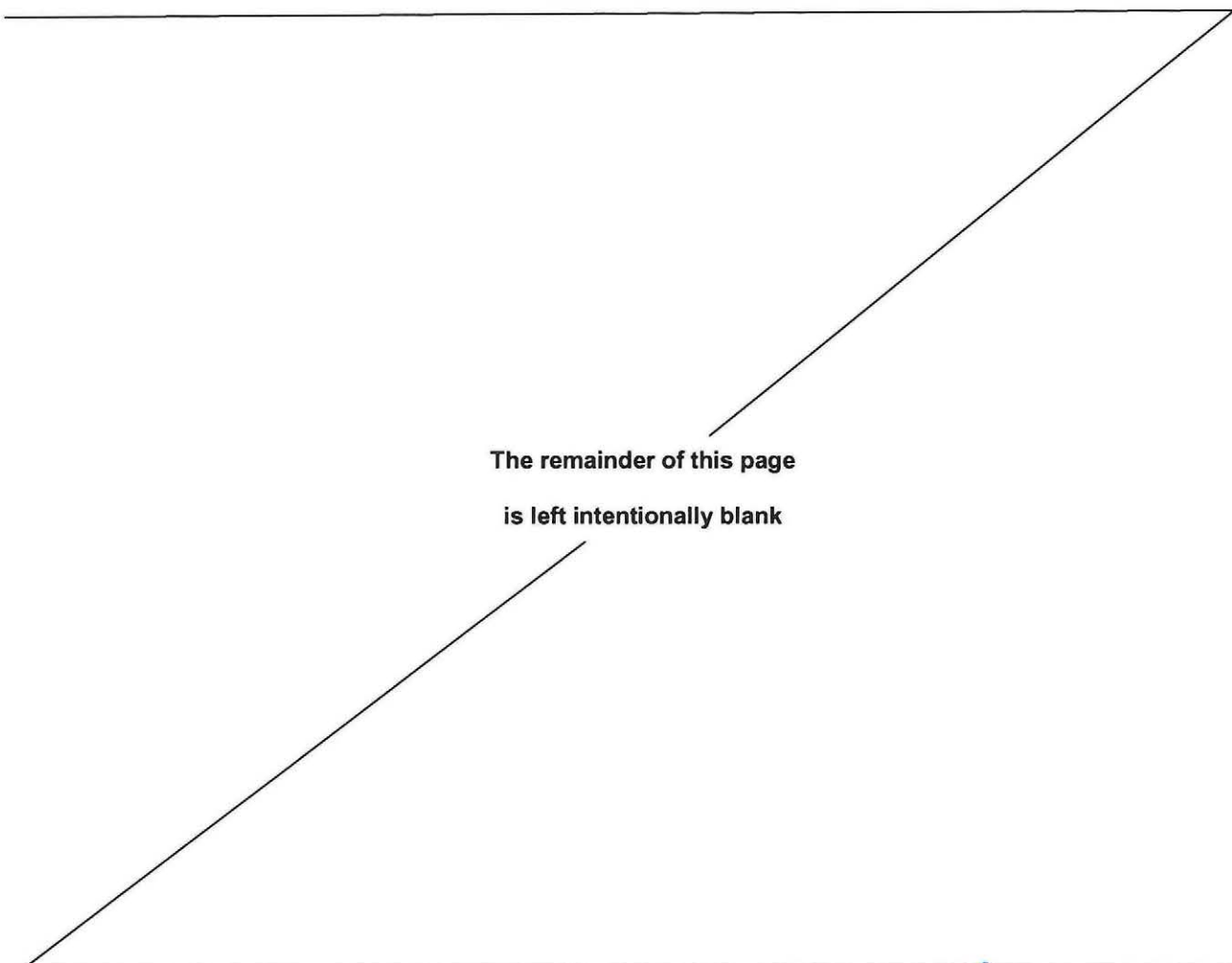
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**8. Tenant Improvement (TI) and Building Specific Amortized Costs (BSAC) Overage Lump Sum Reimbursement.**

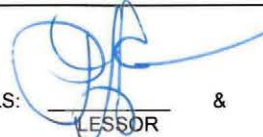

- A. The negotiated Total TIs and BSAC was \$2,548,610.13. This amount exceeded the Amortized Tenant Improvements of \$2,460,212.33 and Amortized BSAC of \$68,196.00 by \$20,201.80 per the TI, BSAC, and Change Order Notice to Proceeds (See page 9 of this Lease Amendment #2).
- B. The Government therefore agrees to reimburse the Lessor a total amount of **\$20,201.80** upon execution of Lease Amendment Number 2 signed by both parties and upon receipt of an acceptable invoice by the Government. Invoices shall be submitted to the Greater Southwestern Finance Center (with a copy to the Contracting Officer) electronically on the GSA Finance Website at [www.finance.gsa.gov](http://www.finance.gsa.gov). The invoice shall include a unique invoice number, be on letterhead of the Lessor, include the lease number, include the billed items, and cite the following Pegasys Document Number (PDN): **PS0029268**. Invoices submitted without the PDN Number will be immediately returned. If unable to process the invoice electronically, it may be submitted directly to: GSA Greater Southwest Finance Center (7BCP), P.O. Box 17181, Fort Worth, Texas, 76102.

**9. Pursuant to Section 4.11 B of the Lease, the Government has accepted the Space and per Section 4.12 of the Lease, the Government commences rent.**

**10. For purposes of determining the Real Estate Tax Base as set forth in Section 2.07 and for purposes of determining Operating Cost Adjustment as set forth in Section 2.09, the Lease term commencement date shall be November 1, 2014.**



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