

**GENERAL SERVICES ADMINISTRATION**  
PUBLIC BUILDINGS SERVICE  
**SUPPLEMENTAL LEASE AGREEMENT**

SUPPLEMENTAL AGREEMENT  
NO. 3

DATE 4/30/10

TO LEASE NO.  
GS-05B-17766

**ADDRESS OF PREMISES** Premises to be constructed on approximately 10.5 acres located at Trunk Highway 11, consisting of Government Lots 3 and 4 of Section 35, Township 71 North, Range 24 West of the Fourth Principal Meridian in Koochiching County, City of International Falls, MN 55649

This agreement, made and entered into this date by and between WSSA I Falls, LLC

whose address is 140 East Second Street, Suite 225  
Flint, MI 48502-1731

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

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

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective upon signing by both parties, as follows:

Paragraph 3 of the Lease shall be deleted in its entirety and the following substituted therefore:

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

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>MONTHLY RENT</u>	<u>RATE/RSF</u>
Years 1 - 15	\$1,331,992.41	\$110,999.37	\$40.36

CPI and tax escalations continue throughout the term of the lease.

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

WSSA I Falls, LLC  
140 East Second Street, Suite 225  
Flint, MI 48502-1731

**CONTINUED ON PAGES 2 AND 3 ATTACHED AND MADE A PART HEREOF**

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.

LESSOR:

BY

IN PRESENCE

UNITED STATES OF AMERICA

BY

Christine M. Decker  
(Signature)

MANAGER

(Title)

140 E. SECOND ST.

(Address)

FLINT, MI 48502

Contracting Officer  
(Official Title)

Paragraph 14 of the Lease shall be deleted in its entirety and the following substituted therefore:

"14. For the purpose of computing Operating Cost adjustments in accordance with Paragraph 3.7 of the Lease, the cost of services base is \$219,688.00 per annum or \$6.66 per rentable square foot of 33,000 square feet of rentable office, warehouse and storage space."

Paragraph 19 of the Lease shall be deleted in its entirety and the following substituted therefore:

"19. The tenant build out will conform to the specifications in the Lease and all attachments, and are to be provided by the Lessor as part of the total rental payment. In accordance with Paragraph 1.8 of the Lease, the Lessor agrees to provide up to \$1,274,271.60 toward the cost of the Tenant Improvements. The tenant build out cost of \$1,274,271.60 (based on \$40.60 per ANSI/BOMA Office Area square foot) is amortized for a period of fifteen (15) years at 7.75%. Therefore, the amortized tenant build out costs are \$143,932.92 per annum or \$4.36 per rentable square foot.

In addition, the Lessor has agreed to amortize the Building Specific Amortized Capital Cost of \$606,042.82 for a period of 15 years at 7.75%. Therefore, the amount that is being amortized as Building Specific Amortized Capital is \$68,454.41 per annum or \$2.07 per rentable square foot, which has been included in the rent in Paragraph 3 of the SF-2. The \$606,042.82 is for site lighting and a majority of the cost of the Security System. Therefore, a total of \$ 1,880,314.42 is being amortized into the rent (Tenant Improvement Allowance of \$1,274,271.60 plus \$606,042.82 for Building Specific Amortized Capital).

The Government agrees to fund upon completion and acceptance of the tenant improvements, via lump sum payment all tenant improvement costs above \$1,880,314.42, which are \$1,921,641.70. The \$1,921,641.70 is broken down as follows: \$1,659,510.86 per the Notice to Proceed dated 12/15/2009; \$102,130.84 for Change Order 1, approved on 12/22/2009; and \$160,000 which represents the remaining portion of the security system (Change Order 4).

Regarding this lump-sum payment of \$1,921,641.70, please follow these instructions:

Create and include a unique invoice number on the invoice submitted for payment.

If the Management Company submits the invoice, please include the name and address of the Management Company not the lessor. The vendor's or lessor's name and address must match the name address in the Pegasys vendor file.

Please cite PS Number PS0016355 on your invoice and submit your invoice directly to the Greater Southwest Finance Center with a copy to the Contracting Officer. **Invoices submitted to Finance without the PS number are immediately returned to the vendor or lessor.**

Please submit invoices electronically on the Finance Website at [www.finance.gsa.gov](http://www.finance.gsa.gov). Vendors or lessors who are unable to process the invoices electronically, may mail the invoices to the following address:

GSA, Greater Southwest Finance Center (7BCP)  
PO BOX 17181  
Fort Worth, TX 76102"

INITIALS	
GOV'T	LESSOR
CB	[Signature]

**Supplemental Lease Agreement No. 3 to Lease GS-05B-17768**  
**Page 3**

Paragraph 33 of the Lease shall be deleted in its entirety and the following substituted therefore:

\*33. In accordance with Paragraph 1.13 (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 [REDACTED] of the firm term value of this lease ("Commission"). The total amount of the Commission is [REDACTED]. This Commission is earned upon lease 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, which shall be hereby agreed to as [REDACTED], only [REDACTED], which is [REDACTED] of the Commission, will be payable to Studley when the Lease is awarded. The remaining [REDACTED], which is [REDACTED] of the Commission ("Commission Credit"), shall be credited to the Government as a credit to the shell rental portion of the annual rental payments.

Notwithstanding Paragraph 3 of the 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 continue as indicated in this schedule for adjusted Monthly Rent:

- First Month's Rental Payment \$110,999.37 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's rent.
- Second Month's Rental Payment \$110,999.37 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's rent.
- Third Month's Rental Payment \$110,999.37 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's rent.
- Fourth Month's Rental Payment \$110,999.37 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fourth Month's rent.
- Fifth Month's Rental Payment \$110,999.37 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fifth Month's rent.
- Sixth Month's Rental Payment \$110,999.37 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Sixth Month's rent."

**END OF SLA 3**

INITIALS

GOV'T CB	LESSOR [Signature]
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