



1. (Continued)

The premises consists of the following areas:

Initial Premises and First Expansion Premises (Lease and SLA #1) - 77,824 rentable square feet of office and related space which yields 65,720 ANSI/BOMA office area square feet of space and an additional 6,000 rentable square feet (yielding 5,000 ANSI/BOMA Office area square feet) of free space (for which the Government will not be charged rent, including real estate taxes and operating cost escalations) in excess of the total 77,824 rentable / 65,720 ANSI/BOMA office area square footage indicated above, for a total of 83,824 rentable square feet (yielding 70,720 ANSI/BOMA office area square feet) located on the entire seventh floor, partial sixth floor and partial basement.

Second Expansion Premises - 3,955 rentable square feet of office and related space which yields 3,340 ANSI/BOMA office area square feet of space located on a portion of the sixth floor.

Paragraph 2 of the Lease shall be deleted in its entirety and the following substituted therefore:

2. TO HAVE AND TO HOLD the said Initial and First Expansion premises with their appurtenances for a ten (10) year term beginning the date the leasehold improvements constructed by the Lessor are substantially completed and accepted by the Government, subject to termination and renewal rights, if any, as may be hereinafter set forth. The date of substantial completion is within 120 working days after the Government issues the Notice to Proceed with Tenant Buildout. Estimated date of substantial completion is May 1, 2010.

TO HAVE AND TO HOLD the said Second Expansion premises with their appurtenances for a ten (10) year term beginning the date the leasehold improvements constructed by the Lessor are substantially completed and accepted by the Government, subject to termination and renewal rights, if any, as may be hereinafter set forth. The date of substantial completion is within 120 working days after the Government issues the Notice to Proceed with Tenant Buildout. Estimated date of substantial completion is May 1, 2010.

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

3. The Government shall pay the Lessor annual rent of:

Years 1-3: \$2,044,444.88, at the rate of \$170,370.41 per month in arrears based on a rate of \$29.60 per BOMA Usable Square Foot (\$25.00 per rentable square foot).

Years 4-5: \$2,038,591.48, at the rate of \$169,882.62 per month in arrears based on a rate of \$29.52 per BOMA Usable Square Foot (\$24.92 per rentable square foot).

Years 6-10: \$1,384,511.46, at the rate of \$115,375.96 per month in arrears based on a rate of \$20.05 per BOMA Usable Square Foot (\$16.93 per rentable square foot). Note: Based on 77,824 rsf and 65,720 USF for Initial Premises and First Expansion Premises.

The operating expense portion of rent is subject to annual escalations as outlined in Paragraph 19 below. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

**Jackson I, LLC**  
**510 1<sup>st</sup> Avenue North, Suite 200**  
**Minneapolis, MN 55403**

Paragraph 4 of the Lease shall be deleted in its entirety and the following substituted therefore:

4. The Government may terminate this lease for the Initial and First Expansion premises at any time on or after the **FIFTH YEAR (April 30, 2015)** of the lease by giving at least **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 Government may terminate this lease for the Second Expansion premises at any time on or after the **THIRD YEAR (April 30, 2013)** of the lease by giving at least **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.

Paragraph 13 of the Lease shall be deleted in its entirety and the following substituted therefore:

13. The total ANSI/BOMA square foot area referred to in Paragraph 1 of the SF-2 herein is subject to an adjustment with the actual number of ANSI/BOMA square feet delivered to be determined by mutual field measurements in accordance with the provision of Paragraphs 3.9 and 3.10 in the Lease. However, it is mutually agreed that the total ANSI/BOMA office area square feet may not exceed the maximum limitation of 69,060 ANSI/BOMA office area square feet as stated in Paragraph 1.1 of the Lease. If the actual number of ANSI/BOMA square feet differs from Paragraph 1 of the SF-2, the Lease shall be amended by Supplemental Lease Agreement after field measurement to establish the square footage in compliance with the terms of this paragraph. Should the leased space offer more than the maximum limitation of 69,060 ANSI/BOMA office area square feet, the Government will not adjust the annual rental for any usable square footage above the maximum limitation usable square footage.

For purposes of all rental calculations, all space offered as free is excluded from tenant improvements, operating costs, CPI escalations and percentage of occupancy for tax escalations. Maintenance of free space shall be provided at no additional costs to the Government.

All rights, responsibilities and obligations that bind the Lessor and Government under this lease agreement, including the General Clauses, and any other attachments hereto, shall pertain to the entire space under lease, including the free space.

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

14. The premises includes 81,779 rentable square feet of office and related space which yields 69,060 ANSI/BOMA office area square feet of space and an additional 6,000 rentable square feet (yielding 5,000 ANSI/BOMA Office area square feet) of free space (for which the Government will not be charged rent, including real estate taxes and operating cost escalations) in excess of the total 81,779 rentable / 69,060 ANSI/BOMA office area square footage indicated above, for a total of 87,779 rentable square feet (yielding 74,060 ANSI/BOMA office area square feet) located on the entire seventh floor, partial sixth floor and partial basement, under lease at 180 East Fifth Street. Sixteen (16) structured reserved parking spaces located at the Galtier Parking Ramp are also included in the rental consideration.

The premises consists of the following areas:

Initial Premises and First Expansion Premises (Lease and SLA #1) - 77,824 rentable square feet of office and related space which yields 65,720 ANSI/BOMA office area square feet of space and an additional 6,000 rentable square feet (yielding 5,000 ANSI/BOMA Office area square feet) of free space (for which the Government will not be charged rent, including real estate taxes and operating cost escalations) in excess of the total 77,824 rentable / 65,720 ANSI/BOMA office area square footage indicated above, for a total of 83,824 rentable square feet (yielding 70,720 ANSI/BOMA office area square feet) located on the entire seventh floor, partial sixth floor and partial basement.

Second Expansion Premises – 3,955 rentable square feet of office and related space which yields

3,340 ANSI/BOMA office area square feet of space located on a portion of the sixth floor.

The gross rental rate stated in Section 3 above includes the following annual amounts:

Initial Premises and First Expansion Premises:

Term	Shell Rent	Operating Expenses	Tenant Improvements
Years 1-5 Office Space (72,624 rsf):	\$833,723.52	\$454,626.24	\$602,326.89
Basement Space (5,200 rsf):	<u>\$26,000.00</u>	<u>\$0.00</u>	<u>\$51,753.14</u>
Total (77,824 rsf):	\$859,723.52	\$454,626.24	\$654,080.02
Years 6-10 Office Space (72,624 rsf):	\$833,723.52	\$454,626.24	\$0.00
Basement Space (5,200 rsf):	<u>\$26,000.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Total (77,824 rsf):	\$859,723.52	\$454,626.24	\$0.00

Second: Expansion Premises:

Term	Shell Rent	Operating Expenses	Tenant Improvements
Years 1-3 Office Space (3,955 rsf):	\$51,256.80	\$24,758.30	\$0.00
Years 4-10 Office Space (3,955 rsf):	\$45,403.40	\$24,758.30	\$0.00

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

- For the purpose of computing operating cost adjustments in accordance with SFO GS-05B-17871 paragraph 3.7, the first year's base cost is hereby established as \$479,384.54 or \$6.26 per rentable square foot for 76,579 rentable square feet. Basement space of 5,200 rentable square feet shall not be subject to operating cost adjustments.

Paragraph 20 of the Lease shall be deleted in its entirety and the following substituted therefore:

- 20. For the purpose of computing real estate tax adjustments in accordance with SFO GS-05B-17871, Paragraphs 3.5 – 3.6, it is agreed that the Government occupies 11.3147% of the building of which the Government will pay its share of taxes when they exceed the base year. Government's occupancy of 76,579 rentable square feet (6<sup>th</sup> and 7<sup>th</sup> floors – excludes basement area) / Building gross area excluding basement areas of 676,809 equals 11.3147%.

Paragraph 22 of the Lease shall be deleted in its entirety and the following substituted therefore:

- 22. In accordance with Paragraph 3.11 of the Lease, the Common Area Factor is established as 1.184 (81,779 rentable square feet divided by 69,060 usable square feet).

Paragraph 23 of the Lease shall be deleted in its entirety and the following substituted therefore:

- 23. The tenant build out for the Initial and First Expansion premises 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 1.10 of the Lease, the Lessor agrees to provide a Tenant Improvement Allowance up to \$42.90 per ANSI/BOMA Office Area square foot ( $\$42.90 \times 65,720 = \$2,819,388.00$ ) toward the cost of tenant improvements. In the event that the tenant improvement cost is less than the amount provided above, Lessor agrees to refund such difference in a form of reduction of base rent using a 6.0% discount rate. The refund will be a credit of base rent equally amortized throughout the firm term (Years 1-5) of the lease.

The tenant build out for the Second Expansion premises will conform to the specifications in the Lease and all attachments, and are to be provided by the Lessor and shall be paid by lump sum payment upon acceptance by the Government and submission of invoice. In accordance with Paragraph 1.10 of the Lease, the Lessor agrees to provide a Tenant Improvement Allowance up to \$42.90 per ANSI/BOMA Office Area square foot ( $\$42.90 \times 3,340 = \$143,286.00$ ) toward the cost of tenant improvements.

Paragraph 24 of the Lease shall be deleted in its entirety and the following substituted therefore:

- 24. 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] per rentable square foot per year of the firm term of this lease ("Commission"). 5,200 rsf of basement area shall be excluded from the Commission calculation. 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 \$170,370.41 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's rent.  
 Second Month's Rental Payment \$170,370.41 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's rent  
 Third Month's Rental Payment \$170,370.41 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's rent.