GENERAL SERVICES ADMINISTRATION

PUBLIC BUILDINGS SERVICE

SUPPLEMENTAL AGREEMENT NO. 4

SUPPLEMENTAL LEASE AGREEMENT

TO LEASE NO.

GS-05B-17871

ADDRESS OF PREMISES

180 East Fifth Street

St. Paul, Minnesota

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

whose address is

510 1st Avenue North, Suite 200 Minneapolis, MN 55403

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 dated January 30, 2009 is amended, effective September 1, 2010, as follows:

Paragraph 1 of the Lease shall be deleted in its entirety and the following substituted therefore:

1. The Lessor hereby leases to the Government the following described premises to be used for such general office purposes as Determined by the General Services Administration::

83,130 rentable square feet of office and related space which yields 70,236 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 83,130 rentable / 70,236 ANSI/BOMA office area square footage indicated above, for a total of 89,130 rentable square feet (yielding 75,236 ANSI/BOMA office area square (eet) located on the entire seventh floor, partial sixth floor, partial first 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.

CONTINUED ON PAGES 2, 3, 4, 5, AND 6 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.

BY	Chied Muniser
IN PRE	(Title) 510-181 Ave No 4200 Mpls. Mn 55403
	(Address)
BY	Contracting Officer
(Signature)	(Official Title)

GSA Form 276 (Jul. 67)

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.

<u>Second Expansion Premises</u> – 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.

<u>Third Expansion Premises</u> – 1,351 rentable square feet of special use space which yields 1,176 ANSI/BOMA office area square feet of space located on a portion of the first floor.

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

 TO HAVE AND TO HOLD the said <u>Initial and First Expansion</u> premises with their appurtenances for the term beginning on June 1, 2010 through May 31, 2020, subject to termination and renewal rights, if any, as may be hereinafter set forth.

TO HAVE AND TO HOLD the said <u>Second Expansion</u> premises with their appurtenances for the term beginning on June 1, 2010 through May 31, 2020, subject to termination and renewal rights, if any, as may be hereinafter set forth.

TO HAVE AND TO HOLD the said <u>Third Expansion</u> premises with their appurtenances for the term beginning on September 1, 2010 through May 31, 2020, subject to termination and renewal rights, if any, as may be hereinafter set forth."

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 as follows:

Years 1-3: \$2,063,358.89, at the rate of \$171,946.57 per month in arrears based on a rate of \$29.38 per BOMA Usable Square Foot (\$24.82 per rentable square foot).

Years 4-5: \$2,057,505.49, at the rate of \$171,458.79 per month in arrears based on a rate of \$29.29 per BOMA Usable Square Foot (\$24.75 per rentable square foot).

Years 6-10: \$1,403,425.46, at the rate of \$116,952.12 per month in arrears based on a rate of \$19.98 per BOMA Usable Square Foot (\$16.88 per rentable square foot).

NOTE: The annual amount referenced for Years 1-3 includes annual rent for the Initial Premises and First Expansion Premises in the amount of \$1,890,676.65; Basement Space in the amount of \$77,753.14; Second Expansion Premises in the amount of \$76,015.10; and Third Expansion Premises of \$18,914.00. For the months of June, July, and August 2010, the annual rent of \$2,044,444.89 is applicable for the Initial Premises and First Expansion Premises, Basement Space, and Second Expansion Premises only as the lease term for the Third Expansion Premises has not commenced.

INITIALS
GOV'T LESSOR
CB LESSOR

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 1st Avenue North, Suite 200 Minneapolis, MN 55403

Breakdown of Annual Rent:

Term Months	Shell Rent		Operating Expenses		Tenant Improvements	Rate per RSF		Annual Rent		Monthly Rent	
Initial and First Expansion Premises (72,624 RSF)											
1-60	\$	833,7	23.52	\$	454,626.24	\$602,326.89	\$26.03	\$	1,890,676.65	\$	157,556.39
61-120	\$	833,7	23.52	\$	454,626.24	\$0.00	\$17.74	\$	1,288,349.76	\$	107,362,48
Basement	Sp	ace (5,	200 RS	SF)							
1-60	\$	26,0	00.00		\$0.00	\$51,753.14	\$14.95	\$	77,753.14	\$	6,479.43
61-120	\$	26,0	00.00		\$0.00	\$0.00	\$5.00	\$	26,000.00	\$	2,166.67
Second Ex	pai	nsion I	Premis	98	(3,955 RSF)						
1-36	\$	51,2	56.80	\$	24,758.30	\$0.00	\$19.22	\$	76,015.10	\$	6,334.59
37-120	\$	45,4	03.40	\$	24,758.30	\$0.00	\$17.74	\$	70,161.70	\$	5,846.81
Third Expa	ns	on Pre	mises	(1,	351 RSF)						
1-117	\$	10,4	56.74	\$	8,457.26	\$0.00	\$14.00	\$	18,914.00	\$	1,576.17

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 <u>Initial</u>, <u>First Expansion</u>, and <u>Third Expansion</u> premises at any time on or after **May 31**, 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 <u>Second Expansion</u> premises at any time on or after the **May 31, 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 70,236 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 70,236 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.

INITIALS
GOVT COR

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 83,130 rentable square feet of office and related space which yields 70,236 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 83,130 rentable / 70,236 ANSI/BOMA office area square footage indicated above, for a total of 89,130 rentable square feet (yielding 75,236 ANSI/BOMA office area square feet) located on the entire seventh floor, partial sixth floor, partial first 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.

<u>Second Expansion Premises</u> – 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.

<u>Third Expansion Premises</u> – 1,351 rentable square feet of special use space which yields 1,176 ANSI/BOMA office area square feet of space located on a portion of the first floor.

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

19. 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 \$487,841.80 or \$6.26 per rentable square foot for 77,930 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 11.5143% of the building of which the Government will pay its share of taxes when they exceed the base year. Government's occupancy of 77,930 rentable square feet (6th, 7th, and 1st floors – excludes basement area) / Building gross area excluding basement areas of 676,809 equals 11.5143%.

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 blended Common Area Factor is established as 1.1836 (83,130 rentable square feet divided by 70,236 usable square feet).

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

23. The total Tenant Improvement Cost for the Initial, First and Second Expansions, including all approved Change Orders, is \$3,408,996.96. According to Paragraphs 1.10 and 23 of the Lease, the Lessor agrees to provide up to \$2,819,388.00 toward the cost of the Tenant Improvements. The tenant improvement cost of \$2,819,388.00 (\$42.90 x 65,720 ANSI BOMA Area Square Foot) is amortized for a period of 5 years at 6% or \$654,080.02 annually). Therefore, the total cost of the Tenant Improvements exceed the Allowance by \$589,608.96. The \$589,608.96 will be paid by the Government upon completion and acceptance of the improvements via lump-sum payment.

Regarding this lump-sum payment of \$589,608.96, 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 PS0016970 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. 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

The <u>Third Expansion</u> Premises does not include tenant buildout. Prior to occupancy, Lessor agrees to replace damaged or missing ceiling tiles and repaint the third expansion premises. Additionally, Lessor shall ensure that the space complies with the SFO and all laws, codes and ordinances applicable to storage space use, however the Third Expansion Premises shall not be required to comply with the Architectural Barriers Act Accessibility Standard (ABAAS) nor the Americans with Disabilities Act (ADA), and shall not require shatter resistant window protection.

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 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 ... 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 a payon, only which is of the Commission, payable to Studley when the Lease is awarded. The remaining which is Commission ("Commission Credit"), shall be credited to the Government as a credit to the she portion of the annual rental payments.	of the
Notwithstanding Paragraph 3 of the Standard Form 2, the shell rental payments due and owing this Lease shall be reduced to fully recapture this Commission Credit. The reduction in shell recommence with the first month of the rental payments and continue as indicated in this schedaljusted Monthly rent:	nt sha
First Month's Rental Payment \$170,370.41 minus prorated Commission Credit of adjusted First Month's rent.	equals
Second Month's Rental Payment \$170,370.41 minus prorated Commission Credit of	equals
adjusted Second Month's rent Third Month's Rental Payment \$170,370.41 minus prorated Commission Credit of adjusted Third Month's rent.	equals

END

INITIALS
GOVT TESSOR
CB CB