

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

3/7/08

LEASE NO.

GS-05B-17876

THIS LEASE, made and entered into this date by and between

whose address is
FRM Associates, LLC
250 Marquette Avenue; Suite 200
Minneapolis, MN 55401

and whose interest in the property hereinafter described is that of owner, hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WITNESSETH: The parties hereto for the consideration hereinafter mentioned, covenant and agree as follows:

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

23,372 BOMA usable square feet (27,372 rentable) of third floor office space, in a thirteen story multi tenant building, along with Two (2) structured parking spaces located at 250 Marquette Avenue, in Minneapolis, MN, 55401, to be used for such purposes as determined by the General Services Administration

This is a fully serviced lease, which includes tenant improvements, real estate taxes, operating costs and parking, as specified in SFO GS-05B-17876, which is attached to, and is part of this lease.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term of ten (10) years, (five years firm), beginning upon the completion of the space, and accepted by the Government as satisfactorily complete. The actual commencement date of this lease, along with any applicable termination rights, shall be set forth in a Supplemental Lease Agreement upon substantial completion and acceptance of the space by the Government.

3. The Government shall pay the Lessor annual rent of \$858,004.68 at the rate of \$71,500.39 per Month in arrears, for years 1-5, and annual rent of \$772,912.04 at the rate of \$64,409.34 per month in arrears for years 6 - 10. Rent consists of \$51,169.85667 per month for shell/base rent, operating expenses, real estate taxes and parking, and \$20,330.54 per month in Tenant Improvements, which is the total amount of \$1,002,670.02 amortized over 60 months at an annual interest rate of 8.00%. Rent for a lesser period shall be prorated.

In Section 1.8, HOW TO OFFER, the Lessor agrees to provide up to \$42.900480 per BOMA usable square foot toward the cost of the tenant improvements defined in Attachment # 2. In the event the tenant improvement cost is less than the amount provided above, Lessor agrees as outlined in Section 1.11 TENANT IMPROVEMENT RENTAL ADJUSTMENT, to refund such difference in the form of a reduction of the tenant improvement portion of the rental using a 8.00% amortization annual interest rate over 60 months. The Government and Lessor agree that the final Tenant Improvement costs will be stated in a Supplemental Lease Agreement. Rent checks shall be made payable to:

FRM Associates, LLC
250 Marquette Avenue; Suite 200
Minneapolis, MN. 55401

~~4. The Government may terminate this lease at any time on or after 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.~~

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~~5. This lease may be renewed at the option of the Government, for the following terms and at the following rentals, provided notice be given in writing to the Lessor at least _____ days _____ before the end of the original lease term or any renewal term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.~~

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

- (A) All service, utilities and maintenance (including janitorial) of the building and grounds as provided in the lease and attachments hereto.
- (B) The Lessor shall satisfy all responsibilities and obligations as defined in the Solicitation for Offers No. GS-05B-17876 including the attachments to the lease referenced in Paragraph 7 below, including but not limited to providing at least 2 structured parking spaces as well as meeting all Handicap Accessibility and Fire/Life Safety Requirements.

7. The following are attached and made a part hereof:

- (A) Paragraphs 9 through 25 of this lease on pages 3 through 4;
- (B) Solicitation for Offers (SFO) No. GS-05B-17876 dated 5/23/2007, pages 1 through 43.;
- (C) SFO Attachment No 1: Lease Costs Breakdown Summary consisting of 2 pages;
- (D) SFO Attachment No 2: Definition examples of Shell and Tenant Improvements;
- (E) SFO Attachment No 3: General Requirements consisting of 9 pages;
- (F) SFO Attachment No 4: Document Security Form consisting of 2 pages;
- (G) Prelease Building Security Plan;
- (H) Exhibit A Site Plan and Block Plan;
- (I) GSA Form 3517B (REV. 11/05) consisting of 33 pages;
- (J) GSA Form 3518 (REV. 1/07) consisting of 7 pages.

8. The following changes were made in this lease prior to its execution:

Paragraphs 4 and 5 of Standard Form 2 have been deleted in their entirety.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR: ERM Associates, LLC

BY _____

(Signature)

IN PRESENCE OF:

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

BY _____

Contracting Officer

KIM GILL (Signature)

(Official title)

(Handwritten initials)

