

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL AGREEMENT
NO. 1

DATE
03/07/2012

TO LEASE NO
GS-05B-18512

ADDRESS OF PREMISES: **City Centre
310 S. Broadway 2nd Floor
Rochester, MN 55904-5513**

THIS AGREEMENT, made and entered into this date by and between **CITY CENTRE ROCHESTER LLC**

whose address is 2227 7th Street NW,
Rochester, MN 55901-0206

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

WHEREAS, the parties hereto desire to amend the above Lease to issue the Notice to Proceed for Tenant Improvements in the amount of \$192,277.80 and;

WHEREAS, the parties hereto desire to amend the above Lease to adjust the Tenant Improvement rate and annual rent for years 1 through 7and;

WHEREAS, the Government wants to approve change order No. 4 in the amount of \$49,552.44 to be paid in a lumpsum payment to the Lessor upon completion of the work and acceptance of space by the Government.

NOW THEREFORE, these parties for the consideration hereinafter mentioned covenant and agree that the said Lease is amended, effective **March 7, 2012**, as follows:

1. Paragraph 10 is deleted in its entirety and the following substituted therefore:

Page 1 of 4

IN WITNESS WHEREOF, the parties subscribed their names as of the above date.

LESSOR **CITY CENTRE ROCHESTER LLC**

BY

[Redacted Signature]

3/12/12

(Title)

IN PRESENCE

[Redacted Name]

(Address)

UNITED STATES OF AMERICA **GENERAL SERVICES ADMINISTRATION**

BY

[Redacted Signature]

DIANA K. GEORGE

(Contracting Officer)

10. In accordance with the lease paragraph entitled, *Tenant Improvement Rental Adjustment*, the Lessor agrees to provide up to \$192,277.80 (\$37.35 per usf x 5,148 usf) toward the cost of Tenant Improvements. The costs of the Tenant Improvements are amortized at 8.00% over 84 months which equates to \$5.92 per rsf. Upon completion, inspection, and acceptance of the space by the Government, a Supplemental Lease Agreement will be drafted to consolidate any additional TI costs, to finalize rent payments, to address any changes in square footage and to establish beneficial occupancy.

Fees applicable to Tenant Improvements shall not exceed:

- *General Conditions not to exceed five (5) percent of total Subcontractor's TI Costs*
- *General Contractor not to exceed four (4) percent of total subcontractor's TI Costs*
- *Architectural/Engineering \$3.93 per usable square foot for TI's only*
- *Lessor Project Management Fees four (4) percent of total Subcontractor's TI Costs*
- *The above 4 costs will be individually computed on the base TI Cost*

2. Based on this contract requirement, the Government has reviewed the Tenant Improvement (TI) costs and determined that they are fair and reasonable. This Supplemental Lease Agreement (SLA) represents the Lessor's Notice to Proceed with construction of the TI's in the amount of \$192,277.80.

The total cost of the TI's is \$192,277.80. This amount includes all TI costs to build the leased premises, including, but not limited to, all architectural and engineering fees, as well as filing, permit and expediter fees, labor, materials, overhead and profit as per the Construction Documents dated 1.13.12, Addendum 1 (2 pages) dated 2.6.12, Addendum 1 exhibit A (1 Page), B(1 Page), and C(1 Page), and Addendum 2 (2 pages) dated 2.15.12, Addendum 2 exhibit D (1 page)

Any additional change orders after the start of the construction process need to be submitted in writing to the Contracting Officer for review and approval. The landlord cannot proceed with the changes unless approved in writing by the Contracting Officer.

3. Paragraph 3, of Stadar Form 2, Page 1 is deleted in its entirety and replaced with:

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

Years 1 through 7 Annual Rent: \$191,813.92 at the rate of \$15,984.49 per month in arrears.

Years 8 through 10 Annual Rent: \$155,858.84 at the rate of \$12,988.24 per month in arrears.

Years 1-7	RSF Rate	USF Rate
Shell Rent w/o Tax	\$18.30	\$21.59
T.I.	\$5.92	\$6.99
Operating Costs	\$3.94	\$4.65
Taxes	\$3.42	\$4.04
Full Service Rent	\$31.58	\$37.26

LESSOR

UNITED STATES OF AMERICA

BY

(Initial)

jcw

BY

(Initial)

@

Years 8-10	RSF Rate	USF Rate
Shell Rent w/o Tax	\$18.30	\$21.59
T.I.	\$ -	\$ -
Operating Costs	\$3.94	\$4.65
Taxes	\$3.42	\$4.04
Full Service Rent	\$25.66	\$30.28

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

*CITY CENTRE ROCHESTER LLC
 2227 7th Street NW
 Rochester, MN 55901*



- This SLA serves as the Notice to Proceed for the Lessor to begin Tenant Improvement security work in the amount of \$49,552.44 as shown in Physical Security System Scope of Work (13 pages), Security Pricing (1 page) and Floor plan drawing exhibit E (1page). The Tenant Improvement security work will be paid in a lump sum payment to the Lessor upon completion of the work and acceptance by the Government.

All invoices submitted by the Lessor for payment under this Lease in order to be eligible for payment shall comply with the below requirements. All invoices shall include a unique invoice number and cite the following PDN number "PS0022913". Invoices submitted without the PDN are immediately returned to the Lessor. Invoices shall be submitted to the Greater Southwestern Finance Center electronically on the Finance Website at www.finance.gsa.gov, with a copy to the Contracting Officer. If the Lessor is unable to process the invoices electronically, it may mail the invoices to the following address:

General Services Administration
 FTS and PBS Payment Division (7BCP)
 P.O. Box 17181
 Fort Worth, TX 76102-0181

A copy of the invoice must be provided to the Contracting Office at the following address:

General Services Administration
 Attn: GSA Contracting Office, Diana George
 230 South Dearborn Street
 Suite 3300
 Chicago, IL 60604

LESSOR BY  (Initial)	UNITED STATES OF AMERICA BY  (Initial)
---	---

A proper invoice must include the following:

- Invoice date
- Name of the Lessor as shown on the lease
- Lease contract number, building address, and a description, price and quantity of items delivered.
- GSA PDN #

All other terms and conditions of the lease shall remain in force and effect.

End of SLA No. 1

LESSOR		UNITED STATES OF AMERICA	
	BY <i>jea</i> (Initial)		BY <i>(d)</i> (Initial)