

GENERAL SERVICES ADMINISTRATION  
PUBLIC BUILDINGS SERVICE  
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL AGREEMENT  
NO. 2  
PS # 0018547

DATE  
8/5/10

TO LEASE NO.  
GS-05B- 18275

ADDRESS OF PREMISES Arbor Gate Development  
2501 West Beltline Hwy 3<sup>rd</sup> Floor

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

Arbor Gate Development LLC  
whose address is 3001 West Beltline Highway Suite 202  
Madison, Wisconsin 53713

Herein after called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:  
WHEREAS, the parties hereto desire to amend the above Lease.

NOW THEREFORE, these parties for the consideration hereinafter mentioned covenant and agree that the said Lease is amended, effective as of the date of this Supplemental Agreement 2, as follows:

This Supplemental Lease Agreement (SLA) No. 2 and documents is issued to change: the square footage of the space; the term of the lease; year one (1) of the annual rent; the operating cost; the broker commission; and the notice to proceed based upon the agreed total amortized and unamortized tenant improvements pursuant to the Design Intent Drawings and Special Requirements attached as part of this lease. Accordingly, Paragraphs 1, 2, 3, 12, 13, 18, and 28 is hereby amended and Paragraph 32 is added:

1. The Lessor hereby leases to the Government the following described premises:  
16,265 rentable square feet of office space located on the third (3<sup>rd</sup>) floor of Arbor Gate, located at 2501 West Beltline Highway in Madison, Wisconsin 53713-2318, yielding 14,086 usable square feet.
  2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on or before July 2, 2010 through July 1, 2020, subject to any renewal rights as may be hereinafter set forth.
  3. The Government shall pay the Lessor rent as follows:
- | Term    | ANNUAL RENT  | MONTHLY RENT | RATE/RSF | RATE/USF |
|---------|--------------|--------------|----------|----------|
| Year 1* | \$333,920.45 | \$27,826.70  | \$20.53  | \$23.70  |

\*The base rent shall increase annually, in years 2 through 10 by \$0.50/RSF (or \$0.58/USF).

12. In accordance with Paragraph 4.1 of the SFO, the Common Area Factor is established as 1.1547 (16,265 RSF/ 14,086 USF).
13. For the purpose of computing Operating Cost adjustments in accordance with Paragraph 4.3 of the SFO, the base cost of services are \$61,807.00 per annum or \$3.80 per rentable square feet. This equates to a rate of \$4.39 per usable square foot.
18. 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 3.2 of the SFO, as amended by SFO Amendment No. 2, the Lessor agrees to provide up to \$86,822.76 toward the cost of the Tenant Improvements. The tenant build out cost of \$86,822.76 (based on a maximum \$41.66 per ANSIBOMA Office Area square foot) is amortized for a period of one hundred twenty (120) months at 3.25%. Therefore, the maximum amortized tenant build out costs are \$68,800.95 per annum or \$4.23 per rentable square foot. Actual Tenant Improvements will be negotiated and subject to change

Pursuant to Paragraph 3.3 of the SFO, in the event the Tenant Improvement Cost is less than the amount provided above, the Lessor agrees to refund such difference in the form of reduction of base rent using a 3.25% amortization rate. The refund will be a credit of the rent equally spread out throughout the ease term (120 months). In the event that the Tenant Improvement Cost is greater than the amount provided above, the Government may choose to pay lump sum for any part of the Tenant Improvement Cost. The Government and Lessor must agree on any additional Tenant Improvement Cost through a Supplemental Lease Agreement.

Lessor acknowledges that the lease is for ten (10) years, five (5) years firm and that by amortizing the Tenant Improvement Costs over the full ten (10) year term, it is assuming any financial risks or losses associated with amortizing over the full lease term (10 years) versus the firm lease term (5 years).

28 The Lessor and the Broker (CB Richard Ellis) have agreed to a cooperating lease commission of [REDACTED] of the Aggregate Lease Value as defined in the Broker Commission Letter dated July 21, 2009. The total amount of the commission is [REDACTED] (See below). In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED] (See below). The Lessor agrees to pay the Commission less the Commission Credit ([REDACTED]) to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease. Total commission is subject to rental cost based on final accepted square feet.

Lump sum and Broker Credit Calculation

Rentable SF	Rental rate per RSF	Firm period	Broker %	Total Lump Sum	Rebate	Commission Credit	Broker Commission
16,265	20.53*	1yr	[REDACTED]	\$11,687.22	[REDACTED]	[REDACTED]	[REDACTED]
16,265	21.03*	1yr	[REDACTED]	\$11,971.85	[REDACTED]	[REDACTED]	[REDACTED]
16,265	21.53*	1yr	[REDACTED]	\$12,256.49	[REDACTED]	[REDACTED]	[REDACTED]
16,265	22.03*	1yr	[REDACTED]	\$12,541.13	[REDACTED]	[REDACTED]	[REDACTED]
16,265	22.53*	1yr	[REDACTED]	\$12,825.77	[REDACTED]	[REDACTED]	[REDACTED]

\*The rental Rate per RSF increases \$.50 per RSF annual. Total: \$61,282.46 [REDACTED] [REDACTED]

Notwithstanding Paragraph 3 of this SLA 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 \$27,826.70 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's rent.

Second Month's Rental Payment \$27,826.70 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's rent.

32. This notice to proceed is based on the substantial completion date of July 2, 2010. The total Tenant Improvement cost to produce the space pursuant to the Design Intent Drawings dated February 16, 2010 and Special Requirements dated February 22, 2010, is \$ 779,528.00 of which \$41.66/usf or \$586,822.76 will be amortized into rent payment over 120 months at 3.25%. The Government agrees to pay the Lessor a one time lump sum payment in the amount of \$192,705.24 for initial tenant improvement construction costs that will not be amortized in the monthly rental payments.  
The Special Requirements and government Design Intent drawings will be an attachment to this SLA #2 showing the source from which the agreed tenant improvements was negotiated from.

Initial Tenant Improvement Overage ..... \$192,705.24

The lessor waives any right to future payment for the initial construction costs except for the \$86,822.76 that will be amortized in monthly rent as stated in Paragraph 3 of this lease. Submit your invoice directly to: GSA Greater Southwest Finance Center (7BCP), P.O. Box 17181, Fort Worth, Texas, 76102 or to the GSA Finance Website at [www.finance.gsa.gov](http://www.finance.gsa.gov). Your invoice must be on letterhead of the lessor, include an invoice number, this lease number, and the following Pegasus Document Number: PS# 0018547. Submit invoice only after the lease is activated after the Government accepts the space.

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.

[Redacted signature area]  
IN PRESENCE OF [Redacted name]

Vice President, AGD, LLC  
(title)

3001 W Beltline Hwy Med Box 600  
(Address)

UNITED STATES OF AMERICA - GENERAL SERVICES ADMINISTRATION

B [Redacted signature area]

Contracting Officer