375 JACKSON STREET BUILDING OFFICE LEASE

(City of St. Paul / RiverPrint Lease)

THIS LEASE ("Lease") is entered into and made effective as of the 1st day of January, 2012, by and between 375 Jackson Courtly LLC, a Minnesota limited liability company, and 375 Jackson Willow LLC, a Minnesota limited liability company, hereinafter called "Landlord", and City of St. Paul, a municipal corporation, hereinafter "Tenant."

Landlord, in consideration of the rents and covenants hereinafter set forth, does hereby demise, let and lease to Tenant and Tenant does hereby hire, take and lease from Landlord on the terms and conditions hereinafter set forth the following described space, hereinafter called the "Premises," to have and to hold the same with all appurtenances unto Tenant for the term hereinafter specified.

1. DESCRIPTION OF THE PREMISES

The Premises consists of approximately 5,800 rentable square feet of space (the "Rentable Area") as shown on the floor plan attached as Exhibit "A," which is referred to as the "Lower Level," located at 375 Jackson Street in the City of Saint Paul, County of Ramsey, State of Minnesota (hereinafter called the "Building"). The Building is located on the land legally described on Exhibit "B" attached hereto and made a part hereof.

2. TERM

The term of this Lease (the "Term") shall be for a period of seven (7) years and zero (0) months, commencing on January 1, 2012 (the "Commencement Date") and ending on December 31, 2019 (the "Expiration Date"), unless this Lease shall be sooner terminated as hereinafter provided.

3. RENT

For purposes of this Paragraph 3, rent ("Rent"), the following definitions shall apply:

(a) "Lease Year" shall mean the twelve (12) month period beginning on the Commencement Date and each anniversary thereof. If the Commencement Date occurs on other than the first (1st) day of a month, the first (1st) partial month shall be included in the first (1st) Lease Year.

(b) Rent. Tenant shall pay to Landlord, at the address listed below in Paragraph 24, Rent for the Premises in the following sums:

PERIOD	RENT RATE PER SQUARE FOOT	ANNUAL RENT	MONTHLY RENT
Lease Year 1	\$9.00	\$52,200.00	\$4,350.00
Lease Year 2	\$9.00	\$52,200.00	\$4,350.00
Lease Year 3	\$9.00	\$52,200.00	\$4,350.00
Lease Year 4	\$9.00	\$52,200.00	\$4,350.00
Lease Year 5	\$9.00	\$52,200.00	\$4,350.00
Lease Year 6	\$9.00	\$52,200.00	\$4,350.00
Lease Year 7	\$9.00	\$52,200.00	\$4,350.00

Rent shall be payable in monthly installments as provided above, in advance, on or before the first day of each and every month throughout the Term; provided, however, that if the Commencement Date shall be a day other than the first day of a calendar month or the Expiration Date shall be a day other than the last day of a calendar month, the Rent installment for such first or last fractional month shall be pro-rated accordingly. Tenant's obligation to pay Rent is a separate and independent covenant and obligation. Tenant shall pay all Rent and other sums of money as shall become due from and payable by Tenant to Landlord under this Lease at the times and in the manner provided herein, without abatement and without notice, demand, set-off or counterclaim.

(b) <u>Service Charge.</u> Tenant's failure to make any monetary payment required of Tenant hereunder within five (5) days of the due date therefore shall result in the imposition of a service charge for such late payment in the amount of ten percent (10%) of the amount due. In addition, any sum not paid within thirty (30) days of the due date therefore shall bear interest at a rate equal to the greater of eighteen percent (18%) or the prime rate plus two percent (2%) per annum (or such lesser percentage as may be the maximum amount permitted by law) from the date due until paid.

4. SECURITY DEPOSIT

(a) Landlord initially waives the requirement that Tenant pay a security deposit to Landlord. If at any time during the Term, Tenant fails to pay any installment of Rent or any other charges required to be paid to Landlord hereunder and such failure continues beyond the period given to cure such default as set forth in Paragraph 18(a) hereof, Landlord may by notice to Tenant require the immediate

deposit as a security deposit of a sum equal to two (2) months' of the then Rent for the Premises (the "Security Deposit"). Such deposit shall be held as security for the performance and observance by Tenant of all of its obligations under the terms, conditions and covenants of this Lease throughout the Term of this Lease, provided however, if no other Tenant defaults occur during the twenty-four (24) month period after Tenant makes the Security Deposit, Landlord shall refund the same to Tenant. If Tenant performs and observes all of the terms, conditions and covenants of this Lease which are required to be performed and observed by it, Landlord shall return the Security Deposit, or balance thereof then held by Landlord, to Tenant (within thirty (30) days) after the Expiration Date or after Tenant surrenders possession of the Premises, whichever is later. In the event of a default by Tenant in the payment of Rent or the performance or observance of any of the other terms, conditions or covenants of this Lease, then Landlord may, at its option and without notice, apply all or any part of the Security Deposit in payment of such Rent or to cure any other such default; and if Landlord does so, Tenant shall, upon request, deposit with Landlord the amount so applied so that Landlord Will have on hand at all times throughout the Term of this Lease the full amount of the Security Deposit. Landlord shall not be required to hold the Security Deposit as a separate account, but may commingle it with Landlord's other funds. The use, application or retention of the Security Deposit or any portion thereof by Landlord shall not prevent Landlord from exercising any other right or remedy provided by this Lease or by law (it being intended that Landlord shall not first be required to proceed against the Security Deposit) and shall not operate as a limitation on any recovery to which Landlord may otherwise be entitled.

(b) In the event of a sale or any other transfer of the Building, Landlord shall have the right to transfer the Security Deposit to its purchaser and Landlord shall thereupon be released by Tenant from all responsibility for the return of such deposit; and Tenant agrees to look solely to such purchaser for the return of such deposit. In the event of an assignment of this Lease, the Security Deposit shall be deemed to be held by Landlord as a deposit made by the assignee, and Landlord shall have no further responsibility for the return of such deposit to the assignor.

5. TENANT IMPROVEMENTS

Tenant shall construct certain tenant improvements at Tenant's expense ("Tenant Improvements") to the Premises in accordance with the schematic drawings and specifications attached to this Lease, made a part hereof and marked Exhibit "D" attached hereto and made a part hereof and the Work Letter marked Exhibit "E" attached to this Lease made a part hereof. Work shall be done by Blue Earth Land Management LLC, who shall contract directly with Tenant. Contract shall be in the amount of \$64,602, and payed on the following schedule: December 1st, 2011 - \$15,000.00, December 15th, 2011 - \$15,000.00, Completion – \$34,602.00

6. DELIVERY OF POSSESSION; ADJUSTMENT OF TERM

(a) <u>Early Delivery of Possession</u>. Landlord expects that it will have the Tenant Improvements substantially completed and the Premises ready for delivery to

Tenant on or before the "Commencement Date." Tenant shall not be obligated to pay Rent or the Rent Adjustment until the Commencement Date.

- (b) <u>Late Delivery of Possession</u>. If Landlord determines that it will be unable to substantially complete the Tenant Improvements and have the Premises ready for occupancy by the Commencement Date for delays caused by its contractor, Landlord shall give Tenant written notice to that effect, and, thereafter, the Commencement Date shall be postponed to the date upon which Landlord completes the Tenant Improvements. In the event of such postponement, the Term of this Lease shall remain the same, but the Expiration Date shall be extended for the same number of days the Commencement Date was postponed; Tenant's obligation to pay Rent shall be postponed for a like number of days, and Landlord shall not be liable to Tenant for any loss or damage resulting from delay in delivering possession of the Premises to Tenant.
- (c) <u>Tenant's Acceptance of the Premises</u>. Upon delivery of possession of the Premises to Tenant, as hereinbefore provided, Tenant shall give Landlord an Estoppel Letter, in the form attached to this Lease and made a part hereof and marked Exhibit "F", signed by an officer or principal of Tenant acknowledging (i) the original or revised Commencement Date and Expiration Date of this Lease, and (ii) that Tenant has accepted the Premises for occupancy and that the condition of the Premises, including the Tenant Improvements constructed thereon, and that the Building was at the time satisfactory and in conformity with the provisions of this Lease in all respects, except for any defects as to which Tenant shall give written notice to Landlord within thirty (30) days after Landlord has delivered possession of the Premises. Landlord shall, as promptly thereafter as is reasonably possible, correct all such defects. Tenant's Estoppel Letter, fully executed, shall be attached to and made a part of this executed Lease. A certificate signed by Landlord's architect stating that such improvements were substantially completed in accordance with such plans and specifications shall be conclusive and binding upon Tenant.

7. USE OF THE PREMISES

- (a) <u>Specific Use</u>. The Premises shall be occupied and used exclusively for printing and general office purposes and for purposes incidental thereto and shall not be used for any other purpose.
- (b) <u>Covenants Regarding Use</u>. In connection with its use of the Premises, Tenant agrees to do the following:
 - (i) Tenant shall use the Premises and conduct its business thereon in a safe, careful, reputable and lawful manner; shall keep and maintain the Premises in as good a condition as they were when Tenant first took possession thereof and shall make all necessary repairs to the Premises, other than those which Landlord is obligated to make as provided elsewhere herein.
 - (ii) Tenant shall not commit, nor allow to be committed, in, on or about the Premises or the Building, any act of waste, including any act which might deface, damage or destroy the Building or any part thereof; use or permit to be used on the Premises any hazardous substance, equipment or other thing which might cause injury to person or property or increase the danger of

fire or other casualty in, on or about the Premises; permit any objectionable or offensive noise or odors to be emitted from the Premises; or do anything, or permit anything to be done, which would, in Landlord's opinion, disturb or tend to disturb other tenants occupying leased space in the Building.

- (iii) Tenant shall not overload the floors of the Premises beyond their designed weight-bearing capacity. Landlord reserves the right to direct the positioning of all heavy equipment, furniture and fixtures which Tenant desires to place in the Premises so as to distribute properly the weight thereof, and to require the removal of any equipment or furniture which exceeds the weight limit specified herein.
- (iv) Tenant shall not use the Premises, nor allow the Premises to be used for any purpose or in any manner which would, in Landlord's opinion, invalidate any policy of insurance now or hereafter carried on the Building or increase the rate of premiums payable on any such insurance policy. Should Tenant fail to comply with this covenant, Landlord may, at its option, require Tenant to stop engaging in such activity or to reimburse Landlord, as additional rent, for any increase in premiums charged during the term of this Lease on the insurance carried by Landlord on the Premises and attributable to the use being made of the Premises by Tenant.
- (c) <u>Compliance with Laws</u>. Tenant shall not use, or permit the use of, any part of the Premises for any purpose prohibited by law. Tenant shall, at Tenant's sole expense, comply with all laws, statutes, ordinances, rules, regulations and orders of any federal, state, municipal or other governmental agency thereof having jurisdiction over and relating to the use, condition and occupancy of the Premises, except that Tenant shall not be responsible for or required to make structural repairs to the Building or the Premises unless, in the case of the latter, they are occasioned by its own use of the Premises, or negligence.
- (d) Compliance with Building Rules and Regulations. Rules and regulations governing the use and occupancy of the Premises and all other leased space in the Building have been adopted by Landlord for the mutual benefit and protection of all tenants In the Building. Tenant shall comply with and conform to the rules and regulations currently in effect, which are attached to this Lease and made a part hereof and marked Exhibit "G." Landlord shall have the right to change such rules and regulations or to make new rules and regulations from time to time in any manner that it deems necessary or desirable in order to insure the safety, care and cleanliness of the Building and the preservation of order therein. Any such amendments to the rules and regulations shall be set forth in writing and shall be given to Tenant, who shall thereafter comply with and conform to the same.
- (e) <u>Compliance with Zoning</u>. Tenant knows the character of its operation in the Premises and that applicable zoning ordinances and regulations are of public record. Tenant shall have sole responsibility for its compliance therewith, and Tenant's inability so to comply shall not be cause for Tenant to terminate this Lease.

8. UTILITIES AND OTHER BUILDING SERVICES

- (a) Services to be Provided. Landlord shall furnish Tenant, between the hours of 6:00 a.m. and 6:00 p.m. on Monday through Friday and 8:00 a.m. and 1:00 p.m. on Saturday of each week, except on legal holidays and except as noted below, with the following utilities and other Building services to the extent considered by Landlord to be reasonably necessary for Tenant's comfortable use and occupancy of the Premises for general office use, or as may be required by law or directed by governmental authority:
 - (i) Heating, ventilation and air conditioning;
 - (ii) Electricity or lighting and operating business machines and equipment in the Premises and the common areas and facilities of the Building:
 - (iii) Water for lavatory and drinking purposes;
 - (iv) Automatic elevator service;
 - (v) Cleaning and janitorial service, including the supplying and installing of paper towels, toilet tissue and soap in common washrooms on Monday through Friday of each week except legal holidays;
 - (vi) Washing of interior and exterior windows at intervals established by Landlord;
 - (vii) Replacement of all lamps, bulbs, starters and ballasts used in common areas of the Building;
 - (viii) Cleaning and maintenance of the common areas and facilities of the Building and the walks, driveways, parking lots and landscaped areas adjacent to the Building, including the removal of rubbish and snow; and
 - (ix) Repair and maintenance of the Building and certain systems within the Premises to the extent specified in Paragraph 10(a) hereof.
 - (x) Skyway through the building shall remain open 24 hours per day
- (b) Additional Services. If Tenant requests any other Building services in addition to those identified above, or any of the Building services in frequency, scope, quality or quantities greater than that which Landlord determines are normally required by other tenants in the Building for general use, then Landlord shall use reasonable efforts to attempt to furnish Tenant with such Building services. In the event Landlord is able to and does furnish such Building services, the cost thereof shall be borne by Tenant, who shall reimburse Landlord monthly for the same as provided in Paragraph 8(d) hereof.
- (c) <u>Interruption of Services</u>. Tenant understands, acknowledges and agrees that anyone or more of the utilities or other Building services identified above

may be interrupted by reason of accident, emergency or other causes beyond Landlord's control, or may be discontinued or diminished temporarily by Landlord or other persons until certain repairs, alterations or improvements can be made; that Landlord does not represent or warrant the uninterrupted availability of such utilities or Building services; and that any such interruption shall not be deemed an eviction or disturbance of Tenant's right to possession, occupancy and use of the Premises or any part thereof, or render Landlord liable to Tenant in damages by abatement of Rent or otherwise, or relieve Tenant from the obligation to perform its covenants under this Lease, provided, however, that if the services described in Paragraph 8(a) are Interrupted, such interruption continues for more than three (3) consecutive business days and restoration of such services is reasonably within Landlord's control, Tenant may, to the extent the Premises are rendered untenantable, abate payment of Rent and Rent Adjustment payment from the time of interruption until such services are restored.

- (d) Payment for Utilities and Building Services. The cost of additional utilities and other Building services furnished by Landlord at the request of Tenant or as a result of Tenant's activities as provided in Paragraph 8(b) hereof shall be borne by Tenant, who shall be separately billed therefore and who shall reimburse and pay Landlord monthly for the same as additional rent, at the same time the next monthly installment of Rent and other additional rent is due. Tenant agrees to give reasonable advance notice, in writing, to Landlord of its request for additional services.
- (e) <u>Energy Conservation</u>. Notwithstanding anything to contrary in this Paragraph 8 or elsewhere in this Lease, Landlord shall have the right to institute such policies, programs and measures as may be necessary or desirable, in Landlord's discretion, for the conservation and/or preservation of energy related services, or as may be required to comply with any applicable codes, rules and regulations, whether mandatory or voluntary.

9. SIGNS

Tenant shall not inscribe, paint, affix or display any signs, advertisements or notices on or in the Building or in the Premises and visible from outside the Premises, except for such tenant identification information as Landlord at its own discretion permits to be included and agrees to install on the directory board in the main lobby and on the tenant access doors to the Premises. Subject to Landlord's review and reasonable approval, Landlord shall install Tenant's signage, at Landlord's expense, on the exterior of the Building and directional signs for the parking area on the north side of the Building.

10. REPAIRS, MAINTENANCE, ALTERATIONS, IMPROVEMENTS AND FIXTURES

(a) Repair and Maintenance of Building. Landlord shall keep and maintain in good order, condition and repair the roof, exterior and interior load-bearing walls (including any plate glass windows comprising a part thereof), foundation, basement, the common areas and facilities of the Building and the electrical, plumbing, heating, ventilation and air conditioning systems serving the Premises and other parts of the

Building, except that the repair and maintenance of any electrical, plumbing, heating, ventilation and air conditioning components which have been installed in the Premises pursuant to the provisions of Paragraph 8(b) hereof shall be the responsibility of Tenant. The cost of all non-capitalized repairs required to be made by Landlord shall be an operating expense of the Building unless made necessary by the negligence, misuse or default of Tenant, Its employees, agents, customers or invitees, In which event they shall be borne by Tenant, who shall be separately billed and shall reimburse Landlord for the same as additional rent.

- (b) Repair and Maintenance of Premises. Except as provided in Paragraph 10(a) hereof, Tenant shall, at its own expense, keep and maintain the Premises in good order, condition and repair at all times during the Term, and Tenant shall promptly repair all damage to the Premises and replace or repair all damaged or broken fixtures, equipment and appurtenances with materials equal in quality and class to the original materials, under the supervision and subject to the approval of Landlord, and within any reasonable period of time specified by Landlord. If Tenant fails to do so, Landlord may, but need not make such repairs and replacements, and Tenant shall pay Landlord the cost thereof, including Landlord's Costs, forthwith upon being billed for same. As used in this Lease, the term "Landlord's Costs" shall mean fifteen percent (15%) of any costs or expenses paid by Landlord, in order to reimburse Landlord for all overhead, general conditions, fees and other costs and expenses arising from Landlord's actions or involvement.
- Alterations or Improvements. Tenant shall not make, nor permit to be made, alterations or improvements to the Premises, unless Tenant obtains the prior written consent of Landlord thereto. If Landlord permits Tenant to make any such alterations or improvements. Tenant shall make the same In accordance with all applicable laws and building codes, in a good and workmanlike manner and In quality equal to or better than the original construction of the Building and shall comply with such requirements as Landlord considers necessary or desirable, including without limitation the provision by Tenant to Landlord with security for the payment of all costs to be incurred in connection with such work, requirements as to the manner in which and the times at which such work shall be done and the contractor or subcontractors to be selected to perform such work and the posting and reposting of notices of Landlord's non-responsibility for mechanics' liens. Tenant shall promptly pay all costs attributable to such alterations and improvements and shall indemnify, defend and hold harmless Landlord from and against any mechanic's liens or other liens or claims filed or asserted as a result thereof and against any costs or expenses which may be incurred as a result of building code violations attributable to such work. Tenant shall promptly repair any damage to the Premises or the Building caused by any such alterations or improvements. Any alterations or improvements to the Premises, except movable office furniture and equipment and trade fixtures, shall at Landlord's election, either (i) become a part of the realty and the property of Landlord, and shall not be removed by Tenant, or (li) be removed by Tenant upon the expiration or sooner termination hereof and any damage caused thereby repaired at Tenant's cost and expense. In the event Tenant so fails to remove same, Landlord may have same removed, and the Premises so repaired, at Tenant's expense. At Landlord's election, Landlord and Landlord's architect, engineers or contractors shall have the right to supervise all construction

operations within the Premises, and Tenant shall promptly pay Landlord the cost of such supervision.

- (d) <u>Trade Fixtures</u>. Any trade fixtures installed on the Premises by Tenant at its own expense, such as, machinery, equipment, movable partitions, counters, shelving, showcases, mirrors and the like may, and, at the request of Landlord, shall be removed on the Expiration Date or earlier termination of this Lease, provided that Tenant is not then In default, that Tenant bears the cost of such removal, and further that Tenant repair at its own expense any and all damage to the Premises resulting from the original Installation of and subsequent removal of such trade fixtures. If Tenant fails so to remove any and all such trade fixtures from the Premises on the Expiration Date or earlier termination of this Lease, all such trade fixtures shall become the property of Landlord unless Landlord elects to require their removal, in which case Tenant shall promptly remove same and restore the Premises to their prior condition. In the event Tenant so fails to remove same, Landlord may have same the removed and the Premises so repaired to its prior condition, at Tenant's expense.
- (e) <u>Wiring and Cabling</u>. At Landlord's option, any other wiring or cabling located In the Premises or installed by Tenant in the Premises or in shafts, ducts or portions of the Common Areas shall be removed by Tenant at Tenant's expense on or before the Expiration Date or earlier termination of this Lease. Pursuant to Paragraph 2.C. of the Work Letter, Landlord shall deliver the Premises with no existing sets of voice and data wiring or cabling. If Tenant fails to remove any such wiring or cabling, Landlord may have the same removed at Tenant's expense.
- (f) <u>Storefront</u>. If the Premises includes storefront glass entrances or walls at or near public spaces in the Building, Tenant must have specific approval by Landlord of all colors and materials for floorcoverings, wallcoverings, furniture, open landscape partitions, and artwork prior to installation.
- (g) Reserved Rights. Landlord reserves the right to decorate and to make, at any time or times, at its own expense, repairs, alterations, additions and improvements, structural or otherwise, in or to the Premises, the Building or part thereof, and to perform any acts related to the safety, protection or preservation thereof, and during such operations to take into and through the Premises or any part of the Building all material and equipment required and to close or temporarily suspend operation of entrances, doors, corridors, elevators or other facilities, provided that Landlord shall cause as little inconvenience or annoyance to Tenant as is reasonably necessary in the circumstances, and shall not do any act which permanently reduces the size of the Premises. Landlord may do any such work during ordinary business hours provided however, if such work would unreasonably disrupt Tenant's use of the Premises, Landlord shall perform such work after hours and pay for overtime and any other expenses incurred for such work.

11. FIRE OR OTHER CASUALTY; CASUALTY INSURANCE

(a) <u>Substantial Destruction of the Building</u>. If the Building should be substantially destroyed (which, as used herein, means destruction or damage to at least seventy-five percent (75%) of the Building) by fire or other casualty, either party hereto may, at its option, terminate this Lease by giving written notice thereof to the

other party within thirty (30) days of such casualty. In such event, the Rent shall be apportioned to and shall cease as of the date of such casualty. If neither party exercises this option, then the Premises shall be reconstructed and restored, at Landlord's expense, to substantially the same condition as they were prior to the casualty.

- (b) <u>Substantial Destruction of the Premises</u>. If the Premises should be substantially destroyed, or rendered wholly untenantable for the purpose for which they were leased, by fire or other casualty and the Building is not substantially destroyed as provided above, then the parties hereto shall have the following options:
 - Tenant may require that the Premises be reconstructed and restored, at Landlord's expense, to substantially the same condition as they were prior to the casualty, except for repair or replacement of Tenant's personal property, equipment and trade fixtures, which shall remain Tenant's responsibility. This option shall be exercised by Tenant giving written notice to Landlord within thirty (30) days after the date of the casualty, and upon the exercise thereof Rent shall be abated from the date of the casualty until substantial completion of the reconstruction of the Premises, whereupon this Lease shall continue in full force and effect for the balance of the Term upon the same terms, conditions and covenants as are contained herein. If this option is not so exercised by Tenant, Landlord shall then have the right and option, to be exercised within thirty (30) days following the expiration of Tenant's option period, by the giving of written notice to Tenant, to reconstruct and restore the Premises to substantially the same condition as they were prior to the casualty or, Landlord, at its option, shall make available reasonably comparable space in the Building to accommodate Tenant. In either such event, this Lease shall continue In full force and effect for the balance of the Term upon the same terms, conditions, and covenants as are contained herein; provided, however, that the Rent shall be abated from the date of the casualty until substantial completion of the reconstruction of the Premises or notice by Landlord that comparable space is ready for Tenant to occupy. If Landlord fails to exercise either of these aforementioned options. this Lease shall be terminated as of the date of the casualty, to which date Rent shall be apportioned and shall cease.
 - (ii) If the casualty occurs during the last twelve (12) months of the Term, either party shall have the right and option to terminate its Lease as of the date of the casualty, which option shall be exercised by written notice to be given by either party to the other party within thirty (30) days therefrom. If this option is exercised, Rent shall be apportioned to and shall cease as of the date of the casualty.
- (c) <u>Partial Destruction of the Premises</u>. If the Premises should be rendered partially untenantable for the purpose for which they were leased (which, as used herein, means such destruction or damage as would prevent Tenant from carrying on its business on the Premises to an extent not exceeding forty percent (40%) of Its normal business activity) by fire or other casualty, then such damaged part of the Premises shall be reconstructed and restored, at Landlord's expense, to substantially the same condition as it was prior to the casualty; Rent shall be abated in the

proportion which the approximate area of the damaged part bears to the total area in the Premises from the date of the casualty until substantial completion of the reconstruction repairs; and this Lease shall continue in full force and effect for the balance of the Term. Landlord shall use reasonable diligence in completing such reconstruction repairs, but In the event Landlord falls to complete the same within, two hundred (200) days from the date of the casualty, Tenant may, at its option, terminate this Lease upon giving Landlord written notice to that effect, whereupon both parties shall be released from all further obligations and liability hereunder.

- Casualty Insurance. Landlord shall be responsible for insuring and shall at all times during the Term carry, as an Operating Expense of the Building, a policy of insurance which insures the Building, including the Premises, against loss or damage by fire or other casualty (namely, the perils against which insurance is afforded by the standard fire insurance policy and extended coverage endorsement); provided, however, that Landlord shall not be responsible for, and shall not be obligated to Insure against, any loss or damage to personal property (including, but not limited to, any furniture, machinery, equipment, goods or supplies) of Tenant or which Tenant may have on the Premises or any trade fixtures installed by or paid for by Tenant on the Premises or any additional improvements which Tenant may construct on the Premises. If Tenant's operation or the Tenant Improvements installed by Landlord pursuant to the provisions of Paragraph 5(a) hereof or any alterations or improvements made by Landlord pursuant to the provisions of Paragraph 10(c) hereof are substantially different from the Tenant Improvements described In Exhibit "C" and result In an increase in the premiums charged during the Term on the casualty insurance carried by Landlord on the Building, then the cost of such increase in insurance premiums shall be borne by Tenant, who shall reimburse Landlord for the same as additional rent after being billed therefore. Tenant shall at all times during the Term, carry, at its own expense, property insurance covering its personal property, trade fixtures installed by or paid for by Tenant or any additional improvements which Tenant may construct on the Premises which coverage shall be no less than eighty percent (80%) of replacement value. Tenant shall also carry business interruption Insurance on such terms as shall be reasonably satisfactory to Landlord. Tenant shall furnish Landlord with a certificate evidencing that such coverages are in full force and effect.
- (e) Waiver of Subrogation. Landlord and Tenant hereby release each other and each other's employees, agents, customers and invitees from any and all liability for any loss, damage or injury to property occurring in, on or about or to the Premises, improvements to the Building or personal property within the Building, by reason of fire or other casualty which are covered by applicable standard fire and extended coverage insurance policies. Because the provisions of this paragraph will preclude the assignment of any claim mentioned herein by way of subrogation or otherwise to an insurance company or any other person, each party to this Lease shall give to each insurance company which has issued to it one or more policies of fire and extended coverage insurance notice of the terms of the mutual releases contained in this paragraph, and have such insurance policies properly endorsed, if necessary, to prevent the invalidation of insurance coverages by reason of the mutual releases contained in this paragraph.

12. GENERAL PUBLIC LIABILITY, INDEMNIFICATION AND INSURANCE

- (a) Except for the gross negligence or intentional misconduct of Landlord, Landlord's agents, servants or employees, Tenant shall be responsible for, shall insure against, and shall indemnify Landlord and hold it harmless from, any and all liability for any loss, damage or injury to person or property, arising out of use, occupancy or operations of Tenant and occurring in, on or about the Premises and Tenant hereby releases Landlord from any and all liability for the same. Tenant's obligation to indemnify Landlord hereunder shall include the duty to defend against any claims asserted by reason of such loss, damage or injury and to pay any judgments, settlements, costs, fees and expenses, including attorneys' fees, Incurred in connection therewith.
- (b) Tenant shall at all times during the Term, at its own expense, for the protection of Tenant, Landlord and Landlord's management agent, as their interests may appear, a Certificate of Self-Insurance issued by the State of Minnesota. Such Certificate of Self-Insurance shall include the Landlord, its agents and employees. Tenant shall furnish Landlord annually with a Certificate of Self-Insurance. Should the Tenant fail to furnish Landlord with an annual Certificate of Self-Insurance, Landlord shall have the right to obtain insurance and collect the cost thereof from Tenant as additional rent. Tenant's obligation to provide a Certificate of Self-Insurance shall be deemed to be an additional obligation of the Tenant and shall not be a discharge or limitation of Tenant's indemnity obligations contained in paragraph 12(a) hereof.
- (c) Except for the negligence or intentional misconduct of Tenant, or Tenant's agents, servants or employees, Landlord shall be responsible for, shall have the obligation to insure against, and shall indemnify Tenant and hold It harmless from, any and all liability for any loss, damage or injury to person or property occurring in, on or about the common areas and facilities for the Building and the walks, driveways, parking lot and landscaped areas adjacent to the Building. Landlord's obligation to indemnify Tenant hereunder shall include the duty to defend against any claims asserted by reason of such loss, damage or injury and to pay any judgments, settlements, costs, fees and expenses, including attorneys' fees, incurred in connection therewith.
- (d) Landlord and its partners, members, affiliates, managers, agents, servants and employees shall not be liable for any damage to person, property or business or resulting from the loss of use thereof sustained by Tenant or by any other persons due to the Building or any part thereof or any appurtenances thereof becoming out of repair, or due to the happening of any accident or event in or about the Building, including the Premises, or due to any act or neglect of any tenant or occupant of the Building or of any other person. This provision shall apply particularly, but not exclusively, to damage caused by gas, electricity, snow, ice, frost, steam, sewage, sewer gas or odors, fire, water or by the bursting or leaking of pipes, faucets, sprinklers, plumbing fixtures and windows and shall apply without distinction as to the person whose act or neglect was responsible for the damage and whether the damage was due to any of the causes specifically enumerated above or to some other cause. Tenant agrees that all personal property located in the Premises or upon loading docks, receiving and holding areas, or freight elevators

of Building, shall be at the risk of Tenant only and that Landlord shall not be liable for any loss or damage thereto or theft thereof.

13. EMINENT DOMAIN

If the whole or any part of the Premises shall be taken for public or quasipublic use by a governmental authority under the power of eminent domain or shall be conveyed to a governmental authority in lieu of such taking, and if such taking or conveyance shall cause the remaining part of the Premises to be untenantable and inadequate for use by Tenant for the purpose for which they were leased, then Tenant may, at its option, terminate this Lease as of the date Tenant is required to surrender possession of the Premises. If a part of the Premises shall be taken or conveyed but the remaining part is tenantable and adequate for Tenant's use, then this Lease shall be terminated as to the part taken or conveyed as of the date Tenant surrenders possession; Landlord shall make such repairs, alterations and improvements as may be necessary to render the part not taken or conveyed tenantable; and the Rent shall be reduced in proportion to the part of the Premises so taken or conveyed. All compensation awarded for such taking or conveyance shall be the property of Landlord without any deduction therefrom for any present or future estate of Tenant, and Tenant hereby assigns to Landlord all its right, title and interest In and to any such award. However, Tenant shall have the right to recover from the governmental authority, but not from Landlord, such compensation as may be awarded to Tenant on account of the interruption of Tenant's business, moving and relocation expenses and depreciation to and removal of Tenant's trade fixtures and personal property.

14. LIENS

If, because of any act or omission of Tenant or anyone claiming by, through, or under Tenant, any mechanic's lien or other lien shall be filed against the Premises or the Building or against other property of Landlord (whether or not such lien is valid or enforceable as such), Tenant shall, at its own expense, cause the same to be discharged of record within a reasonable time, not to exceed thirty (30) days after the date of filing thereof, and shall also defend and indemnify Landlord and hold it harmless from any and all claims, losses, damages, judgments, settlements, cost and expenses, including attorneys' fees, resulting therefrom or by reason thereof. If such lien is not discharged of record within thirty (30) days after the date of filing thereof, Landlord, at its sole option, may take all action necessary to release and remove such lien (without any duty to investigate the validity thereof) and Tenant shall promptly upon notice reimburse Landlord for all sums, costs and expenses (including reasonable attorneys' fees and Landlord's Costs) incurred by Landlord in connection with such lien.

15. RENTAL, PERSONAL PROPERTY AND OTHER TAXES

(a) Tenant shall pay before delinquency any and all taxes, assessments, fees or charges (hereinafter referred to as "taxes"), including any sales, gross income, rental, business occupation or other taxes, levied or imposed upon Tenant's business operation in the Premises and any personal property or similar taxes levied or imposed upon Tenant's trade fixtures, leasehold improvements or personal

property located within the Premises. In the event any such taxes are charged to the account of, or are levied or imposed upon the property of Landlord, Tenant shall reimburse Landlord for the same as additional rent. Notwithstanding the foregoing, Tenant shall have the right to contest in good faith any such tax and to defer payment, if required, until after Tenant's liability therefore is finally determined.

(b) If any Tenant Improvements, trade fixtures, alterations or improvements or business machines and equipment located in, on or about the Premises, regardless of whether they are installed or paid for by Landlord or Tenant and whether or not they are affixed to and become a part of the realty and the property of Landlord, are assessed for real property tax purposes at a valuation higher than that at which other such property in other leased space in the Building is assessed, then Tenant shall reimburse Landlord as additional rent for the amount of real property taxes shown on the appropriate county official's records as having been levied upon the Building or other property of Landlord by reason of such excess assessed valuation.

16. ASSIGNMENT AND SUBLETTING

Tenant may not assign or otherwise transfer its interest in this Lease or sublet the Premises or any part thereof without the prior written consent of Landlord. Tenant shall notify Landlord sixty (60) days in advance of its intent to transfer, assign or sublet all or any portion of the Premises. In the event of any such assignment or subletting, Tenant shall nevertheless at all times remain fully responsible and liable for the payment of Rent and the performance and observance of all of Tenant's other obligations under the terms, conditions and covenants of this Lease. No assignment or subletting of the Premises or any part thereof shall be binding upon Landlord unless such assignee or subtenant shall deliver to Landlord an instrument (in recordable form, if requested) containing an agreement of assumption of all of Tenant's obligations under this Lease and Landlord shall execute a consent form. Landlord agrees to be reasonable in its consent, but Landlord may, at its sole discretion, withhold its consent to an assignment or sublease to any present tenant of Landlord in the Property. Upon the occurrence of an event of default, if all or any part of the Premises are then assigned or sublet, Landlord, in addition to any other remedies provided by this Lease or by law, may, at its option, collect directly from the assignee or subtenant all Rent becoming due to Landlord by reason of the assignment or subletting, and Landlord shall have a security interest in all property on the Premises to secure payment of such sums. Landlord, at its option, may also recapture any sublet space in the event of default. Any collection by Landlord from the assignee or subtenant shall not be construed to constitute a novation or release of Tenant from the further performance of its obligations under this Lease. Any rents received by Tenant from the assignment or subletting of the Premises which exceed rents payable by Tenant hereunder shall be immediately paid to Landlord as additional compensation. Landlord shall, at its option, have the right to recapture all or any part of the Premises Tenant proposes to assign or sublet upon notice from Tenant of its intent to assign or such sublet part of the Premises. Landlord shall have the right to transfer and assign, in whole or in part, all its rights and obligations hereunder and in the Building and all other property referred to herein, and upon such transfer, the transferor shall have no further liability hereunder and Tenant shall attorn to any such transferee.

17. SUBORDINATION OF LEASE TO MORTGAGES

This Lease is subject and subordinate to any mortgage, deed of trust or similar encumbrance including ground or underlying leases presently existing or hereafter voluntarily placed upon the Building or the Premises, including any renewals, extensions or modifications thereof; and the recording of any such mortgage, deed of trust or similar encumbrance shall make it prior and superior to this Lease regardless of the date of execution or recording of either document provided the mortgagee or trustee named in any such mortgage, deed of trust or similar encumbrance agrees to recognize this Lease and Tenant's right hereunder in the event of foreclosure, if Tenant is not in default. Tenant shall, at Landlord's request, execute and deliver within five (5) days to Landlord, without cost, any instrument which may be deemed necessary or desirable by Landlord to confirm the subordination of this Lease; and if Tenant fails or refuses to do 50, Landlord may execute such instrument in the name and as the act of Tenant. Tenant shall attorn to any subsequent owner or transferee of the Building regardless of whether or not a subordination agreement has been executed by Tenant.

18. DEFAULTS AND REMEDIES

- (a) <u>Default by Tenant.</u> The occurrence of anyone or more of the following events shall be a default and breach of this Lease by Tenant:
 - (i) Tenant shall fail to pay any monthly installment of Rent or additional rent or the Rent Adjustment within ten (10) days after the same shall be due and payable.
 - (ii) Tenant shall fail to perform or observe any term, condition, covenant or obligation required to be performed or observed by it under this Lease for a period of thirty (30) days after notice thereof from Landlord; provided. however, that if the term, condition, covenant or obligation to be performed by Tenant is of such nature that the same cannot reasonably be performed within such thirty-day period, such default shall be deemed to have been cured if Tenant commences such performance within said thirty-day period and thereafter diligently undertakes to complete the same, but In any event completes cure within one hundred twenty (120) days after notices from Landlord.
 - (iii) Tenant shall institute (by petition or otherwise) any bankruptcy, reorganization, arrangement, adjustment of debt or any such proceeding shall be instituted by petition or otherwise against Tenant and shall remain undismissed for a period of thirty days (30 days), or Tenant's interest in this Lease are attached or levied upon under execution and Tenant does not discharge the same within thirty days (30 days) thereafter; or
 - (iv) Tenant causes or permits a hazardous condition to exist on the Premises and fails to cure such condition immediately after notice thereof from Landlord.

- (b) Remedies of Landlord. Upon the occurrence of any event of default set forth in Paragraph 18(a) hereof, Landlord shall have the following rights and remedies, in addition to those allowed by law, anyone or more of which may be exercised without further notice to or demand upon Tenant:
- (i) Landlord may apply the security deposit or re-enter the Premises and cure any default of Tenant, in which event Tenant shall reimburse Landlord as additional rent for any costs and expenses which Landlord may incur to cure such default; and Landlord shall not be liable to Tenant for any loss or damage which Tenant may sustain by reason of Landlord's action, regardless of whether caused by Landlord's negligence or otherwise.
- (ii) Landlord may terminate this Lease as of the date of such default, in which event: (A) neither Tenant nor any person claiming under or through Tenant shall thereafter be entitled to possession of the Premises, and Tenant shall Immediately thereafter surrender the Premises to Landlord; (B) Landlord may re-enter the Premises and dispossess Tenant or any other occupants of the Premises by summary proceedings, ejectment, or otherwise, and may remove their effects without prejudice to any other remedy which Landlord may have for possession or arrearages in Rent; and (C) notwithstanding the termination of this Lease Landlord may either declare all Rent which would have been due under this Lease for the balance of the Term or exercised renewal period to be immediately due and payable, whereupon Tenant shall be obligated to pay the same to Landlord, together with all loss or damage which Landlord may sustain by reason of such termination and reentry, or relet all or any part of the Premises for a term different from that which would otherwise have constituted the balance of the Term and for rent and on terms and conditions different from those contained herein, whereupon Tenant shall be obligated to pay to Landlord as liquidated damages the difference between the Rent provided for herein and that provided for in any lease covering a subsequent reletting of the Premises, for the period which would otherwise have constituted the balance of the Term, together with all of Landlord's costs and expenses for preparing the Premises. for reletting, including all repairs, Tenant Improvements, marketing costs, broker's and attorney's fees, and all loss or damage which Landlord may sustain by reason of such termination, re-entry and reletting, it being expressly understood and agreed that the liabilities and remedies specified above shall survive the termination of this Lease.
- (iii) Landlord may terminate Tenant's right of possession of the Premises and may repossess the Premises by unlawful detainer action, by taking peaceful possession or otherwise, without terminating this Lease, in which event Landlord may, but shall be under no obligation to, relet the same for the account of Tenant, for such rent and upon such terms as shall be satisfactory to Landlord. For the purpose of such reletting, Landlord is authorized to decorate, repair, remodel or alter the Premises. If Landlord fails to so relet the Premises, Tenant shall pay to Landlord as damages a sum equal to the Rent which would have been due under this Lease for the balance of the Term or exercised renewal period as such rent shall become

due and payable hereunder from time to time during the Term. If the Premises are relet and a sufficient sum shall not be realized from such reletting after paying all of the costs and expenses of all decoration, repairs, remodeling, alterations and additions and the expenses of such reletting and of the collection of the rent accruing therefrom to satisfy the Rent provided for in this Lease, Tenant shall satisfy and pay the same upon demand therefor from time to time. Tenant shall not be entitled to any rents received by Landlord in excess of the Rent provided for in this Lease.

(iv) Landlord may sue for injunctive relief or to recover damages for any loss resulting from the breach.

Any agreement for an extension of the Term or any additional period thereafter shall not thereby prevent Landlord from terminating this Lease for any reason specified in this Lease. If any such right of termination is exercised by Landlord during the Term or any extension thereof, Tenant's right to any further extension shall thereby be automatically canceled. Any such right of termination of Landlord contained herein shall continue during the Term and any subsequent extension hereof.

- (c) <u>Default by Landlord and Remedies of Tenant</u>. It shall be a default and breach of this Lease by Landlord if it shall fail to perform or observe any term, condition, covenant or obligation required to be performed or observed by it under this Lease for a period of thirty (30) days after notice thereof from Tenant; provided, however, that if the term, condition, covenant or obligation to be performed by Landlord is of such nature that the same cannot reasonably be performed within such thirty-day period, such default shall be deemed to have been cured if Landlord commences such performance within said thirty-day period and thereafter diligently undertakes to complete the same. Upon the occurrence of any such default, Tenant may sue for Injunctive relief or to recover damages for any loss resulting from the breach, but Tenant shall not be entitled to terminate this Lease or withhold or abate any rent due hereunder.
- Non-Waiver of Defaults. The failure or delay by either party hereto to enforce or exercise at any time any of the rights or remedies or other provisions of this Lease shall not be construed to be a waiver thereof, nor affect the validity of any part of this Lease or the right of either party thereafter to enforce each and every such right or remedy or other provisions. No waiver of any default and breach of this Lease shall be held to be a waiver of any other default or breach. The receipt of rent by Landlord at a time after rent is due under this Lease shall not be construed as a waiver of such default. The receipt by Landlord of less than the full rent due shall not be construed to be other than a payment on account of rent then due, nor shall any statement on Tenant's check or any letter accompanying Tenant's check be deemed an accord and satisfaction, and Landlord may accept such payment without prejudice to Landlord's right to recover the balance of the rent due or to pursue any other remedies provided in this Lease. No act or omission by Landlord or its employees or agents during the term of this Lease shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such a surrender shall be valid unless in writing and signed by Landlord.

(e) Attorney's Fees. If Tenant defaults in the performance or observance of any of the terms, conditions, covenants or obligations contained in this Lease to be performed by Tenant, and Landlord prevails in any action commenced to so enforce this Lease, Tenant agrees to reimburse Landlord for Landlord's reasonable attorneys' fees and costs incurred thereby. If Landlord defaults in the performance or observance of any of the terms, conditions, covenants or obligations contained in this Lease to be performed by Landlord, and Tenant prevails in any action commenced to so enforce this Lease, Landlord agrees to reimburse Tenant for Tenant's reasonable attorneys' fees and costs incurred thereby.

19. [intentionally omitted].

20. ACCESS TO THE PREMISES

Landlord, its employees and agents and any mortgagee of the Building shall have the right to enter any part of the Premises at all reasonable times for the purposes of examining or inspecting the same, showing the same to prospective purchasers, mortgagees or tenants and for making such repairs, alterations or improvements to the Premises or the Building as Landlord may deem necessary or desirable. If representatives of Tenant shall not be present to open and permit such entry into the Premises at any time when such entry is necessary or permitted hereunder, Landlord and its employees and agents may enter the Premises by means of a master key or otherwise, Landlord shall incur no liability to Tenant for such entry, nor shall such entry constitute an eviction of Tenant or a termination of this Lease, nor entitle Tenant to any abatement of rent therefore.

21. SURRENDER OF PREMISES

Upon the expiration or earlier termination of this Lease, Tenant shall surrender the Premises to Landlord, together with all keys, access cards, alterations, improvements, and other property as provided elsewhere herein, in broom-clean condition and in good order, condition and repair, except for ordinary wear and tear and damage which Tenant Is not obligated to repair, failing which Landlord may restore the Premises to such condition at Tenant's expense, which shall be payable upon demand. Upon such expiration or termination Tenant's trade fixtures, furniture and equipment shall remain Tenant's property, and if Tenant shall not then be In default under this Lease, Tenant shall have the right to remove the same prior to the expiration or earlier termination of this Lease, Tenant shall promptly repair any damage caused by any such removal, and shall restore the Premises to the condition existing prior to the installation of the items so removed. Any of Tenant's trade fixtures, furniture or equipment not so removed shall be considered abandoned and may be retained by Landlord or be destroyed.

22. HOLDING OVER

If Tenant remains in possession of the Premises without the consent of Landlord after the expiration or earlier termination of this Lease, Tenant shall be deemed to hold the Premises as a tenant at will subject to all of the terms, conditions, covenants and provisions of this Lease (which shall be applicable during the holdover period), except that Tenant shall pay to Landlord one hundred seventy-

five percent (175%) of the last current Rent and additional rent, which rent shall be payable to Landlord on demand. In addition, Tenant shall be liable to Landlord for all damages occasioned by such holding over. Tenant shall vacate and surrender the Premises to Landlord upon Tenant's receipt of notice from Landlord to vacate. No holding over by Tenant, whether with or without the consent of Landlord, shall operate to extend this Lease except as otherwise expressly provided herein.

23. QUIET ENJOYMENT

Except as provided in Paragraph 22 hereof to the extent that it may be applicable, if and so long as Tenant pays the prescribed rent and performs or observes all of the terms, conditions, covenants and obligations of this Lease required to be performed or observed by it hereunder, Tenant shall at all times during the term hereof have the peaceable and quiet enjoyment, possession, occupancy and use of the Premises without any interference from Landlord or any person or persons claiming the Premises by, through or under Landlord, subject to any mortgages, underlying leases or other matters of record to which this Lease is or may become subject.

24. NOTICE AND PLACE OF PAYMENT

- (a) All rent and other payments required to be made by Tenant to Landlord shall be delivered or mailed to Landlord's management agent at the address set forth below or any other address Landlord may specify from time to time by written notice given to Tenant.
- (b) All payments required to be made by Landlord to Tenant shall be delivered or mailed to Tenant at the address set forth In Paragraph 25(c) hereof or at any other address within the United States as Tenant may specify from time to time by written notice given to Landlord.
- (c) Any notice, demand or request required or permitted to be given under this Lease or by law shall be deemed to have been given if reduced to writing and mailed by Registered or Certified mail, postage prepaid, to the party who is to receive such notice, demand or request at the address set forth below or at such other address as Landlord or Tenant may specify from time to time by written notice. When delivering such notice, demand or request shall be deemed to have been given as of the date it was so delivered or mailed.

Landlord:

375 Jackson Courtly LLC 375 Jackson Willow LLC Attn: James Crockarell c/o Madison Equities, Inc. 400 Degree of Honor Building 325 Cedar Street St. Paul, MN 55101

Tenant:

City of St. Paul City Real Estate 1000 City Hall Annex 25 West Fourth Street St. Paul, MN 55102

25. MISCELLANEOUS GENERAL PROVISIONS

- (a) Payments Deemed Rent. Any amounts of money to be paid by Tenant to Landlord pursuant to the provisions of this Lease and any failure to pay any of same as provided in Paragraph 18(a) hereof shall entitle Landlord to exercise all of the rights and remedies afforded hereby or by law for the collection and enforcement of Tenant's obligation to pay rent. Tenant's obligation to pay any such rent pursuant to the provisions of this Lease shall survive the expiration or other termination of this Lease and the surrender of possession of the Premises after any holdover period.
- (b) Estoppel Letters. Tenant shall, within ten (10) days following written request from Landlord, execute, acknowledge and deliver to Landlord or to any lender, purchaser or prospective lender or purchaser designated by Landlord a written statement certifying (i) that this Lease is in full force and effect and unmodified (or, if modified, stating the nature of such modification), (ii) the date to which rent has been paid, (iii) that there are not, to Tenant's knowledge, any uncured defaults (or specifying. such defaults If any are claimed); and (iv) such further matters as may be requested by Landlord. Any such statement may be relied upon by any prospective purchaser or mortgagee of all or any part of the Building. Tenant's failure to deliver such statement within such period shall be conclusive upon Tenant that this Lease is in full force and effect and unmodified, and that there are no uncured defaults in Landlord's performance hereunder.
- (c) <u>Memorandum of Lease</u>. If requested by either party, a Memorandum of Lease containing the information required by applicable law concerning this Lease shall be prepared, executed by both parties and filed for record in the office of the county recorder and the registrar of titles in Ramsey County, Minnesota.
- (d) <u>Claims for Fees.</u> Landlord and Tenant represent that they have not dealt with any real estate brokers in connection with the negotiation or execution of this Lease. Each party hereto shall indemnify and hold harmless the other party for any and all liability incurred in connection with the negotiation or execution of this Lease for any other real estate broker's commission or finder's fee which has been earned by a real estate broker or other person on such party's behalf.
- (e) <u>Applicable Law.</u> This Lease and all matters pertinent thereto shall be construed and enforced in accordance with the laws of the State of Minnesota.
- (f) <u>Entire Agreement.</u> This Lease, including all Exhibits, Riders and Addenda, constitutes the entire agreement between the parties hereto and may not be modified except by an instrument in writing executed by the parties hereto.
- (g) <u>Binding Effect</u>. This Lease and the respective rights and obligations of the parties hereto shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto as well as the parties themselves; provided, however, that Landlord, its successors and assigns shall be obligated to perform Landlord's covenants under this Lease only during and in respect of their successive periods as Landlord during the term of this Lease.

- (h) <u>Severability</u>. If any provision of this Lease shall be held to be invalid, void or unenforceable, the remaining provisions hereof shall not be affected or impaired, and such remaining provisions shall remain in full force and effect.
- (i) <u>No Partnership</u>. Landlord shall not, by virtue of the execution of this Lease or the leasing of the Premises to Tenant, become or be deemed a partner of Tenant in the conduct of Tenant's business on the Premises or otherwise.
- (j) <u>Headings, Gender, Etc.</u> As used in this Lease, the word "person" shall mean and include, where appropriate, an individual, corporation, partnership or other entity; the plural shall be substituted for the singular, and the singular for the plural, where appropriate; and words of any gender shall include any other gender. The topical headings of the several paragraphs of this Lease are inserted only as a matter of convenience and reference, and do not affect, define, limit or describe the scope or intent of this Lease.
 - (k) [intentionally omitted].
- (I) Allocation of Rent. Landlord and Tenant agree that no portion of the Rent paid by Tenant during the portion of the term of this Lease occurring after the expiration of any period during which such rent was abated shall be allocated by Landlord or Tenant to such rent abatement period, nor is such rent intended by the parties to be allocable to any abatement period.
- (m) <u>Right to Change Building Name and Address</u>. Landlord reserves the right to change the name or street address of the Building.
- (n) Requirement of Identification. Landlord, or its contractor(s), may require all persons entering or leaving the Building during such hours as Landlord may reasonably determine, to identify themselves by registration or otherwise, and to establish their right to leave or enter, and to exclude or expel any peddler, solicitor or beggar at any time from the Premises or Building.
- (o) Acceptance of Tenant's Goods. Tenant authorizes Landlord and Landlord's agents and employees to accept and sign for shipments as a convenience and measure of traffic control with a stamp which shall indicate that any signature is authorized only to clear the loading dock or other receiving area as a matter of convenience, and such signature does not constitute acceptance by the addressee and does not relieve the carrier of any liability nor create an agency or bailment. Tenant hereby releases Landlord and Landlord's agents and employees from any and all liability resulting from or related to the acceptance of goods addressed to Tenant and delivered to the Building's loading dock or other area designated for receipt of goods.
- (p) Reserved Areas, Light and Air. This Lease does not give Tenant any right to use, and Landlord hereby excludes and reserves for its sole and exclusive use, the following areas in and about the Premises: janitor closets, stairways and stairwells, fan, mechanical, electrical, telephone and similar rooms (other than those installed for Tenant's exclusive use); elevator, pipe and other vertical shafts, flues and ducts; all areas above the acoustical ceiling and below the finished floorcovering

installed in the Premises; all other structural or mechanical elements serving other areas of the Building; and all subterranean, mineral, air, light and view rights.

- (q) <u>Limitation of Landlord's Personal Liability</u>. Tenant specifically agrees to look solely to Landlord's interest in the Building for the recovery of any judgment against Landlord, it being agreed that Landlord (and its partners and shareholders) shall never be personally liable for any such judgment.
- (r) <u>Execution by Landlord</u>. Submission of this instrument to Tenant, or Tenant's agents or attorneys, for examination or signature does not constitute or imply an offer to lease, reservation of space, or option to lease, and this Lease shall have no binding legal effect until execution hereof by both Landlord and Tenant.
- (s) <u>Time of Essence.</u> Time is of the essence of this Lease and each of its provisions.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

LANDLORD:
375 JACKSON COURTLY LLC (a Minnesota limited liability company)
By James Crockarell Its Vice President/Secretary
375 JACKSON WILLOW LLC (a Minnesota limited liability company)
By James Crockarell Its Vice President/Secretary

[Landlord Signature Page]

TENA	NT:
CITY	OF ST. PAUL
Ву	Its Mayor
Ву	Its City Clerk
Ву	Its Finance Director
Ву	Its Director of Safety and Inspections

[Tenant Signature Page]

EXHIBITS

- A) Floor Plan
- Legal Description B)
- C) Estimate
- Schematic Drawings and Specifications Work Letter D)
- E)
- F) G)
- Estoppel Letter
 Rules and Regulations

EXHIBIT A FLOOR PLAN

EXHIBIT B LEGAL DESCRIPTION

Parcel 1: Lots 1 and 3, Block 1, Capital Centre No. 1.

Parcel 2: Together with unrecorded Skyway Agreement dated November 17, 1980 and Skyway Agreement dated August 26, 1985, filed of record as Resolution, Document No. 2303430, and Skyway Agreement as contained in City of Saint Paul Ordinance No. 275437, filed September 16, 1998, as Document No. 3087043.

Ramsey County, Minnesota.

The following portion of the Property is Torrens:

That part of Lot 1, Block 1, Capital Centre No. 1 overlying that part formerly described as:

Lot 1, except the Northeasterly 20 feet thereof, also except the Northwesterly 4 feet thereof; Lot 2, except the Westerly 10 feet thereof taken by the City of St. Paul for alley purposes, also except the Northwesterly 4 feet thereof; that part of Lot 3 lying Northeasterly of a line distant 133 feet Southwest of and parallel with the Southwesterly line of Jackson Street as widened 8 feet on the Southwesterly side thereof, except the Northwesterly 4 feet thereof, and also except the Southerly 10 feet thereof; the Northerly two-thirds of Lot 13, except the Westerly 10 feet of the South half of Northerly two-thirds thereof; the Northerly two-thirds of Lot 14, except the Northeasterly 20 feet thereof; all in Block 12, City of Saint Paul, commonly referred to as "St. Paul Proper."

EXHIBIT C ESTIMATE

EXHIBIT D SCHEMATIC DRAWINGS AND SPECIFICATIONS

EXHIBIT E WORK LETTER

The terms used herein shall have the meanings ascribed to them in the Lease, unless otherwise stated herein. Landlord and Tenant agree that their respective rights and obligations in reference to the construction of the Tenant Finish Improvements shall be as follows:

1. Construction Documents.

- A. <u>Drawings and Specifications</u>. Landlord and Tenant have agreed to schematic drawings or construction of the Tenant Improvements, which drawings are attached to this Lease as Exhibit "D." Construction drawings and specifications for the, Tenant Improvements shall be prepared by Blue Earth Land Management, LLC ("Landlord's Architect") based on of the drawings and specifications included in Exhibit D.
- B. <u>Tenant Approval.</u> Upon completion of the construction drawings and specifications, Tenant shall, be allowed four (4) working days after receipt thereof in which to review and approve or object to the constructions drawings and specifications, and to advise Landlord of such approval or objections. Landlord shall direct Landlord's Architect to modify the construction drawings and specifications to incorporate Tenant's reasonable requirements.
- C. <u>Building Standard Construction.</u> Landlord has designated the type and quantities of materials to be used in the construction of the Tenant Improvements (hereinafter referred to as "Building Standard Construction"). Unless otherwise specified on the construction drawings and specifications, Building Standard Construction shall be utilized for the Tenant Improvements. Landlord shall have the right to designate, and from time to time to change, the materials, fixtures, colors and other Items that are Building Standard Construction, provided that such changes are of equal or superior quality.
- 2. <u>Improvement Price</u>. The "Improvement Price" for the Tenant Improvements shall be calculated and paid as follows:
- A. The Improvement Price shall include the cost of all architectural and engineering construction drawings and specifications required In connection with the improvements, all work, labor, material and equipment necessary to construct the Tenant Improvements in accordance with the approved construction drawings and specifications from the "as is" condition of the Premises, together with Tenant's cabling with the Premises (all such construction being hereinafter referred to as the "Work"), as more specifically set forth in Exhibit D attached to the Lease. In addition thereto, Tenant shall pay, at its expense, for cabling costs from the city street to the third floor, main networking room of the Premises.
- B. Landlord will pay the Improvement Price, to the extent that it does not exceed the amount of \$64,602.00 as set forth in Lease. Tenant shall reimburse Landlord for the Improvement Price. Any additional improvements shall also be at Tenant's sole cost and expense. Landlord shall submit periodically to Tenant an

invoice, in duplicate, with backup from the contractor for the costs of completed Tenant Improvements. Within fourteen (14) days of such submission, Tenant shall reimburse the Landlord for the Tenant Improvements as invoiced.

- C. [intentionally omitted].
- D. Landlord shall have no Obligation for the cost of improvements, finishes, or additional Work not included in the approved construction drawings and specifications (hereinafter referred to as the "Additional Work"). Additional Work shall be performed at Tenant's sole cost and expense. Drawings and specifications, contractors, suppliers and vendors for any Additional Work shall be subject to Landlord's approval, which shall not be unreasonably withheld. Any delay in completion of Additional Work performed by Tenant shall not delay commencement of the Term of the Lease or limit the obligations of Tenant as set forth herein.
- E. Failure by Tenant to timely pay any amounts due hereunder shall be a default under paragraph 18(a)(i) of the Lease and failure by Tenant to perform any of its other obligations hereunder shall be a default under Paragraph 18(a)(ii) of the Lease, entitling Landlord to all of its remedies under the Lease as well as all remedies otherwise available to Landlord, including, at Landlord's option, the right to withhold delivering possession of the Premises until such amounts have been paid in full.
- Completion of the Work: Substantial Completion Date. Landlord shall contract 3. for the performance of the Work. The Work shall be performed on an ,"open book" basis and, subject to "Unavoidable Delays" and "Tenant Delays" (as defined herein) Landlord shall cause the Work to be substantially completed two or three weeks before the Commencement Date (the "Substantial Completion Date"). The Commencement Date shall be the date which is two (2) or three (3) weeks following the Substantial Completion Date. Provided, however, that if Landlord Is delayed in substantially completing the Work as a result of (a) Tenant's failure to provide timely approvals in accordance with this Work Letter; (b) Tenant's request for changes to the Work as included in the approved construction drawings and specifications; (c) Tenant's requests for materials, finishes or installations other than Building Standard Construction; (d) performance of Additional, Work in the Premises by Tenant or its contractors, suppliers, employees or agents; (e) any other act or omission of Tenant; (all of which shall be deemed to be "Tenant Delays"), or if Landlord is delayed in substantially completing the Work as a result of strikes, shortage or unavailability of materials, civil unrest, act of God, or similar cause beyond the reasonable control of Landlord ('Unavoidable Delays"), then the Commencement Date shall be deferred only until the date on which Landlord would have substantially completed the performance of the Work but for such delays. Deferral of the Commencement Date shall be in full settlement of all claims that Tenant might otherwise have against Landlord by reason of the Premises not being ready for occupancy by Tenant as of the Commencement Date provided in the Lease, and such delay shall not entitle Tenant to, rescind or terminate the Lease. For the purpose of this provision, "substantial completion" shall mean that the Work is substantially completed except for minor punchlist items so that Tenant may commence move furniture and fixtures into the Premises free of unreasonable noise, odors or disruption.

- 4. Entry by Tenant Prior to Commencement Date. Landlord consents to Tenant entering the Premises during the two weeks prior to the Commencement Date for the limited purpose of installing cabling, furniture and equipment. Tenant shall coordinate such early entry with Landlord and/or Landlord's general contractor. Otherwise, Landlord, subject to the following terms and conditions, and in Landlord's sole discretion and upon request by Tenant, may grant to Tenant and Tenant's agents a license to enter the Premises prior to the Commencement Date in order that Tenant may do other work required by Tenant to make the Premises ready for Tenant's use and occupancy.
- Tenant shall give Landlord not less than five (5) days' prior written notice of the request to have such early access to the Premises, which notice must contain or be accompanied by: (i) a description and schedule for the work to be performed by those persons and entitles for whom and which such early access is being requested; (ii) the names and addresses of all contractors, subcontractors and material suppliers for whom and which such access is being requested; (iii) the approximate number of individuals, itemized by trade, who shall be present in the Premises: (iv) copies of all contracts pertaining to the performance of the work for which such early access is being requested; (v) copies of all plans and specifications pertaining to the work for which such access is being requested; (vi) copies of all licenses and permits required in connection with the performance of the work for which such access is being requested; (vii) certificates of insurance and instruments of indemnification against all claims, costs, expenses, damages, suits, fines, penalties, actions, causes of action and liabilities which may arise in connection with such work; and (viii) assurances of the availability of funds sufficient to pay for all such work, if such assurances are requested by Landlord. Each of the foregoing shall be subject to Landlord's approval, which approval shall not be arbitrarily withheld.
 - B. Early access to the Premises is subject to scheduling by Landlord.
- C. Tenant's employees, agents, contractors, workers, suppliers, and invitees must work in harmony and not interfere with Landlord and Landlord's agents in completion of the Work and additional work in the Premises, Landlord's work in other premises and in common areas of the Building or the general operation of the Building. If at any time such entry shall cause or threaten to cause disharmony or interference, including labor disharmony, Landlord may withdraw its license upon twenty-four (24) hours prior written notice to Tenant
- D. Tenant agrees that any early entry into the Premises shall be at Tenant's own risk and Landlord shall not be liable for any injury to persons or damage to property of Tenant, or to Tenant's employees, licensees or invitees, from any cause whatsoever occurring upon or about the Premises, and Tenant shall Indemnify and save landlord harmless from any and all liability and claims arising out of or connected with any such injury or damage.
- E. Tenant shall be liable to Landlord for any damage to the Premises or any portion of the Work caused by Tenant or any of Tenant's employees, agents, contractors, workers, suppliers or invitees.

- 5. <u>Landlord's Entry After Commencement Date</u>. Landlord may enter the Premises at any time after the Commencement Date, upon prior notice to Tenant at times mutually acceptable to complete unfinished details of the Work and such entry by Landlord, its agents, servants, employees, or contractors for such purposes shall not constitute an actual or constructive eviction, in whole or in part, or entitle Tenant to any abatement or diminution of Rent, or relief Tenant from any obligation under this Lease, or impose any liability upon Landlord or its agents; provided, however, Landlord shall not unreasonably interfere with Tenant's business and to the extent that any such work will interfere with Tenant's business, such work will be completed after business hours.
- 6. <u>Landlord's Property.</u> All work and materials furnished are Landlord's property and will be considered part of the Building, subject to Tenant's rights to use the same under the Lease.
- 7. <u>Binding Agreement</u> This Agreement is binding upon and inures to the benefit of Landlord and Tenant, and their respective heirs, personal representatives, successors and assigns.

LANDLORD:	TENANT:
375 JACKSON COURTLY LLC (a Minnesota limited liability company)	CITY OF ST. PAUL
By	Ву
James Crockarell Its Vice President/Secretary	lts:
375 JACKSON WILLOW LLC (a Minnesota limited liability company)	
By	
James Crockarell	
Its Vice President/Secretary	

EXHIBIT F FORM OF ESTOPPEL LETTER

LANI	DLORD'S NAME
Re:	Lease Dated: Landlord: Tenant: Premises:
Gent	lemen:
The	undersigned ("Tenant") hereby confirms the following as of the date hereof:
	Tenant is the tenant under the above captioned lease (the "Lease"). All alized terms contained herein have the meaning defined in the Lease.
2. Expir	The Commencement Date of the Term is, 2012. The ration Date of the Term is, 20
	nises and the Building, is in conformity with the provisions of this Lease in all ects, except for the following:
4.	The Rentable Area of the Premises is square feet.
	The Lease is in full force and effect; there is no existing default on the part of lord under the Lease; and the Lease has not been amended, modified, lemented or superseded.
Date	d:, 20
	By Name:

EXHIBIT G RULES AND REGULATIONS

Tenant agrees to observe the rights reserved to Landlord in the Lease and agrees, for itself, its employees, agents, clients, customers, invitees and guests, to comply with the following rules and regulations with such reasonable modifications thereof and additions thereto as Landlord may make, from time to time, for the Project:

- 1. The sidewalks, entries, passages, courtyard, corridors, stairways and elevators shall not be obstructed by any tenants, their employees or agents, or used by them for purposes other than ingress and egress to and from their respective suites. Boxes, cartons or any other debris which is to be thrown away by the cleaning crew should not be left in the corridors.
- 2. All heavy articles (i.e., safes) shall be carried up or into the Premises only at such times and in such manner as shall be prescribed by Landlord, and Landlord shall in all cases have the right to specify the proper weight and position of any such heavy article. Any damage done to the Building by taking in or removing any such equipment or from overloading any floor in any way shall be paid for by Tenant. Defacing or injuring in any way any part of the Building by Tenant, his agents or employees, shall be paid for by Tenant.
- 3. Tenant will refer all contractors, contractors' representatives and installation technicians rendering any service on or to the Premises for Tenant to Landlord for Landlord's approval and supervision before performance of any contractual service. This provision shall apply to all work performed in the Building, including but not limited to the installation of the telephone and other communications equipment, electrical devices and attachments and installations of any nature affecting floors, walls, woodwork, trim, windows, ceilings, equipment or any other physical portion of the Building. Such approval, if given, shall in no way make Landlord a party to any contract between Tenant and any such contractor, and Landlord shall have no liability therefore.
- 4. No sign, advertisement or notice shall be inscribed, painted or affixed on any part of the inside or outside of said Building. Landlord will supply building standard signage for Tenant's suite entrance, at Tenant's cost. Any additions, deletions or changes to the door signage after the original signage is installed shall also be at Tenant's cost. A directory in a conspicuous space, with the names of tenants, will be provided by Landlord; any necessary revisions to the directory will be made by Landlord within a reasonable time after notice from Tenant of the error or change making the revision necessary. No furniture shall be placed in front of the Building or in any lobby or corridor without written consent of Landlord. Landlord shall have the right to remove all other signs and furniture, without notice to Tenant, at the expense of Tenant.
- 5. Tenant shall have the non-exclusive use in common with Landlord, other tenants, their guests and invitees, of the automobile parking areas, driveways and footways, subject to reasonable rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord shall have the right to designate parking areas for the use of tenants of the Project and their employees, and tenants

and their employees shall not park in parking areas not so designated, specifically including driveways, fire lanes, loading/unloading areas, walkways and building entrances. Tenant agrees that upon written notice from Landlord, it will furnish Landlord, within five (5) days from receipt of such notice, the state automobile license numbers assigned to the automobiles of Tenant and its employees. Landlord shall not be liable for any vehicle of Tenant or its employees that Landlord shall have towed from the premises when illegally parked. Landlord will not be liable for damage to vehicles in the parking areas or for theft of vehicles, personal property from vehicles, or equipment of vehicles.

- 6. No tenant shall do or permit anything to be done in said Premises or bring or keep anything therein which will in anyway increase the rate of fire insurance on said Building, or on property kept therein, or obstruct or interfere with the rights of other tenants, or in any way injure or annoy them, or conflict with the laws relating to fire, or with any regulations of the fire department, or with any insurance policy upon said buildings or any part thereof, or conflict with any rules and ordinances of the local Board of Health or any governing bodies.
- 7. Employees of the Building will at all times keep a pass key, and agents of Landlord shall at all times be allowed admittance to Tenant's Premises.
- 8. No additional locks shall be placed upon any doors without the written consent of Landlord, All keys to the Premises shall be furnished by Landlord in a reasonable number commensurate with the square footage leased. Additional keys shall be furnished at Tenant cost. Upon termination of this Lease, all keys shall be surrendered, and Tenant shall then give Landlord or its agent explanation of the combination of all locks upon any doors or vaults.
- 9. No windows or other openings that reflect or admit light into the corridors or passageways, or to any other place in said Building, shall be covered or obstructed by any tenant.
- 10. No person shall disturb the occupants of the Building by the use of any musical instruments, the making of unseemly noises, or any unreasonable noise. No animals or pets of any kind will be allowed in the building.
- 11. The water closets and other water fixtures shall not be used for any purpose other than those for which they were constructed, and any damage resulting to them from misuse, or the defacing or injury of any part of the Building, shall be borne by the person who shall occasion it.
- 12. No bicycles or similar vehicles will be allowed in the Building. Exterior parking for such vehicles will be provided.
- 13. Nothing shall be thrown out the windows of the Building or down the stairways or other passages.
- 14. Tenant shall not be permitted to use or to keep in the Building any kerosene, camphene, burning fluid or other illuminating materials.

- 15. If any tenant desires, at its cost, telephonic or other electronic connections, Landlord or its agents will direct the electricians as to where and how the wires may be introduced, and without such directions, no boring or cutting for wires will be permitted.
- 16. All mini-blinds, draperies or other window treatments Tenant desires to install on exterior windows in the Premises shall be of such shape, color, materials and make as shall be approved by Landlord and the same shall be installed at Tenant's cost. Landlord or its agents shall have the right to enter the Premises to examine the same or to make such repairs, alterations or additions as Landlord shall deem necessary for the safety, preservation or improvement of the Building.
- 17. Six months prior to the expiration of the Lease, Landlord or its agents may show the Premises and may place on the windows or doors thereof, or upon the bulletin board, a notice "For Rent".
- 18. No portion of the Building shall be used for the purpose of lodging rooms or for any immoral or unlawful purposes.
- 19. All glass, locks and trimmings in or about the doors and windows and all electric fixtures belonging to the Building shall be kept whole, and whenever broken by anyone shall be immediately replaced or repaired and put in order at Tenant's cost under the direction and to the satisfaction of Landlord, and on removal shall be left whole and in good repair.
- 20. Tenant shall not install or authorize the installation of any vending machines or food preparation devices without Landlord's written approval. Landlord shall have the right to rescind this approval, if given, without liability to Tenant for reimbursement of any Tenant costs or expenses or to grant exclusive rights to vending machine operators.
- 21. Landlord reserves the right at any time to take one elevator out of service to tenants for exclusive use by management in servicing the Building.
- 22. No electric heaters or electric fans are allowed on the Premises without the prior written consent of Landlord.
- 23. Tenant shall list all furniture, equipment and similar articles Tenant desires to remove from the Premises or the Building and deliver a copy to Landlord and procure a removal permit from the Office of the Building authorizing Building employees to permit such articles to be removed.
- 24. Before leaving the Premises unattended, Tenant shall close and securely lock all doors and transoms and shut off all utilities in the Premises. Any damage resulting from failure to do so shall be paid by Tenant.
- 25. Tenant shall not place any radio or television antenna on the roof or on or in any part of the inside or outside of the Building other than the inside of the Premises, or operate or permit to be operated any musical or sound producing instrument or device inside or outside the Premises which may be heard outside the Premises, or operate any electrical device from which may emanate electrical waves

which may interfere with or impair radio or television broadcasting or reception from or in the Building or elsewhere.

- 26. Tenant shall not make or permit any noise, vibration or odor to emanate from the Premises; or do anything therein tending to create, or maintain, a nuisance; or disturb, solicit or canvass any occupant of the Building, or do any act tending to injure the reputation of the Building.
- 27. Tenant shall not place anything or allow anything to be placed near the glass of any door, partition, or window which may be unsightly from outside the Premises; or take or permit to be taken in or out of other entrances of the Building, or take or permit on other elevators, any item normally taken in or out through the trucking concourse or service doors or in or on freight elevators; or, whether temporarily, accidentally, or otherwise, allow anything to remain in, place or store anything in, or obstruct in any way, any passageway, exit, stairway, elevator, shipping platform, or truck concourse. Tenant shall lend its full cooperation to keep such areas free from all obstruction and in a clean and sightly condition and move all supplies, furniture and equipment as soon as received directly to the Premises and move all such items and waste, other than waste customarily removed by employees of the Building, being taken from the Premises, directly to the shipping platform at or about the time arranged for removal therefrom.
- 28. Tenant shall not do any painting or decorating in the Premises; or mark, paint, cut or drill into, drive nails or screws into, or in any way deface any part of the Premises or the Building, outside or inside, without the prior written consent of Landlord. If Tenant desires signal, communication, alarm or other utility or service connections installed or changed, the same shall be made by and at the expense of Tenant, with the approval and under direction of Landlord.
- 29. Upon written application by Tenant, and approval thereof by Landlord, Landlord shall furnish freight elevator service for Tenant at times other than those times provided for in the Lease at rates for such usage from time to time maintained in effect by Landlord.