

**LEASE AGREEMENT BETWEEN THE CITY OF EDEN PRAIRIE
AND INDEPENDENT SCHOOL DISTRICT NO. 272**

This Lease Agreement (“Lease”) is made as of this ____ day of _____, 2021 by and between The City of Eden Prairie, a Minnesota municipal corporation (“Landlord”) and Independent School District No. 272, a public school corporation under the laws of Minnesota (“Tenant”).

Recitals

- A. Landlord and Tenant are parties to that certain Lease Agreement between the City of Eden Prairie and Independent School District No. 272 dated May 20, 2014, as amended by that certain First Amendment to Lease Agreement between the City of Eden Prairie and Independent School District No. 272 dated January 6, 2015 (the “Original Lease Agreement”).
- B. The Original Lease Agreement provides for a lease termination date of May 31, 2024.
- C. Tenant has notified Landlord of its intent to terminate the Original Lease Agreement effective December 31, 2021 due to non-appropriation as provided by Section 19.B of the Original Lease Agreement.
- D. Tenant wishes to continue leasing a portion of the premises covered by the Original Lease Agreement for purposes of housing its TASSEL Transition Program (the “TASSEL Space”).
- E. Landlord and Tenant desire to enter into a new lease agreement for the TASSEL Space.

Now, Therefore, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant hereby agree to the following

- 1. **DEFINITIONS.** The following terms have the following meanings in this Lease:
 - 1.1. **Project:** The land, building, and improvements presently situated thereon located at 8100 Mitchell Road in the City of Eden Prairie, Hennepin County, State of Minnesota. The land is further described in Exhibit A attached hereto.
 - 1.2. **Building:** The present building situated within and a part of the Project, now known as the Eden Prairie City Center.
 - 1.3. **Premises:** A portion of the westerly part of the lower level of the building, as depicted on Exhibit B attached hereto.

- 1.4. Rentable Area of the Premises: The Rentable Area of the Premises will be determined in accordance with Section 3. The Rentable Area of the Premises as of the date hereof is 10,000 square feet.
- 1.5. Rentable Area of the Building: The Rentable Area of the Building will be determined in accordance with Section 3. The Rentable Area of the Building as of the date hereof is 241,527 square feet.
- 1.6. Commencement Date: January 1, 2022.
- 1.7. Possession Date: The Effective Date of this Lease
- 1.8. Effective Date. The date listed in the introductory paragraph to this Lease.
2. PREMISES. Landlord hereby Leases to Tenant, and Tenant hereby Leases from Landlord, for the Term and upon the conditions hereinafter provided, the Premises.
3. RENTABLE AREA.
 - 3.1. The Rentable Area of the Premises is 10,000 square feet. The actual Rentable Area of the Premises will be determined as follows:
 - 3.1.1. On a single-tenancy floor, the Rentable Area of the Premises is computed by measuring from the plane established by the centerline of exterior walls of the floor and includes all areas within such exterior walls including, without limitation, all janitor closets, electrical, telephone and mechanical closets, fan rooms, air conditioner rooms and maintenance rooms.
 - 3.1.2. On a multi-tenancy floor, the Rentable Area of the Premises is computed by measuring from the interior dominant face of exterior walls in accordance with clause 3.1.1 above to the tenant face of a common area or the centerline of demising walls that separate the Premises from adjoining portions (other than Common Areas) of the floor of the Building.
 - 3.1.3. The Rentable Area of the Building is the sum of the Rentable Areas of all floors in the Building measured in the manner described in clause 3.1.1 and 3.1.2 hereof.
 - 3.2. Landlord may at any time prepare a Supplement to this Lease confirming the Rentable Area of the Premises. Tenant must execute and return such Supplement within 30 days after submission unless Tenant gives written notice within such 30 day period specifying in reasonable detail Tenant's objections to the Supplement.
4. LEASEHOLD IMPROVEMENTS. Tenant accepts the Premises in its condition as of the date hereof. Tenant will contract for the improvements identified on the attached Exhibit C and pay for such improvements at its sole cost and expense. Landlord approves the

improvements identified on Exhibit C. Any improvements by Tenant other than those listed on Exhibit C require Landlord’s prior approval as provided in Section 12 of this Lease.

5. TERM. This Lease commences on January 1, 2022 and will continue for a period terminating on December 31, 2031 (the “Term”). In addition, Tenant may extend the Term for one additional 10-year term (the “Extended Term”). The Extended Term will be subject to all terms and conditions of this Lease, provided, however, Annual Rent for the Extended Term must be agreed to by Landlord and Tenant. In the event Landlord and Tenant are unable to agree, the Annual Rent will increase 2.5% per year for each year of the Extended Term.

6. BASE RENT. Base Rent will consist of “Annual Rent”.

6.1. Annual Rent. Tenant’s obligation to pay Annual Rent commences on January 1, 2022. Tenant must pay as “Annual Rent” for the Premises the following amounts for the following periods:

| Period | Rate per square foot | Annual Rent | Monthly Rent |
|---------|----------------------|-------------|--------------|
| Year 1 | \$7.35 | \$73,500.00 | \$6,125.00 |
| Year 2 | \$7.54 | \$75,400.00 | \$6,283.33 |
| Year 3 | \$7.73 | \$77,300.00 | \$6,441.67 |
| Year 4 | \$7.92 | \$79,200.00 | \$6,600.00 |
| Year 5 | \$8.12 | \$81,200.00 | \$6,766.67 |
| Year 6 | \$8.32 | \$83,200.00 | \$6,933.33 |
| Year 7 | \$8.53 | \$85,300.00 | \$7,108.33 |
| Year 8 | \$8.74 | \$87,400.00 | \$7,283.33 |
| Year 9 | \$8.96 | \$89,600.00 | \$7,466.67 |
| Year 10 | \$9.18 | \$91,800.00 | \$7,650.00 |

6.2. The Base Rent must be paid monthly, in twelve equal installments, on the first day of each month during the Lease Term to Landlord at the place to which notices to Landlord are to be sent, or to such other party or to such other address as Landlord may designate from time to time by written notice to Tenant, without demand and without abatement, deduction, set-off or counterclaim.

7. ADDITIONAL RENT.

7.1. Certain Definitions.

- 7.1.1. “Additional Rent” means Tenant’s Share of Operating Costs and Tenant’s Share of Tax Costs and all other sums of money required under this Lease to be paid to Landlord or others by Tenant.
- 7.1.2. “Tenant’s Share,” as it applies to Operating Costs (“Tenant’s Share of Operating Costs”), means the percentage (calculated to three decimal places) obtained by dividing the Rentable Area of the Premises by the Rentable Area of the Building (regardless of whether it is rented, owner occupied or vacant).
- 7.1.3. “Tenant’s Share,” as it applies to Tax Costs (“Tenant’s Share of Tax Costs”), means at any given point in time, the percentage (calculated to three decimal places) obtained by dividing the Rentable Area of the Premises as to which Tax Costs now, or in the future, are imposed by that portion of Rentable Area of the Building (regardless of whether such portion is rented, owner occupied or vacant) for which real estate taxes are then payable. (By way of example, if the Tenant’s Rentable Area of the Premises are not taxed, then the numerator is zero and no percentage of taxes is payable, as illustrated: $0 \div 100,000 \text{ sq. ft. of taxable area} = 0$). If the Tenant’s Premises or part thereof become taxable for any reason, then the Tenant will pay the percentage of taxes attributable to that portion of the Premises which is taxable in proportion to the taxable portion of the Project. If at some time in the future the Rentable Area of the Premises is assessed Tax Costs at a different tax rate than other portions of the Building then the parties must meet and determine an equitable method of determining Tenant’s Share so as to take into account the impact of such differing tax rates.
- 7.2. Operating Costs. “Operating Costs” means all costs, charges and expenses incurred by Landlord during the Term in operating, securing, maintaining and repairing the Project and making replacements including but not limited to: the costs of heat, cooling, utilities, insurance (including, but not limited to, fire and casualty insurance, boiler and pressure vessel insurance, war risk insurance), security, landscaping, janitorial and cleaning services relating to the Common Areas; all employment costs including salaries, wages and fringe benefits; all management fees applicable to the Project, including expenses reimbursable to any manager and rental of property management office retained by Landlord; fees for professional services; charges under maintenance and service contracts applicable to the Project (less the cost of maintenance and service provided by Tenant which would otherwise have been provided under such contracts); all supplies purchased for use in the Project (less the cost of supplies furnished by the Tenant which would have otherwise been furnished by Landlord); all maintenance and repair costs; any equipment rental; installments of special assessments, including interest thereon, as well as interest on deferred assessments assessed, levied or imposed on the Project; amortization of the cost over the useful life of the capital improvements made to (i) reduce Operating Costs or limit increases therein, or (ii) required by Landlord’s insurance carrier or (iii) required by any law, rule, regulation or order of any

governmental or quasi-governmental authority having jurisdiction; any and all other costs of operation, whether ordinary or extraordinary for the Project, including Common Areas. Operating Costs do not include leasing commissions, payments of principal and interest relating to any mortgages, or other encumbrances on the Project, or amortization of the capital cost of the Project except as provided above.

- 7.3. Tax Costs. “Tax Costs” means all real estate taxes, levies, and charges assessed, levied or imposed on the Project and payable during the Term including all other taxes, service payments in lieu of taxes, excises, levies, fees, or charges, general and special, ordinary and extraordinary, of any kind, which are assessed, levied, charged, confirmed, or imposed by any public authority upon the Project and payable during the Term, and all reasonable attorneys’ fees, witness fees, court costs, and other reasonable expenses of Landlord in connection with any proceeding reasonably undertaken to contest these amounts; provided, however, that “Tax Costs” does not include sales tax, taxes on net income, capital, stock, successions, transfers, franchises, gifts, estates and inheritances.
- 7.4. Payment Of Additional Rent. As frequently as Landlord deems appropriate, Landlord will give Tenant notice of Landlord’s estimate of Tenant’s Share of Tax Costs and Tenant’s Share of Operating Costs, together “Additional Rent,” for the then-current calendar year (“Estimated Additional Rent”). Tenant must, for the entire Term of this Lease, and without any abatement, set off, or deduction, pay as Additional Rent 1/12th of Estimated Additional Rent on or before the first day of each month.
- 7.5. Additional Rent Adjustments. Within a reasonable time at the expiration of each calendar year, Landlord must submit to Tenant a statement setting forth (a) the Tax Costs and Operating Costs actually incurred for such calendar year (“Actual Tax/Operating Costs”), (b) Tenant’s Share of Tax/Operating Costs, based upon the Actual Tax/Operating Costs and (c) the aggregate of Tenant’s payments of Tenant’s Estimated Additional Rent for such year. If the Additional Rent based upon the Actual Tax/Operating Costs exceeds Tenant’s payments of Estimated Additional Rent for that year, Tenant must pay to Landlord the difference between (b) and (c) within 30 days after the delivery of such statement (including any statement delivered after the expiration or termination of the Term of this Lease or any extension). If the Additional Rent based upon the Actual Tax/Operating Costs are less than the Estimated Additional Rent paid by Tenant for that year, Landlord must either credit installments of Base Rent due under this Lease or, to the extent that no further Base Rent will become due under this Lease, pay Tenant the difference between (b) and (c) within 30 days after such statement is delivered to Tenant.
- 7.6. In the event Landlord proposes to undertake an improvement with respect to which one or more special assessments are to be levied against the Project, Landlord must provide notice to Tenant in the same manner, and as required to be given to the owner(s) of property against which the special assessments are to be levied. The Landlord hereby assigns to the Tenant the Landlord’s right (as to the Premises) to

appeal to district court pursuant to Minnesota Statute Section 429.081 as the same may be amended from time to time any assessment against the Project that is a charge against the Premises.

8. PERMITTED USES.

- 8.1. Tenant may use and occupy the Premises for educational purposes consistent with the programs authorized by state law to be operated by a public school district in the State of Minnesota (the “Permitted Uses”). Any amendment to the Permitted Uses requires the written agreement of the parties. The Landlord must not unreasonably withhold its consent to a use proposed by the Tenant that is consistent with the Tenant’s educational programs and otherwise allowed pursuant to the zoning codes and regulations then applicable to the Project. It will not be considered unreasonable for the Landlord to withhold its consent if the use proposed by the Tenant would cause interference with the quiet use and enjoyment of the Building or the Project by the other tenants or occupants.
- 8.2. Tenant must not use or occupy the Premises for any other use or for any unlawful purpose, and must comply with all present and future laws, ordinances, regulations, and orders of all governmental units having jurisdiction over the Premises. Tenant must not cause or permit any unusual noise, vibrations, odors, or nuisance in or about the Premises, overloading of the electrical, water and/or plumbing facilities in the Premises or Building, or throw or cause to be thrown foreign substances into plumbing facilities. Landlord disclaims any warranty that the Premises are suitable for Tenant’s use and Tenant acknowledges that it has had a full opportunity to make its own determination in this regard. Neither Landlord nor Tenant must use the Premises or permit any use that interferes with the use of the Project by other tenants or occupants.
- 8.3. Tenant must not conduct or permit to be conducted any activity, or place any equipment in or about the Premises, which will in any way increase the rate of fire insurance or other insurance on the Project; and if any increase in the rate of fire insurance or other insurance is stated by any insurance company or by the applicable Insurance Rating Bureau to be due to activity or equipment of Tenant in or about the Premises, such statement will be conclusive evidence that the increase in such rate is due to such activity or equipment and, as a result, Tenant will be liable for and must reimburse Landlord for such increase and, further, must discontinue or cause the discontinuance of such conduct or must remove such equipment upon Landlord’s demand made at any time thereafter.

Tenant must not, and must not direct, suffer or permit any of its agents, contractors, employees, licensees or invitees to at any time handle, use, manufacture, store or dispose of in or about the Premises any (collectively “Hazardous Materials”) flammables, explosives, radioactive materials, hazardous wastes or materials, toxic wastes or materials, or other similar substances, petroleum products or derivatives or any substance subject to regulation by or under any federal, state and local laws

and ordinances relating to the protection of the environment or the keeping, use or disposition of environmentally hazardous materials, substances, or wastes, presently in effect or hereafter adopted, all amendments to any of them, and all rules and regulations issued pursuant to any of such laws or ordinances (collectively “Environmental Laws”), nor must Tenant suffer or permit any Hazardous Materials to be used in any manner not fully in compliance with all Environmental Laws, in the Premises and appurtenant land or allow the Premises to become contaminated with any Hazardous Materials. Notwithstanding the foregoing, Tenant may handle, store, use or dispose of products containing small quantities of Hazardous Materials (such as aerosol cans containing insecticides, toner for copiers, paints, paint remover and the like) to the extent customary and necessary for the use of the Premises for the purposes of the Permitted Use; provided that Tenant must always handle, store, use, and dispose of any such Hazardous Materials in a safe and lawful manner and never allow such Hazardous Materials to contaminate the Premises or appurtenant land or the environment. Tenant will protect, defend, indemnify, and hold the Landlord harmless from and against any and all loss, claims, liability or costs (including court costs and attorneys’ fees) incurred by reason of any actual or asserted failure of Tenant to fully comply with all applicable Environmental Laws, or the presence, handling, use or disposition in or from the Premises of any Hazardous Materials (even though permissible under all applicable Environmental Laws or the provisions of this Lease), or by reason of any actual or asserted failure of Tenant to keep, observe, or perform any provision of this Section 8.3.

9. COMMON AREAS.

- 9.1. “Common Areas” means all areas, space, equipment and special services provided by Landlord in the Project for the common or joint use or benefit of Landlord, Tenant and other tenants of the Building, their officers, employees, agents, customers, invitees and licensees, including but not limited to driveways, truckways, delivery passages, safety improvements, foundations, roof, exterior walls, utility systems lines, conduits and appurtenances thereto, truck loading areas, trash facilities, walkways, sidewalks, parking areas, open and closed courts and malls, landscaped and planted areas, public restrooms, stairs, ramps, escalators, the cafeteria, lounges, drinking fountains, elevators, and the equipment and facilities appurtenant to each of the aforesaid.
- 9.2. In addition to the use of the Premises, Tenant will have the right of non-exclusive use, in common with others, of the Common Areas and of such loading facilities, freight elevators, and other Common Areas as may be constructed and designed, from time to time, by Landlord in any improvements added to the Project, all to be subject to the terms and conditions of this Lease and to reasonable rules and regulations for the use thereof as are prescribed by Landlord. Tenant agrees, subject to this Section 9, that the use of the Common Areas by Tenant or Tenant’s officers, servants, employees, agents, guests, or invitees, is subject to the exclusive control and management of Landlord.

- 9.3. Landlord must operate and maintain the Common Areas, including without limitation, (i) removal of snow and ice from parking areas included in the Common Areas; (ii) general lawn maintenance; (iii) general maintenance of exterior plants, shrubs, and trees; and (iv) general maintenance of interior plants, in a manner deemed by Landlord, in its sole discretion, reasonably appropriate and for the best interests of the occupants of the Project.
- 9.4. Landlord may exclude Tenant from Common Areas during construction or improvement of the Project. If Landlord excludes Tenant from Common Areas, Landlord must provide alternative areas sufficient to permit Tenant to continue operations.

10. ASSIGNMENT AND SUBLETTING.

- 10.1. Tenant may not assign, transfer, mortgage, or encumber this Lease or the Premises or sublet or rent or permit occupancy or use of all or any part of the Premises by any third party nor will any assignment or transfer of this Lease be effectuated by operation of law or otherwise, (any of the foregoing being hereinafter referred to as an “Assignment”) without prior written consent of the Landlord; provided however that an Assignment may be made to an entity that will use and occupy the Premises for the purpose of providing on Tenant’s behalf the Permitted Uses pursuant to Section 8.1 An Assignment must not be construed as a waiver or release of Tenant from the terms of any covenant or obligation under this Lease, nor will the collection or acceptance of rent from any transferee under an Assignment constitute an acceptance of the Assignment or a waiver or release of Tenant or any transferee of any covenant or obligation contained in this Lease, nor will any Assignment be construed to relieve Tenant from the requirement of complying with the terms of this paragraph with respect to any further Assignment.
- 10.2. If Tenant desires at any time to make an Assignment, it must first notify Landlord of its desire to do so and must submit in writing to Landlord (i) the name of the proposed assignee, mortgagee, subtenant or other transferee (any of the foregoing being hereinafter referred to as an “Assignee”), (ii) the nature of the proposed Assignee’s business to be carried on the Premises, and (iii) a copy of the proposed Assignment agreement and any other agreements to be entered into concurrently with such Assignment, including full disclosure of all financial terms. The furnishing of such information will not limit any of Landlord’s rights or alternatives under this Section 10.
- 10.3. In the event Landlord and Tenant consummate an Assignment, Tenant will not in any manner be released of Tenant’s duties and obligations under this Lease, but must on the contrary continue to perform such duties and obligations including, but not limited to, the payment of all rents and charges hereunder. In addition, an Assignment must specifically provide that the Assignee assumes the obligations of Tenant under this Lease and provide that no Assignment may be made by the Assignee without the consent of Landlord.

11. MAINTENANCE.

- 11.1. Tenant must keep and maintain, including the provision of janitorial services, the Premises and the fixtures and equipment therein in first class, properly functioning, safe, orderly and sanitary condition, will make all necessary repairs and replacements thereto, will suffer no waste or injury thereto, and must at the expiration of the Term or other termination of this Lease, surrender the same with all improvements in the same order and condition in which they were on the Commencement Date, or in such better condition as they may hereafter be put, ordinary wear and tear excepted. Janitorial services provided by Tenant must include, but not be limited to, maintenance such as removal of trash, cleaning of bathrooms and kitchens, sweeping and periodic waxing or vacuuming of floor surfaces, periodic cleaning of walls, ceilings and windows, and interior painting, as necessary.
- 11.2. Landlord must make all necessary repairs and replacements to the outer walls, roof, downspouts, gutters and basic structural elements and Common Areas of the Project. Landlord must also make all necessary repairs and replacements to the portions of the Building systems (plumbing, sewage, heating, air conditioning and electrical) providing service jointly to the Premises and other portions of the Building. The cost of all repairs and replacements made by Landlord hereunder will be included in the Operating Costs. Tenant is responsible for all other portions of the Building systems serving the Premises.
- 11.3. Notwithstanding anything apparently to the contrary in this Section 11, any cost of repairs or improvements to the Project, to the Premises or to any Common Areas (“Expenditures”) that are occasioned by the negligence or fault of Tenant, its officers, employees, agents or invitees, or by requirements of law, ordinance or other governmental directive and that arise out of the nature of Tenant’s use and occupancy of the Premises or the installations of Tenant in the Premises must be paid for by Tenant, as Additional Rent hereunder, immediately upon billing. Expenditures not attributable to Tenant pursuant to the above sentence will not be considered “Operating Costs” pursuant to Section 7.2 hereof attributable to and charged to the Tenant.

12. ALTERATIONS; SIGNS; EQUIPMENT; MOVING.

- 12.1. Tenant must not make or permit anyone to make any alterations, additions, or improvements, or otherwise, in or to the Premises without notice to Landlord. Tenant will not make any structural change or addition in the Premises without the consent of Landlord. No Assignee of Tenant may make any alteration, decoration, addition, or improvement, structural or otherwise, in or to the Premises without notice to and consent of Landlord. Prior to the commencement of any work by Tenant, Tenant must obtain public liability and workers' compensation insurance to cover every contractor to be employed by Tenant, and must deliver duplicate

originals of all certificates of such insurance to Landlord for written approval. The Tenant must not permit any mechanic's or other liens to be established or remain against the Premises for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals, or replacements made by the Tenant. In the event that any mechanic's lien is filed against the Premises as a result of any work or act of Tenant, Tenant, at its expense, must discharge or bond off the same within sixty (60) days from the filing thereof. If Tenant fails to discharge said mechanic's lien, Landlord may bond or pay without inquiring into the validity or merits of such lien and all sums so advanced must be paid to Landlord by Tenant as Additional Rent. Regardless of whether Landlord's consent is required or obtained hereunder: (i) all alterations must be made in accordance with applicable laws, codes, and insurance guidelines, and must be performed in a good and workmanlike manner, and (ii) if the construction or installation of Tenant's alterations or fixtures causes any labor disturbance, Tenant must immediately take any action necessary to end such labor disturbance. All alterations, decorations, additions, or improvements in or to the Premises or the Project made by Tenant will become the property of Landlord upon expiration of the Term and must remain upon and be surrendered with the Premises as a part thereof without disturbance or injury, unless Landlord requires specific items thereof to be removed by Tenant at Tenant's sole expense, in which event Tenant must do so prior to the expiration of the Term and must repair any damage caused thereby. Notwithstanding the foregoing, if (x) there has been no breach or Event of Default by Tenant in the performance of any of its obligations under this Lease, (y) if any and all damage resulting therefrom be repaired, and (z) Tenant posts such security with respect thereto as Landlord may reasonably request, Tenant will have the right to remove, during the last ninety (90) days of the Term of this Lease, all movable furniture, furnishings or trade fixtures installed in the Premises at the direct expense of Tenant, provided the same is completed with no damage to the Premises.

- 12.2. Tenant must make all improvements to the Premises as required by the Minnesota State Building Code and any state or local ordinances, or other law which become necessary as a result of Tenant's use or particular type of occupancy of the Premises. Tenant will bear all costs and expenses in making such improvements upon the Premises.
- 12.3. Tenant is responsible for installation of all of its equipment and fixtures which may be installed by Tenant in the Premises prior to or after the Commencement Date in a manner such as not to interfere with Landlord and Landlord's other tenants. Tenant must employ qualified contractors pursuant to state and city laws and codes governing such installation. Such contractors must carry worker's compensation insurance in accordance with statutory requirements and comprehensive public liability insurance in amounts not less than those described in Section 16 hereof.
- 12.4. Tenant must not place or maintain any sign, advertisement or notice on any part of the outside of the Premises or the Project except (i) in such place, number, size, color, and style as has been approved in writing by Landlord and (ii) in accordance

with the sign criteria to be developed by Landlord. Any such signs will be at the sole expense of the Tenant. Tenant must remove all signs at the expiration or termination of this Lease and restore the affected area to its original condition.

- 12.5. Tenant must not install any equipment which will or may necessitate any changes, replacements, or additions to, or in the use of, the heating, ventilating or air-conditioning system, or electrical system of the Premises or the Project nor any equipment containing Hazardous Materials or chlorofluorocarbons without first obtaining the written consent of Landlord. Equipment belonging to Tenant which causes noise or vibration that may be transmitted to the structure of the Project or to any space therein to such a degree as to be objectionable to Landlord or to any tenant in the Project must be installed and maintained by Tenant, at Tenant's expense on vibration eliminators or other devices sufficient to eliminate noise and vibration. Landlord may at any time to limit the weight and prescribe the position of safes and other heavy equipment or fixtures, based upon structural and mechanical building constraints.
- 12.6. Except for furniture and equipment that can reasonably be received through the entrance directly into Tenant's Premises, no personal property of a bulky nature may be received into the Project or carried in an elevator except as approved by Landlord, which approval will not be unreasonably withheld. Except as otherwise permitted by Landlord, all moving of furniture, equipment and other material must be done at other than normal business hours, under the direct control and supervision of Landlord. Landlord will not be responsible for any damage to or charges for moving the same unless damage is the direct result of Landlord's sole and gross negligence. Any and all damage or injury to the Premises or the Project caused by moving the property of Tenant in or out of the Premises, or due to the same being on the Premises, must be repaired by, and at the sole cost of, Tenant.

13. RIGHT OF ENTRY.

- 13.1. Tenant must furnish a master key to the Premises to Landlord and permit Landlord, or its representative, to enter the Premises to examine, inspect and protect the Premises, and to make such alterations, renovations, restorations and/or repairs as in the judgment of Landlord may be deemed necessary or desirable for the Premises, for any other Premises in the Project, or the Project itself (including access to distribution systems above the ceiling of the Premises). In addition, Landlord may exhibit the Premises to prospective tenants during the last 360 days of the Term of this Lease, any extension thereof, or during any period of breach or Event of Default of Tenant hereunder, or to prospective purchasers or lenders at any time. Landlord will use reasonable efforts to not unreasonably interfere with the conduct of Tenant's use of the Premises. Except in cases of emergency, Landlord must provide 24 hour notice of such entry to Tenant.
- 13.2. Landlord reserves the right to impose such security restrictions in the Building as it deems appropriate, provided however, such restrictions will acknowledge such

Tenant's use of the Premises seven (7) days a week and includes both day and evening activities.

14. SERVICES AND UTILITIES. During Project business days and hours as established by Landlord from time to time, Landlord will furnish reasonably adequate water, elevator service, electric, and heat and air conditioning during such seasons of the year when such services are normally furnished in office buildings in the Minneapolis/St. Paul metropolitan area. Landlord will provide evening cleaning and janitorial service to the Building (excluding the Premises) Saturdays, Sundays and holidays excluded. Landlord will provide access to electric, telephone, and internet distribution closets in accordance with Landlord's electric, telephone, and internet service regulations in effect from time to time, and Tenant must comply with such regulations. Tenant will bear the cost of installation and use of telephone and internet service to the Premises. Landlord will not be liable for damages, and there will be no abatement of rent by reason of, failure to furnish, or for delay or suspension in furnishing, any services to be provided by Landlord, caused by breakdown, maintenance, repairs, strikes, scarcity of labor or materials, energy conservation pursuant to Section 30 hereof, Act of God, or causes beyond Landlord's control, nor will the same be considered an eviction or disturbance of Tenant's use and possession. Tenant must conserve heat, air conditioning, water and electricity and must use due care in the use of the Premises and of the public areas in the Project. If Tenant uses the cafeteria or other Common Area on Saturdays, Sundays and holidays, Tenant must provide cleaning and janitorial service to that part used so as to leave it in a neat and clean condition. All thermostats within the Common Area are under the sole control of Landlord, and Tenant must not, nor must it permit any of its employees, agents, representatives, guests, or invitees to open, change or tamper with those thermostats without Landlord's consent. Notwithstanding the general limitations as to business days and hours set forth above, Landlord will provide services and utilities to the Premises and Common Areas used in conjunction with the Premises on such days and hours consistent with the needs and operations of Tenant.

15. WAIVER AND INDEMNITY.

15.1. Notwithstanding anything apparently to the contrary in this Lease, Landlord and Tenant hereby release one another and their respective officers, employees and property manager from any and all liability (to the other or anyone claiming through or under them by way of subrogation or otherwise) for any loss or damage covered by insurance required by Section 16 even if such loss or damage is caused by the fault or negligence of the other party, or anyone for whom such party may be responsible, but only to the extent such release does not abrogate or negate such insurance or policy of insurance.

15.2. Notwithstanding anything apparently to the contrary in this Lease, Landlord and Tenant and their officers, employees and Landlord's property manager will not be liable to the other and both hereby releases the other from all damage, compensation or claims from any cause other than the intentional misconduct of the others officers, employees or Landlord's property manager arising from: loss or damage to personal property or trade fixtures in the Premises including books, records, files, computer

equipment, computer data, money, securities, negotiable instruments or other papers; lost business or other consequential damage arising out of interruption in the use of the Premises; and any criminal act by any person other than Landlord, Tenant or their officers, employees, or Landlord’s property manager.

16. INSURANCE. Prior to the Possession Date and during the full Term of this Lease, Tenant must purchase and carry in full force and effect the following insurance:

16.1. Tenant must procure, maintain, and pay for such insurance as will protect against claims or loss which may arise out of Tenant’s use and possession of the Premises. Such insurance must include, but not be limited to, minimum coverages and limits of liability specified in this Paragraph, or required by law, whichever is greater.

| Worker’s Compensation | Statutory Limits |
|------------------------------|--|
| Employer’s Liability | \$500,000 each accident \$500,000 disease policy limit \$500,000 disease each employee |
| Commercial General Liability | \$1,500,000 property damage and bodily injury per occurrence \$2,000,000 general aggregate \$2,000,000 Products – Completed Operations |
| Aggregate | \$100,000 fire legal liability each occurrence \$5,000 medical expense |
| All Risk | “All Risk” or “Special Cause of Loss” property insurance for fire, casualty, theft, vandalism, malicious mischief, sprinkler damage etc. insuring all contents of the Premises for not less than full replacement value. |
| | Umbrella or Excess Liability \$1,000,000 |

16.2. Commercial General Liability. The Commercial General Liability Policy must be on ISO form CG 00 01 12 07 or CG 00 01 04 13, or the equivalent. Such insurance must cover liability arising from premises, operations, independent contractors, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There must be no endorsement or modification of the Commercial General Liability form arising from pollution, explosion, collapse, underground property damage or work performed by Tenant.

- 16.3. Tenant must maintain “stop gap” coverage if Tenant obtains Workers’ Compensation coverage from any state fund if Employer’s liability coverage is not available.
- 16.4. All policies, except the Worker’s Compensation Policy, must name the Landlord as an additional insured on ISO forms CG 20 10 07 04 or CG 20 10 04 13; and CG 20 37 07 04 or CG 20 37 04 13, or their equivalent.
- 16.5. All policies must contain a waiver of subrogation in favor of the Landlord.
- 16.6. All policies must be primary and non-contributory.
- 16.7. All policies, except the Worker’s Compensation Policy, must insure the defense and indemnity obligations assumed by Tenant under this Agreement.
- 16.8. Tenant must pay any retention or deductible for the coverages required herein.
- 16.9. All policies must contain a provision or endorsement that coverages afforded thereunder will not be cancelled or non-renewed or restrictive modifications added, without thirty (30) days’ prior notice to the Landlord, except that if the cancellation or non-renewal is due to non-payment, the coverages may not be terminated or non-renewed without ten (10) days’ prior notice to the Landlord.
- 16.10. Tenant must maintain in effect all insurance coverages required under this Paragraph at Tenant’s sole expense and with insurance companies licensed to do business in the state in Minnesota and having a current A.M. Best rating of no less than A-, unless specifically accepted by Landlord in writing.
- 16.11. A copy of the Tenant’s Certificate of Insurance that evidences the compliance with this Paragraph must be filed with Landlord prior to the Possession Date. Upon request, Tenant must provide a copy of the Tenant’s insurance declaration page, Rider, or Endorsement. Such documents evidencing Insurance must be in a form acceptable to Landlord and must provide satisfactory evidence that Tenant has complied with all insurance requirements. Renewal certificates must be provided to Landlord prior to the expiration date of any of the required policies. Landlord will not be obligated, however, to review such Certificate of Insurance, declaration page, Rider, Endorsement or certificates or other evidence of insurance, or to advise Tenant of any deficiencies in such documents, and Landlord’s receipt thereof will not relieve Tenant from, nor be deemed a waiver of, Landlord’s right to enforce the terms of Tenant’s obligations hereunder. Landlord reserves the right to examine any policy provided for under this paragraph.
- 16.12. Effect of Tenant’s Failure to Provide Insurance. If Tenant fails to provide the specified insurance, then Tenant will defend, indemnify, and hold harmless the Landlord, the Landlord's officials, agents and employees from any loss, claim, liability, and expense (including reasonable attorney's fees and expenses of

litigation) to the extent necessary to afford the same protection as would have been provided by the specified insurance. Except to the extent prohibited by law, this indemnity applies regardless of any strict liability or negligence attributable to the Landlord (including sole negligence) and regardless of the extent to which the underlying occurrence (i.e., the event giving rise to a claim which would have been covered by the specified insurance) is attributable to the negligent or otherwise wrongful act or omission (including breach of contract) of Tenant, its subcontractors, agents, employees or delegates. Tenant agrees that this indemnity will be construed and applied in favor of indemnification. Tenant also agrees that if applicable law limits or precludes any aspect of this indemnity, then the indemnity will be considered limited only to the extent necessary to comply with that applicable law. The stated indemnity continues until all applicable statutes of limitation have run.

16.13. If a claim arises within the scope of the stated indemnity, the Landlord may require Tenant to furnish and pay for a surety bond, satisfactory to the Landlord, guaranteeing performance of the indemnity obligation; or furnish a written acceptance of tender of defense and indemnity from Tenant's insurance company. Tenant must take the action required by the Landlord within fifteen (15) days of receiving notice from the Landlord.

17. FIRE OR OTHER CASUALTY. Tenant covenants and agrees that if the Premises is damaged or destroyed by fire or other casualty, Tenant will promptly give written notice thereof to Landlord. If the Premises or the Project is damaged by fire or other casualty, Landlord will, at its option, either (a) undertake to restore such damage with all due diligence, or (b) in the event the Premises or the Project are damaged by fire or other cause to such extent that the damage cannot, in Landlord's sole judgment, be economically repaired within 180 days after the date of such damage, terminate this Lease, by notice given to Tenant within 60 days after the date of the damage. Any termination hereunder by reason of damage to the Premises will be effective as of the date of the damage. Any termination by reason of damage to the Project but not the Premises will be effective as of the date notice is given. If Landlord elects to restore, Landlord will not be obligated to restore any improvements in the Premises that are trade fixtures or personal property of the Tenant nor any improvement made by Tenant in violation of Tenant's obligations under Section 12.1 hereof. Upon substantial completion by Landlord of its work, Tenant must undertake to restore its leasehold improvements with all due diligence. This Lease will, unless terminated by Landlord pursuant to this Section 17, remain in full force and effect following such damage, and, in the case of damage to the Premises, the Base Rent and Additional Rent, prorated to the extent that the Premises are rendered untenable, will be equitably abated until such repairs are completed.

18. CONDEMNATION.

18.1. If the whole or any substantial part of the Premises is taken or condemned or purchased under threat of condemnation by any authority having the power of taking by eminent domain, then the Term of this Lease will cease and terminate as of the

date when the condemning authority takes the Premises. In the event part of the Project, but not the Premises, is condemned or purchased under threat of condemnation by any such authority to the extent that the Project cannot, in Landlord's sole judgment, be economically restored within a reasonable time, Landlord will have the option by notice given to Tenant within ninety (90) days after the date the condemning authority takes such part of the Project to terminate this Lease as of the date of such taking.

- 18.2. In the event of such condemnation or purchase, Landlord will be entitled to the entire amount, including the value of Tenant's interest in the Lease, awarded pursuant to such condemnation or of the purchase price. Tenant will not be entitled to any amount for the value of its interest in the Lease and Tenant hereby assigns the same to Landlord. Tenant will be entitled to relocation costs, if any, as may be awarded to it.

19. TERMINATION.

- 19.1. In the event of the sale or lease of the entire Project to an unrelated third party, Landlord may, at its sole option by 12 months prior written notice to Tenant, terminate this Lease.

- 19.2. Tenant may terminate this Lease at its sole option by providing 18 months' prior written notice to Landlord.

20. DEFAULT BY TENANT.

- 20.1 Any one of the following events will constitute an "Event of Default" by Tenant:

- (a) If Tenant fails to pay Base Rent, Additional Rent or any other charges required to be paid by Tenant when same is due and payable, and such failure continues for five (5) days after written notice from Landlord;

- (b) If Tenant fails to perform or observe any terms and conditions of this Lease, and such failure continues for ten (10) days after written notice from Landlord;

- (c) If Tenant refuses to take possession of the Premises at the Possession Date, or fails to open its doors for business on the Term Commencement Date as required herein;

- (d) If Tenant, or any guarantor of Tenant's obligations hereunder, makes an assignment for the benefit of creditors or files a petition, in any state court, in bankruptcy, reorganization, composition, or makes an application in any such proceedings for the appointment of a trustee or receiver for all or any portion of its property;

(e) If any petition is filed under state law against Tenant or any guarantor of Tenant's obligations hereunder in any bankruptcy, reorganization, or insolvency proceedings, and said proceedings are not dismissed or vacated within thirty (30) days after such petition is filed;

(f) If a receiver or trustee is appointed under state law for Tenant or any guarantor of Tenant's obligations hereunder, for all or any portion of the property of either of them, and such receivership or trusteeship is not set aside within thirty (30) days after such appointment; or

(g) If any execution, levy, attachment, or other legal process of law occurs upon Tenant's goods, fixtures, or interest in the Premises.

20.2 If an Event of Default occurs as set forth above, Landlord may at its sole option upon written notice to Tenant immediately terminate this Lease. Neither the passage of time after the occurrence of the Event of Default nor exercise by Landlord of any other remedy with regard to such Event of Default will limit Landlord's rights under this Section 20.

20.3 If an Event of Default occurs as set forth above, Landlord may enter upon and repossess the Premises (said repossession being hereinafter referred to as "Repossession") by summary proceedings, ejectment or otherwise as permitted by law, and may remove Tenant and all other persons and property therefrom. Tenant agrees that such re-entry by Landlord will not be construed as an election on Landlord's part to terminate this Lease, that right, however, being continuously reserved by Landlord. Landlord will not be deemed to have elected to terminate this Lease unless Landlord provides Tenant with written notice of that election.

20.4 From time to time after Repossession of the Premises, whether or not this Lease has been terminated, Landlord may, but will not be obligated to, attempt to sublet the Premises for the account of Tenant in the name of Landlord or otherwise, for such term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the Term) and for such terms (which may include concessions or free rent) and for such uses as Landlord, in its uncontrolled discretion, may determine, and may collect and receive the rent therefor. Any rent received must be applied against Tenant's obligations hereunder, but Landlord will not be responsible or liable for any failure to collect any rent due upon any such subletting.

20.5 No termination of this Lease pursuant to Section 20.2 and no Repossession of the Premises pursuant to Section 20.3 or otherwise will relieve Tenant of its liabilities and obligations under this Lease, all of which will survive any such termination or Repossession. In the event of any such termination or Repossession, whether or not the Premises has been sublet, Tenant must pay to Landlord the Base Rent and other sums and charges to be paid by Tenant up to the time of such termination or Repossession, and thereafter Tenant, until the end of what would have been the Term in the absence of such termination or Repossession, must pay to Landlord, as and for

liquidated and agreed current damages for Tenant's breach or Event of Default, the equivalent of the amount of the Base Rent, Additional Rent and such other sums and charges which would be payable under this Lease by Tenant if this Lease were still in effect, less the net proceeds, if any, of any subletting effected pursuant to the provisions of Section 20.4 after deducting all of Landlord's expenses in connection with such subletting, including, without limitation, all Repossession costs, brokerage and management commissions, operating expenses, legal expenses, attorneys' fees, alteration costs, and expenses of preparation for such subletting. Tenant must pay such current damages to Landlord semi-annually on the days on which the Base Rent would have been payable under this Lease if this Lease were still in effect, and Landlord will be entitled to recover the same from Tenant on each such day. At any time after such termination or Repossession, whether or not Landlord has collected any current damages as aforesaid, Landlord will be entitled to recover from Tenant, and Tenant must pay to Landlord on demand, as and for liquidated and agreed final damages for Tenant's breach or Event of Default, an amount equal to the then present value of the excess of the Base Rent, Additional Rent and other sums or charges reserved under this Lease from the day of such termination or Repossession for what would be the then unexpired Term if the same had remained in effect, over the amount of rent Tenant demonstrates that Landlord could in all likelihood actually collect for the Premises for the same period, said present value to be arrived at on the basis of a discount of four percent (4%) per annum.

- 20.6 Pursuit of any of the foregoing remedies will not preclude pursuit of any of the other remedies provided in this Lease or any other remedies provided by law (all such remedies being cumulative), nor will pursuit of any remedy provided in this Lease constitute a forfeiture or waiver of any rent due to Landlord under this Lease or of any damages accruing to Landlord by reason of the violation of any of the terms, provisions and covenants contained in this Lease.
- 20.7 No act or thing done by Landlord or its agents during the Term will be deemed a termination of this Lease or an acceptance of the surrender of the Premises, and no agreement to terminate this Lease or to accept a surrender of said Premises will be valid, unless in writing signed by Landlord. No waiver by Landlord of any violation or breach or Event of Default of any of the terms, provisions and covenants contained in this Lease will be deemed or construed to constitute a waiver of any other violation or breach or Event of Default of any of the terms, provisions and covenants contained in this Lease. Landlord's acceptance of the payment of rental or other payments after the occurrence of a violation, breach, or Event of Default will not be construed as a waiver of such breach or Event of Default, unless Landlord so notifies Tenant in writing. Forbearance by Landlord in enforcing one or more of the remedies provided in this Lease upon a violation, breach, or Event of Default will not be deemed or construed to constitute a waiver of such violation, breach, or Event of Default or of Landlord's right to enforce any such remedies with respect to such violation, breach, or Event of Default or any subsequent violation, breach, or Event of Default.

20.8 In addition to all other remedies of Landlord, Landlord will be entitled to reimbursement upon demand of all reasonable attorneys' fees incurred by Landlord in connection with any Event of Default.

21. DEFAULT BY LANDLORD.

21.1. Landlord will be in default if Landlord fails to perform the obligations required of Landlord within a reasonable time, but in no event later than ninety (90) days after written notice by Tenant to Landlord, specifying how Landlord has failed to perform such obligations provided, however, that if the nature of Landlord's obligation is such that more than fifteen (15) days are required for performance, then Landlord will not be in default if Landlord commences performance within such fifteen (15) day period and thereafter diligently prosecutes the same to completion.

22. LANDLORD'S RIGHT TO CURE DEFAULT. If Tenant commits an Event of Default (or if any breach exists and Landlord has good cause for action prior to expiration of Tenant's grace period), then Landlord may, but is not required to, make such payment or do such act, or correct any damage caused by such prohibited act and to enter the Premises as appropriate in connection therewith, and the amount of the expense thereof, if made or done so by Landlord, must be paid by Tenant to Landlord and will constitute Additional Rent hereunder due and payable with the next installment of rent but the making of such payment or the doing of such act by Landlord will not operate to cure such Event of Default or breach or to estop Landlord from the pursuit of any remedy of which Landlord would otherwise be entitled.

23. WAIVER. No waiver by either party of any breach of any agreement herein contained will operate as a waiver of such agreement itself, or of any subsequent breach thereof. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly installments of rent herein stipulated will be deemed to be other than on account of the earliest stipulated rent nor will any endorsement or statement on any check or letter accompanying a check for payment of rent be deemed an accord and satisfaction, nor will acceptance of rent with knowledge of breach constitute a waiver of the breach, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent, to terminate this Lease, to Repossession of the Premises, or to pursue any other remedy provided in this Lease. No re-entry by Landlord, and no acceptance by Landlord of keys from Tenant, will be considered an acceptance of a surrender of the Lease.

24. RULES AND REGULATIONS. Tenant must use the Premises and the Common Areas of the Project only in accordance with the terms of this Lease and such additional rules and regulations as may from time to time be reasonably made by the Landlord, after consultation with Tenant, for the general safety, comfort and convenience of the owners, occupants and tenants of the Project, and Tenant must use its best efforts to cause Tenant's officers, employees, agents, and invitees to abide by such rules and regulations. Landlord will in no event be responsible to Tenant for enforcement of such rules and regulations against other tenants.

25. COVENANT OF QUIET ENJOYMENT. Landlord covenants that it has the right to make this Lease for the Term and covenants that if Tenant pays the rent and performs all of the covenants, terms, and conditions of this Lease to be performed by Tenant, Tenant will, during the Term, freely, peaceably, and quietly occupy and enjoy the full possession of the Premises. The liability of the original Landlord and any successor Landlord under this Lease is limited to its interest in the Project.
26. NO REPRESENTATIONS BY LANDLORD. Neither Landlord nor any officer, agent or employee of Landlord has made any representations or promises with respect to the Premises or the Project except as herein expressly set forth, and no right, privileges, easements, or licenses are acquired by Tenant except as herein expressly set forth. No exhibit attached to this Lease nor any other materials provided by Landlord will constitute a warranty or agreement as to the configuration of the Project or the occupants thereof. Landlord reserves the right from time to time to modify the Project, including Common Areas, appurtenances, and rentable areas, without in any case reducing the obligations of Tenant hereunder. Tenant has no right to light or air over any Premises adjoining the Project. The Tenant, by taking possession of the Premises, accepts the same “as is” except as expressly provided in this Lease and such taking of possession is conclusive evidence that the Premises and the Project are in good and satisfactory condition at the time of such taking of possession.
27. NOTICES. All notices or other communications hereunder must be in writing and must be hand delivered or sent by registered or certified first-class mail, postage prepaid, or by overnight air express service:

if to Landlord:
City of Eden Prairie
Attn: City Manager
8080 Mitchell Road
Eden Prairie, MN 55344-2230

if to Tenant:
Independent School District No. 272
Attn: Superintendent
8100 School Road
Eden Prairie, MN 55344

or at such place as a party has given notice to the other. The day notice is given by mail or overnight air express service will be deemed to be the day following the day of mailing or delivery to such express service.

28. ESTOPPEL CERTIFICATES. Tenant agrees at any time and from time to time, upon not less than five (5) days prior written notice by Landlord, to execute, acknowledge and deliver to Landlord or a party designated by Landlord a statement in writing (i) certifying that this Lease is unmodified and in full force and effect, or if there have been modifications, that the Lease is in full force and effect as modified and stating the modifications, (ii) stating the dates to which the rent and other charges hereunder have been paid by Tenant, (iii) stating whether

or not Landlord is in default in the performance of any covenant, agreement or condition contained in this Lease, and, if so, specifying each such default (iv) agreeing that Tenant and Landlord will not thereafter modify the Lease without the approval of any mortgagee identified by Landlord, and (v) agreeing that, except for any security deposit required herein, Tenant will not prepay any rent more than six (6) months in advance, and (vi) such other matters relating to this Lease as may reasonably be requested. It is understood that clause (v) will not limit Landlord's right to liquidated or other damages as provided in this Lease. Any such statement delivered pursuant hereto may be relied upon by any owner of the Project, any prospective purchaser of the Project, any mortgagee or prospective mortgagee of the Project or of Landlord's interest, or any prospective assignee of any such mortgagee. Tenant acknowledges that failure to comply with this Section 28 on a timely basis could result in loss of a favorable sale or financing and Tenant agrees to be liable for any consequential damages resulting from Tenant's breach hereunder.

29. SURRENDER; HOLDING OVER. Upon the expiration of this Lease or the earlier termination of Tenant's right to possession, Tenant must immediately vacate the Premises, remove all of its property, remove any Hazardous Materials installed, used, generated, stored, or disposed of by Tenant, and leave the Premises in the condition required by this Lease. Any property not removed will be deemed abandoned, and Tenant will be liable for all costs of removal. Should the Tenant continue to occupy the Premises, or any part thereof, after the expiration or termination of the Term, whether with or without the consent of the Landlord, such tenancy will be from month to month. Tenant must pay to Landlord on or before the first day of each month of the holding over period 1.25 times the fair market rental value of the Premises as determined by reference to the market for comparable facilities without reference to the Base Rent provided herein. Tenant will be liable for Additional Rent and all other sums and charges required by it to be paid under this Lease. If Tenant's holdover is without the consent of Landlord, neither this Section 29 nor the acceptance of any rent hereunder will prevent Landlord from exercising any remedy to regain immediate possession of the Premises.
30. ENERGY CONSERVATION. Wherever in this Lease any terms, covenants or conditions are required to be kept or performed by the Landlord, the Landlord will be deemed to have kept and performed such terms, covenants and conditions notwithstanding any act or omission of Landlord, if such act or omission is pursuant to any governmental regulations, requirements, or directives. Without limiting the generality of the foregoing, the Landlord may reduce the quantity and quality of all utility and other services and impose such regulations as the Landlord deems necessary in order to conserve energy, so long as Landlord does not unreasonably interfere with the Tenant's use of the Premises.
31. BROKERS. Tenant and Landlord each warrants that it has not engaged or dealt with any broker in connection with this Lease, and Tenant and Landlord each agrees to be responsible for broker's fees or finder's fees asserted by anyone on account of any dealings with it in connection with this Lease.
32. TENANT'S TAXES. At least ten (10) days prior to delinquency, Tenant must pay all taxes, if any, levied or assessed upon (i) Tenant's equipment, furniture and other personal property

located in or about the Premises, and (ii) this Lease or the rent paid hereunder or any portion thereof, excluding any tax measured by Landlord's net income. If any such taxes are imposed upon Landlord, Tenant must pay to Landlord, at least twenty (20) days before the date each installment is due to the taxing authority, the portion allocable to Tenant pursuant to this Section 32.

33. MISCELLANEOUS.

- 33.1. This is a Minnesota contract and must be construed according to the laws of Minnesota.
- 33.2. The captions in this Lease are for convenience only and are not a part of this Lease.
- 33.3. Time is of the essence.
- 33.4. The provisions of this Lease which relate to periods subsequent to the expiration of the Term will survive expiration.
- 33.5. If any provision of this Lease is invalid or unenforceable to any extent, then the remainder of such provision and the remainder of this Lease will continue in effect and be enforceable to the fullest extent permitted by law.
- 33.6. This Lease contains the entire agreement of the parties hereto with respect to the Premises and Project. This Lease may be modified only by a writing executed and delivered by both parties.
- 33.7. This Lease will be binding upon and inure to the benefit of the parties hereto and, subject to the restrictions and limitations herein contained, their respective heirs, successors and assigns.

34. DISPUTE RESOLUTION PROCEDURE. Except as provided for in Section 20, prior to the initiation of litigation all disputes arising between the parties involving the interpretation or application of the terms and conditions of this Agreement, including, but not limited to, any alleged breach and the rights and obligations of the parties, both monetary and non-monetary, are subject to the dispute resolution procedure set forth herein.

- 34.1. Conference. The first stage of dispute resolution is a conference. When a dispute has arisen between the parties and is not settled promptly in the normal course of business, the complaining party must notify the other party of its complaint by means of a brief written statement. The statement must describe with specificity the alleged wrong and must set forth the complaining party's position.

The parties must meet within ten (10) calendar days of receipt of the complaining party's written statement. Each party may designate those person(s) who will meet as representatives on that party's behalf. The complaining party will present its position, claims, defenses, and other relevant information. Following the

complaining party's presentation, the other party will present its position, claims, defenses, and other relevant information. Each party will have up to one (1) hour to make its presentation.

Immediately following the parties' presentations, the parties must meet for the purpose of resolving the dispute.

- 34.2. Mediation. The second stage of dispute resolution is mediation. If the parties are unable to negotiate an amicable resolution of a dispute in the first stage described above, the parties must submit the dispute to mediation before commencing any judicial proceeding. Upon service of a written notice requesting mediation, the parties will have ten days to select one person to act as a mediator. If the parties are unable to agree upon a mediator, the Chief Judge of the Hennepin County District Court of Minnesota will select a mediator. The mediation will be conducted pursuant to the procedures used by the mediator. Each party will bear its own cost of the mediation process. The parties will share equally the fees and expenses of the mediator. Any dispute not resolved by mediation may be submitted to a court of competent jurisdiction.
35. SUBORDINATION AND NON-DISTURBANCE. This Lease is subject and subordinate to all present and future mortgages, indentures, trusts and other instruments which create a lien upon the Premises ("Mortgages"). In confirmation of such subordination, Tenant must, at Landlord's request from time to time, promptly execute any certificate or other document requested by the holder of any Mortgage, provided that as to factual matters it is true and accurate. Tenant agrees that in the event that any proceedings are brought for the foreclosure of any Mortgage, Tenant will immediately and automatically attorn to the purchaser at such foreclosure sale, as the Landlord under this Lease, and Tenant waives the provisions of any statute or rule of law, now or hereafter in effect, which may give or purport to give Tenant any right to terminate or otherwise adversely affect this Lease or the obligations of Tenant hereunder in the event that any such foreclosure proceeding is prosecuted or completed. Neither the holder of any Mortgage (whether it acquires title by foreclosure or by deed in lieu thereof) nor any purchaser at foreclosure sale will be liable for any act or omission of Landlord, subject to any offsets or defenses which Tenant might have against Landlord or by any modification of this Lease made subsequent to written notice to Tenant specifying the name and address of any holder of a Mortgage. Notwithstanding anything to the contrary in this Section 35, so long as there is no breach or Event of Default by Tenant under this Lease, this Lease will remain in full force and effect and the holder must not disturb Tenant's possession hereunder. For the purposes of this Section 35, a Mortgage will be deemed to continue in effect after foreclosure thereof and during the period of redemption therefrom.
36. ORIGINAL LEASE AGREEMENT. Landlord and Tenant specifically agree to the following regarding the Original Lease Agreement referenced in Recital Paragraph A:
- 36.1. Tenant will vacate the premises described in the Original Lease Agreement, with the exception of the TASSEL Space that is the "Premises" defined in this Lease (the "Vacated Space"), on or before August 31, 2021.

36.2. Tenant must comply with all terms and conditions of the Original Lease Agreement, with respect to the Vacated Space, including its obligation to pay rent to Landlord, through December 31, 2021; provided, however, that if Landlord enters into a lease with a new tenant for all or any portion of the Vacated Space that commences prior to January 1, 2022, Tenant will be released from its obligations with respect to that space under the Original Lease Agreement, except for its obligation to pay rent.

36.3. The Original Lease Agreement will terminate effective December 31, 2021.

IN WITNESS WHEREOF, Independent School District No. 272 has caused this Lease to be executed in its corporate name by its duly authorized officers and the City of Eden Prairie has caused this Lease to be executed in its name by its duly authorized officers as of the date first above written.

[Signature and notary page follows]

Exhibit A: Legal Description of Land
Exhibit B: Description of Premises
Exhibit C: Improvements

Exhibit A

Legal Description of Land

That part of the East 1/2 of the Northeast 1/4 of Section 16, Township 116, Range 22, West of the 5th principal meridian, lying Southerly of a line drawn from a point on the East line of the Northeast 1/4 of said section which is distant 1106.50 feet North along said East line from the Southeast corner of said Northeast 1/4 to a point on the West line of the East 1/2 of said Northeast 1/4 which is distant 953.5 feet North along said West line from the Southwest corner of said East 1/2; except the South 298.20 feet of the West 323.90 feet of the East Half of the Northeast Quarter of Section 16, Township 116, Range 22 West of the 5th Principal Meridian, Hennepin County, Minnesota; subject to the rights of way of Scenic Heights Road, Mitchell Road and Technology Drive

Exhibit B
Description of Premises

Exhibit C Improvements

Tenant will be making deferred maintenance updates to the Premises, including painting the interior of the Premises, installing new doors, and installing new flooring.