STATE OF MINNESOTA

LEASE

LEASE NO. 11625-A

THIS LEASE is made by and through the Board of Trustees of Minnesota State Colleges and Universities 350 Wells Fargo Place, 30 E 7th Street, St. Paul Minnesota 55101-4946, on behalf of Northland Community and Technical College, hereinafter referred to as LESSOR, and the State of Minnesota, Department of Administration, hereinafter referred to as LESSEE, acting for the benefit of the Department of Employment and Economic Development.

WHEREAS, the Commissioner of Administration is empowered by Minn. Stat. §16B.24, subd. 6, to rent out state owned property;

NOW, THEREFORE, LESSOR and LESSEE, in consideration of the rents, covenants and any other considerations herein specified, agree to the following.

1. LEASED PREMISES

   LESSEOR grants and LESSEE accepts lease of the following described Leased Premises located in the City of Thief River Falls, County of Pennington, Minnesota 56701:

   approximately two thousand nine hundred forty (2,940) usable square feet of office space, as shown on the attached Exhibit A ("Leased Premises"), in the Administration Building located on the campus of Northland Community and Technical College at 1301 Highway One East ("Building").

2. USE

   LESSEE shall use and occupy the Leased Premises only as office and employment resources space and related activities.

3. LEASE TERM

   The term of this Lease is five (5) years, commencing May 1, 2007 and continuing through April 30, 2012 ("Lease Term").

4. RENT

   4.1 Rent Payment

      In consideration for the covenants, representations and conditions of the Lease, LESSEE shall pay LESSOR rent for the Lease Term in the sum of two hundred forty eight thousand seven hundred twenty four and no/100 dollars ($248,724.00) according to the following schedule:
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<table>
<thead>
<tr>
<th>Lease Period</th>
<th>Usable Square Feet</th>
<th>Bldg. Wing Project Cost Amortization *</th>
<th>Operating Cost</th>
<th>Gross Rent Per Sq. Ft.</th>
<th>Gross Monthly Rent</th>
<th>Gross Rent for Lease Period</th>
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<td>05/01/07 - 04/30/08</td>
<td>2,940</td>
<td>$12.08</td>
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* $12.08 per square foot is based on $2,337,698 Project Cost (cost of new bldg. wing construction for 5,110 square feet at 5% interest amortized over 20 years, from 05/01/07 through 04/30/27.

### 4.2 Rent Billing Address
LESSOR shall mail or personally deliver original bills and statements to LESSEE at the following address:

Dept. of Employment and Economic Development  
Fiscal Management Division  
1st National Bank Building, Suite E200  
332 Minnesota Street  
St. Paul MN 55101-1351

### 4.3 Rent Payment Address
LESSEE shall mail or deliver each monthly rent payment by the end of the applicable calendar month to LESSOR at the following address:

Northland Community and Technical College  
1101 Highway One East  
Attn: Administration/Accounts Receivable  
Thief River Falls MN 56701

### 4.4 Representation and Quiet Enjoyment
LESSOR represents and warrants that it is solely entitled to all rent payable under the terms of this Lease and that LESSEE shall have the quiet enjoyment of the Leased Premises during the full Lease Term and any extension or renewal thereof.

### 5. TERMINATION

#### 5.1 Funding
In the event that the Minnesota State Legislature does not appropriate to the Department of Employment and Economic Development funds necessary for the continuation of this Lease, or in the event that Federal Funds necessary for the continuation of this Lease are withheld for any reason, LESSEE may terminate this Lease upon provision of thirty (30) days prior written notice to LESSOR of such intent.
5.2 **Statute**  Pursuant to Minn. Stat. §16B.24, subd. 6, this Lease is subject to cancellation upon thirty (30) days written notice by LESSEE for any reason except lease of other non-state-owned land or premises for the same use.

5.3 **LESSEE's Thirty Day Notice**  Notwithstanding Clauses 5.1 and 5.2 above, this Lease may be terminated by LESSEE for any reason at any time upon provision of thirty (30) days prior written notice of such intent to LESSOR.

6. **SURRENDER OF LEASED PREMISES**  LESSEE covenants that at the expiration or earlier termination of this Lease, it shall remove its personal property and vacate and surrender possession of the Leased Premises to LESSOR in as good condition as when LESSEE took possession, ordinary wear and damage by the elements excepted. Alterations or fixtures attached to the Leased Premises shall remain a part thereof and shall not be removed unless LESSOR elects to permit such removal.

7. **DUTIES OF LESSOR**  LESSOR, solely at LESSOR's expense, shall furnish and provide for the use of LESSEE in the Leased Premises and the Building:

   7.1 heating, cooling, water and sewer services

   7.2 trash removal and recycling services

   7.3 janitorial services and supplies

8. **DISABILITY ACCESS GUIDELINES**  LESSOR shall provide and maintain the Leased Premises and the Building with accessibility and facilities meeting code requirements for persons with disabilities, including, but not limited to: Title II and III of the American with Disabilities Act (ADA), applicable laws, rules, ordinances and regulations issued by any federal, state or local political subdivisions with jurisdiction and authority in connection with said property.

9. **DUTIES OF LESSEE**  Except as otherwise provided herein, LESSEE shall:

   9.1 Furnish materials and services required for its specific Use of the Leased Premises.

   9.2 Maintain the Leased Premises in a reasonably good condition and state of repair during the continuance of its tenancy.

   9.3 Observe reasonable precautions to prevent waste of heat, electricity, water, air conditioning, any other utility or service, whether such is furnished by LESSOR or obtained and paid for by LESSEE.
10. **INSURANCE**

10.1 **Liability**  LESSOR and LESSEE agree that each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the results thereof.

10.2 **LESSEE's Personal Property**  LESSEE agrees that LESSOR assumes by this Lease no liability for loss of LESSEE'S personal property resulting from fire, tornado, civil disorder, theft or any cause whatsoever, except as may be attributed to LESSOR'S negligence, acts or omissions as determined by a court of law.

11. **MAINTENANCE AND REPAIRS**

11.1 **General**  It shall be the duty of LESSOR to maintain at its own expense, in working condition, all appurtenances and service appurtenances within the scope of or required by this Lease, including the timely maintenance and repair of plumbing, wiring, heating (and, if applicable, cooling) devices and ductwork.

11.2 **Exclusions**  LESSOR shall not be responsible for repairs upon implements or articles which are the personal property of LESSEE, nor shall LESSOR bear the expense of repairs to the Leased Premises necessitated by damage caused by LESSEE beyond normal wear and tear.

**ATTACHMENTS:**

**Exhibit A**  Leased Premises Floor Plan
IN WITNESS WHEREOF, the parties hereto have set their hands on the date(s) indicated below intending to be bound thereby.

LESSOR:
STATE OF MINNESOTA
BY AND THROUGH
THE BOARD OF TRUSTEES OF
MINNESOTA STATE COLLEGES AND
UNIVERSITIES ON BEHALF OF
NORTHLAND COMMUNITY AND
TECHNICAL COLLEGE

By_:_____________________
Laura M. King
Title: Vice Chancellor and Chief Financial Officer
Date: 10/22/07

LESSEE:
STATE OF MINNESOTA
DEPARTMENT OF ADMINISTRATION
COMMISSIONER

By: _______________________
Susan T. Estes
Real Estate and Construction Services
Date: 10/22/07

APPROVED:
STATE OF MINNESOTA
DEPARTMENT OF DEPARTMENT OF
EMPLOYMENT AND ECONOMIC
DEVELOPMENT

By: _______________________
Title: Deputy Commissioner
Date: Sept. 26, 2007

RECOMMENDED:
NORTHLAND COMMUNITY AND
TECHNICAL COLLEGE

By: _______________________
Title: President
Date: 10/8/07

STATE ENCUMBRANCE VERIFICATION
Individual signing certifies that funds are encumbered as required by Minn. Stat. §16A.15 and §16C.05.

By: _______________________
Date: 9/24/07
CFMS Contract No. 11625-A
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