

SECOND LEASE AMENDMENT

This SECOND AMENDMENT TO THE LEASE is made as of the 1st day of July 2023 by and between Stealth Properties, Inc., the owner of the premises having an address of 1720 Burlington Avenue, Suite 102, Bismarck, ND 58504 (LANDLORD), and the State of North Dakota, North Dakota Department of Health and Human Services (STATE) having an address of 600 E Boulevard Avenue, Dept. 325, Bismarck, North Dakota 50505. The original lease was entered by the parties in May, 2019.

WHEREAS, paragraph 3 TERM OF THE LEASE, states "The term of this Lease shall be for period of 49 months, commencing on the 1st day of June, 2019 and terminating on the 30th day of June, 2023. The STATE shall have the right, but not the obligation to extend the term of this lease for one (1) four (4) – year term following the initial lease ending on June 30, 2027."

WHEREAS, paragraph 5 RENTAL PAYMENTS, states "The STATE will pay rent of the premises consisting of 19,840 square feet, at \$12.50 per square foot per annum, or \$248,000.00 per annum in years one and two. Rent will be paid in advance by the 10th day of each month in a monthly amount of \$20,666.67 which is 1/12 of the annual amount, commencing on the 1st day of July, 2019, and continuing monthly thereafter until the 31st day of June, 2021. Commencing on the 1st day of July 2021 the rent shall increase to \$13.00 per square foot per annum, or \$257,900.00 per annum. Rent will be paid in advance by the 10th day of each month in a monthly amount of \$21,493.33 which is 1/12 of the annual amount, and continuing monthly thereafter for the term of this Lease."

"If the option lease term is executed, commencing the 1st day of July 2023 the rent for the premises, consisting of 19,840 square feet at \$13.50 per square foot per annum, or \$267,840.00 per annum. Rent will be paid in advance by the 10th day of each month in a monthly amount of \$22,320.00 which is 1/12 of the annual amount, and continuing monthly thereafter until the 31st day of June 2025.

Commencing the 1st day of July 2025 the rent shall increase to \$14.00 per square foot per annum, or \$277,760.00 per annum. Rent will be paid in advance by the 10th day of each month in a monthly amount of \$23,146.67 which is 1/12 of the annual amount, and continuing monthly thereafter for the term of the Lease option which expires on the 31st day of June, 2027.

Rent is payable at the address of landlord, which is Bismarck industries incorporated. 1640 burnt boat drive, Bismarck North Dakota 58503, unless state is notified otherwise in writing by landlord or payable by ACH to bank account designated by landlord."

WHEREAS, the Lease was previously amended on October 2020 to assign Bismarck Industries rights and duties to Stealth Properties, Inc as a result of property sale.

In addition, the STATE leased an additional 504 square feet of storage space at the base rate of the original lease or \$12.50 per square foot per annum, or \$6,300 per annum in years one and two. Rent to be paid in advance by the 10th day of each month in a monthly amount of \$525 which is 1/12 of the annual amount, commencing on the 1st day of October, 2020, and continuing monthly thereafter until the 30th day of June, 2021. Commencing the 1st day of July, 2021 the rent shall increase to \$13.00 per square foot per annum, or \$6,552 per annum. Rent will be in advance by the 10th day of each month in a monthly amount of \$546 which is 1/12 of the annual amount, and continuing monthly thereafter for the term of the lease.

WHEREAS, STATE elects to exercise its option to extend the term of the lease for an additional four-year term.



NOW THEREFORE, the parties agree to extend the Lease for an additional four-year commencing on July 1, 2023; therefore, the Lease is amended to change the expiration date to June 30, 2027. The Lease has no remaining extensions. The parties also agree that commencing the 1st day of July 2023 the rent for the premises consisting of 20,344 square feet at \$13.50 per square foot per annum or \$274,644.00 per annum. Rent will be paid in advance by the 10th of each month in a monthly amount of \$22,887.00 which is 1/12 of the annual amount and continuing monthly thereafter until the 31st day of June, 2025.

Commencing the 1st day of July 2025 the rent shall increase to \$14.00 per square foot per annum, or \$284,816.00 per annum. Rent will be paid in advance by the 10th of each month in a monthly amount of \$23,734.67 which is 1/12 of the annual amount in continuing monthly thereafter for the term of the lease option which expires on the 31st day of June 2027.

The parties agree that the terms and conditions of the Lease Agreement and this Amendment govern and control the rights and obligations of the parties.

All other terms of the Lease Agreement remain in effect. This Amendment is not effective until fully executed by the parties.

LANDLORD	STATE
Stealth Properties, Inc.	Department of Health and Human Services
BY:	BY:
Printed:	Printed: Christopher D. Jones
Title:	Title: Executive Director of Public Health
Date:	Date:

REVIEWED BY ATTORNEY GENERAL	APPROVED BY OMB FACILITY MANAGEMENT
BY: 	BY: 
Printed: Allyson Hicks	Printed: John Boyle
Title: Assistant Attorney General	Title: Director, Facilities Management
Date: 6/22/23	Date: 6-22-2023