



A Real Estate Services Company
6897 139th Lane NW
Ramsey, MN 55303
763.862.2005 Office
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City of Ramsey
7550 Sunwood Drive
Ramsey, Minnesota 55303

June 5, 2013

RE: Proposal to lease space at: **6701 Hwy 10 Ramsey, MN**

Dear Ms. Lund,

This correspondence is to serve as a letter of intent to enter into a lease agreement for warehouse space located at 6701 Hwy 10 Ramsey, MN. This letter of intent will allow us to move forward on a layout and to finalize a building lease agreement for the building. The general terms of the lease are anticipated to be as follows:

TENANT: Pact Charter School
7250 East Ramsey Parkway
Ramsey, MN 55303

- 1) LOCATION:** 6701 Hwy 10 Ramsey, MN. Storage area approximately shown on Exhibit A, attached.
- 2) SIZE:** Approximately 420 square feet of demised, heated storage space on the East side of the building and shown on Exhibit A. In addition, Pact Charter desires approximately 5,040 square feet of cold storage space as shown on Exhibit A. This will require access to both the East and West loading doors (doors 2,3,4,13,14,15 and door 12 (heated bay)).
- The storage space will be used for school buses. Pact Charter plans to store 10 buses. Each bus is approximately 10' wide at the mirrors and 40' in length.
- 3) LEASE TERM:** One (1) year.
- 4) COMMENCEMENT DATE:** July 1, 2013.
- 5) BASE RENT:** Pact Charter School will pay the following yearly rent for all storage space:
- | | |
|--------|--------------------------------------------------------------------------------|
| Year 1 | \$1.00 / rsf / gross, plus a share of the electrical useage as described below |
|--------|--------------------------------------------------------------------------------|
- 6) IMPROVEMENTS:** Building Owner will provide the following improvements to the space prior to Lease Commencement:
- 1) All mechanical (including the garage doors), plumbing and electrical (including lights) systems shall be in proper operation at Landlord turnover.
 - 2) Pact Charter wishes to modify the space as follows, at their sole expense
 - o Add electrical operators on each garage door within their premises.
 - o Add additional electrical in the Premises to power engine block heaters for the buses. An electrical sub-meter would be installed to monitor the electrical useage.
- 7) SECURITY DEPOSIT:** One months gross rent shall be due upon Lease execution.
- 8) 1st MONTH DUE:** First months gross rent shall be due at Lease execution.
- 9) USE:** Tenant shall use the space for storage of school buses.

10) SIGNAGE: None required.

11) OPERATING COSTS: **Pact Charter School** will pay for their own electrical useage, trash, and snowplowing and heat for the one heated bay. All other utilities are included in the gross rent.

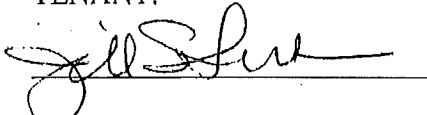
14) FEE'S: Landlord shall pay Premier Commercial Properties, Inc. a Leasing fee of 5% of the total rent for the term which is due upon Lease Commencement.

15) INSURANCE: As required by the lease, to include liability and property insurance.

Both **Pact Charter School** and **Landlord** intend to negotiate diligently and enter into a formal lease agreement no later than June 30th, 2013. We hope that these terms are generally acceptable and that we can move forward in finalizing a lease. We also hope you understand that this is a **non-binding letter of intent**, and that the only binding agreement between both parties will be the completed and signed Lease.

Please indicate your understanding and acceptance of these general terms by signing below and returning to my attention.

TENANT:



Thank you,

BUILDING OWNER:

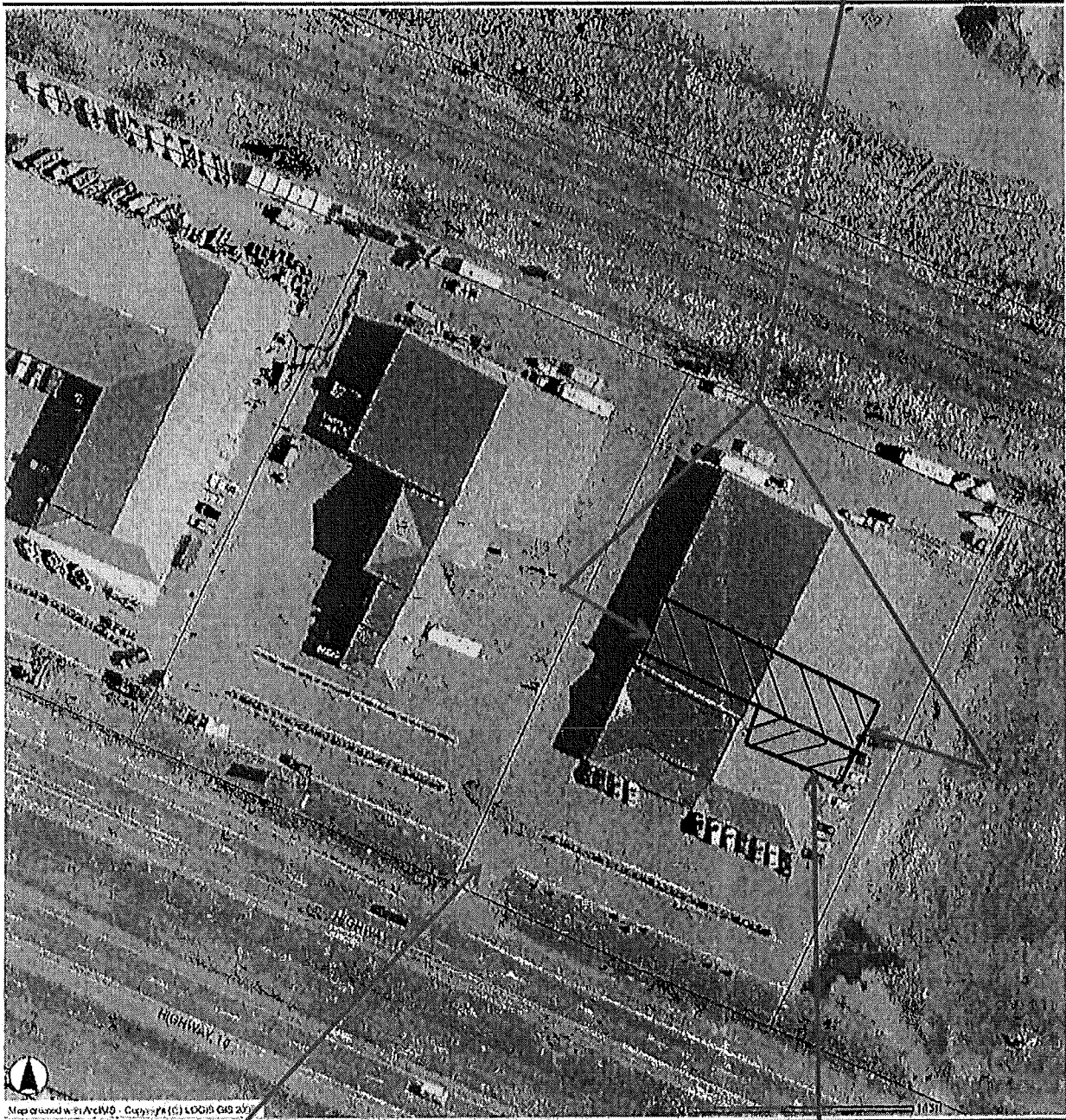
Marty Fisher

Direct (763) 862-2005

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Exhibit A

Cold storage space
of approximately 5,040 sq ft.
Includes doors 2, 3, 4, 12, 13, 14, 15



Joint or common
access and drive lane

Heated and demised bay
of 420 rsf