

State of Minnesota Department of Education ("MDE")

PROPOSAL ANALYSIS

ORIGINAL RENT PROPOSAL WITH SCOPE OF WORK 9/2/21									
LEASE PERIOD				SQUARE FEET	RATE PER SQ. FT.	MONTHLY PAYMENT	RENT FOR LEASE PERIOD		
6/1/22	-	5/31/23	Office	69,770	\$24.75	\$143,900.63	\$ 1,726,807.50		
			Storage	10,000	\$14.00	\$11,666.67	\$ 140,000.00		
6/1/23	-	5/31/24	Office	69,770	\$25.35	\$147,389.13	\$ 1,768,669.50		
			Storage	10,000	\$14.42	\$12,016.67	\$ 144,200.00		
6/1/24	-	5/31/25	Office	69,770	\$25.95	\$150,877.63	\$ 1,810,531.50		
			Storage	10,000	\$14.85	\$12,377.17	\$ 148,526.00		
6/1/25	-	5/31/26	Office	69,770	\$26.55	\$154,366.13	\$ 1,852,393.50		
			Storage	10,000	\$15.30	\$12,748.48	\$ 152,981.78		
6/1/26	-	5/31/27	Office	69,770	\$27.15	\$157,854.63	\$ 1,894,255.50		
			Storage	10,000	\$15.76	\$13,130.94	\$ 157,571.23		
6/1/27	-	5/31/28	Office	69,770	\$27.75	\$161,343.13	\$ 1,936,117.50		
			Storage	10,000	\$16.23	\$13,524.86	\$ 162,298.37		
6/1/28	-	5/31/29	Office	69,770	\$28.35	\$164,831.63	\$ 1,977,979.50		
			Storage	10,000	\$16.72	\$13,930.61	\$ 167,167.32		
6/1/29	-	5/31/30	Office	69,770	\$28.95	\$168,320.13	\$ 2,019,841.50		
			Storage	10,000	\$17.22	\$14,348.53	\$ 172,182.34		
6/1/30	-	5/31/31	Office	69,770	\$29.55	\$171,808.63	\$ 2,061,703.50		
			Storage	10,000	\$17.73	\$14,778.98	\$ 177,347.81		
6/1/31	-	5/31/32	Office	69,770	\$30.15	\$175,297.13	\$ 2,103,565.50		
			Storage	10,000	\$18.27	\$15,222.35	\$ 182,668.25		
						<b>TOTAL</b>	<b>\$20,756,808.10</b>		
				Average Rate Office	\$27.45				
				Average Rate Storage	\$16.05				

NEGOTIATED FINAL RENTAL RATES									
LEASE PERIOD				SQUARE FEET	RATE PER SQ. FT.	MONTHLY PAYMENT	RENT FOR LEASE PERIOD		
6/1/22	-	6/30/22	Office	85,065	\$21.00	\$148,863.75	\$ 148,863.75		
			Storage	10,020					
7/1/23	-	5/31/24	Office	85,065	\$21.00	\$148,863.75	\$ 1,637,501.25		
			Storage	10,020	\$12.00	\$10,020.00	\$ 110,220.00		
6/1/23	-	5/31/24	Office	85,065	\$21.50	\$152,408.13	\$ 1,828,897.50		
			Storage	10,020	\$12.50	\$10,437.50	\$ 125,250.00		
6/1/24	-	5/31/25	Office	85,065	\$22.00	\$155,952.50	\$ 1,871,430.00		
			Storage	10,020	\$13.00	\$10,855.00	\$ 130,260.00		
6/1/25	-	5/31/26	Office	85,065	\$22.50	\$159,496.88	\$ 1,913,962.50		
			Storage	10,020	\$13.50	\$11,272.50	\$ 135,270.00		
6/1/26	-	5/31/27	Office	85,065	\$23.00	\$163,041.25	\$ 1,956,495.00		
			Storage	10,020	\$14.00	\$11,690.00	\$ 140,280.00		
6/1/27	-	5/31/28	Office	85,065	\$23.50	\$166,585.63	\$ 1,999,027.50		
			Storage	10,020	\$14.50	\$12,107.50	\$ 145,290.00		
6/1/28	-	5/31/29	Office	85,065	\$24.00	\$170,130.00	\$ 2,041,560.00		
			Storage	10,020	\$15.00	\$12,525.00	\$ 150,300.00		
6/1/29	-	5/31/30	Office	85,065	\$24.50	\$173,674.38	\$ 2,084,092.50		
			Storage	10,020	\$15.50	\$12,942.50	\$ 155,310.00		
6/1/30	-	5/31/31	Office	85,065	\$25.00	\$177,218.75	\$ 2,126,625.00		
			Storage	10,020	\$16.00	\$13,360.00	\$ 160,320.00		
6/1/31	-	5/31/32	Office	85,065	\$25.50	\$180,763.13	\$ 2,169,157.50		
			Storage	10,020	\$16.50	\$13,777.50	\$ 165,330.00		
						<b>TOTAL</b>	<b>\$21,195,442.50</b>		
				Average Rate Office	\$23.25				
				Average Rate Storage	\$13.25				

Improvements	SF	Rate	Value
	69,770	\$60.00	\$4,186,200.00

Office SF	69,770
Storage SF	10,000
Total SF	79,770

Free Parking	279
Car Chargers	\$8,000.00
ADA Ramp	\$100,000.00
Exterior Signage	\$5,000.00

Improvements	SF	Rate	Value
	85,065	\$68.00	\$5,784,420.00

Office SF	85,065
Storage SF	10,020
Total SF	95,085

Common Areas	\$160,000.00
Common Area Furniture	\$20,000.00
Parking Lot	\$15,000.00
Dock	\$10,000.00
Ramp Maintenance Fee	\$10,000.00
Trash Enclosures	\$15,000.00
Free Rent Storage	\$149,212.00
	\$379,212.00

March-June

Rent Savings			
	SF	Annual Rent	10 Year Rent
Current Lease	164,422.00	\$3,892,220.88	\$38,922,209
New Lease	95,085.00	See schedule Above	\$21,195,443
			<b>\$17,726,766</b>

Negotiation Results	
Rent Savings	\$ 438,634.40
Additional Improvement Allowance	\$1,598,220.00
Improvements/Free Rent outside of Tenant Allowance	\$379,212.00
	<b>\$2,416,066.40</b>

Notes: SF increased from original offering and rental rate decreased from \$21.75 - \$18.86 average over term  
 Allowance on Office only increased from \$60/sf to \$68/sf  
 Free rent storage based upon use of 37,303 square feet for 4 months (March-June) Tenant may utilize office footage as construction is however, rent on office will commence the later of 6/1/22 or Certificate of occupancy for the entire building.