

**AURORA MEDICAL PARK
LEASE AGREEMENT**

THIS AGREEMENT ("Lease") by and between Aurora Medical Park, LLC, a North Dakota limited liability company, having its principal offices at 4265 – 45th Street South, Suite 200, Fargo, North Dakota 58104 ("Landlord") and University of North Dakota, a state institution of higher education, on behalf of its School of Medicine & Health Sciences, having its principal offices at 1000 SMHS, 501 North Columbia Road Stop 9037, Grand Forks, ND 58202-9037 ("Tenant"), is hereby made as of the Effective Date (defined herein).

1. Recitals. The parties make the following declarations:

- A. Tenant desires to lease approximately 7,167 square feet of space (the "Leased Premises") within a medical arts building (the "Building") to be constructed and located as Unit G, on the site plans ("Site Plan") attached hereto as Exhibit A and Exhibit A1;
- B. The Building is located within the Aurora Medical Center (the "Medical Center") located in Grand Forks, North Dakota. The Medical Center is depicted on the Site Plan attached hereto as Exhibit A and is defined as the Building and the other buildings to be constructed on the property described as follows:

Unit G, Aurora Medical Park Condominiums, a Condominium created pursuant to a Declaration of Condominium Ownership and Declaration of Restrictions, Covenants and Conditions, recorded as Document No. 648326, erected upon: Lot 1, Block 1, Stadter Second Resubdivision to the City of Grand Forks, being a Replat of Lots 1, 2, 3 and 4, Block 1, of Stadter Resubdivision of the Replat of Lots A and B, Block A of the Replat of Block 2, Currans 2nd Subdivision and a Replat of Block 1, Currans 2nd Subdivision, County of Grand Forks, North Dakota, together with the undivided interest in common elements declared appurtenant thereto.

- C. Landlord and Tenant desire to set forth their understanding of the terms and conditions upon which Landlord will lease to Tenant and Tenant will lease from Landlord the Leased Premises.

2. Definitions. For purposes of this Agreement the following terms are agreed to and have the meaning set forth herein:

- A. Commencement Date: The earlier of (i) sixty (60) days following Landlord's delivery of possession of the Leased Premises to Tenant, or (ii) the date Tenant opens for business. The date that Landlord is estimated to give possession of the Leased Premises to Tenant is within 5 ½ months of receipt of grant funding.

- B. Term: One Hundred Twenty (120) calendar months, commencing with the first day of the first Lease Year and terminating on the last day of the One Hundred Twentieth (120th) month, thereafter.
- C. Landlord's Work. The Landlord's Work is defined in Paragraph 10 and Exhibit B and Exhibit E attached hereto.
- D. Lease Year: Each twelve-month period of the Term, which commences on THE COMMENCEMENT DATE AND EACH SUCCESSIVE ANNIVERSARY THEREOF.
- E. Base Rent: The Basic Annual Rental will be determined by multiplying the Total Development Costs (as hereinafter defined) by ten percent (10.0%) representing a constant annual return to the Landlord.

As part of this contract, grant funds are to be provided by Tenant in the approximate amount of \$998,645.00. Construction costs are budgeted for interior fit-up costs. As part of lease hold improvements there is a construction allowance for the detailed and specific fit-up costs. This is an up-front balloon payment for UND occupancy.

Based on the attached preliminary construction proposal with an initial construction estimate of \$1,944,000.00 and the above mentioned grant, lease payments for this contract will be initially estimated at \$94,535.50 per year or \$7,877.96 per month.

For the purpose of this lease, Total Development Costs shall be defined to mean actual out of pocket costs of the Landlord in the development of the Leased Premises, including the following items:

- Project Soft Costs
 - a) Architectural fees of 3%;
 - b) Permit fees; including any and all fees charged by governmental agencies for review of plans and/or issuance of building permits or approvals;
 - c) Brokerage fees not to exceed 6%;
 - d) Construction interest, paid by the Landlord from the date the Lease is signed by both parties to the Rental Commencement Date of the Lease. Loan fees and origination costs not exceeding 1.0% of the amount of the construction loan shall also be allowed;
 - e) Construction fees of 10% of the overall project cost;
- Project Hard Costs
 - f) All construction costs for the erection of the contemplated building and for all on-site and off-site work;
 - g) Any change order costs requested by or approved by the Tenant.

- F. Tenant's Pro-Rata Share of Operating Costs and Pro-Rata Share of Real Estate Taxes: See Paragraphs 6 and 7 herein.
- G. Leased Premises Rentable Square Footage: Approximately 7,167 rentable square feet, as depicted on Exhibit A; provided, however, the final rentable square footage of the Leased Premises shall be determined upon completion of Tenant's Work, as defined in Paragraph 10 below, and certified on the Lease Confirmation Certificate attached hereto as Exhibit I.
- H. Rentable Square Footage: Initially is 7,167 square feet.
- I. Guaranties: Not Applicable.
- J. Insurance Limits:
 Landlord furnished
 Tenant furnished
- Liability insurance:
 Minimum of the following:
 \$2,000,000.00 combined single limit;
 \$250,000.00 per person and
 \$1,000,000.00 per occurrence .
- K. Authorized Business: Tenant may use the Leased Premises as a forensics laboratory and for other related matters on the Leased Premises. (The "Authorized Business").
- L. Exhibits: The following are attached and incorporated by reference in the Lease:
1. Exhibit A – Site Plan of the Medical Center and Leased Premises
 2. Exhibit A-1 – Floor Plan
 3. Exhibit B – Landlord's Work
 4. Exhibit C – Acceptance of Leased Premises
 5. Exhibit D – Intentionally Deleted
 6. Exhibit E – Tenant's Plans and Specifications
 7. Exhibit F – Rules and Regulations
 8. Exhibit G – Memorandum of Lease
 9. Exhibit H – Subordination Non-Disturbance and Attornment Agreement ("SNDA")
 10. Exhibit I – Lease Confirmation Certificate

- M. Renewal or Extension Option: The Base Rent for the Renewal or Extension Option ("Option") is and shall be negotiated at time the Option is exercised. Option exercised under this section will not exceed a period of five years from lease expiration.
- N. Security Deposit: Tenant shall deposit with Landlord an amount equal to one month's Base Rent plus one month estimated CAM as a security deposit for Tenant's performance hereunder, to be paid upon execution hereof. (See Section 13(D)).
- O. Contingency: Both parties acknowledge that this lease is contingent upon the University being approved for the Change of Scope Request for Award HRSA Grant C76HF09094 which will provide the money to enable the University to make the payments set out in article 10 of this Lease. Both parties further acknowledge that this contingency will be released in writing by mutual consent within sixty (60) days of lease execution. If not released within the aforementioned time frame, this Lease becomes invalid unless otherwise amended.

3. Lease; Lease Term. Landlord leases the Leased Premises to Tenant and Tenant takes the Leased Premises from Landlord, subject to and together with, the terms and conditions hereinafter set forth. The Lease Term shall commence on the Commencement Date, and as certified on the Commencement and Expiration Date Certification to be executed by Landlord and Tenant in the form attached hereto as Exhibit C, and continue until the end of the Lease Term, unless earlier terminated as hereinafter provided, subject to any Renewal Option, hereafter provided to Tenant to extend the Lease Term for the rental and upon terms and conditions herein provided as to said option.

Within twenty (20) days of the Commencement Date, the Tenant shall send the proposed completed Lease Confirmation Certificate (Exhibit I) to Landlord.

4. Use. The Leased Premises will be used during the Lease Term only for the purpose of the Authorized Business set forth in paragraph 2, and for no other purpose whatsoever without the prior written consent of Landlord, which Landlord can deny in its sole discretion. The Tenant shall operate the Leased Premises pursuant to the Rules and Regulations attached hereto as Exhibit F. The Rules and Regulations shall neither nullify nor modify the terms of the Lease. In the event of a conflict between Exhibit F and the terms of the Lease, the Lease shall control.

5. Rent.

- A. Tenant's Obligations to Pay Rent. Tenant will, without the requirement of any notice by Landlord, pay to Landlord, or to such other party or parties to whom Tenant is directed by written notice given to Tenant by Landlord, the rents (as defined herein) in the amounts and at the times hereinafter set forth, without any right of offset, setoff or counterclaim whatsoever against those rents except for a termination for non-appropriation. All rents

and other sums due to be paid to Landlord hereunder shall be paid in lawful currency of the United States of America, to Landlord at the address set forth below, unless otherwise directed by Landlord. The term "rents" as used herein shall include Base Rent, Additional Rent, and Tenant's Pro-Rata Share of Operating Costs, Taxes and Landlord's Insurance, as such terms are defined herein.

Landlord's address for the payment of rents is as follows:

Aurora Medical Park, LLC
4265 – 45th Street South, Suite 200
Fargo, ND 58104
Attn: Arnold Carriere

- B. Base Rent. Tenant shall pay Landlord the Base Rent set forth in Paragraph 2E, commencing with the Commencement Date and continuing thereafter through, for and during each Lease Year of the Lease Term in twelve monthly installments, on the first day of each month.

The Base Rent is based on the Leased Premises containing 7,167 square feet, subject to adjustment as hereinafter provided. When construction of the Leased Premises is completed, Landlord shall have its architect measure the Leased Premises and clarify the actual as constructed square footage of the Leased Premises. The total square foot area of the Leased Premises shall be measured from the outside of exterior walls and from mid-point of walls common to adjacent tenant premises. If the square footage of the Leased Premises upon completion and delivery to Tenant is more or less than that set forth in the Schedule of Basic Terms, the parties hereto agree that the Base Rent shall be adjusted accordingly to provide total Base Rent based upon the actual constructed square footage of the Leased Premises at the square footage rate set forth in the Schedule of Basic Terms provided however, that the square footage of the Leased Premises upon completion and delivery to Tenant shall not vary by more than five percent (5%) more or less from that set forth in the Schedule of basic terms without the written consent of Tenant. Subsequent Base Rent shall be correspondingly adjusted to fit the actual square footage of the Leased Premises.

If the Lease Term commences on a day other than the first day of a calendar month and/or expires or otherwise terminates on a day other than the last day of a calendar month, the Base Rent for such month shall be prorated accordingly.

- C. Additional Rent. Tenant shall pay additional rent ("Additional Rent") in amounts without limitation, as determined in accordance with the terms and conditions as set out in Paragraphs 6, 7, and 8, hereof concerning Operating Costs, Real Estate Taxes, and Landlord's Insurance (as such terms are defined herein).

- D. Holding Over. In the event that Tenant does not vacate the Leased Premises upon the expiration or earlier termination of this Lease, Tenant shall be a month to month tenant at will for the holdover period. All of the terms and provisions of this Lease shall be applicable during that period, except Tenant shall pay Landlord as Base Rent for the period of such holdover an amount equal to the Base Rent plus an additional ten percent (10%) which would have been payable by Tenant immediately prior to such holdover. The rent payable during the holdover period shall be payable to Landlord on demand, and Tenant shall pay all other amounts due from Tenant under the terms of this Lease as if no holdover existed, plus all damages by Landlord by reason of Tenant's retention of possession of the Leased Premises. Landlord shall retain all of its rights and remedies against Tenant during any holdover period. In no event shall there be any renewal of this Lease by operation of law if Tenant remains in possession of the Leased Premises after the expiration of the term of this Lease.

Tenant shall continue to pay Additional Rent during the holdover period. Upon expiration or earlier termination of this Lease, Tenant agrees to vacate and deliver the Leased Premises to Landlord upon Tenant's receipt of notice from Landlord to vacate, leaving the Leased Premises in the condition required herein. No holding over by Tenant, whether with or without the consent of Landlord, shall operate to extend the term of this Lease.

- E. Late Fee. Other remedies for nonpayment of rent notwithstanding, if the monthly Base Rent or any Additional Rent is not received by Landlord on or before the fifth day of the month for which the Base Rent or Additional Rent is due, or any other payment due Landlord by Tenant is not received by Landlord on or before the fifth day of the month next following the month in which Tenant was invoiced, a late payment charge of five percent (5%) of such past due amount shall become due and payable in addition to such amounts owed under this Lease.

6. Common Areas; Operating Costs.

- A. Definition of Common Areas. The term "Common Areas" means the entire area within the Building and areas appurtenant to the Building designed for common use or benefit of Landlord, tenants of Landlord, and customers, invitees, officers, agents and employees thereof, including, but not limited to, parking lots, landscaped and vacant area, passages for trucks and automobiles, roads, walks, curbs, drainage ditches, corridors, courts and arcades, together with facilities such as elevators, washrooms, comfort rooms, lounges, drinking fountains, toilets, stairs, ramps, community rooms, porches, bus stations, and loading docks, with facilities appurtenant to each. Subject to the Rules and Regulations attached hereto as Exhibit F, the Common Areas are hereby made available to Tenant and its employees, agents, customers, and invitees for their

reasonable nonexclusive use in common with Landlord, other tenants, and their respective employees, agents, customers and invitees for the purposes for which constructed, provided that the Common Areas shall at all times be subject to the exclusive use of Landlord in Landlord's sole discretion. Landlord shall have the right from time to time to increase, decrease, eliminate, create or otherwise change the areas, location and arrangement of any or all Common Areas; to enter into, modify and terminate easements and other agreements pertaining to the use and maintenance of the Common Areas; to restrict or discourage parking by noncustomers, including tenants, their officers, agents, and employees; to construct improvements thereon, including free-standing buildings; to establish and change the level of parking surfaces; to change the arrangement of entrances, exits and approaches; to close temporarily or permanently any portions of the Common Areas; and to do and perform such other acts in and to said areas and improvements as Landlord shall deem appropriate, provided however, that any such action by Landlord shall not unreasonably restrict or compromise access to and use of the Leased Premises. If the size, location or arrangement of Common Areas or the type of facilities at any time forming a part thereof be changed or diminished as permitted hereunder, Landlord shall not be subject to any liability, nor shall Tenant be entitled to any compensation or diminution or abatement of rent, nor shall such change or diminution of such areas be deemed a constructive or actual eviction. No exhibit attached to this Lease nor any other materials provided by Landlord shall constitute a warranty or agreement as to the configuration of the Center or the occupancy, identity or location of tenants except for Tenant.

- B. Maintenance of Common Areas. Landlord shall operate, maintain and repair the Common Areas, (as such term is defined herein) or cause the same to be done in a manner so as to maintain the Common Areas in good order, repair and condition. The cost of maintenance of the Common Areas shall be the obligation of the Tenant based upon Tenant's Pro Rata Share as set forth in Paragraph 6C below. Cost of maintenance of the Common Areas shall include, without limitation, all costs of every nature whatsoever for the upkeep, repair, replacement, servicing and securing the Building, including without limitation, the following (to be generally referred to as operating costs): all costs and expenses incurred by Landlord in owning, operating and maintaining the Common Areas and the Building, in a manner deemed by Landlord reasonable and appropriate and for the best interests of the tenants of the Building, including, without limitation, all costs and expenses of operating, maintaining, repairing, lighting, cleaning, painting, striping, inspecting, insuring (including all insurance required to be carried by Landlord hereunder, including, without limitation, public liability, personal and bodily injury and property damage liability and automobile coverage, fire and extended coverage, vandalism and malicious mischief and all broad form coverages, sign insurance and any other insurance that may be carried by Landlord covering the Common Areas, all in limits selected by Landlord), removing of trash,

snow, ice, debris and surface water, renting of music, regulation of traffic, and the provision of utilities, sewer and security (including the cost of personnel, uniforms, equipment and all employment taxes, electronic intrusion and fire control devices and telephonic alert system devices), complying with laws and regulations (including improvements or changes required by new laws or regulations), fees for permits and licenses, fees of attorneys, accountants and other professionals, employment costs, as well as all costs and expenses (other than the costs of initial construction) of replacement of foundations, walls, roofs, gutters, downspouts, building service equipment, paving, curbs, sidewalks, walkways, roadways, parking surfaces, landscaping, drainage, equipment and fixtures. Landlord, at its election, may either depreciate capital items or expense the cost of capital items as incurred, but not both. Operating Costs shall also include a management fee for the ongoing management, operation and maintenance of the Center equal to a maximum of five percent (5%) of the "gross receipts" of the Center, with "gross receipts" defined as the gross amount paid to Landlord as rent, fees, charges or otherwise for the use and/or occupancy of the Building or for any services, equipment, or furnishings provided by Landlord in connection with such use and/or occupancy. Operating Costs shall also include a administrative fee for all administrative expenses incurred by Landlord in connection with the Building equal to a maximum of ten percent (10%) of all Operating Costs (except the management fees) and Taxes. It is the intention of Landlord and Tenant that this Lease is fully net to Landlord; and accordingly Operating Costs shall include all costs and expenses incurred by Landlord in connection with the Building other than Real Estate Taxes, initial or expansion capital construction costs, and related financing costs.

- C. Tenant's Pro Rata Share. Tenant's proportionate share of the operating costs associated with the care, repair and maintenance of the Building (as set forth herein), and Common Areas shall be: a ratio consisting of the square footage of the Leased Premises as it bears to the rentable square footage of the Building.
- D. Payment. Tenant shall pay Landlord, in addition to all other amounts in this Lease, as Additional Rent, Tenant's Pro-Rata Share of Operating Costs in each calendar year during the Lease Term, any Renewal or Extension Option Term, and any period of holding over. Tenant's ProRata Share of Operating Costs shall be appropriately prorated for Lease Years less than a full twelve (12) months at the beginning and at the end of the term. Tenant's Pro-Rata Share of Operating Costs shall be payable in equal monthly installments on the first day of each month. Such monthly installments shall be at the rate of 1/12th of Landlord's reasonable estimate of the Operating Costs for the year, subject to adjustment when the actual amount of the Operating Costs or a change in Tenant's ProRata Share thereof is determined. Within ninety (90) days of the end of each calendar year, the Landlord shall furnish Tenant with a detailed statement certified by Landlord or a responsible employee of Landlord of the actual amount of

the Operating Costs and of Tenant's Pro-Rata Share thereof for the preceding calendar year (including itemization of the various costs and the basis of allocation to Tenant). Tenant may inspect, at Landlord's office, copies of "paid" bills substantiating Landlord's expenditures for Operating Costs. Within thirty (30) days after receipt of such statement by Tenant, Tenant shall pay to Landlord any deficiency due over and above the share of estimated costs and fees theretofore paid by Tenant. Any surplus paid by Tenant shall be reimbursed to Tenant within 30 days after receipt of such statement by Tenant. Landlord's records of Operating Costs for each year shall be available for inspection by Tenant for one (1) year after Landlord notifies Tenant of Tenant's Pro-Rata Share thereof for the year in question. Tenant may during this one (1) year period have an audit made of such Operating Costs and the allocation thereof to Tenant. If it is established that the costs allocated to Tenant for any year have been overstated by Landlord by more than five percent (5%), the reasonable and documented amount incurred by Tenant for the audit of said year's costs and allocations (not to exceed \$1,500.00) shall be paid by Landlord promptly upon receipt of Tenant's evidence of payment thereof.

- E. Adjustment to Pro Rata Share. If during the term of this Lease, the size of the Leased Premises or the Building is increased or decreased, the percentages set forth in this paragraph as Tenant's Pro-Rata Share shall be adjusted to the end that the percentage of Operating Costs payable by Tenant pursuant to this paragraph shall be in the same proportion or percentage as the actual rentable square feet of the Leased Premises bears to the total gross rentable square footage of the Building.

7. Taxes and Special Assessments. Tenant shall reimburse Landlord for Tenant's Pro-Rata Share (as such term is defined in Paragraph 6 herein) of all real estate and other taxes and installments of special assessments (including any interest component), (excepting penalties and interest arising out of the Landlord's failure to pay or the late payment of taxes unless caused by Tenant), levied upon the Building (i.e., land and building) for those taxes and installments of assessments due and payable during the Lease Term, whether levied and/or pending prior to or after the Commencement Date. As used in this Paragraph, the term "real estate taxes" shall mean and include all real estate taxes, other taxes paid by Landlord, (including any payment which may be imposed against Landlord in lieu of real estate taxes or assessments as currently charged), public and governmental charges and installments of special assessments, and all reasonable costs and fees incurred by Landlord in contesting or negotiating with public authorities as to any of the same (regardless of how such items may be labeled, but not including any costs or fees incurred by Landlord for contesting penalties or interest arising out of Landlord's failure to pay or the late payment of taxes unless caused by Tenant) ("Taxes") Where Landlord may elect to amortize special assessments over a period of time, Landlord shall elect the longest period available.

Tenant shall pay, prior to the due date thereof, all real and personal property taxes and sales and use taxes due upon Tenant's machinery, equipment, inventory, or

other personal property or assets of Tenant, and upon all trade fixtures and leasehold improvements installed by Tenant directly to the appropriate government authority. (Any such taxes on the assets of Tenant and other tenants in the Building and upon items installed by them shall be excluded from taxes reimbursable pro rata by tenants, and shall be separately paid by Tenant and other tenants as above stated). Special assessments, if any, levied (either before or after the Commencement Date) for public improvements shall be included in Taxes, to the extent installments thereof are payable during the Lease Term and any renewal or extension thereof and any period of holding over. Any tax increment financing proceeds shall be the sole property of the Landlord with Tenant having no claim thereto.

Tenant shall pay its Pro-Rata Share of Taxes along with its Pro-Rata Share of Operating Costs in equal monthly installments on the first day of each month in the Tenant's Pro-Rata Share as set forth in Paragraph 6A of this Lease. Tenant acknowledges that Taxes for the first Lease Year are based on unimproved land and will, therefore increase when assessed as improved land.

Notwithstanding any provision in this paragraph 7, Tenant will not be responsible for the payment of any taxes from which it is exempt as a state agency and for which the Landlord is not otherwise required to pay.

8. Insurance.

8.1 During the Term and for any additional time that Tenant possesses or is otherwise responsible for all or any portion of the Leased Premises, Tenant shall obtain and maintain at its expense the following types and amount of insurance:

A. General Liability Insurance. Tenant's general liability coverage shall be provided through the North Dakota State Risk Management Fund, which has limits of \$250,000 per person and \$1,000,000 per occurrence, with no aggregate limit.

B. Contractor or Subcontractor Insurance. In the event Tenant makes any alterations pursuant to Paragraph 10 or otherwise, Tenant shall require each contractor and subcontractor performing operations on the Building to maintain Commercial Liability Insurance with limits of not less than \$2,000,000 per occurrence bodily injury and property damage, \$2,000,000 for personal and advertising injury (if applicable), and \$2,000,000 annual aggregate. Each contractor and subcontractor shall be required by Tenant to include as additional insureds, Landlord, its agents, and other designated by Landlord. The endorsement for this purpose shall be the standard endorsement of the Insurance Services Office, Inc. (ISO) CG 2010, including completed operations coverage, or CG 2026, without modification, or one providing the same coverage on a primary basis.

C. Certificates of Insurance. Tenant shall deliver a Certificate of Financial Liability evidencing its coverage under the North Dakota State Risk Management Fund within ten (10) days of the Effective Date.

8.2 Other Insurance. Landlord may, at its option, require that prior to beginning any of Tenant's Work, Tenant provide or cause its contractors to provide Landlord with evidence of insurance coverage against damage to the insuring party's personal property, as well as against third party liability and workers' compensation claims arising out of all construction and associated activities.

8.3 Landlord's Insurance. Landlord agrees to obtain (1) public liability insurance insuring against injury to property, persons, or loss of life arising out of the use of the Building and Common Area with at a minimum the coverage limits in the amounts set forth in the Schedule of Basic Terms; and (2) fire and extended coverage insurance policies upon the Building and Common Area in amounts which at least satisfy co-insurance requirements (collectively, "Landlord's Insurance"). Tenant shall reimburse Landlord for Tenant's Pro-Rata Share (as such term is defined in Paragraph 6 herein) of the premium cost of Landlord's Insurance. Tenant shall pay Tenant's Pro-Rata Share of Landlord's Insurance concurrent with Tenant's Pro-Rata Share of Operating Costs under Paragraph 6. Upon request, Landlord shall furnish Tenant with a certificate of insurance for Landlord's Insurance.

8.4 Adjustments to Tenant's Pro-Rata Share of Landlord's Insurance. If the Building is enlarged or decreased in size, Tenant's Pro-Rata Share shall be adjusted to equitably reflect the change in square footage. Tenant shall pay for the entire amount of any increase in the amount of premiums attributable to any use made of the Leased Premises by Tenant which results in a higher premium rate than that resulting from the other uses of the Building and Operating Costs, or which is due to any capital improvements to the Leased Premises made after the Commencement Date, to the extent that the replacement value of the Leased Premises after such improvement is completed, on a per-square-foot basis, exceeds the replacement value of the remainder of the Building, on a per-square-foot basis.

9. Utilities. Tenant shall be responsible for all water, gas, sewer, electricity, and other utilities used by it at the Leased Premises, including hookup or start-up fees and water and sewer connection fees or charges. To the extent that utilities are furnished to the Leased Premises and other premises jointly without separate metering, the amounts which may be charged to Tenant for such utilities shall be determined by Landlord on the basis of Landlord's reasonable estimates of consumption of such utilities on the Leased Premises, and on the basis of the costs incurred by Landlord in purchasing such utilities for use in the Building which shall not exceed the cost which will be paid to an outside third party provider of such utilities. In no event will utilities be provided jointly to the Leased Premises and any Common Area except water if the City of Grand Forks refuses to separately meter water at a reasonable cost. Tenant shall replace or pay promptly to Landlord the reasonable installation cost of all electric lamps used on the Leased Premises, exclusive of the initial set of such bulbs, which shall be furnished by Landlord upon its delivery of the Leased Premises. Tenant shall be responsible for all normal repair and maintenance of utility lines located within and

exclusively serving the Leased Premises from the point of connection to the Leased Premises. Tenant shall, at its sole cost and expense, be responsible for the payment of all garbage collection from the Leased Premises. The contract for the garbage collection shall be arranged for by the property manager.

10. Landlord's Work and Tenant's Work.

- A. Landlord's Work. Landlord shall construct the improvements on the Leased Premises in accordance with specifications attached hereto and made a part hereof as Exhibit B and Exhibit E with minor variations as Landlord may deem advisable (such construction and installation is sometimes hereinafter referred to as "Landlord's Work"). The Landlord's Work will be completed on or before the "Delivery Date", which shall be within 5 ½ months of receipt of grant funding. If Landlord's Work is not completed by the Delivery Date, Landlord shall not be deemed to be in default hereunder or otherwise liable and damages to Tenant, nor shall the terms of this Lease be affected, except that the Commencement Date shall be delayed until Landlord has given possession of the Leased Premises to Tenant.

If on the date the Landlord delivers the Leased Premises to Tenant with Landlord's Work substantially completed, there remain items of construction of finishing work to be completed, Landlord and Tenant shall, within ten (10) business days from the date Landlord delivers the Leased Premises to Tenant with Landlord's Work substantially completed, jointly prepare a written list (the "Punchlist") of such uncompleted items. Landlord agrees to complete the Punchlist items with all due diligence within sixty (60) days of the preparation of the Punchlist, subject to any delay caused by the occurrence of any Event of Force Majeure (as herein defined). Landlord's Work shall be considered substantially completed at such time as Landlord's architect has certified that Landlord's Work has been substantially completed in accordance with the general specifications attached hereto and made a part hereof as Exhibit B.

Once the Landlord's Work has been completed, Landlord will provide a final certificate of occupancy from the City of Grand Forks.

- B. Tenant's Work. Tenant shall accept the Leased Premises with the completion of Landlord's Work, as described in Exhibit B and Exhibit E. Within thirty (30) days of the Effective Date, Tenant shall, at its expense, prepare and submit to Landlord, for Landlord's review and written approval, two (2) original and complete sets of proposed Plans and Specifications for all improvements to be completed on the Leased Premises by Landlord which shall include, but are not limited to, any additional construction required as a result of the Authorized Business, all trade fixtures and decorating, including wall and floor covering and exterior signage, which once finalized and approved by Landlord pursuant to the terms of this subsection, will be attached hereto and incorporated herein

as Exhibit E. Tenant shall also submit to Landlord for approval the documents referenced in Paragraph 11(C) herein. Tenant shall be responsible for selecting the architect(s) to draft Exhibit E. In the event of any dispute as to work performed or required to be performed by Landlord or Tenant, the certificate of Landlord's architect or engineer shall be conclusive. Tenant shall install its furniture, fixtures and equipment as per Tenant's Plans and Specifications as identified on Exhibit E.

Once approved in writing by Landlord and Tenant, the Plans and Specifications shall be attached hereto as Exhibit E and shall not be modified or amended without the prior written consent of Landlord and Tenant, which consent both parties agree to give reasonably.

C. Tenant Improvement Allowance. See Section 2E above.

11. Maintenance and Repairs.

A. By Landlord. Through the Lease Term and any extensions or renewal thereof, Landlord shall, at its sole cost and expense (except to the extent properly included as an Operating Cost or as otherwise explicitly stated in this Lease), keep, maintain, and repair (including replacements, if necessary) all exterior utility lines serving the Leased Premises, from trunk line up to the point of connection to the Leased Premises and all utility lines within the Leased Premises which do not exclusively serve the Leased Premises (if any) (except as affected by or connected to utility lines exclusively serving the Leased Premises) the floor slab, footings and foundations, the roof, all structural portions of the Leased Premises and the Building, exterior walls, exterior painting (which shall not include plate glass, glass doors and windows) of the Building, and Building systems (regardless of whether located in the Leased Premises) in good repair and in a safe condition and in compliance with all applicable laws, ordinances, rules, and regulations, except any such repairs or maintenance necessitated by the negligence of Tenant, its employees, agents or contractors, or arising out of Tenant's failure to maintain and/or repair the Leased Premises in accordance with its obligations under this Lease. Landlord's obligations hereunder shall be subject to the provisions of Paragraphs 22, 23, 25 and 26. All requests for repairs or maintenance that are the responsibility of Landlord pursuant to any provisions of this Lease must be made in writing to Landlord at the address set forth in the Lease.

B. By Tenant. Subject to Landlord's obligations under 11(A) above, Tenant shall at all times during the term of this Lease, any extensions thereof, and during any period of holding over, at its sole expense, keep, maintain, and repair (including replacements if necessary) the non-structural interior portions of the Leased Premises, including all plate glass, glass doors and windows, among other things, in good order, condition, and repair, in a safe, clean, and free of trash and waste condition, and in compliance with all applicable laws, ordinances, rules, and regulations of governmental

authority, or of any company or companies insuring against losses resulting from damage or destruction to the Building or personal injuries, deaths, or property damage occurring in, on, or about the Building. The cost of all repairs made necessary to the Building by the fault or negligence of Tenant, its employees, agents, will be paid promptly by Tenant, except to the extent covered by Landlord's Insurance.

- C. Liens. Except as set forth in Paragraph 10, Tenant shall not make any structural repairs, alterations or additions, or any non-structural repairs, alterations or additions to the Leased Premises costing in excess of Five Thousand and No/100 Dollars (\$5,000.00), including alterations prior to the commencement of this Lease, or make any contracts therefore, without first procuring Landlord's written consent, which the Landlord agrees not to unreasonably withhold. Prior to Tenant's commencement of any repairs, alterations or additions to the Leased Premises, either under this Paragraph or Paragraph 10, Tenant shall deliver to Landlord any plans and specifications as well as copies of proposed contracts and necessary permits, and furnish such security against liens, costs, damages and expenses as may be reasonably required by the Landlord including, without limitation, a payment or performance bond.

All alterations, additions, improvements and fixtures, other than trade fixtures, which may be made or installed by either of the parties hereto upon the Leased Premises, and which are in any manner attached to the floors, walls or ceilings at the termination of this Lease shall at the expiration or earlier termination of the Term become the property of Landlord and shall remain upon and be surrendered with the Leased Premises as a part thereof, without damage or injury, unless Landlord requests that such alterations or improvements be removed, in which event the same shall be removed by the Tenant at the expiration of the term of this Lease at its own expense, and it shall be obligated to repair any damages occasioned thereby. Tenant shall leave the Leased Premises in the condition as set forth in this subsection and Paragraph 37.

- D. Indemnification. Tenant shall pay when due all claims for labor or materials furnished or alleged to have been furnished to Tenant for use in the Leased Premises, which claims are or may be secured by any lien against the Leased Premises, the Building, or any interest therein. Tenant shall not permit the Leased Premises or the Medical Center to become subject to any mechanic's, laborers, or material man's lien in account of labor or material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed on the Leased Premises by, or at the direction or sufferance of Tenant; and the Tenant shall remove the lien of record by the payment or by bonding with a Surety Company authorized to do business in the state in which the Leased Premises is located, within twenty (20) days from the date of the filing of said mechanic's or other lien. Should the Tenant fail to take the foregoing steps within said twenty (20)

day period, then the Landlord shall have the right, among other things, to pay said lien without inquiry into the validity thereof, and the Tenant shall forthwith reimburse the Landlord for the total expense incurred by it in discharging said lien as Additional Rent hereunder; provided, however, that Tenant shall have the right to contest, in good faith and with reasonable diligence, the validity of any such lien or claimed lien if Tenant shall give to Landlord such security as may be deemed satisfactory to Landlord to assure payment thereof and to prevent any sale, foreclosure, or forfeiture of the Leased Premises by reason of non-payment thereof; provided further, that on final determination of the lien or claim for lien, Tenant shall immediately pay any judgment rendered, with all proper costs and charges, and shall have the lien released and any judgments satisfied.

- F. HVAC Maintenance. Tenant shall, at its sole cost and expense, during the term of this Lease maintain a commercially reasonable regularly scheduled preventative maintenance/service contract with a maintenance contractor for the servicing of all heating and air conditioning systems and equipment exclusively serving the Leased Premises ("HVAC system") (at least two (2) times per year), and repair the HVAC system as required from time to time. The maintenance contractor and contract must be approved by Landlord, and must include all services suggested by the equipment manufacturer. Landlord reserves the right to provide the maintenance contract services and any necessary repairs, if not provided by Tenant, and to charge Tenant for the cost as Additional Rent. Landlord shall contract for extended warranties on the HVAC system and will use reasonable efforts to enforce said warranties.

Tenant shall reimburse Landlord within thirty (30) days of receiving an invoice for Landlord's HVAC repair or for the cost of the maintenance contract, as Additional Rent, if the Tenant fails to satisfy its repair and/or maintenance obligations as set forth in the preceding paragraph. Tenant shall also reimburse Landlord, as Additional Rent the cost of replacement of the HVAC system servicing the Leased Premises if the Landlord replaces the HVAC system. The cost of replacement of the HVAC system shall be paid in installments during the term of the Lease and amortized (using the estimate of the useful life of the HVAC system pursuant to GAAP) on a straight-line basis at a rate equal to two percent (2%) per annum in excess of the prime rate of interest published by Bremer Bank.

- G. Americans with Disabilities Act. In the event that any alteration or repair to the Leased Premises is undertaken by Tenant with or without Landlord's consent, or is undertaken by Landlord at Tenant's request during the Term or any Renewal or Extension Term, such alteration or repair shall (i) be designed and constructed in full compliance with the Americans With Disabilities Act, as amended from time to time (the "Act") if such alteration is undertaken by Tenant, and (ii) shall be designed by Tenant in full compliance with the Act if such alteration or repair is undertaken by

Landlord at Tenant's request, and the cost of any such design, alteration or repair to the Leased Premises or the Medical Center shall be borne by Tenant, including without limitation (a) the cost of any such design, alteration or repair required as a result of (i) Tenant or an assignee or subtenant being deemed a "Public Accommodation" or the Leased Premises being deemed a "Place of Public Accommodation" or (ii) such alteration or repair being deemed to affect an "Area of Primary Function" (as such terms are defined in the Act); and (b) the cost of the installation or implementation of any "Auxiliary Aid" required under the Act as a result of the operation of any business within the Leased Premises. In addition, after Tenant takes possession of the Leased Premises following the substantial completion of Landlord's Work, Tenant shall be responsible for all costs and expenses incurred in order to cause the Leased Premises and the operation of any business within the Leased Premises to comply with the Act, and, if Tenant fails to maintain the Leased Premises in compliance with the Act, Landlord shall have the right but not the obligation, at Tenant's sole cost and expense, to enter the Leased Premises and cause the Leased Premises to comply with the Act.

- H. Capital Costs. With the exception of work identified in Section 10C and notwithstanding any other provisions of this Lease Agreement, Tenant shall not be required to construct or directly pay for the construction of any capital improvements to the Leased Premises.

12. Use of Common Area. Subject to the Rules and Regulations attached hereto as Exhibit F, as well as those promulgated by Landlord from time to time, the Common Area (as defined in Paragraph 6A.) will be made available to Tenant, its employees, agents, customers, and invitees for reasonable use in common with Landlord and other tenants of the Building and occupants of the Building, for the purposes for which the Common Area is maintained. In no case, however, shall Tenant extend its business operations into the Common Area or any part thereof, unless prior written consent is given by Landlord. Landlord may at any time and from time to time, temporarily close portions of the Common Area and such action shall be deemed not to be an eviction or disturbance of Tenant's rights under this Lease nor to affect the Tenant's obligations under this Lease, provided said closing does not materially affect Tenant's parking, access or visibility.

13. Events of Default. Any of the following shall be deemed an Event of Default under this Lease:

- A. Tenant fails to pay Base Rent, Operating Costs, Additional Rent or any other payment within five (5) days from receiving written notice from Landlord that said payment is due.
- B. Tenant defaults in or breaches any term or condition to be kept or performed by it under this Lease; and such default continues for a period of thirty (30) days after written notice by Landlord for any other breach or default, or such longer period as may be required if the cure cannot be

completed within said thirty (30) days so long as Tenant commences cure within said thirty (30) days and diligently is pursuing the cure to completion, but no longer than sixty (60) days.

C. Unless prohibited by law, it shall be an event of default if (i) Tenant is declared bankrupt or insolvent; or (ii) Tenant petitions, or consents to a petition, that it be declared bankrupt under Chapter 7 of the Bankruptcy Code or subsequent legislation intended to replace such chapter; or (iii) if without the assumption, ratification and confirmation of this Lease, and the payment of all rentals and other charges due hereunder then due, past due or coming due, without regard to initiation of the proceedings or actions, Tenant petitions or consents to a petition that there be a reorganization or arrangement of its affairs under the Bankruptcy Act or any insolvency law, or Tenant makes an assignment for the benefit of its creditors, or Tenant petitions, or consents to a petition, that a receiver, trustee or custodian be appointed for all or substantially all of its assets; or a petition that Tenant be declared bankrupt or that a receiver, trustee or custodian be appointed for all or substantially all of Tenant's assets is filed without the consent of Tenant and is not discharged within sixty (60) days following the filing thereof. For purposes of this Paragraph, the term Tenant shall include any assignee or sublessee of Tenant.

D. Landlord hereby acknowledges receipt from Tenant of the Security Deposit described in Paragraph 2N above, to be held by Landlord in an interest-bearing account as security for the performance by Tenant of Tenant's obligations under this Lease. Such deposit may not be commingled with Landlord's other funds and is not an advance payment of rental or a measure of Landlord's damages in case of default by Tenant. Upon the occurrence of any default by Tenant, Landlord may, at Landlord's option, from time to time, without prejudice to any other remedy available to Landlord, use such fund to the extent permitted by law and deemed necessary by Landlord to cure such default and to reimburse Landlord for any damage, injury, expense or liability caused to Landlord by such default, and Tenant shall pay to Landlord on demand the amount so applied in order to restore the Security Deposit to its original amount. If Tenant is not then in default hereunder, any remaining balance of the Security Deposit shall be returned by Landlord to Tenant upon termination of this Lease.

14. [Intentionally Deleted.]

15. [Intentionally Deleted]

16. Landlord's Right to Cure Tenant's Defaults. Landlord may cure any default of Tenant under any term or condition of this Lease to be kept or performed by Tenant, provided thirty (30) days' prior written notice thereof is given to Tenant except in the case of emergency when no notice shall be required, and charge the cost incurred hereby to Tenant who shall repay, as Additional Rent, Landlord for such costs within

fifteen (15) days after Landlord gives written notice to Tenant of the amount thereof.

17. Landlord's and Tenant's Remedies.

- A. Upon the occurrence of any Event of Default by Tenant, Landlord, in addition to any of the remedies available at law or equity, shall have the option to pursue any one or more of the following remedies without any notice or demand:
- (1) Terminate this Lease and recover possession of the Leased Premises in accordance with North Dakota law, in which event Tenant shall immediately surrender the Leased Premises. Landlord may, without prejudice to any other remedy which it may have for possession or recovery of rent and in a manner consistent with the law regarding eviction or forcible detainer, enter upon and take possession of the Leased Premises, and lock out, expel or remove Tenant and any other person who may be occupying all or any part of the Leased Premises without being liable for prosecution for any claim for damages. Tenant agrees to pay on demand the amount of all loss and damage which Landlord may suffer by reason of the termination of the Lease under this subsection, whether through the inability to relet the Leased Premises on reasonably satisfactory terms or otherwise. The Landlord shall be entitled to recover from Tenant forthwith as its damages, the sum of money equal to a total of (i) all reasonable costs of recovering the Leased Premises, (ii) the unpaid rent owed at the time of termination, plus interest thereon from the due date at the Contract Rate, (iii) an amount equal to the balance of the rent for the remainder of the then-current North Dakota legislative biennium discounted to present value, utilizing an eight percent (8%) discount factor, and (iv) any other sum of money and damages owed by Tenant to Landlord pursuant to this Lease.
 - (2) Recover possession of the Leased Premises in accordance with North Dakota law without termination of the Lease and, if necessary, expel or remove the Tenant, and lock out, expel or remove Tenant and any other person that may be occupying all or any part of the Leased Premises without being liable for prosecution for any claim for damages, and relet the Leased Premises on behalf of Tenant, and receive directly the rent by reason of subletting. Tenant agrees to pay Landlord on demand any deficiency that may arise, by reason of any reletting of the Leased Premises to the extent attributable to the remainder of the then-current North Dakota Legislature biennium. No such re-entry or taking of possession of the Leased Premises by Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to Tenant, or unless the termination thereof be decreed by a court of competent

jurisdiction;

- (3) If the default can be cured by the expenditure of money, Landlord may, at its option, cure such default, and Tenant shall be obligated to reimburse Landlord upon demand, as Additional Rent hereunder, for all such expenditures, together with interest, at the Contract Rate.

- B. Tenant shall give Landlord written notice of any default by Landlord under this Lease. With respect to any monetary default, Landlord shall have thirty (30) days following receipt of such notice to cure such default. With respect to any non-monetary default, Landlord shall have thirty (30) days after Landlord's receipt of Tenant's default notice to cure such default; provided, however, that if such default cannot reasonably be cured within 30 days, Landlord shall have such longer period to cure such default as is necessary provided Landlord promptly commences (i.e., within such 30 day period) and diligently pursues such cure, and provided further, that if the default relates to a matter which in Tenant's reasonable judgment, is of an emergency nature (which shall mean a substantial risk of imminent danger to person or property), the Landlord shall have only 48 hours (or such lesser period as is reasonable under the circumstances) to cure such default. If Landlord fails to cure any such default within the applicable cure period, then Tenant, at its option, may (a) cure the default, in which event Landlord shall reimburse Tenant for all reasonable amounts spent on such cure, or (b) bring suit for the collection of any amounts for which Landlord is in default.

Any amount payable by Landlord to Tenant pursuant to the terms of this Lease shall bear interest at the Contract Rate (defined in Paragraph 21 herein) from the date due until same is paid.

- C. Termination for Non-appropriation. Continuation of this Lease beyond June 30 of any odd-numbered year is contingent on continued legislative appropriation of funds for the purposes of this Lease. If those appropriations are not forthcoming, the Tenant will notify the Landlord as soon as possible and the Lease will terminate on June 30 of that year. The Tenant will not be penalized or incur any liability because of termination of the Lease as provided herein.

18. Services to be Provided by Landlord; Failure. No interruption of services to be provided by Landlord will ever be considered to be an eviction or disturbance of Tenant's interest, or to render Landlord, his agents, independent contractors, or employees liable to Tenant for damages unless caused by the negligence of Landlord, or to relieve Tenant from performance of its obligations under this Lease. Landlord will promptly act to remedy any interruption of services which it is obligated to provide hereunder.

19. [Intentionally Deleted.]

20. No Waiver of Terms or Conditions. Failure of either Landlord or Tenant to insist, in any one or more instances, upon strict performance of any term or condition of this Lease or to exercise any option herein contained shall not be construed as a waiver or relinquishment of such term, condition, or option in the future; and receipt by Landlord of Rent under this Lease with knowledge of an existing default by Tenant under this Lease shall not be construed as a waiver of that default.

21. Interest. Unless otherwise set forth in the Lease, any monies owed by Landlord or Tenant to the other party, following the failure of payment and the applicable cure period, shall bear interest during the period such monies are owed at an annual rate equal to the lesser of (i) the highest contract rate permitted by law or (ii) one and one half (1 1/2%) percent per month.

22. Damage or Destruction. If the Leased Premises are partially destroyed during the Lease Term from any cause insured under the property insurance policy for the Building, Landlord shall forthwith repair the same, provided such repairs can reasonably be made within one hundred and twenty (120) days from date of such destruction, under the then applicable laws and regulations of Federal, State, County and Municipal authorities and in light of the extent of such damage and the then condition of the labor market and availability of materials and supplies, but such partial destruction shall in no manner annul or void this Lease. If such repairs cannot be made within one hundred and twenty (120) days, Landlord may, at its option, complete the same within a reasonable time, this Lease continuing in full force and effect and the rent to be proportionately abated as described below.

Tenant shall be entitled to an abatement in Base Rent or Additional Rent while the Leased Premises and Medical Center are being reconstructed in an amount equal to the percentage of the Leased Premises that cannot be used due to the reconstruction, assuming the Lease is not terminated pursuant to this Paragraph.

If the Building in which the Leased Premises is situated is destroyed to the extent of not less than thirty three and one third (33-1/3%) of the replacement costs thereof, Landlord may elect to terminate this Lease, whether the Leased Premises be injured or not.

If the Leased Premises are totally destroyed or Landlord cannot repair the Leased Premises within one hundred twenty (120) days from the destruction, and Landlord has not elected (by notice in writing to the Tenant given within sixty (60) days of the destruction) to rebuild the Leased Premises, either party hereto may elect to terminate this Lease by written notice to the other given after the end of the said sixty (60) day period.

If the repair of damage is delayed by an Act of God or for causes beyond the control of Landlord, or any unusually long period to adjust insurance proceeds, then the time period within which Landlord shall be required to repair the Leased Premises or the building in which the Leased Premises are situated shall be extended by a period equal to the delay.

Notwithstanding anything to the contrary, Landlord will not be obligated to repair or rebuild if (i) Landlord's mortgagee requires that the proceeds of Landlord's insurance be applied against such mortgagee's indebtedness, or (ii) Landlord complied with Landlord's insurance obligation under this Lease or the Casualty resulted from a peril not covered by such insurance, and in either case, Landlord notifies Tenant of such event within thirty (30) days after the date of the Casualty. If the Landlord so notifies Tenant, the Lease Term shall terminate as of the date Tenant receives Landlord's notice.

23. Condemnation. If all or a substantial part of the Leased Premises or such part of the Building will, in the opinion of Landlord render the balance thereof uneconomical, shall be condemned for any public or quasi-public use or purpose, then the Lease Term shall, at the option of Landlord, cease and terminate as of the date possession is to be taken by the authority, and all rentals shall be paid up to that date, and Tenant shall have no claim against Landlord for the value of any unexpired portion of the Lease Term or for damages or for any other reason whatsoever. Any condemnation award adjudicated or reached by way of settlement shall belong in its entirety to Landlord, except that Tenant shall have a separate right to relocation costs, loss of business and a separate award for its trade fixtures. If any part of the Building other than Tenant's Leased Premises shall be so expropriated, Tenant shall have no right to cancel this Lease or to vary any covenant or agreement herein.

Notwithstanding anything to the contrary stated elsewhere in this Lease, Landlord will not be obligated to repair and/or rebuild the Leased Premises and/or the Building and will have the right to terminate this Lease if (i) Landlord's mortgagee requires that the entire condemnation award be applied against such mortgagee's indebtedness, or (ii) if Landlord's portion of the condemnation award is inadequate for purposes of repairing and/or rebuilding.

24. Assignment, Subletting or Other Disposition of Tenant's Interest. The interests of the Tenant under this Lease may not be assigned, transferred, or otherwise encumbered, voluntarily or involuntarily, and the Leased Premises may not be sublet, in whole or in part, without the prior written consent of Landlord, which may be withheld in Landlord's sole discretion.

25. Indemnity. Landlord and Landlord's agents and employees, shall not be liable to Tenant for injury, death, property damage, burglary, theft or disappearance occurring in, on or about the Leased Premises and appurtenances thereto, the Building or Common Area unless caused by the negligence of Landlord.

26. Liability. Each party shall be responsible for claims, losses, damages, and expenses proximately caused by the negligent or wrongful acts or omissions of its employees acting within the scope of their employment. The tort liability of the Tenant shall be determined pursuant to chapter 32-12.2 of the North Dakota Century Code and is subject to the conditions and limitations contained therein. Nothing herein shall preclude either party from asserting against third parties any defenses to liability it may have under the law or be construed to create a basis for a claim or suit when none

would otherwise exist. This provision shall survive the termination of the Agreement.

27. Waiver of Subrogation. Notwithstanding anything set forth in this Lease to the contrary, Landlord and Tenant, to the extent that such waiver (i) does not violate the terms of the parties' respective insurance policies, or (ii) is not otherwise acceptable to the parties' respective insurance carriers, do hereby waive any and all right of recovery, claim, action or cause of action against the other, their respective agents, officers and employees for any loss or damage that may occur to the Leased Premises or the Building or any addition or improvements thereto, or any contents therein, by reason of fire, the elements or any other cause to the extent such loss or damage could be insured against under the terms of a standard fire and extended coverage insurance policy or policies, with vandalism, malicious mischief, all-risk coverage, contents and business interruption endorsements, or to the extent which Landlord or Tenant may be reimbursed as a result of insurance coverage affecting any loss suffered by either party hereto, regardless of cause or origin, including the negligence of Landlord, or Tenant, or their respective agents, officers and employees. In addition, to the extent permitted by the parties' respective insurance carriers, all fire, contents and casualty insurance policies carried by either party covering the Leased Premises and contents therein shall expressly waive any right on the part of the insurer against the other party for damage to or destruction of the Leased Premises and/or the Building of which it is a part, and the contents herein, resulting from the acts, omissions, or negligence of the other party.

28. Acceptance of Leased Premises. Taking of possession of the Leased Premises by Tenant shall be conclusive evidence that the Leased Premises are, on that date, in good, clean and tenantable condition and that all of Landlord's Work, subject to completion of the Punchlist, is complete, provided, however, that Landlord shall cause to be repaired or corrected any hidden defect existing in the Leased Premises on the Commencement Date of which defect Tenant notifies Landlord in writing within thirty (30) days after the Commencement Date, except as to hidden defects in a "seasonal" item of work or equipment, such as the heating and air conditioning equipment, for which the period within which Tenant shall be required to make such notice shall be One Hundred Eighty (180) days after the Commencement Date. Landlord also shall cause such repairs or corrections to be made as are agreed to be made by Landlord's general contractors and their subcontractors under their warranties of the construction and improvement of the Building. On or before the Commencement Date, Tenant shall execute the Acceptance of Leased Premises in form attached hereto as Exhibit C, which shall be conclusive evidence of Tenant's acceptance of the Leased Premises, and shall send a copy of the completed Acceptance of Leased Premises form to Landlord.

29. Tenant's Operations on Leased Premises.

- A. Tenant shall operate at all times during the Lease Term, any extensions thereof, and any period of holding over, the Authorized Business in the Leased Premises, and shall do so in a good and business-like manner.
- B. Tenant shall operate the Authorized Business as a high quality establishment in a manner that will reflect favorably upon the Building and

the Medical Center and occupants thereof and in a manner that will in no way be a nuisance to Landlord, other tenants, or anyone claiming under Landlord.

30. Landlord's Right to Enter Leased Premises. Landlord, and its authorized agents or attorneys, may, at any reasonable time upon reasonable written notice, and during normal business hours, except in the case of emergency when no notice shall be required, enter the Leased Premises to inspect and make repairs, improvements and changes to the Leased Premises or other areas of the Building, as Landlord may deem proper. Landlord's rights under this Paragraph shall include, without limitation, free, unhampered, and unobstructed access to walls, building airways, equipment ducts, under floor ducts, stairways, access panels and all utility and service lines. There shall be no diminution of rent, or liability on the part of Landlord, by reason of Landlord's exercise of its rights under this Paragraph. Landlord shall not unreasonably interfere with the conduct of Tenant's Authorized Business.

31. Estoppel Certificates. Each party agrees, from time to time, within ten (10) days after written request by the other, to execute, acknowledge and deliver to and in favor of any proposed lender, purchaser of the Leased Premises, or permitted assignee or sublessee, an estoppel certificate, in a form reasonably satisfactory to such proposed lender, or other party requesting the certificate and Tenant stating, without limitation; (i) whether this Lease is in full force and effect; (ii) whether this Lease has been modified or amended, and if so, identifying and describing any such modification or amendment; (iii) the date of which rent and any other charge has been paid; and (iv) whether the party giving such certificate knows of any default on the part of the other party or has any claim against the other party, and, if so, specifying the nature of such default or claim.

32. Landlord's Mortgages. At the option of Landlord's Mortgagee, this Lease shall be either subordinate or superior to the lien of any mortgage now or hereafter existing as to Outlot A or any portion of the Building. Tenant will, at the option of Landlord's Mortgagee, (i) subordinate the Tenant's interest in this Lease and the Leased Premises to the lien of any mortgage and/or other security interest heretofore, now, or hereafter encumbering the Leased Premises and (ii) attorn to and agree to be bound by the terms of this Lease to the holder of such mortgage and/or other security interest and/or to any purchaser of the Leased Premises pursuant to a foreclosure of such mortgage and/or other security interest, provided in the case of (i) and (ii) that the validity of this Lease shall be recognized and the Tenant's quiet and peaceful enjoyment and possession not disturbed so long as Tenant is not in default hereunder. At the option of Landlord's Mortgagee, Tenant shall execute the Subordination, Non-Disturbance and Attornment Agreement attached hereto as Exhibit H. Tenant will cooperate with Landlord in meeting any reasonable additional requirements as may exist or be imposed for the obtaining of financing for the Building, including but not limited to, furnishing upon execution of this Lease and during the Lease Term from time to time as reasonably requested, reasonably detailed financial statements of Tenant certified by the Tenant's chief financial officer, but no more frequently than once per year. Upon request, Tenant agrees to execute and deliver to Landlord such documents as may be required of Tenant in connection with any financing, but which are not

inconsistent with Tenant's rights under this Lease, including, but not limited to, acknowledgment of Landlord's assignment of this Lease and the rents thereunder.

33. General Medical Center Rules and Regulations. See Paragraph 4 and Exhibit F.

34. Government Regulations Compliance. Whenever in this Lease any terms or conditions are required to be kept or performed by Landlord, Landlord will not be deemed to be in default of the Lease as a result of Landlord taking reasonable action to satisfy or comply with enforceable governmental regulations, including reasonable restraints on the quality or quantity of services deemed necessary to conserve energy.

Tenant shall, at Tenant's sole cost, comply with all of the requirements of all governmental authorities now in force, or which may hereafter be in force, pertaining to (i) those portions of the Leased Premises which Tenant is required to maintain pursuant to the provisions of this Lease; (ii) the Authorized Business or manner of operations conducted by Tenant in the Leased Premises including structural requirements resulting therefrom; and (iii) changes, alterations, and/or additions to the Leased Premises made by Tenant.

35. Perimeters. Landlord reserves the right to change the Building, Medical Center or Project perimeters (other than of the Leased Premises) and the further right to add buildings, driveways, malls or other structures, including, but not limited to buildings, pylon signs, retaining walls, berms and landscaping. Landlord also reserves the right to make changes in the Common Area, the Building and other improvements as Landlord may deem proper, subject to those rights explicitly granted Tenant by this Lease. In exercising any of the foregoing rights, Landlord shall not materially adversely affect the visibility of (from any public right of way) access to and egress from the Leased Premises.

36. Litigation; Financial Condition. Tenant represents and warrants to Landlord that Tenant is not involved in any pending or threatened litigation, proceedings, lawsuits, administrative hearings or other actions of any nature whatsoever, an adverse determination of which could materially and adversely affect Tenant's financial condition or its ability to perform under this Lease.

37. Tenant to Surrender Leased Premises in Good Condition. After a reasonable period for the removal of such, not to exceed thirty days, Tenant shall, at its expense, (i) remove Tenant's goods and effects and those of all persons claiming under Tenant, and (ii) quit and deliver up the Leased Premises to Landlord, peaceably and quietly, in good order and condition, subject to normal wear and tear and damage by fire or other casualty, with repair or replacement of any damage or injury occurring as a result of removal of Tenant's goods and effects and alterations or additions made by Tenant. Marks or small holes caused by the removal of Tenant's fixtures or signs attached with normal or approved fastening devices are not damage which must be repaired by Tenant, however, Tenant's obligations under this Paragraph includes an obligation to patch and fill the fascia on the Leased Premises resulting from the removal of Tenant's

sign. Any property, alterations, additions or improvements left in the Leased Premises after the expiration or termination of the Lease Term shall be deemed to have been abandoned and the property of Landlord to dispose of as Landlord deems expedient at the expense of the Tenant. Tenant shall deliver to Landlord all keys, programs, or other items necessary or desirable for the operation of installed equipment on the Leased Premises.

38. Memorandum of Lease. At the request of Landlord, the parties shall execute, in duplicate, a short form Memorandum of Lease in the form of Exhibit G, for recording and/or filing in the office of the Grand Forks County Recorder. Except when Tenant reasonably believes filing is required to protect its interests, Tenant agrees that neither this Lease, nor the Memorandum of Lease shall be filed of record unless the Landlord makes such a request.

39. Signs. No signs, emblems, logos, or other attachments except those consented to in writing by Landlord will be permitted on the exterior walls, windows or doors of the Leased Premises. All Tenant's signs shall comply with all requirements of appropriate governmental authorities, and any City approvals specific to the Medical Center. All necessary permits or licenses relating to Tenant's signs shall be obtained by Tenant.

40. Light and Air; General Use of the Building. Except for any windows in the storefront or on the side of the Leased Premises, the Tenant has no rights to light and air over premises adjoining the Leased Premises or the right to interfere with the use, by Landlord or others claiming under Landlord, of any part of the Building other than the Leased Premises.

41. Notices. Any notice required or permitted to be given under this Lease shall be deemed given on the date the same is deposited in the United States Mail, Registered or Certified, postage prepaid or deposited with a nationally recognized courier service, addressed, if to Tenant, at the address set forth below or if to Landlord, at the addresses or at such other address as Landlord or Tenant elects by giving written notice thereof to the other party.

The Landlord's addresses for notices are as follows:

Aurora Medical Park, LLC
4265 – 45th Street South, Suite 200
Fargo, ND 58104
Attn: Kevin Christianson

The Tenant's addresses for notice are as follows:

University of North Dakota
School of Medicine & Health Sciences
1000 SMHS, 501 North Columbia Road Stop 9037
Grand Forks, ND 58202-9037

The provisions of this section do not supersede any statutes or rules of court regarding notice of claims or service of process. In the event of a conflict between this section and any statutes or rules of court, the statutes or rules of court govern.

42. Quiet Enjoyment. Upon payment by Tenant of the Rents herein provided and the observance and performance of all other covenants, terms and conditions on Tenant's part to be observed and performed, Tenant shall quietly enjoy the Leased Premises without hindrance or interruption by Landlord or anyone acting through or on behalf of Landlord. Landlord represents and warrants that Landlord has good and marketable title to Lot 1 and the unencumbered right to lease the Leased Premises to Tenant (subject to the Declaration), and that no easement, restriction, or encumbrance to which the Lease is subject shall interfere in any material way with Tenant's use and enjoyment of the Leased Premises.

43. Force Majeure. If the performance of the obligations of Landlord or Tenant hereunder (with the exception of the obligation to pay rent and other obligations to pay money, are prevented or delayed by strike, lockout, war, inclement weather, unavailability of materials or other causes beyond the reasonable control, substitution or cure of such party hereto ("Event of Force Majeure"), the time for performance of such obligation shall be extended and no event of default shall exist by reason thereof, until such time as the event or circumstance preventing or delaying performance is removed or reasonably can be avoided, and for a reasonable time thereafter, so long as the party affected diligently pursues performance as soon as reasonably possible.

44. Agent. Landlord and Tenant warrant that they have had no dealings with any broker.

45. Environmental Matters.

A. Tenant shall not engage or permit its employees, agents or contractors to engage in any activity on the Leased Premises which involves the generation, transportation, treating, handling, storage, manufacture, emission or disposal of any dangerous, toxic or hazardous pollutants, wastes or substances as defined in the Federal Comprehensive and Environmental Response Compensation and Liability Act of 1980 ("CERCLA"), or the Federal Resources Conservation and Recovery Act of 1976 ("RCRA") or any other federal, state or local environmental laws, statutes, regulations, requirements and ordinances as now in effect or as the same may hereafter be amended or enacted ("Hazardous Materials"), except in compliance with all applicable laws and regulations. Tenant covenants and agrees that to the extent it is required to clean-up, remove and/or remediate any contamination, it will use its best efforts to minimize any resulting interference with Landlord's operations in the Medical Center.

B. Promptly after learning of the occurrence of any of the following, Tenant shall give Landlord oral and written notice thereof, describing the same

and the steps being taken by Tenant with respect thereto:

- (1) Any event involving the use (not in compliance with all applicable laws and regulations), spill, release, leak, discharge and cleanup of any Hazardous Material;
- (2) Any environmental litigation, arbitration proceeding or governmental proceeding against Tenant that affects the Leased Premises;
- (3) The delivery of any notice from a governmental agency that Tenant's operations of the Leased Premises are not in compliance with the requirements of applicable federal, state or local environmental health and safety statutes and regulations;
- (4) The delivery of any notice that Tenant is subject to federal or state investigation evaluating whether any remedial action is needed to respond to the release of any Hazardous Material or other substance from the Leased Premises and to the environment; or
- (5) The delivery of any notice that the Leased Premises are subject to a lien in favor of any governmental entity for any liability under federal or state environmental laws or regulations or damages arising from or costs incurred by such governmental agency with respect thereto.

- C. Tenant shall, at Tenant's sole cost and expense, comply with any and all laws governing Hazardous Materials used by Tenant in the operation of its business or otherwise brought to the premises by Tenant and provide any and all information that may be required by any governmental agency with respect thereto.
- D. Tenant's obligations under this Paragraph shall survive the expiration or sooner termination of this Lease.

46. Bankruptcy or Insolvency. Tenant or Tenant's guarantor, if any, shall not cause or give cause for the appointment of a trustee or a receiver of the assets of Tenant or Tenant's guarantor, and shall not make any assignment for the benefit of creditors, or be adjudicated insolvent. The allowance of any petition under any insolvency law except under the Bankruptcy Code or the appointment of a trustee or receiver of Tenant or Tenant's guarantor, or of the assets of either of them, shall be conclusive evidence of the petition, unless the appointment of a trustee or receiver is vacated within thirty days after such an allowance or appointment. Any act described in this Paragraph shall be deemed in material breach of Tenant's obligations hereunder and this Lease shall thereupon automatically terminate. Landlord does, in addition, reserve any and all other remedies provided in this Lease or in the law.

47. Cumulative Remedies. The rights, options, powers, and remedies set forth in this Lease shall be cumulative and in addition to any other rights and remedies

available at law, in equity (including, but not limited to, injunctive relief), or pursuant to the terms of this Lease. Said rights and remedies may be exercised and enforced concurrently and whenever and as often as the occasion arises. The exercise by a non-defaulting party of any right, option, power, or remedy shall not impair such party's right to any other rights, options, powers or remedies. The passage of time after the occurrence of an Event of Default shall not limit the non-defaulting party's rights, options, powers or remedies.

48. [Intentionally Deleted.]

49. Successors and Assigns. The provisions of this Lease shall run with the property upon which the Leased Premises is built and shall be binding upon, and shall inure to the benefit of the parties, their respective successors, personal representatives and assigns.

50. No Liability of Partners of Landlord. Notwithstanding anything herein to the contrary, the Landlord and partners of the Landlord, if any, are not and shall not be personally liable for performance of the covenants and agreements of Landlord herein contained, and the enforcement of the remedies of Tenant in the event of default by Landlord shall be strictly limited to the equity interests of Landlord in the Medical Center. If Landlord sells or assigns its interest in the Medical Center, Landlord shall without further written agreement be freed and relieved of liability under such covenants and obligations to the extent that the purchaser or assignee of Landlord's interest assumes such liability.

51. Joint and Several Liability. If there is more than one person who is a Tenant under this Lease, the liability for keeping and performing Tenant's obligations under this Lease shall be joint and several with respect to each such person.

52. No Partnership. Landlord does not, in any way or for any purpose, become a partner of the Tenant in the conduct of Tenant's business, or otherwise, or become a joint venture or a member of a joint enterprise with Tenant, by virtue of this Lease.

53. Time of the Essence; Computation of Time. Time is of the essence for each and every provision of this Lease. Whenever the last day for the exercise of any right or discharge of any duty under this Lease shall fall upon a Saturday, Sunday or any date on which banks in North Dakota are closed, the party having such right or duty may exercise such right or discharge such duty on the next succeeding day which is a regular business day.

54. North Dakota Law; Choice of Forum; Severability; Captions. This Lease will be governed by and construed in accordance with the domestic laws of the State of North Dakota, without giving effect to any choice of law or conflicting provision or rule (whether of the State of North Dakota or any other jurisdiction) that would cause the laws of any jurisdiction other than the State of North Dakota to be applied. In furtherance of the foregoing, the internal laws of the State of North Dakota control the interpretation and construction of this Lease, even if under such jurisdiction's choice of

law or other conflict of law analysis, the substantive law of some other jurisdiction would ordinarily apply. Whenever possible, each provision of this Lease shall be interpreted in such manner as to be effective and valid under such applicable laws, but, if any provision of this Lease shall be held prohibited or invalid under such applicable law, such provisions shall be effective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining portions of this Lease. The underscored captions of this Lease are for convenience only and shall not be used in the interpretation of any of the provisions of this Lease.

55. Exhibits. Included and incorporated herein by reference are Exhibits A-I, set forth in the Schedule of Basic Terms or otherwise stated in the Lease.

56. Counterparts. This lease may be executed in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

57. Effective Date. The Effective Date of this Lease shall be the date upon which this Lease is executed by the last signatory.

IN WITNESS HEREOF, this lease is executed by the parties on the dates set forth below.

LANDLORD

TENANT

Aurora Medical Park, LLC

University of North Dakota

By: 
Its: President

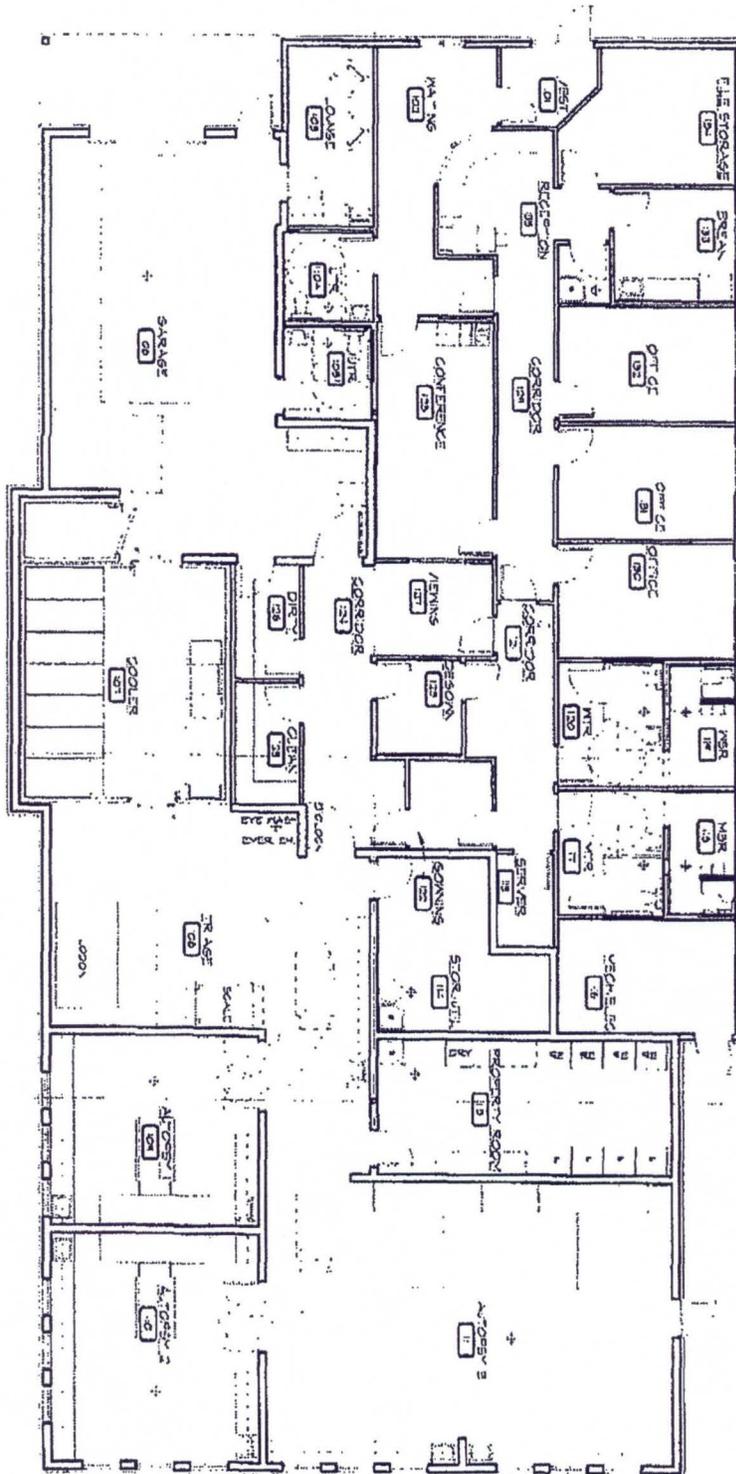
By: 
Its: Vice President for Finance and
Operations

Date: 8/17/09

Date: 8/12/09

EXHIBIT A-1

FLOOR PLAN



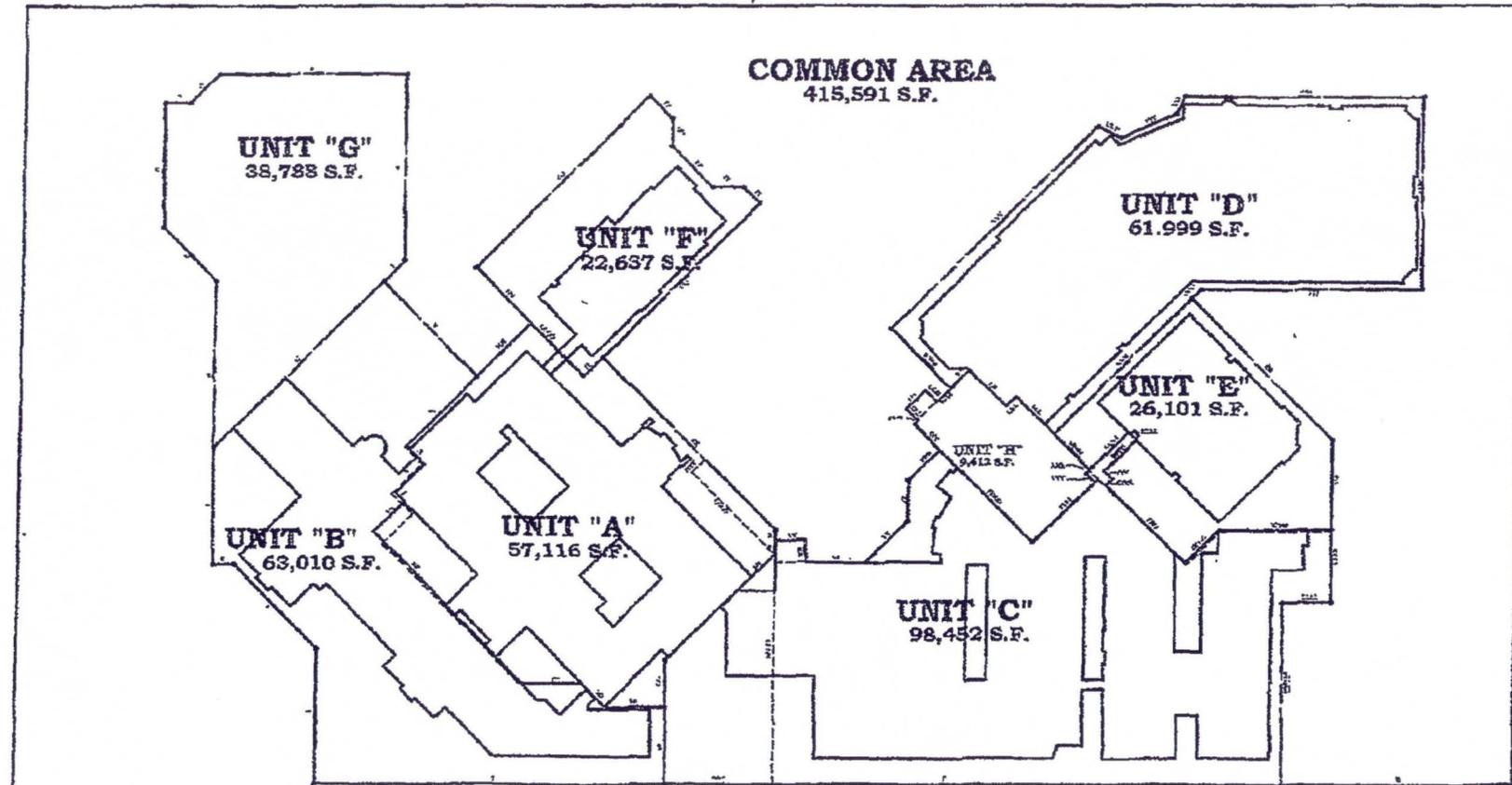
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EXHIBIT B

LANDLORD'S WORK

Landlord shall deliver the Leased Premises to Tenant with the following basic shell, to include the following:

1. Perimeter walls (without drywall).
2. Plumbing stub ins to perimeter of the Leased Premises.
3. Electrical service to perimeter of the Leased Premises.
4. Concrete floor throughout the Leased Premises.
5. Insulation of perimeter walls and ceilings.
6. Fire taped drywall lid across the Leased Premises.
7. Fire sprinkler service stub in to the perimeter of the Leased Premises.



COMMON AREA
415,591 S.F.

UNIT "G"
38,788 S.F.

UNIT "F"
22,637 S.F.

UNIT "D"
61,999 S.F.

UNIT "E"
26,101 S.F.

UNIT "B"
63,010 S.F.

UNIT "A"
57,116 S.F.

UNIT "H"
9,412 S.F.

UNIT "C"
98,452 S.F.

LEGEND

- AMENDED PROPERTY LINE
- ORIGINAL PROPERTY LINE
- FOUND MONUMENT
- PUT MONUMENT

UNIT	AREA / S.F.
A	57,116 S.F.
B	63,010 S.F.
C	98,452 S.F.
D	61,999 S.F.
E	26,101 S.F.
F	22,637 S.F.
G	38,788 S.F.
H	9,412 S.F.
COMMON	415,591 S.F.
TOTAL	791,657 S.F.

① UNIT AREA PLAN



AKB

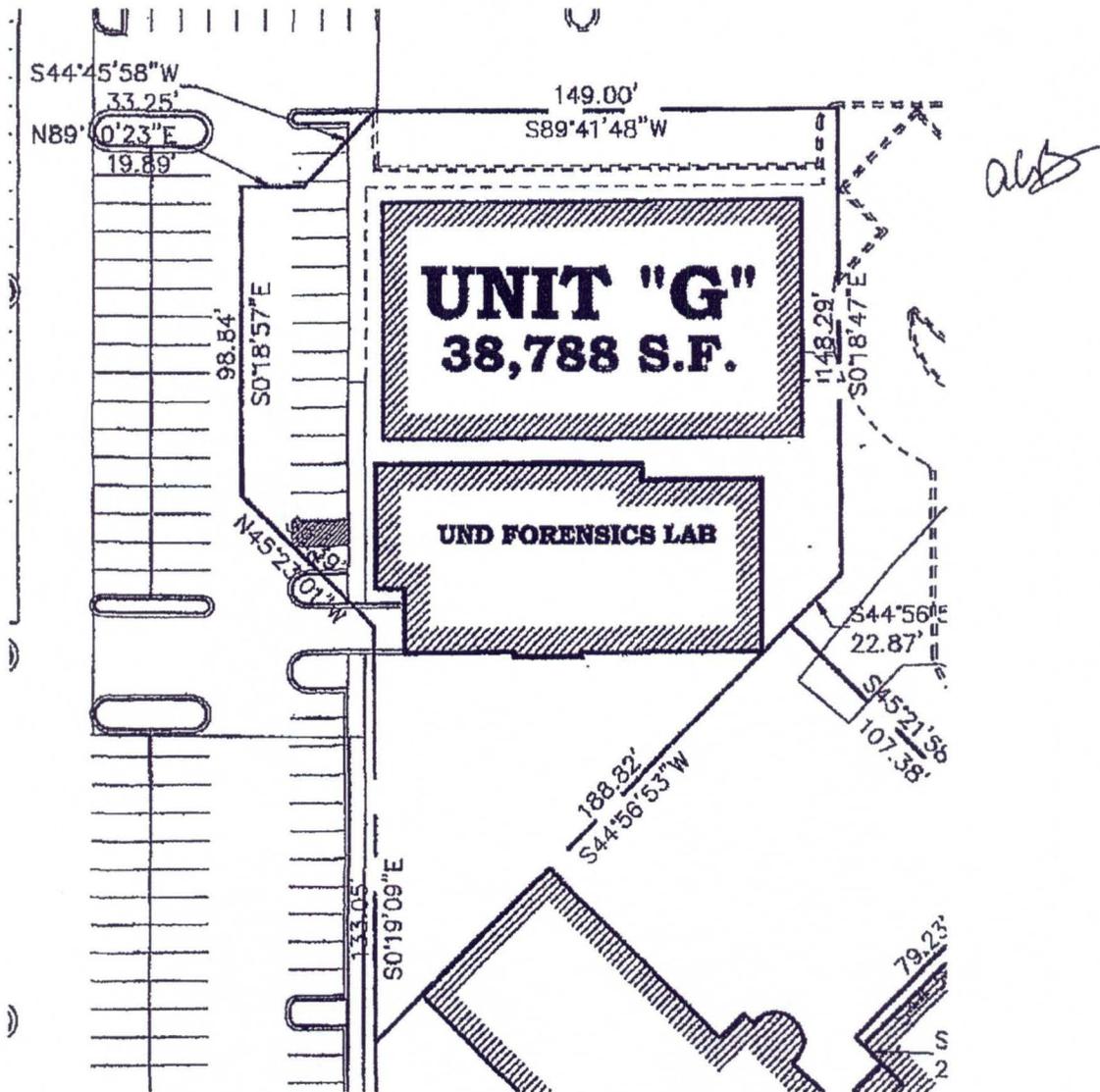


EXHIBIT C

ACCEPTANCE OF LEASED PREMISES

TENANT: University of North Dakota

LANDLORD: Aurora Medical Park, LLC

DATE LEASE SIGNED: _____

TERM OF LEASE: One Hundred Twenty (120) months

ADDRESS OF LEASED PREMISES: Unit G, containing approximately 7,167 square feet located within the Aurora Medical Park at Grand Forks, North Dakota.

COMMENCEMENT DATE: _____

EXPIRATION DATE: _____

The above-described Leased Premises are accepted by Tenant as suitable for the purpose for which they were let subject to any latent defects and punch-list items. The above described lease term commences and expires on the dates set forth above. Tenant acknowledges that it has received from Landlord _____ number of keys to the Leased Premises.

TENANT:

University of North Dakota

By: Alice Brekke
Its: Vice President for Finance and Operations

LANDLORD:

Aurora Medical Park, LLC

By: Kevin Christianson
Its: President

EXHIBIT E

TENANT'S PLANS AND SPECIFICATIONS

To be determined once individual tenant's plans and specifications have been created.

EXHIBIT F

RULES AND REGULATIONS

1. Tenant shall advise and cause its vendors to deliver all merchandise before noon on Mondays through Fridays, not at other times.
2. All deliveries are to be made to designated service or receiving areas and Tenant shall request delivery trucks to approach their service or receiving areas by designated service routes and drives.
3. Tractor-trailers which must be unhooked or parked must use steel plates under dolly wheels to prevent damage to the asphalt paving surface. In addition, wheel blocking must be available for use. Tractor-trailers are to be removed from the loading areas after unloading. No parking or storing of such trailers will be permitted in the Building or the Medical Center.
4. Tenant shall not dispose of the following items in sinks or commodes: plastic products (plastic bags, straws, boxes); sanitary napkins; tea bags, cooking fats, cooking oils; any meat scraps or cutting residue; petroleum products (gasoline, naphtha, kerosene, lubricating oils); paint products (thinner, brushes); or any other items which the same are not designed to receive.
5. Tenant shall not permit or suffer any advertising medium to be placed on exterior walls or windows, on the sidewalks or on the parking lot areas or light poles. No permission, expressed or implied, is granted to exhibit or display any banner, pennant, sign and trade or seasonal decoration of any size, style or material within the Building, Medical Center, or anywhere outside the Leased Premises.
6. Tenant shall not permit or suffer the use of any advertising medium that can be heard or experienced outside of the Leased Premises, including, without limiting the generality of the foregoing, flashing lights, searchlights, loud speakers, phonographs, radios, or television. No radio, television, or other communication antenna equipment or device is to be mounted, attached, or secured to any part of the roof, exterior surface, or anywhere outside the Leased Premises, unless Landlord has previously given its written consent.
7. Tenant shall not permit or suffer any portion of the Leased Premises to be used for lodging or extended stay purposes.
8. Tenant shall not, in or on any part of the Common Area:
 - a. Vend, peddle or solicit orders for sale or distribution of any merchandise, device, service, periodical, book, pamphlet or other matter whatsoever.
 - b. Exhibit any sign, placard, banner, notice or other written material, except for activities as approved in writing by Landlord.

- c. Distribute any circular, booklet, handbill, placard or other material, except for activities as approved in writing by Landlord.
 - d. Solicit membership in any organization, group or association or contribution for any purpose.
 - e. Create a nuisance.
 - f. Throw, discard or deposit any paper, glass or extraneous matter of any kind except in designated receptacles, or create litter or hazards of any kind.
 - g. Deface, damage or demolish any sign, light standard or fixture, landscaping materials or other improvement within the Medical Center, or the property of customers, business invitees or employees situated within the Medical Center.
9. Tenant shall not locate furnishings or cabinets adjacent to mechanical or electrical access Panels or over air-conditioning outlets so as to prevent operating personnel from servicing such units as routine or emergency access may require. Cost of moving such furnishings for Landlord's access will be at Tenant's cost. The lighting and air conditioning equipment of the Building will remain in the exclusive control of the building designated personnel.
10. Tenant shall comply with parking rules and regulations as may be posted and/or distributed from time to time.
11. Prior written approval, which shall be at Landlord's sole discretion, must be obtained for installation of window shades, blinds, drapes or any other window treatment of any kind whatsoever.
12. Tenant shall keep the Leased Premises at a temperature compatible with comfortable occupancy during business hours and at all times sufficiently high to prevent freezing of water in pipes and fixtures.
13. Tenant shall keep the signs, exterior lights and display window lights of the Leased Premises lighted each and every day of the Term during the hours designated by Landlord.
14. No animals shall be brought into or kept in or about the Building other than as handicap aids.
15. In the event, any violation of any of the above rules and regulations continues after five (5) days following receipt of written notice by Tenant of such violation, beginning on such fifth day Tenant shall be in default of lease. In addition to all other remedies of Landlord provided in the Lease for default by Tenant, pay

liquidated damages of One Hundred Dollars (\$100.00) per day for each day such violation continues.

16. Except as otherwise provided herein, Landlord reserves the right to modify or rescind any of these rules and regulations and to make such other or further reasonable rules and regulations as it deems in its reasonable judgment shall from time to time be necessary or advisable for the operation of the Medical Center, which rules and regulations shall be binding upon each such tenant in the Building or the Medical Center upon their written notification of said further rules and regulations.
17. In the event of any discrepancy or inconsistency between these rules and regulations and any provision of the Lease, the provision in the Lease shall govern and control.

EXHIBIT G

MEMORANDUM OF LEASE

This Memorandum of Lease is entered into by University of North Dakota, a North Dakota corporation ("Tenant") and Aurora Medical Park, LLC, a North Dakota limited liability company ("Landlord") as of _____, (the "Execution Date"), who together agree as follows:

RECITALS. The parties make the following declarations:

A. Landlord and Tenant have entered into a certain lease dated _____, (the "Lease"), whereby Landlord has leased to Tenant that part of the Medical Center (as such term is defined in the Lease), together with all improvements thereon, as crosshatched on the site plan attached hereto as Exhibit B and made a part hereof (the "Leased Premises").

B. The Leased Premises are part of the Building which is to be constructed on the property legally described on Exhibit A attached hereto and made a part hereof (the "Building").

C. The parties wish to give notice of the existence of the Lease.

1. Lease. Pursuant to the Lease, Landlord has demised and leased to Tenant, and Tenant has hired and taken from Landlord, the Leased Premises.

2. Term. The term of the Lease will commence the earlier of (i) the date which is sixty (60) days after the latter of (a) the date Landlord has given possession of the Leased Premises to Tenant with Landlord's Work (as defined herein) substantially completed (subject to the Punchlist, as defined herein) or (b) Tenant's receipt of all permits required for the construction of Tenant's Work; or (ii) the date Tenant opens for business ("Commencement Date").

3. Conflicting Terms. The terms and conditions of the Lease are incorporated by reference into this Memorandum of Lease as if such terms were written out at length. In the event of a conflict between this Memorandum of Lease and the Lease, the terms and conditions of the Lease shall govern. For a complete statement of the rights, privileges and obligations created under and by the Lease, reference is hereby made to the Lease.

Tenant and Landlord have executed this Memorandum of Lease as of the Execution Date.

LANDLORD:

Aurora Medical Park, LLC

By: Kevin Christianson
Its: President

TENANT:

University of North Dakota

By: Alice Brekke
Its: Vice President for Finance and
Operations

STATE OF NORTH DAKOTA)
)ss.
COUNTY OF CASS)

This instrument was acknowledged before me on this _____ day of _____, 2009, by Kevin Christianson, as President of Aurora Medical Park, LLC, a North Dakota limited liability company, on behalf of the limited liability company.

Notary Public
My Commission Expires:

STATE OF NORTH DAKOTA)
)ss.
COUNTY OF GRAND FORKS)

This instrument was acknowledged before me on this _____ day of _____, 2009, by Alice Brekke, as Vice President for Finance and Operations, of University of North Dakota, a North Dakota corporation, on behalf of the corporation.

Notary Public
My Commission Expires:

EXHIBIT A TO MEMORANDUM OF LEASE

LEGAL DESCRIPTION OF MEDICAL CENTER

Unit G, Aurora Medical Park Condominiums, a Condominium created pursuant to a Declaration Establishing a Plan of Condominium Ownership, recorded as Document No. 648326, erected upon: Lot 1, Block 1, Stadter Second Resubdivision to the City of Grand Forks, being a Replat of Lots 1, 2, 3, and 4, Block One of Stadter Resubdivision of the Replat of Lots A and B, Block A of the Replat of Block 2, Currans 2nd Subdivision and a Replat of Block 1, Currans 2nd Subdivision, County of Grand Forks, North Dakota, together with the undivided interest in common elements declared appurtenant thereto.

EXHIBIT B TO MEMORANDUM OF LEASE

SITE PLAN OF LEASED PREMISES

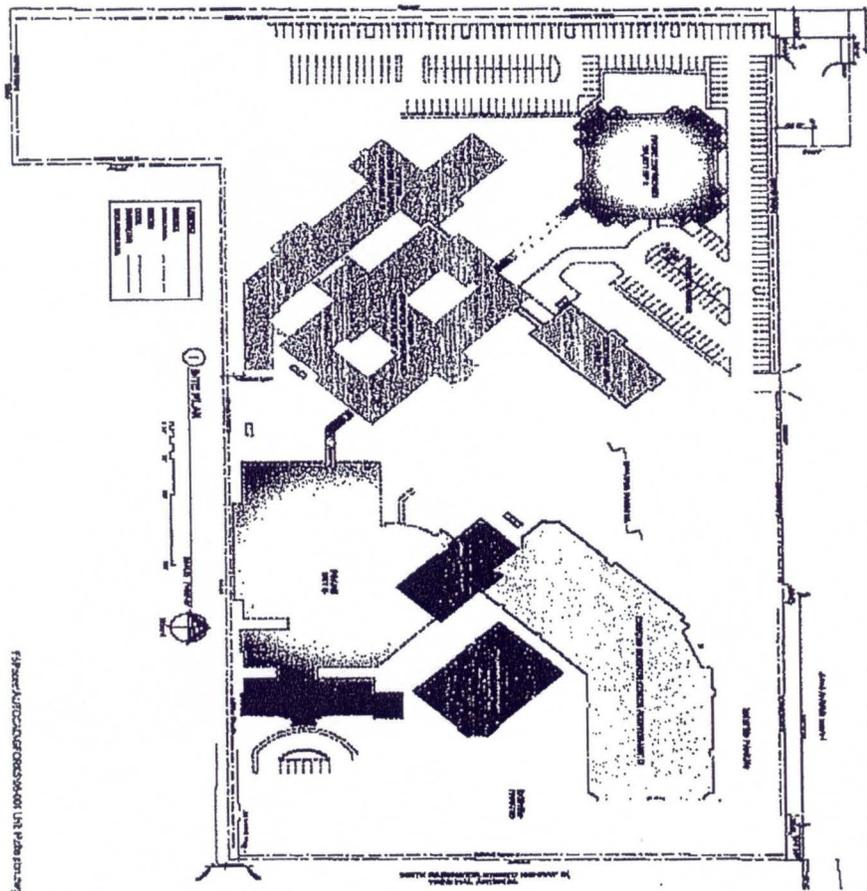


EXHIBIT H

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS AGREEMENT made this _____ day of _____, among _____, a bank (hereinafter called "Lender"), University of North Dakota, a North Dakota corporation, (hereinafter called "Tenant"), and Aurora Medical Park, LLC, a North Dakota limited liability company (hereinafter called "Landlord"), who together agree as follows:

RECITALS. The parties make the following declarations:

A. Lender is now or will be the owner and holder of a Mortgage and Security Agreement (hereinafter called the "Security Instrument"), [dated _____, recorded as Document Number _____ of the Real Property Records of Grand Forks County, State of North Dakota] covering the real property described in Exhibit A attached hereto and made a part hereof and the buildings and improvements thereon (hereinafter collectively called the "Mortgaged Premises") securing the payment of a promissory note in the stated principal amount of \$ _____, payable to the order of Lender;

B. Tenant is the tenant under that certain Lease Agreement (hereinafter called the "Lease") dated _____ by and between Landlord and Tenant, covering certain property (hereinafter called the "Demised Premises") consisting of all of the Mortgaged Premises; and

C. Tenant, Landlord and Lender desire to confirm their understanding with respect to the Lease and the Security Instrument;

1. Subordination. Subject to the terms of this Agreement, the Lease now is, and shall at all times and for all purposes continue to be, subject and subordinate, in each and every respect, to the Security Instrument, with the provisions of the Security Instrument controlling in all respects over the provisions of the Lease, it being understood and agreed that the foregoing subordination shall apply to any and all increases, renewals, modifications, extensions, substitutions, replacements and/or consolidations of the Security Instrument, provided that any and all such increases, renewals, modifications, extensions, substitutions, replacements and/or consolidations shall nevertheless be subject to the terms of this Agreement.
2. Non-Disturbance. So long as (i) Tenant is not in default (beyond any period given Tenant to cure such default) in the payment of rent or additional rent or in the performance of any of the other terms, covenants or conditions of the Lease on Tenant's part to be performed (ii) the Lease is in full force and effect, then (a) the Lease shall not be terminated or extinguished, (b) Tenant's possession, occupancy, use and quiet enjoyment of the Demised Premises under the Lease, or any extensions

or renewals thereof or acquisition of additional space which may be effected in accordance with any option therefore in the Lease, shall not be terminated, disturbed, diminished or interfered with by Lender in the exercise of any of its rights under the Security Instrument, and (c) Lender will not join Tenant as a party defendant in any action or proceeding for the purpose of terminating Tenant's interest and estate under the Lease because of any default under the Security Instrument.

3. Attornment. If Lender shall become the owner of the Mortgaged Premises or the Mortgaged Premises shall be sold by reason of non-judicial or judicial foreclosure or other proceedings brought to enforce the Security Instrument or the Mortgaged Premises shall be conveyed by deed in lieu of foreclosure, then upon written notice to Tenant that Lender has succeeded to the interest of Landlord in the Demised Premises, the Lease shall continue in full force and effect as a direct Lease between Lender or other purchaser of the Mortgaged Premises, who shall succeed to the rights and duties of Landlord, and Tenant. In such event, Tenant shall attorn to Lender or such purchaser, as the case may be, upon any such occurrence and shall recognize Lender or such purchaser, as the case may be, as the Landlord under the Lease. Such attornment shall be effective and self-operative without the execution of any further instrument on the part of any of the parties hereto. Tenant agrees, however, to execute and deliver at any time and from time to time, upon the request of Landlord or of any holder(s) of any of the indebtedness or other obligations secured by the Security Instrument or any such purchaser, any instrument or certificate which, in the reasonable judgment of the requesting party, is necessary or appropriate, in connection with any such foreclosure or deed in lieu of foreclosure or otherwise, to evidence such attornment, which instrument or certificate shall be in form and content reasonably acceptable to Tenant. Tenant hereby waives the provisions of any statute or rule of law (but not any express provision of the Lease), now or hereafter in effect, which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect the Lease and the obligations of Tenant thereunder as a result of any such foreclosure or deed in lieu of foreclosure.
4. Obligations and Remedies. If Lender shall become the owner of the Mortgaged Premises or the Mortgaged Premises shall be sold by reason of non-judicial or judicial foreclosure or other proceedings brought to enforce the Security Instrument or the Mortgaged Premises shall be conveyed by deed in lieu of foreclosure, Lender or other purchaser of the Mortgaged Premises, as the case may be, shall have the same remedies by entry, action or otherwise in the event of any default by Tenant (beyond any period given Tenant to cure such default) in the payment of rent or additional rent or in the performance of any of the other terms, covenants and conditions of the Lease on Tenant's part to be performed that Landlord had or would have had if Lender or such purchaser had not succeeded to the interest of Landlord. Upon attornment by Tenant as

provided herein, Lender or such purchaser shall be bound to Tenant under all the terms, covenants and conditions of the Lease and Tenant shall have the same remedies against Lender or such purchaser for the breach of an agreement contained in the Lease that Tenant might have had under the Lease against Landlord if Lender or such purchaser had not succeeded to the interest of Landlord; provided, however, that Lender or such purchaser shall not be liable or bound to Tenant:

- (a) for any act or omission of any prior landlord (including Landlord) which constitutes a default or breach of the Lease; provided, however, nothing herein shall be deemed to be a waiver of Tenant's rights or remedies in the event such act or omission is of a continuing nature, such as, for example, Landlord's failure to fulfill a repair obligation, and such default is not cured by Lender or such purchaser after Lender or such purchaser acquires the Mortgaged Premises (however, Lender or such purchaser shall in no event be liable for any tort claims which Tenant may have against Landlord); or
- (b) for any offsets or defenses which the Tenant might be entitled to assert against Landlord arising prior to the date Lender takes possession of Landlord's interest in the Lease or becomes a mortgagee in possession, subject to Tenant's continued right of offset for any default by Landlord which remains uncured provided notice of such default was required to be provided to Lender and was actually provided to Lender in accordance with the provisions of this Agreement; or
- (c) for or by any rent or additional rent which Tenant might have paid for more than the current month to any prior landlord (including Landlord) unless expressly required by the terms of the Lease or unless such rent or additional rent is actually received by Lender; or
- (d) by any amendment or modification of the Lease made without Lender's consent (which consent shall not be unreasonably withheld, conditioned or delayed) that (i) results in a reduction of rent or other sums due and payable pursuant to the Lease, (ii) reduces the term of the Lease, (iii) provides for payment of rent more than one month in advance, or (iv) materially increases Landlord's obligations under the Lease; or
- (e) for any security deposit, rental deposit or similar deposit given by Tenant to a prior landlord (including Landlord) unless such deposit is actually paid over to Lender or such purchaser by the prior landlord; or
- (f) for any portion of the Tenant Allowance (as such term is defined in the Lease) previously disbursed to Landlord by Lender pursuant to

the Construction Loan Agreement executed by and between Landlord and Lender, provided that if Lender or such purchaser refuses to pay Tenant such Tenant Allowance, as set forth in the Lease, then Tenant may either terminate this Lease upon notice to Lender or such purchaser or offset the amount of the unpaid Tenant Allowance against Tenant's next due rental obligations under the Lease; or

- (g) for the construction of any improvements required of Landlord under the Lease in the event Lender or such purchaser acquires title to the Mortgaged Premises prior to full completion and acceptance by Tenant of improvements required under the Lease; provided, however, if Lender or such purchaser fails or refuses to perform such construction of improvements, then Tenant may either terminate this Lease upon written notice to Lender or such purchaser or perform such work and offset the cost thereof together with any unpaid Tenant Allowance against Tenant's next due rental obligations; or
- (h) for the payment of any leasing commissions or other expenses for which any prior landlord (including Landlord) incurred the obligation to pay, except for those leasing commissions expressly provided for in the Lease; or
- (i) by any provision of the Lease restricting use of properties other than the Medical Center owned by Lender, as landlord, except for any properties immediately adjacent to the Medical Center .

Except as expressly set forth herein, the person or entity to whom Tenant attorns shall be liable to Tenant under the Lease only for matters arising during such person's or entity's period of ownership.

5. No Abridgment. Nothing herein contained is intended, nor shall it be construed, to abridge or adversely affect any right or remedy of Landlord under the Lease in the event of any default by Tenant (beyond any period given Tenant to cure such default) in the payment of rent or additional rent or in the performance of any of the other terms, covenants or conditions of the Lease on Tenant's part to be performed.
6. Notices of Default to Lender. Tenant agrees to give Lender a copy of any default notice sent by Tenant under the Lease to Landlord which would entitle Tenant to terminate the Lease.
7. Representations by Tenant. Tenant represents and warrants to Lender that to Tenant's current actual knowledge, without investigation or inquiry, as of the date hereof, Tenant has validly executed the Lease; the Lease is valid, binding and enforceable and is in full force and effect in accordance with its terms; the Lease has not been amended except as stated herein;

no rent under the Lease has been paid more than thirty (30) days in advance of its due date; there are no defaults existing under the Lease; and Tenant, as of this date, has no charge, lien, counterclaim or claim of offset under the Lease, or otherwise, against the rents or other charges due or to become due under the Lease.

8. Rent Payment. If Lender shall become the owner of the Mortgaged Premises or the Mortgaged Premises shall be sold by reason of non-judicial or judicial foreclosure or other proceedings brought to enforce the Security Instrument or the Mortgaged Premises shall be conveyed by deed in lieu of foreclosure, Tenant agrees to pay all rents directly to Lender or other purchaser of the Mortgaged Premises, as the case may be, in accordance with the Lease immediately upon receipt of written notice of Lender or such purchaser, as the case may be, succeeding to Landlord's interest under the Lease. Tenant further agrees to pay all rents directly to Lender immediately upon its receipt of written notice that Lender is exercising its rights to such rents under the Security Instrument or any other loan documents (including but not limited to any Assignment of Leases and Rents) following a default by Landlord or other applicable party. Tenant shall be under no obligation to ascertain whether a default by Landlord has occurred under the Security Instrument or any other loan documents. Landlord waives any right, claim or demand it may now or hereafter have against Tenant by reason of such direct payment to Lender and agrees that such direct payment to Lender shall discharge all obligations of Tenant to make such payment to Landlord. Lender agrees that such rent paid directly to Lender shall be credited against Tenant's rental obligations under the Lease
9. Notice of Security Instrument. To the extent that the Lease shall entitle Tenant to notice of any deed of trust or security agreement, this Agreement shall constitute such notice to the Tenant with respect to the Security Instrument and to any and all other deeds of trust and security agreements which may hereafter be subject to the terms of this Agreement.
10. Landlord Defaults. Tenant agrees with Lender that effective as of the date of this Agreement: (i) Tenant shall not take any steps to terminate the Lease for any default by Landlord or any succeeding owner of the Mortgaged Premises until after giving Lender written notice of such default, stating the nature of the default and giving Lender thirty (30) days from receipt of such notice to effect cure of the same, or if cure cannot be effected within said thirty (30) days due to the nature of the default, Lender shall have a reasonable time to cure provided that it commences cure within said thirty (30) day period of time and diligently carries such cure to completion within 90 days of Tenant's notice; and (ii) notice to Landlord under the Lease (oral or written) shall not constitute notice to Lender. For purposes of this paragraph, actions taken by Lender to foreclose the Security Instrument or otherwise gain possession of the Mortgaged

Premises shall be considered actions undertaken to cure any default. Notwithstanding the foregoing, if Landlord defaults in the performance of any of its material obligations, covenants and warranties under the Lease which interferes with the ability of Tenant to reasonably implement its permitted use under the Lease or results in a real and imminent danger to the health or safety of the person or property tenant or any agent, employee, or invitee of Tenant, then, in such event, Tenant shall be entitled to exercise its rights of self-help and offset within the time periods set forth in the Lease provided all required notices have been given as set forth in the Lease.

11. Notice. Any notice or communication required or permitted hereunder shall be given in writing, sent by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) United States mail, postage prepaid, registered or certified mail, addressed as follows:

To Lender: _____

Attention: _____

To Tenant: University of North Dakota
School of Medicine & Health Sciences
1000 SMHS, 501 North Columbia Road
Stop 9037
Grand Forks, ND 58202-9037

or to such other address or to the attention of such other person as hereafter shall be designated in writing by the applicable party sent in accordance herewith. Any such notice or communication shall be deemed to have been given and received either at the time of personal delivery or, in the case of delivery service or mail, as of the third business day after depositing such notice with any post office, mail depository or nationally recognized overnight delivery carrier for delivery at the address and in the manner provided herein.

12. Modification. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors in interest.
13. Successor Lender. The term "Lender" as used throughout this Agreement includes any successor or assign of Lender, any affiliate of Lender acquiring the Mortgaged Property at foreclosure or by deed-in-lieu of foreclosure, and any holder(s) of any interest in the indebtedness secured by the Security Instrument.
14. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns, and any

purchaser or purchasers at foreclosure of the Mortgaged Premises, and their respective successors and assigns.

15. Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof.
16. Gender and Number. Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural and words in the plural number shall be held and construed to include the singular, unless the context otherwise requires.
17. Applicable Law. This Agreement and the rights and duties of the parties hereunder shall be governed by all purposes by the law of the state where the Mortgaged Premises is located and the law of the United States applicable to transactions within such state.
18. Counterparts. This Agreement may be executed in multiple counterparts and by the different parties hereto in separate counterparts, each of which shall for all purposes be deemed to be an original and all of which together shall constitute but one and the same instrument, with the same effect as if all parties to this Agreement had signed the same signature page.
19. Insurance Proceeds and Condemnation Awards. Notwithstanding anything to the contrary contained herein, property insurance proceeds and condemnation awards with respect to the Demised Premises and Tenant's leasehold improvements, personal property and its interest in the Lease and Demised Premises shall be disbursed in accordance with the Lease (as if no Security Instrument existed) and not in accordance with the Security Instrument.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Agreement to be duly executed as of the day and year first above written.

SIGNATURE PAGES FOLLOW

**SIGNATURE PAGE OF LENDER TO
SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT
DATED _____**

[LENDER]

By: _____
Name: _____
Title: _____

STATE OF NORTH DAKOTA)
)ss.
COUNTY OF CASS)

This instrument was acknowledged before me on _____, by
_____ of _____,
a _____ bank, on behalf of said federal savings bank.

Notary Public
My Commission Expires:

**SIGNATURE PAGE OF TENANT TO
SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT
DATED _____**

TENANT:

University of North Dakota

By: Alice Brekke
Its: Vice President for Finance and
Operations

STATE OF NORTH DAKOTA)
)ss.
COUNTY OF GRAND FORKS)

This instrument was acknowledged before me on _____, by Alice Brekke, the Vice President for Finance and Operations of University of North Dakota, a North Dakota corporation, on behalf of said corporation.

Notary Public
My Commission Expires:

**SIGNATURE PAGE OF LANDLORD TO
SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT
DATED _____**

LANDLORD:

Aurora Medical Park, LLC

By: Kevin Christianson
Its: President

STATE OF NORTH DAKOTA)
)ss.
COUNTY OF CASS)

This instrument was acknowledged before me on _____, by Kevin Christianson, the President of Aurora Medical Park, LLC, a North Dakota limited liability company, on behalf of said limited liability company.

Notary Public
My Commission Expires:

EXHIBIT I

LEASE CONFIRMATION CERTIFICATE

This Lease Confirmation Certificate is dated _____, by and between Aurora Medical Park, LLC ("Landlord") and University of North Dakota ("Tenant"), who together agree as follows:

RECITALS. The parties make the following declarations:

A. Landlord and Tenant have previously executed that certain Lease dated _____, (the "Lease"), pursuant to which Tenant leases from Landlord approximately 7,167 square feet (the "Leased Premises") as more particularly described in the Lease.

B. Landlord and Tenant now desire to execute this Lease Confirmation Certificate to confirm, among other things, the Commencement Date, the expiration date, the square footage of the Premises, the Base Rent, and the Tenant Improvement Allowance. All capitalized terms used herein and not defined herein shall have the meanings assigned thereto in the Lease.

1. Delivery Date. Landlord delivered the Premises to Tenant on _____ and the Possession Date occurred on _____.
2. Commencement Date. The Commencement Date of the Lease occurred, or will occur, on _____, and shall expire on _____.
3. Square Footage. For purposes of determining any per square foot charges in the Lease, the Premises shall be deemed to contain _____ square feet.
4. Base Rent. Pursuant to Section 2E of the Lease, Tenant's obligation to pay Base Rent commenced, or will commence on _____, in the following amounts, subject to adjustment as may be provided in the Lease:

Years	Monthly Base Rent	Annual Base Rent
1-10	\$	\$

6. No Modification of Lease. This Lease Confirmation Certificate is intended to determine the various dates and time periods referenced above based on the formulae and other substantive provisions contained in the Lease in light of the actual attendant facts and circumstances that have occurred. In no event is this Lease Confirmation Certificate intended to modify any substantive provision of the Lease, and in the event of a conflict between the terms of the Lease and this Lease Confirmation Certificate, the terms of the Lease shall control.

7. Counterparts. This Lease Confirmation Certificate may be executed in several counterparts, each of which may be deemed an original, and all such counterparts together shall constitute one and the same Lease Confirmation Certificate.

IN WITNESS WHEREOF, the parties have executed this Lease Confirmation Certificate as of the date first above written.

LANDLORD:

Aurora Medical Park, LLC

TENANT:

University of North Dakota

By: Kevin Christianson
Its: President

By: Alice Brekke
Its: Vice President for Finance and
Operations