

U.S. POSTAL SERVICE
LEASE AMENDMENT

THIS AMENDMENT is made by and between Correo, Inc.
(Enter name(s) of Lessor(s))

hereinafter referred to as "lessor", and THE UNITED STATES POSTAL SERVICE, hereinafter referred to as "Postal Service".

WHEREAS by lease dated September 21, 19 61, the lessor leased to the Postal Service certain premises

known as Main Post Office
(Main post office, branch, station, etc.)

and located at 209 West Main Street - Riceville, Iowa 50466
(Street Address, City, State and ZIP Code)

more particularly described on Exhibit A attached hereto and made a part hereof, and WHEREAS, it has been mutually agreed between the lessor and the Postal Service that certain changes be made in the terms and conditions of the aforesaid lease which are of mutual benefit to the lessor and to the Postal Service.

NOW, THEREFORE, in consideration of the mutual covenants of the parties hereto, it is agreed as follows:

1. The lessor and the Postal Service hereby amend the lease by substitution of the following riders in lieu of all prior agreements regarding responsibility for the items covered by the riders (check appropriate items below):

Maintenance Rider Yes No Utilities Rider Yes No Taxes Rider Yes No

2. The lessor agrees as a condition precedent to the Postal Service's assumption of obligation to pay for maintenance, utilities or taxes, as provided for in this amendment, to perform the following required maintenance items at the lessor's sole cost and expense:

See Exhibit "B"

3. The lessor shall be and remain responsible for correcting all items of deferred maintenance existing at the time this amendment becomes effective whether or not such items are listed above and regardless of any acceptance of work done by the lessor to correct the items listed above, providing the Postal Service identifies such items of deferred maintenance within twelve months of the effective date of the Postal Service's assumption of obligations to pay for maintenance, utilities or taxes under this amendment.

4. In further consideration of this amendment the lessor agrees that the annual rent under this lease shall be adjusted downward, and that, commencing with the effective date of this amendment, and continuing until the beginning of any future option period, the annual rent will be: \$ 3,828.00.

5. It is further agreed that, in the event the Postal Service exercises any available renewal options under the present contract, the rent for the option periods will be as follows:

From <u>October 15, 1981</u>	to <u>October 14, 1986</u>	at \$ <u>3,668.00</u>	per annum
From <u>October 15, 1986</u>	to <u>October 14, 1991</u>	at \$ <u>3,509.00</u>	per annum.
From _____	to _____	at \$ _____	per annum.
From _____	to _____	at \$ _____	per annum.
From _____	to _____	at \$ _____	per annum.
From _____	to _____	at \$ _____	per annum.
From _____	to _____	at \$ _____	per annum.
From _____	to _____	at \$ _____	per annum.

6. By execution of this amendment, the lessor hereby grants the Postal Service an option to purchase the fee simple title to the leased premises at any time during the remaining term of this lease, including the term of any lease renewal options subsequently exercised, by providing written notice of the exercise of the option to purchase to the lessor. The purchase price will be at the fair market value of the premises at the date of the exercise of this option, unencumbered by the Postal Service lease, as determined by Postal Service appraisal. If the lessor disagrees with the Postal Service appraisal, the lessor shall have a period of one hundred twenty (120) days to obtain an appraisal at the lessor's expense. Thereafter, the parties will attempt to negotiate a final purchase price. If agreement on price cannot be reached, the purchase price will be determined by an appraiser selected by the lessor from a list of three appraisers furnished by the Postal Service. Each of the three appraisers must be a designated appraiser of a recognized national professional appraisal organization or society. The cost of the third appraisal will be equally shared between the lessor and the Postal Service.

7. If a price is determined by a third appraisal as provided in paragraph 6 of this amendment, that price will be binding on both parties, except that the Postal Service may elect not to purchase or to purchase at the price of the higher of the two prior appraisals if the price of the third appraisal exceeds the price of the higher of the two prior appraisals and the lessor may elect not to sell or to sell at the price of the lower of the two prior appraisals if the price of the third appraisal is below the price of the lower of the prior two appraisals. If the Postal Service elects not to buy or the lessor elects not to sell under the foregoing provision, the lease as amended will continue in full force and effect; and the Postal Service will not be allowed again to exercise its option to purchase for twelve (12) months from the date of the third appraisal and then only on condition that it agrees to pay the reasonable costs of any lessor appraisal.

ORIGINAL PUBLIC

- 8. This option is in addition to any other purchase options available under the lease of this property. If the Postal Service exercises this option to purchase, the lessor will convey the property by good and sufficient warranty deed, free and clear of all encumbrances. The Postal Service will obtain its own title evidence and surveys, and will reimburse the lessor for reasonable expenses for recording fees, transfer taxes, mortgage prepayment costs, and similar expenses incidental to closing, not including the cost to the lessor of any appraisals obtained under paragraph 6 of this amendment.
- 9. Settlement will be scheduled to take place within 90 days after the purchase price has been determined. The purchase price will be paid as follows:
 - a. monthly payments in the amount of the current rent as of the date of settlement for the period of months of the remaining lease term (not including the period of any option not yet exercised), or 84 months, whichever is the longer period;
 - b. the balance of the purchase price at the time of closing.
 Payments are of principal only, with no interest due the lessor.
- 10. Within thirty (30) days after the date of execution, the lessor will record this lease amendment at the lessor's expense and immediately thereafter provide evidence of the recording to the Postal Service.
- 11. All provisions of the aforementioned lease unaffected by this amendment are hereby confirmed and shall remain the same.
- 12. The Postal Service's assumption of obligations to pay for maintenance, utilities or taxes under this amendment shall be effective as follows:
 - a. If any items of deferred maintenance are identified in paragraph 2 hereof, then on the first day of the month following completion by the lessor and acceptance by the Postal Service of the required work.
 - b. If no items of deferred maintenance are identified in paragraph 2 hereof, then on the first day of the month following acceptance of this amendment by the Postal Service or on October 1, 1980, if the phrase "October 1, 1980" appears immediately following this sentence and the Lessor's signed copies of this amendment are received in the appropriate office of the Postal Service within 60 days after the date of the letter transmitting this amendment to the lessor for signature.

IN WITNESS WHEREOF, the parties hereto have signed and sealed these presents this 28th day of August 19 81.

WITNESSES:

CORREO, INC.
 by: _____
 Ray A. Eckstein, President



(608) 725-5164
(Telephone No. of Lessor)

ACCEPTED by the undersigned for the Postal Service this 9th day of September 19 81

WITNESS:

 Debbie Plumhoff

THE UNITED STATES POSTAL SERVICE
 By: _____
 Title: ROBERT VOGEL
 (Contracting Officer)

Field Real Estate & Buildings Office

NOTE: Certain information provided by the lessor formed the basis of this Agreement. Lessors are cautioned that the penalty for making false statements or representations is contained in 18 U.S.C. Section 1001.

U.S. POSTAL SERVICE
LEASE AMENDMENT RIDERS
(Applicable Rider checked)

RICEVILLE, IA 50466

A. MAINTENANCE

1. Obligations of the Postal Service

The Postal Service shall keep the demised premises in good repair and tenantable condition, except that the Postal Service will not be obligated to make any repairs which are the responsibility of the lessor as specified in Paragraph 2 of this rider. The term "demised premises" as used in this paragraph includes the improvements thereon and the appurtenances thereto, and any and all equipment and fixtures furnished or to be furnished by the lessor under this lease. The Postal Service's responsibilities as stated herein shall be fulfilled at such time and in such manner as the Postal Service considers necessary to keep the demised premises, equipment, fixtures, improvements and appurtenances in proper condition.

2. Obligations of the Lessor

The lessor will be responsible for all structural repairs to the demised premises; for repairs resulting from Acts of God, or acts of the public enemy; for repairs to all common or joint use areas that may be included as part of this lease agreement; for repairs resulting from defects in building construction or installation of equipment, fixtures and appurtenances furnished by the lessor; for repairs resulting from fire or other casualty or calamity, unless such damage arises from the act or the negligence of the Postal Service's agents or employees; and for any repairs in postal maintained areas made necessary by any failure of a facility element for which the lessor is responsible. Structural repairs as used in this paragraph shall be limited to the foundation, bearing walls, floors, excluding the floor covering, column supports, and the roof system, including but not limited to roof-covering, flashing, and insulation.

B. TAXES TAXES MUST BE SEPARATELY ASSESSED.

1. Upon demand by the lessor, the Postal Service shall reimburse the lessor for all general real estate taxes paid after the effective date of this rider. The lessor shall submit with his claim for reimbursement satisfactory proof of payment and correctness of the tax bill. General real estate taxes are taxes which are assessed on an ad valorem basis, against all taxable real property in the taxing authority's jurisdiction without regard to benefits to the property, for the purpose of funding general governmental services. Presentation of tax bills shall be made to the office shown in paragraph 3 of this rider. The lessor shall pay the general real estate taxes covered here before any fine, penalty, interest or cost may be added thereto for the non-payment thereof and at such time and manner and amount as to obtain any discount allowed by the taxing authority. If the lessor fails to do so, the Postal Service shall only reimburse the lessor for the amount that would have been paid had the lessor done so. The lessor shall pay all assessments and fees of every kind and nature other than general estate taxes without reimbursement by the Postal Service.
2. If a part of said general real estate taxes applies to any period prior to the commencement of this amendment or subsequent to the expiration of the term of this lease and the remainder of the general real estate taxes applies to the period of time within the term of this amendment and this lease, the Postal Service shall be liable to reimburse the lessor in the aforesaid manner for only that portion of said taxes applying to the period of time within the term of the amendment and the lease.
3. The lessor shall furnish the Postal Service copies of all notices which may affect the valuation of said land and buildings for general real estate tax purposes or which may affect the levy or assessment of general real estate taxes thereon. Such notices shall be delivered or mailed within three days from the receipt thereof by the lessor to:

Contracting Officer

Field Real Estate & Buildings Office

P. O. Box 69069, St. Paul, MN 55169

or to such other office as the Postal Service may later in writing direct. The lessor shall cause payment of said general real estate taxes to be made under protest when requested to do so by the Postal Service. The Postal Service may contest the amount or validity of any valuation for general real estate tax purposes or of any levy or assessment of any general real estate taxes by appropriate legal proceedings either in the name of the Postal Service or the name of the lessor in the names of both. The lessor, upon reasonable notice and request by the Postal Service, shall join in any such proceedings, but the lessor shall not be subject to any liability for the payment of penalties, costs or expenses in connection with any proceedings brought by the Postal Service, and the Postal Service hereby covenants to indemnify and save harmless the lessor from any such penalties, costs, or expenses. The lessor shall cooperate with the Postal Service in any such proceeding and execute any documents or pleadings required for such purpose provided the lessor shall be reasonably satisfied that the facts set forth in such documents or pleadings are accurate.

EXHIBIT "A"

LEGAL DESCRIPTION

RICEVILLE, IA 50466

All that certain room 50'0" x 48'0", providing 2,400 square feet of floor space, net, inside measurements, on the first floor in the one-story masonry building, with loading dock 12'0" x 18'0", providing 216 square feet; exclusive use of paved parking, driveway and maneuvering areas, irregular dimensioned, providing 4,490 square feet; and approximately 4,265 square feet of the remaining lot area utilized for concrete walks and landscaped and grass areas, situated on Lot 4, except the south 25 feet of the west 13 feet 6 inches thereof, Lot 5, except the south 25 feet thereof, and the east one-third of Lot 6, except the south 25 feet thereof, in Block 9, situated on the south side of Main Street, 148 feet 6 inches west of Walnut Street, in RICEVILLE, MITCHELL COUNTY, IOWA.

EXHIBIT "B"
DEFERRED MAINTENANCE
RICEVILLE, IA 50466

- 1) Repair driveway, parking and maneuvering area as needed.
- 2) Replace all broken windows.
- 3) Tuckpoint or caulk main entrance steps.
- 4) Replace steel nose on dock steps.
- 5) Repair crack in dock.
- 6) Paint all exterior trim.
- 7) Repair and unplug downspouts as necessary.
- 8) Reglue mop board in lobby.
- 9) Replace address decal.
- 10) Repair all interior walls.
- 11) Adjust rear dock vestibule doors.
- 12) Repair hinges on rear dock vestibule doors.
- 13) Repair lighting fixture in postmaster's office.
- 14) Replace ballasts where needed.
- 15) Correct problem of water running over electric meter.
- 16) Paint partitions in men's room.

FORM OF ACKNOWLEDGMENT FOR CORPORATIONS

STATE OF WISCONSIN }
COUNTY OF GRANT } ss:

Personally appeared before me, a notary public in and for the County and State aforesaid, _____
Ray A. Eckstein

and _____ who is _____ known to me to be the
President and _____ of the _____
CORREO, INC. and

to be the same person who executed the foregoing lease, who depose and say that he knows the seal
of the said corporation, that the seal affixed to the above instrument is the seal of said corporation, and
that it was affixed, and that he signed his name thereto, by authority of the said corpora-
tion, for the purposes set forth, and as his own free and voluntary act.
(his) (her)

Done at Cassville, in the County and State aforesaid, this 28th
day of August, 19 81.



Agnes M. Dietrich
Agnes M. Dietrich, Notary Public.

My commission expires February 13, 1983.

NOTE.—If the corporation is without a seal, that portion of the acknowledgment referring to a seal should be stricken out, and on the blank line following this statement should be made: "and that the said corporation has no corporate seal."

ACKNOWLEDGEMENT

STATE OF MINNESOTA)
 (ss.
COUNTY OF RAMSEY)

I, JOYCE ANN FALKENSTEIN, a notary public, do hereby certify that ROBERT VOGEL, Field Supervisor, Field Real Estate and Buildings Office, United States Postal Service, St. Paul, Minnesota, personally appeared before me and acknowledged said instrument to be an act and deed of the United States Postal Service.

Subscribed and sworn to before me this 9TH day of September, 19 81.



Joyce Ann Falkenstein
JOYCE ANN FALKENSTEIN
Notary Public

JOYCE ANN FALKENSTEIN
Notary Public, Ramsey County, Mn.
My commission expires Dec. 14, 1987.

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STATE OF IOWA, MITCHELL COUNTY
Filed for Record MAR 1 1982
at 8:00 A.M. 21⁹⁸ Fee
Book 51-Miss Page 228-234
Jala Naig Recorder
David B. Anderson Deputy