



8600 Montana Lease Amendment

Resolution
February 1, 2022



Overview

Tenant: Southwest Hyundai, L.P.

Location: 8600 Montana

Leased Area: 14,796 sf

Amendments to Lease:

- Allow construction improvements (\$6M TI)
- Extend term of lease
- Establish rent amounts during renewal terms

Current Market Rental Rate: \$16.15 psf

Current Rental Rate: \$16.57 psf with 1% annual increases through the end of the lease term



Building renovations are part of new facility requirements by Hyundai Motors

Current Agreement Details

Current Lease Expiration Date: March 31, 2026

Current Value through the End of the Current Term: \$1,250,498.33

- Year 11: \$245,147.46
- Year 12: \$247,598.83
- Year 13: \$250,074.93
- Year 14: \$252,575.68
- Year 15: \$255,101.43

New Agreement Details



New Lease Expiration Date

- Initial Term: March 31, 2031
- First Renewal Option: March 31, 2036
- Second Renewal Option: March 31, 2041
- Third Renewal Option: March 31, 2046

Total Value through the End of the Additional 20 Year Term: \$5,673,250.19

- Includes 1% annual increase through the end of the lease term and all renewal periods
 - Year 16: \$257,652.44
 - Year 20: \$268,114.17
 - Year 25: \$281,790.68
 - Year 30: \$296,164.84
 - Year 35: \$311,272.22



Mission

Deliver exceptional services to support a high quality of life and place for our community



Vision

Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government



Values

Integrity, Respect, Excellence,
Accountability, People