

September 21, 2023

Jill Thompson Michigan Department of Education 608 West Allegan Street PO Box 30008 Lansing, MI 48909

Dear Ms. Thompson:

Attached please Contract Amendment No. 3 for FlexTech High School-Shepherd.

Please let me know if you have any questions, I can be reached at (906) 248-8446.

Sincerely,

Marinh Wanie

Mariah Wanic, Director of Charter Schools

CONTRACT AMENDMENT NO. 3

BETWEEN

BAY MILLS COMMUNITY COLLEGE BOARD OF REGENTS (AUTHORIZING BODY)

AND

FLEXTECH HIGH SCHOOL-SHEPHERD (PUBLIC SCHOOL ACADEMY)

CONTRACT AMENDMENT NO. 3

FLEXTECH HIGH SCHOOL-SHEPHERD

In accordance with Article IX of the Terms and Conditions, incorporated as part of the Contract to Charter a Public School Academy and Related Documents, issued by the BAY MILLS COMMUNITY COLLEGE BOARD OF REGENTS ("College Board") to FLEXTECH HIGH SCHOOL-SHEPHERD ("Academy") on July 1, 2018 ("Contract"), the parties agree to amend the Contract as follows:

1. Amend Contract Schedule 6: <u>Physical Plant Description</u>, by adding at the end of the schedule the Lease Agreement, attached as Exhibit 1.

The changes identified in this Section A shall have an effective date of August 1, 2023.

This amendment is hereby approved by the College Board and the Academy through their authorized designees and shall have effective date as set forth above.

Marich Unnu

Dated: 9-21-23

By: Mariah Wanic, Director of Charter Schools Bay Mills Community College Designee of the College Board

By: Dawn Thomas, President FlexTech High School-Shepherd Designee of the Academy

Dated: 9/21/23

Exhibit 1

LEASE AGREEMENT

THIS LEASE is effective as of August 1, 2023, by and between THE MOREY FOUNDATION, 7350 E. River Rd., Mt. Pleasant, Michigan 48858 ("Landlord"), and FLEXTECH HIGH SCHOOL SHEPHERD, 380 West Blanchard Road, Shepherd, Michigan, 48883, a public school academy ("Tenant")(collectively referred to as the "Parties").

WITNESSETH:

Landlord hereby leases to Tenant and Tenant hereby rents from Landlord that portion of the school facility known as the high school portion and does not include the area west of the double doors by the main office formally known as the middle school, all of which is located at 380 West Blanchard Road, Shepherd, Michigan 48883, together with all fixtures, improvements, and furnishings ("Premises").

1. <u>Use.</u> Tenant may use and occupy the Premises for the purpose of operating a public school academy only, unless otherwise approved in writing by the Landlord. Tenant shall not use the Premises or permit the Premises to be used in a manner that constitutes a violation of any applicable law, order, ordinance, or regulation. The Parties agree to abide by the additional Building Use Rules as set forth in **Appendix A**, and as amended from time to time by the Parties.

2. <u>Term.</u> This Lease commences on August 1, 2023 (the "Commencement Date") and shall continue for a period of three (3) years through July 31, 2026, subject to extension or termination as provided herein. Unless the charter contract with Bay Mills Community College Board of Regents (the "Authorizing Body") is revoked or terminated, this Lease and all obligations hereunder shall immediately terminate.

3. <u>Conditions Precedent.</u> Landlord and Tenant acknowledge and agree that this Lease is contingent upon the occurrence of the following conditions precedent. Should any one condition precedent not occur, this Lease shall not become effective.

a. Executed Contract to Charter. This Lease is not binding upon either party unless and until the Authorizing Body and the Tenant execute a contract to charter the Tenant. **b. Physical Facility Approvals.** This Lease is not binding upon either party unless and until Landlord has continued to maintain all necessary fire, health, and safety approvals for the physical facility on the Premises. All required approvals must be provided to the Authorizing Body or its designee.

- 4. <u>Rent</u>. Rent shall be abated by Landlord for a term of one (1) year from the Commencement Date or until a minimum of two-hundred (200) students attend FlexTech High School at the Premises, at which time, rent will be negotiated on an annual basis at least 90 days prior to the annual anniversary date of August 1st and will be documented in a separate written amendment to this Lease in accordance with Section 15 hereof. Rent will not exceed fair market value for similarly provided facilities and service. Both parties must mutually agree to the next year's rent or the Lease will automatically terminate as of the July 31st of the year at issue.
- 5. **Possession.** Tenant shall take possession of the Premises on the date the term commences.
- 6. <u>Condition of Premises</u>. Except as Landlord and Tenant may otherwise agree in writing, Tenant's acceptance of Premises shall constitute conclusive evidence that Tenant (i) has inspected the Premises and found them to be in good order and satisfactory condition and suitable for the purposes for which they are leased. Tenant will not be deemed to have accepted the Premises until after the condition precedent identified in Paragraph 3(b) has occurred.
- 7. Maintenance, Repair and Utilities. Rent will include all yard care. Landlord will be responsible for the upkeep of the heating and cooling systems, and will supply the salt for the water softener, maintain and repair, as necessary, the roof, foundation, exterior walls, interior, ceiling, electrical system, plumbing system, and the parking lot; provided, however, that the Tenant will be responsible for routine inspection of the Premises including checking the status and performance of the Heating and Cooling systems and performing routine light maintenance as needed: and Tenant will hold Landlord harmless from any failure to do so. Tenant will be responsible for all maintenance and repairs that would be considered "normal wear and tear" or that are necessary as a result of negligence or abuse on the part of the Tenant or its students, including but not limited to such items as the upkeep and general maintenance of the kitchen equipment, changes to door locks, light bulbs, etc. Landlord will be responsible for major repairs, which result from fire, theft, vandalism or acts to God, but shall not be required to make any repairs of damage caused by the negligence of Tenant or its students, except to the extent that Landlord is reimbursed therefore by an insurance policy. The intent is for the Tenant to cover all maintenance or repairs that are necessary due to its use of the

Premises. Landlord and Tenant can, and should, discuss items of repair or maintenance to mutually determine responsibility in those cases where it is not clear. However, the Landlord will have sole and final discretion on repair or maintenance "normal wear and tear." Tenant will be responsible for all utilities, janitorial service, kitchen staffing, cleaning and use and garbage removal. Tenant shall also be responsible for snow and ice removal.

8. <u>Improvements; Alterations; Liens</u>.

- a. Tenant may only make improvements and alterations to the Premises with Landlord's prior written consent, which consent may be withheld in Landlord's sole discretion. If Tenant does any alterations without this written consent, Landlord may request that the Premises be restored to their original form and Tenant will immediately do so, at Tenant's expense. All improvements and alterations shall be made at Tenant's sole expense unless Tenant has received written acknowledgement from Landlord that Landlord agrees to pay for the improvement or alteration. Tenant shall obtain all required governmental permits and authorizations for any such work and Tenant shall cause all such work to be completed in a good and workmanlike manner, free from defective materials and in compliance with all building, zoning, and other laws, ordinances, Upon termination of this Lease, all rules, and regulations. removable trade fixtures installed by Tenant shall remain the property of Tenant, and all other alterations, fixtures, and improvements to the Premises shall become the property of Landlord. If this Lease is terminated by the Landlord without cause, Tenant shall recuperate all improvements and alterations it made to the Premises.
- b. If Landlord procures equipment, materials, and supplies for the Premises, Landlord shall follow all applicable competitive bidding laws and requirements, and shall not include any additional fees or charges to the cost of such equipment, materials, and supplies. Notwithstanding this condition, Landlord may assess actual costs to the equipment, materials, and supplies, including, but not limited to, taxes, shipping, permits, installation, or other similar expenses.
- c. Tenant shall not do any act which will in any way encumber the title of Landlord in and to the Premises, Tenant's interest in the Premises, nor shall the interest of Landlord in the Premises be in any way subject to any claim by virtue of any act or omission of Tenant.

Tenant shall remove any lien or encumbrance on the Premises caused by Tenant within ten (10) days after receiving notice of such encumbrance; provided, however, that Tenant may in good faith contest any such lien or encumbrance if it notifies Landlord in writing thereof and posts a bond (as provided by statute) or other adequate security, as determined by Landlord, with Landlord. If Tenant shall fail to discharge or secure such lien or encumbrance as provided herein, Landlord shall have the right to file a bond securing such lien or encumbrance and Tenant shall pay the cost of such bond to Landlord as Additional Rent.

9. <u>**Taxes.**</u> Landlord shall pay all real estate taxes assessed against the Premises including personal property taxes on personal property owned by it at the Premises. Tenant shall pay personal property taxes on property owned by Tenant and located at the Premises.

10. Fire and Casualty Insurance and Damage.

- a. Landlord shall maintain at its expense policies of fire and extended coverage insurance against loss or damage as it sees fit. Tenant shall maintain at its expense insurance on its personal property and trade fixtures located on the Premises as it sees fit. To the extent such insurance policies are maintained, they shall include a waiver of the insurer's rights of subrogation against the other party to this Lease and its directors, officers, agents, visitors, contractors, or employees. Landlord and Tenant each hereby waive all right of recovery against the other and its directors, officers, agents, visitors, contractors, contractors, or employees for losses covered by insurance.
- b. If any portion of the Premises is rendered untenantable by fire or other casualty, and if the Premises can be repaired within ninety (90) consecutive days from the date of the damage, this Lease shall not terminate, but Tenant shall be entitled to a proportionate abatement of Rent as described below. If, in Landlord's judgment, reasonably exercised, the Premises cannot be made tenantable within ninety (90) days from the date of the damage, Landlord may terminate this Lease by written notice to the Tenant within thirty (30) days of the fire or other casualty. If no option to terminate arises, or Landlord fails to exercise any right it may have to terminate hereunder, Landlord shall, with due diligence, repair, and restore the Premises to a tenantable condition. In the event of significant or total damage to the Premises that renders the Premises untenantable for a period

greater than ninety (90) days from the date of the damage, this Lease shall terminate by written notice by the Landlord to the Tenant within seven (7) business days of the damage. Notwithstanding anything contained in this paragraph to the contrary, in the event that the Lease is in its last three (3) months of the term of this Lease, Landlord may terminate this Lease by notifying Tenant in writing of such termination.

c. Upon the occurrence of a casualty which results in termination of the Lease pursuant to this Article, all Rent shall be prorated to the termination date. If the Lease is not terminated, Rent shall be abated while the damaged property is repaired, based upon the proportionate value to Tenant (as reasonably determined by Landlord) of the Premises rendered untenantable as compared to those portions still reasonably tenantable for the purposes intended by Tenant.

11. Indemnity and Liability Insurance.

- a. To the extent permitted by law, Tenant shall defend Landlord and hold Landlord harmless from and against all claims, actions, losses, damages and expenses incurred by Landlord in connection with loss of life, personal injury or damage to property caused during the term of this Lease, by the intentional or negligent act or omission of Tenant, its agents, employees, licensees, invitees or contractors, Landlord shall defend Tenant and hold Tenant harmless from and against all claims, actions, losses, damages and expenses incurred by Tenant in connection with loss of life, personal injury or damage to property caused during the term of this Lease, by the intentional or negligent act or omission of Landlord, its agents, employees, licensees, invitees or contractors. The liability of either party to indemnify the other party, as herein above set forth, shall not extend to any matter against which such party shall be effectively protected by insurance; provided, however, that if any such liability shall exceed the amount of the insurance in question, this indemnification shall apply to such excess.
- b. Beginning on commencement of the term or Tenant's occupancy of the Premises, whichever occurs first, Tenant shall, at its expense, maintain throughout the term of this Lease, with an insurance carrier acceptable to Landlord and having an A.M. Best rating of "A-" or

better, commercial general liability insurance (including contractual liability, personal injury, broad-form property damage, extended liability, and products coverage) insuring against death and/or injuries sustained or claimed to have been sustained on or about the Premises or directly or indirectly arising out of Tenant's business in the Premises. Said insurance shall be in an amount not less than \$1,000,000 for each occurrence of bodily injury and/or property damage and shall be an "occurrence" policy, not a "claims-made" policy. Landlord, its directors, officers, agents and employees shall be named as additional insureds at no cost to such parties. A certificate of such insurance acceptable to Landlord shall be sent to Landlord. The certificate shall identify all exclusions or reductions in coverage to the standard ISO general liability policy. The insurance certificate furnished to Landlord shall provide that the insurance shall not be terminated, modified, or allowed to expire without thirty (30) days' prior written notice to Landlord.

- c. Landlord and Tenant each hereby waives its right of recovery against the other and each releases the other from any claim arising out of loss, damage or destruction to Premises, whether or not such loss, damage, or destruction may be attainable to the intentional negligent act or omission of either party or its respective directors, officers, agents, visitors, contractors, servants, or employees if such loss, damage or destruction is covered by insurance. Landlord's and Tenant's policies of insurance shall include a standard waiver of subrogation clause or endorsement.
- 12. Eminent Domain. If all or more than ten percent (10%) of the Premises shall be taken by any public authority under the power of eminent domain, then the Term of this Lease shall cease on the part so taken on the date possession of that part shall be required for public use and Landlord and Tenant shall each have the right to terminate this Lease upon written notice to the other, which notice shall be delivered within thirty (30) days following the date notice is received of such taking. In the event that neither party terminates this Lease, Landlord shall make reasonable efforts to make all necessary repairs to the Premises to render and restore the same to a complete architectural unit and Tenant shall continue in possession of the portion of the Premises not taken under the power of eminent domain, under the same terms and conditions as are herein provided, except that the Rent shall be increased or reduced in direct proportion to the amount of rentable square feet in the building of the Premises so taken. All damages awarded for such taking shall belong to and be the property of Landlord, whether such damages are awarded as

compensation for the diminution in value of the leasehold or to the fee of the Premises, provided, however, Landlord shall not be entitled to any portion of the award made to Tenant for removal and reinstallation of trade fixtures, loss of business, or moving expenses.

- 13. Assignment/Subletting. Tenant covenants not to assign, transfer, mortgage, or encumber this Lease or sublet the Premises or any part thereof, without the prior written consent of the Landlord, which consent may be withheld in Landlord's sole discretion. Notwithstanding these conditions, the Landlord does hereby consent to let Tenant rent a portion of the facility and grounds on a short-term basis (30 days or less) to outside parties in order to maximize the use of the facility and to supplement the income of the Tenant, without prior approval of Landlord. Tenant agrees to provide Landlord with written information regarding such short-term rentals within two (2) weeks of their occurrence. Any rentals to be longer than 30 days must have Landlord's prior written approval, with notice given to the Landlord 30 days prior to such occupancy. These outside parties are not to be using the facility as a charter school and Tenant will be responsible for any physical damage caused by these parties. To the extent permitted by law, Tenant will also indemnify Landlord for all attorney's fees and/or losses associated with liability, personal injury, or other claims that may arise against the Landlord as a result of these outside parties' use of the facility.
- 14. <u>Sale or Transfer of Building or Premises</u>. Upon any sale or transfer, including any transfer by operation of law, of the Premises, Landlord shall be relieved of all subsequent obligations and liabilities under this Lease. Tenant shall have the right to continue to occupy the Premises under the existing terms and conditions herein in the event Landlord would decide to sell or transfer the property.
- 15. <u>Amendments</u>. This Lease shall not be changed orally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension, or discharge is sought. Amendments to this Lease must be reviewed and approved by the Bay Mills Community College Charter Schools Office ("CSO") prior to execution. Notwithstanding this condition, the CSO may waive non-substantive amendments to this Lease in writing.
- 16. <u>Environmental Provisions</u>. Neither Tenant nor Tenant's agents, employees, invitees, licensees, contractors, or subcontractors shall generate, release, store or dispose of any hazardous substance(s) as defined or regulated by federal, state or local environmental statutes, ordinances, rules or regulations ("Hazardous Substances"), at, upon, under or within any portion of the Premises, except those as approved in writing by Landlord, which approval may be withheld in Landlord's sole discretion. Landlord grants Tenant the right to store standard cleaning supplies

and chemicals that are typical and common in high school Chemistry instruction, provided they are disposed of as called for in accordance with the laws regarding such disposal. Tenant shall comply strictly and in all respects with the requirements of any Hazardous Substances laws, rules, orders and regulations, and shall notify Landlord immediately in the event of any discharge or discovery of any Hazardous Substances, at, upon, under, or within the Premises. To the extent permitted by law, Tenant shall indemnify, defend and hold Landlord, its parent, subsidiary, and affiliated entities, and their respective members, officers, agents, employees, directors, partners and shareholders harmless from and against any damage, loss, expense or liability resulting from the violation of this Paragraph, including, but not limited to, all attorneys' fees and costs incurred as a result thereof. Tenant shall have no liability or obligation to investigate, clean, remove, remediate, or otherwise deal with hazardous materials present on the Premises prior to Tenant's occupancy of the Premises. Such liability shall be the sole responsibility of the Landlord. Landlord shall indemnify and hold Tenant harmless from damages or litigation caused by the condition of the Premises, if those damages or litigation are caused by the Landlord's use or prior use of Hazardous Substances at, upon, under, or within the Premises. All of the covenants and indemnities of this Paragraph shall survive termination of the Lease.

17. Mortgage Subordination, Attornment, Estoppel Certificate.

- a. This Lease shall, at the option of Landlord or its lenders, be subject and subordinate to the lien or any mortgage which may now or at any time hereafter affect the Premises and to any agreements at any time made modifying, supplementing, extending, or renewing such mortgage(s). Tenant shall, upon request by the Landlord, execute and deliver any and all instruments that may be necessary or proper to effect such subordination or to confirm or evidence the same.
- b. Tenant shall attorn to any foreclosing mortgagee, or to any purchaser of the Premises at any foreclosure sale, or sale in lieu of foreclosure, for the balance of the Term on all the terms and conditions herein contained.
- c. At the request of Landlord, Tenant shall within ten (10) days deliver to Landlord, or anyone designated by Landlord, a certificate stating and certifying to such information as may reasonably be requested to verify the state of the Landlord-Tenant relationship established by this Lease including, but not limited to the following: (i) the accuracy of the Lease; (ii) the Commencement Date and ending date of the Lease; (iii) the Lease is unmodified and in full effect or is in

full effect as modified, stating the date and nature of the modifications; (iv) whether to Tenant's knowledge Landlord is in default or whether Tenant has any claims or demands against Landlord and, if so, specifying the default, claim, or demand; and (v) any other correct and reasonable ascertainable facts that are covered by the Lease. Tenant's failure to deliver such certificate within such time shall be conclusive against Tenant that the Lease is in full force and effect, without modification except as may be represented by Landlord, and that there are no uncured defaults, claims, or demands against Landlord.

- 18. **Default.** If Tenant shall fail to make any payment of Rent due hereunder within ten (10) days of its due date, or if default shall continue in the performance of any of the other covenants or conditions which Tenant is required to observe and perform under this Lease for a period of fifteen (15) days following written notice of such failure, or if the interest of Tenant in this Lease shall be levied upon under execution or other legal process, of if any petition shall be filed by or against Tenant in a court of bankruptcy, or if Tenant shall be declared insolvent according to law, or make an assignment for the benefit of creditors or petition for or enter into an arrangement with its creditors, or if Tenant shall abandon or vacate the Premises during the term of this Lease, or if Tenant shall dissolve, or if Tenant shall default in the performance of Tenant's covenants under a certain Lease Agreement between the parties covering the premises known as 380 West Blanchard Road, Shepherd, Michigan, then Landlord may, but need not, treat the occurrence of any one or more of the foregoing events as a breach of this Lease, and thereupon may, at its option, have any one or more of the following-described remedies in addition to all other rights and remedies provided at law or in equity:
 - a. Terminate this Lease and Tenant shall then surrender the Premises to Landlord;
 - b. Enter and take possession of the Premises, either with or without process of law, and remove Tenant with or without having terminated this Lease;
 - c. Have specific performance of Tenant's obligations; or
 - d. Cure the default and recover the cost of curing as Additional Rent due on demand.

Tenant waives claims of damages by reason of Landlord's reentry or repossession of the Premises. Landlord's exercise of any of its remedies or its receipt of Tenant's keys shall not be considered an acceptance or surrender of the Premises by Tenant. A surrender must be agreed to in writing signed by both parties. If Landlord terminates this Lease or terminates Tenant's right to possess the Premises because of a default, Landlord may hold Tenant liable for Rent under the Lease accrued to the date the Lease terminates. Landlord may also accelerate the Rent that would have been payable over the remainder of the Term. The present value of this accelerated rent (calculated by using a four percent (4%) discount factor) shall be immediately due and payable. Landlord will reimburse Tenant for any sums Landlord receives by reletting the Premises during the Term. Tenant shall also be liable to Landlord for that part of the following sums paid by Landlord:

- a. Reasonable broker's fees incurred by Landlord for reletting part or all of the Premises prorated for that part of the reletting term ending concurrently with the then current Term of this Lease;
- b. The cost of removing and storing Tenant's property;
- c. The cost of minor repairs, alterations, and remodeling necessary to put the Premises in a condition reasonably acceptable to a new tenant; and
- d. Other reasonable expenses incurred by Landlord in enforcing its remedies. Tenant shall pay the sums due under this Paragraph promptly upon receiving Landlord's invoice for such amounts.
- 19. <u>Arbitration</u>. If at any time the Landlord notifies the Tenant that there has been a material violation of the Agreement, then the Tenant shall have fifteen (15) days to notify the Landlord in writing that the Tenant wishes to submit the issue to arbitration; and upon failure to do so, the determination of the Landlord shall be final. Within thirty (30) days of such notification, each party will select an arbitrator, and the two so selected shall select a third arbitrator whose decision shall be final and binding. The arbitration process shall be completed by the parties within thirty (30) days from the selection of the three (3) arbitrators. Any final arbitration decision issued must be accompanied by a cause opinion which shall be made available to the Authorizing Body or CSO upon request.
- 20. <u>Termination; Surrender of Possession</u>. Upon the expiration or termination of this Lease, whether by lapse of time, operation of law or pursuant to the provisions of this Lease, Tenant shall restore the Premises to their condition at the beginning of the term, ordinary wear and tear and casualty excepted, remove all of its personal

property and removable trade fixtures from the Premises, repair any damage caused by such removal, and surrender possession of the Premises to Landlord.

- 21. <u>Non-waiver; Remedies Cumulative</u>. The failure of either party to enforce any covenant or condition of this Lease shall not be deemed a waiver thereof or of the right of either party to enforce each and every covenant and condition of this Lease. No provision of this Lease shall be deemed to have been waived unless such waiver shall be in writing and signed by the person against whom the waiver is claimed. All rights and remedies of Landlord under this Lease shall be cumulative, and none shall exclude any other rights or remedies allowed by law.
- 22. <u>Holding Over</u>. If Tenant shall remain in possession of the Premises after the expiration of the term of this Lease and without executing a new lease, then such holding over shall at Landlord's option be construed as a tenancy from month-to-month at one hundred, twenty-five percent (125%) of the Rent being charged Tenant just prior to such expiration or \$10,000 per month whichever is more. and will continue to be otherwise subject to all of the conditions, provisions, and obligations of the Lease insofar as the same are applicable to a month-to-month tenancy.
- 23. <u>Fiduciary Duties.</u> No provision of this Lease shall interfere with Tenant's exercise of its statutory, contractual, and fiduciary responsibilities. No provision of this Lease shall prohibit Tenant from acting as an independent, self-governing public body, or allow public decisions to be made other than in compliance with The Open Meetings Act, Public Act No. 267 of 1976.
- 24. <u>Immunity</u>. No provision of this Lease shall restrict Tenant from asserting, exercising or waiving its governmental immunity or be interpreted as to require Tenant to assert, waive, or not waive its governmental immunity.
- 25. <u>Governing Laws</u>. The laws of the State of Michigan that apply to contracts made and to be performed in that State shall govern the validity, performance, and enforcement of this Lease.
- 26. <u>Savings Clause</u>. The invalidity or unenforceability of any provision of this Lease shall not affect or impair the validity of any other provision.
- 27. <u>Successors</u>. The terms and provisions hereof shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and assigns of Landlord and Tenant.

- 28. <u>Notices</u>. All notices, bills, statements, or requests hereunder by either party to the other shall be in writing, and shall be sufficiently given and served upon the other party, if sent by facsimile, recognized overnight courier service, or by registered or certified mail, return receipt requested, postage prepaid. All notices shall be addressed to the parties at the addresses set forth in the introductory paragraph on Page One hereof, or at such other place as Landlord and Tenant may from time to time designate by written notice to the other. In addition, notices may be personally delivered to Tenant at the Premises. Notices shall be effective when sent, or if personally delivered, when delivered.
- 29. <u>**Review of Records.**</u> All physical records pertaining to this Lease shall be made available for review by the Landlord to the Tenant's independent auditor(s) and the CSO.
- 30. <u>Expenses of Enforcement; Performance by Landlord</u>. The losing party shall pay all reasonable attorneys' fees and expenses incurred by the winning party in enforcing any provision of this Lease. If Tenant shall fail to perform any of its obligations hereunder, Landlord may without notice perform such obligations. If Landlord incurs any costs in connection therewith, such costs shall be promptly paid by Tenant to Landlord as Additional Rent upon demand.
- 31. <u>Quiet Enjoyment</u>. Landlord covenants and agrees with Tenant that upon Tenant's observing and performing all of the terms, covenants, and conditions to be performed and observed under this Lease by Tenant, Tenant's peaceable and quiet enjoyment of the Premises shall not be disturbed by Landlord or any party claiming by, through, or under Landlord.
- 32. <u>Brokers</u>. Tenant represents and warrants to Landlord that it has dealt with no broker in connection with this Lease. To the extent permitted by law, Tenant shall defend, hold harmless, and indemnify Landlord from any claims or liability arising from a breach of this representation and warranty.
- 33. <u>Captions</u>. Captions and headings herein are for convenience and reference only and have no legal force or affect.
- 34. <u>Authority</u>. Tenant represents and warrants that Tenant has the capacity and authority to enter into this Lease. If Tenant is a corporation, Tenant represents and warrants that it is duly organized and a validly existing corporation in good standing and that the person executing this Lease has the requisite authority to bind the partnership to the terms of this Lease.

35. <u>Entire Agreement</u>. This Lease and the Appendices, if any, attached hereto and forming a part hereof, set forth all of the covenants, promises, agreements, conditions, and understandings between Landlord and Tenant governing the Premises. There are no covenants, promises, agreements, conditions, and understandings, either oral or written, between them other than those herein set forth.

IN WITNESS WHEREOF, the parties have signed this Lease Agreement and it is effective as of the date provided above.

THE MOREY FOUNDATION	
By anethour	
Its <u><i>Hestpev</i></u> "LANDLORD"	

By Automatic Strepherson By Automatic Strepher

Its

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"TENANT"

EXECUTION COPY

APPENDIX A

BUILDING USE RULES

- 1. When leasing the Premises to other occupants, the Landlord agrees that such leases and/or agreements shall not interfere with the school's purpose in operating a public school academy. Other occupants in the Building shall not engage in any activity that could be a danger to the safety of the school's students and staff.
- 2. The Landlord will notify the Tenant thirty (30) days prior to any new occupant(s) occupying the building and/or sharing any common areas within the Premises.
- 3. Any occupants sharing common areas within the Premises shall follow the Tenant's Visitor Policies and Procedures found in the Student Handbook, including checking in at the front office and wearing proper identification while on the Premises.
- 4. All occupants within the Premises shall follow the prohibition against weapons, drugs, and smoking. The prohibition against smoking includes tobacco products, tobacco-related devices, imitation tobacco products, vaporizers (including any substance used in vaporizers), electronic cigarettes, electronic nicotine delivery systems or other substitute for cigarettes.
- 5. In order to ensure the safety and security or staff and students, Tenant shall have the right to remove from the Premises any person where there is a reason to believe that the presence of such person would be detrimental to the good order of the school or a disruption to the academic environment.
- 6. The Landlord and Tenant agree to establish additional guidelines regarding sharing common area, including, but not limited to, establishing date and time schedules, as necessary, during the school year.
- 7. Tenant agrees that the staff and students will park in areas designated by the Landlord.

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