

LEASE AGREEMENT
FOR A PORTION OF 6041 W. DIVERSEY AVENUE,
CHICAGO ILLINOIS BETWEEN
HOLY TRINITY GREEK ORTHODOX CHURCH AND
SOCRATES GREEK-AMERICAN SCHOOL, AS
LANDLORD
AND
THE BOARD OF EDUCATION OF THE CITY OF
CHICAGO, AS TENANT

DATED: AUGUST 1, 2011

**LEASE AGREEMENT FOR A PORTION OF 6041 W. DIVERSEY AVENUE, CHICAGO,
ILLINOIS BETWEEN HOLY TRINITY GREEK ORTHODOX CHURCH AND SOCRATES
GREEK-AMERICAN SCHOOL, AS LANDLORD, AND THE BOARD OF EDUCATION OF
THE CITY OF CHICAGO, AS TENANT**

THIS LEASE AGREEMENT ("Lease") is made as of this 1st day of August, 2011 ("Commencement Date") between HOLY TRINITY GREEK ORTHODOX CHURCH AND SOCRATES GREEK-AMERICAN SCHOOL (collectively "Landlord") and the BOARD OF EDUCATION OF THE CITY OF CHICAGO, a body politic and corporate ("Tenant").

RECITALS:

- A. Landlord is the owner of certain real estate located at 6041 W. Diversey Avenue, Chicago, Illinois, which is improved with a building ("Building").
- B. Tenant desires to lease space within the Building consisting of fourteen (14) classrooms, offices, library, lunchroom, gym and the two (2) parking lots for shared use with Landlord. The foregoing are collectively referred to herein as the ("Premises"). Ingress and Egress from the parking lots is on Meade and McVicker.
- C. Landlord desires to so lease the Premises to Tenant.

NOW THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein as though set forth in full, and for other good and valuable consideration in hand paid, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

- 1. **GRANT/TERM.** Landlord hereby leases the Premises to Tenant, upon the terms and conditions hereinafter set forth, for a term commencing as of August 1, 2011 and ending on July 31, 2016 ("Term").
- 2. **RIGHT OF EARLY TERMINATION.** The parties acknowledge and agree that after the first three (3) years of the Term, either party may terminate this Lease upon One Hundred Eighty days (180) prior written notice to the other party.
- 3. **USE.** Tenant shall use the Premises for educational purposes every Monday through Friday from 7:00 a.m. to 4:00 p.m. during the Term.
- 4. **RENT.** In consideration of the leasing of the Premises as set forth above, Tenant covenants and agrees to pay to the Landlord, as rent for the Premises ("Rent"), the following each month of the Term: Fourteen Thousand Three Hundred Seventy-Five and 00/100 Dollars (\$14,375.00), with an annual Rent of One Thousand Seventy-Two Five Hundred and 00/100 Dollars (\$172,500.00).
- 5. **ADDITIONAL RENT.** Upon invoice and pertinent documentation requested from Landlord, Tenant shall, in its usual course of business, reimburse Landlord for the actual cost of heat and electricity ("Additional Rent"). The parties acknowledge and agree that the cost of heat and electricity is estimated to be Seventy Thousand and 00/100 Dollars (\$70,000.00) per year.
- 6. **TENANT IMPROVEMENTS.** The parties acknowledge and agree that Tenant shall have the right to make improvements to the Premises ("Tenant Work") with Landlord's consent.

7. **OPERATIONS AND MAINTENANCE.** Throughout the Term, Tenant shall be responsible for day to day operation of the Premises, including janitorial services, normal maintenance and snowplowing. Further, Tenant shall maintain the separate HVAC for the gym and lunchroom.

8. **QUIET ENJOYMENT.** Landlord covenants that Tenant shall have the right to peacefully and quietly have, hold and enjoy the Premises without any encumbrance or hindrance by or from Landlord, its agents, employees, successors and assigns.

9. **SURRENDER OF PREMISES UPON TERMINATION.** Upon termination of this Lease, by lapse of time or otherwise, the Tenant shall have the privilege, without liability in any way accruing against it, to remove any and all of its properties, supplies, and equipment of all kinds from said Premises. The Tenant shall deliver the Premises, upon termination, in as good a state or condition as the Premises existed on the date of this Lease with the Tenant Improvements, less reasonable use and wear thereof and damages by fire and accident excepted.

10. **INSURANCE.**

A. Tenant self-insures with regard to liability and property damage for at least the first Two Million and No/100 Dollars (\$2,000,000.00) and Tenant agrees that it shall maintain such self-insurance or obtain policies in like amount throughout the Term.

B. Landlord agrees to purchase and keep in full force and effect during the Term, including any extension or renewals thereof, insurance under policies issued by insurers of recognized responsibility, qualified to do business in State of Illinois on the Building, the Premises and on all Tenant Improvements in amounts not less than the greater of the then full replacement cost (without depreciation) of the Building (above foundations) or an amount sufficient to prevent Landlord from becoming a co-insurer under the terms of the applicable policies, against fire and such other risks as may be included in standard forms of fire and extended coverage insurance available from time to time. The policy shall name Tenant as an additional insured and shall contain a clause that the insurer will not cancel, change or fail to renew the insurance without first giving Tenant thirty (30) days prior written notice. Said insurance shall be in form, and carried with responsible companies, reasonably satisfactory to Tenant. The policy or a duly executed certificate for the same (which shall be binding on the insurer and evidence the insurer's waiver of subrogation) together with satisfactory evidence of the payment of the premium thereon, shall be provided to Tenant on or before the Commencement Date. If Landlord fails to comply with such requirements, Tenant may obtain such insurance and keep the same in effect, and Landlord shall pay Tenant the premium cost thereof to Tenant upon demand or Tenant may deduct the cost of the same from Rent hereunder.

11. **LANDLORD DEFAULT.** If Landlord is in default under this Lease and such default shall continue for thirty (30) days after Tenant has notified the Landlord by written notice of such default, unless in the case of a default which cannot be remedied within thirty (30) days where Landlord shall have commenced and shall be diligently pursuing all necessary action to remedy such default, the Tenant may, but shall not be obligated to, cure the default itself and deduct the cost and expense thereof from the Rent due under this Lease, or immediately terminate this Lease by providing Landlord written notice as provided for herein.

12. **TENANT DEFAULT.** If the Tenant is in default under this Lease and such default shall continue for thirty (30) days after Landlord has notified the Tenant by written notice of such default, unless in the case of a default which cannot be remedied within thirty (30) days where Tenant shall have commenced and shall be diligently pursuing all necessary action to remedy such default, the Landlord may but shall not be obligated to

Chicago, Illinois 60603
Attention: Chief Operating Officer

With a copy to: BOARD OF EDUCATION
Law Department
125 South Clark Street, 7th Floor
Chicago, Illinois 60603
Attention: Patrick J. Rocks, General Counsel

Either party may from time to time change the names and addresses furnished for notice hereunder by giving written notice of said change to the other party in accordance with the notice provisions set forth above.

18. **PARAGRAPH HEADINGS.** The paragraph headings appearing in this Lease have been inserted for the purpose of convenience and ready reference. They do not purport to, and shall not be deemed to, define, limit, or extend the scope of intent of the paragraph to which they pertain.

19. **SUCCESSORS AND ASSIGNS.** This Lease shall inure to the benefit of and be binding upon the respective parties hereto and their respective successors and assigns.

20. **AUTHORITY.** The individual officers, agents and employees of the parties hereto who execute this Lease do hereby individually represent and warrant that they have full power and lawful authority to execute this Lease and perform the transactions contemplated hereunder, on behalf of and in the name of their respective principals and/or employers.

21. **SEVERABILITY.** If any provisions of this Lease is (are) determined to be legally invalid, the parties hereto agree that particular provision shall be null and void, but that the remainder of this Lease shall remain in full force and effect.

22. **CONFLICT OF INTEREST.** This Agreement is not legally binding on the Tenant if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

23. **INDEBTEDNESS.** Landlord agrees to comply with the Tenant's Indebtedness Policy adopted May 25, 2011 (11-0525-PO2), as may be amended from time to time, which policy is hereby incorporated by reference as if fully set forth herein.

24. **CONTINGENT LIABILITY.** The School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made. Accordingly, the Landlord agrees that any expenditures beyond the Tenant's then current fiscal year are deemed to be contingent liabilities only, subject to appropriation in subsequent fiscal year budget (s).

25. **INSPECTOR GENERAL.** Each party to this Agreement hereby acknowledges that in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

26. **ETHICS.** The Tenant's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time is incorporated into and made part of this Lease.

IN WITNESS WHEREOF, the parties have set their hands and seals as the first day of August, 2011.

TENANT:

LANDLORD:

BOARD OF EDUCATION OF
THE CITY OF CHICAGO

HOLY TRINITY GREEK ORTHODOX
CHURCH AND SOCRATES GREEK-
AMERICAN SCHOOL

David J. Vitale
David J. Vitale, President

By: Demetrios G. Zografos
Name: DEMETRIOS G. ZOGRAFOS

Attest: Estela H. Beltran 11/18/11
Estela Beltran, Secretary

Its: PARISIA VOUNOU
PRESIDENT
Attest:

By: _____

Name: _____

Title: _____

Board Report: 11-0525-OP2, 11-0824-ARB-21
11-1026-ARB-18

Approved as to legal form:

Patrick J. Rocks SK
Patrick J. Rocks, General Counsel