

LEASE
9101 South Jeffery Blvd,
Chicago, Illinois

This Lease (this "**Lease**") is made and entered into as of the date last written below (the "**Effective Date**") by and between the Board of Education of the City of Chicago, a body politic and corporate (the "**Board**"), having its principal offices at 125 South Clark Street, Chicago, Illinois 60603, and New Original Ministries ("**Tenant**"), having its principal offices at 1750 East 78th Street, Chicago, Illinois 60617. The Board and Tenant are referred to below each as a "**Party**" and collectively as the "**Parties.**"

BACKGROUND

- A. The Board owns certain real property commonly known as Benjamin Davis School located at 9101 South Jeffery, Chicago, Illinois (the "**Premises**").
- B. The Board has agreed to lease to Tenant and Tenant has agreed to lease from the Board, the Premises for the operation of a community center with focus on health, education and economic issues which impact community quality of life.

TERMS AND CONDITIONS

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Board and Tenant hereby agree as follows:

Section 1. Grant of Lease

Subject to the terms and conditions of this Lease, the Board hereby leases to Tenant, and Tenant hereby leases from the Board all of the Board's right, title and interest in and to the Premises, and all fixtures and improvements on the Premises for the Term, as defined in Section 2.

Section 2. Term

- a. The term of the lease ("**Term**") begins on the Effective Date and ends on December 31, 2011 (the "**Expiration Date**").
- b. Either Party shall have the right to terminate this lease upon sixty (60) days prior written notice to the other Party.

Section 3. Rent

In consideration of the rights, benefits and privileges accruing to Tenant under this Lease and its use of the Premises, Tenant shall pay base rent for the Premises in the amount of Eighteen Thousand and 00/100 Dollars (\$18,000.00) on a monthly basis in the amount of One Thousand Five Hundred and 00/100 Dollars (\$1,500.00). Rent shall be paid to the Board at the Board's address set forth in Section 22, or such other place as the Board may from time to time designate in writing to Tenant.

Section 4. Utilities

Tenant shall pay when due all charges for gas, electricity; light, heat, water, sewage, power, telephone or any other communication service, and all other utility services used by Tenant or supplied to the Premises on Tenant's behalf, and shall contract for the same in its own name. The Board shall not be liable for any interruption or failure in the supply or character of any such utility services.

Section 5. Taxes

Tenant shall pay when due, if applicable, any leasehold taxes assessed or levied on the Premises. Tenant's failure to pay any such taxes shall constitute a default under this Lease. Notwithstanding the foregoing, nothing herein shall preclude Tenant from contesting any charge or tax levied against the Premises. Tenant's tax responsibilities under this section shall survive the expiration, cancellation, or termination of this Lease.

Section 6. Covenant of Quiet Enjoyment

The Board covenants and agrees that Tenant, upon paying the rent and upon observing and keeping the covenants, agreements and conditions of this Lease on its part to be kept, observed and performed, shall lawfully and quietly have, hold, occupy and enjoy the Premises (subject to the provisions of this Lease) during the Term free of any claim or action by the Board or by any person or persons claiming by, through or under the Board.

Section 7. Tenant's Duty to Maintain Premises

Tenant shall, at Tenant's expense, keep the Premises and all improvements located on the Premises in a state of good order, condition and repair, and in compliance with all applicable laws. Tenant acknowledges and agrees that from and after the Effective Date, the Board shall have no maintenance, repair, replacement or other duty of any kind or nature with respect to the Premises. If Tenant fails to perform its obligations hereunder or under any other provision of this Lease, and such failure continues for a period of thirty (30) days after written notice of default (or such longer period as shall be reasonably necessary to cure such default provided Tenant promptly commences such cure and thereafter diligently pursues such cure to completion), the Board, at the Board's option, may make such repairs, in which event Tenant shall pay the cost thereof within thirty (30) days after demand, or the Board can immediately terminate this Lease by providing Tenant with written notice of such termination.

Section 8. Use of the Premises

From and after the Effective Date, Tenant shall use and occupy the Premises to operate a community center with focus on health, education and economic issues which impact community quality of life (the "Use"). Tenant shall not commit or permit the commission of any waste in, on or about the Premises, and shall comply with all laws and regulations pertaining to the condition or use of the Premises and Improvements. It shall be the sole responsibility of Tenant to secure all necessary permits, licenses and approvals required for Tenant's Use.

Section 9. Delivery of Possession

Tenant acknowledges that it has, prior to the Effective Date, made such inspections as it desires of the Premises and accepts the risk that such inspections may not disclose all material matters affecting the Premises. The Board makes no representations, warranties or agreements as to the condition of the Premises.

Section 10. Damage or Destruction

If the Premises are damaged or destroyed by fire or other casualty to such extent that Tenant cannot continue, occupy or conduct its normal business therein, or if, in Tenant's opinion, the Premises are rendered untenable, either the Board or Tenant shall have the option to declare this Lease terminated as of the date of such damage or destruction by giving the other Party written notice to such effect.

Section 11. Condemnation

If the whole or any substantial part of the Premises are taken or condemned by any competent authority for any public use or purpose, or if any adjacent property or street shall be so condemned or improved in such a manner as to require the use of any part of the Premises, the Lease Term shall, at the option of the Board or the condemning authority, be terminated upon, and not before, the date when possession of the part so taken shall be required for such use or purpose, and the Board shall be entitled to receive the entire award without apportionment with Tenant .

Section 12. Holding Over

If Tenant remains in possession of the Premises after the expiration or termination of this Lease Tenant, at the option of the Board, shall be deemed to be occupying the Premises as a tenant from month-to-month, subject to all the conditions, provisions and obligations of this Lease insofar as the same are applicable to a month-to-month tenancy.

Section 13. Right to Cure

The Board may, but shall not be obligated to, cure at any time, with prior written notice of at least five (5) days (except in an emergency), any failure by Tenant to perform under this Lease and whenever the Board so elects, all reasonable costs and expenses incurred by the Board in curing such

failure, including, without limitation, reasonable attorney's fees, shall be paid by Tenant to the Board on demand.

Section 14. Reservation of Rights

The Board hereby reserves for itself, its members, employees, contractors, agents and representatives, the right to enter upon the Premises and Improvements for the purpose of: (a) inspecting the Premises, (b) curing any defaults under this Lease.

Section 15. Title to Improvements and Surrender

If either Party terminates this Lease prior to the Expiration Date, Tenant shall peaceably give up and surrender the Premises in good order, condition and repair, and Tenant shall remove any improvements that the Board reasonably determines present a public health or safety risk and shall repair any damage caused by such removal.

Section 16. Alterations, Additions, or Improvements

From and after the Effective Date, Tenant shall have the right, upon prior written consent of the Board, to make alterations, improvements or additions to the Premises ("**Modifications**"). Tenant shall perform all Modifications in a good and workmanlike manner, employing materials of good quality and in compliance with all governmental requirements, laws and regulations. All Modifications performed by Tenant on the Premises shall be accomplished only by qualified contractors. If the cost of Modifications is in excess of Ten Thousand and 00/100 Dollars (\$10,000.00), pursuant to contracts and plans, all of which shall first be approved by the Board, Tenant shall comply with the terms of the Project Labor Agreement as hereinafter defined. Tenant shall not commence any such work until the Board has been provided with insurance certificates evidencing that the contractors and subcontractors performing such work have, in full force and effect: (i) adequate worker's compensation insurance as required by the laws of the State of Illinois; and (ii) public liability and builders risk insurance in such amounts and according to terms reasonably satisfactory to the Board. All Modifications shall be at the sole cost and expense of Tenant.

Section 17. Covenant Against Liens.

From and after the Effective Date, Tenant shall not cause or permit any lien or encumbrance, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon the Board's title or interest in the Premises. All liens and encumbrances created by Tenant shall attach to Tenant's interest only. In case of any such lien attaching, Tenant shall immediately pay and remove such lien or furnish security or indemnify the Board in a manner satisfactory to the Board, in its sole discretion, to protect the Board against any defense or expense arising from such lien. Except during any period in which Tenant appeals any judgment or obtains a rehearing of any such lien, or in the event judgment is stayed, Tenant shall immediately pay any judgment rendered against Tenant, with all proper costs and charges, and shall have the lien released and any judgment satisfied. If Tenant fails to pay and remove any lien or contest such lien in accordance herewith, the Board, at its election, may pay and satisfy same, and Tenant shall reimburse all sums so paid by the Board within thirty (30) days of demand.

Section 18. Security

Tenant agrees to establish and maintain security measures appropriate to reasonably protect the Premises, individuals properly present at the Premises, and the personal property located on the Premises. Tenant agrees to cooperate with the Board in maintaining security and in establishing security measures for the Premises comparable to security at the Board's other places of operation.

Section 19. Inspector General

Each Party to this Lease 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.

Section 20. Insurance

Tenant shall maintain, at all times during the Term, in responsible companies approved by the Board, general liability insurance, insuring the Board and its agents and Tenant, as their interests may appear:

- a. Broad form Commercial General Liability, naming the Board as Additional Insured, insurance against all claims, demands or actions for injury to or death of any one person in an amount of not less than One Million and 00/100 Dollars (\$1,000,000.00);
- b. Excess liability insurance, naming the Board as Additional Insured, for injury or death of more than one person in any one occurrence in an amount of not less than Two Million and 00/100 Dollars (\$2,000,000.00);
- c. All risk physical damage insurance including fire, vandalism and other extended coverage perils for the full replacement cost of Tenant's personal property located on the Premises for damage to property in an amount not less than Five Hundred Thousand and 00/100 Dollars (\$500,000.00) made by or on behalf of any persons, firm or corporation, arising from, related to, or connected with the conduct and operation of the Use in the Premises (the Board shall have the right to direct Tenant to increase said amounts whenever it reasonably considers them inadequate)
- d. Automobile liability insurance for any auto with a \$1,000,000 per occurrence policy limit naming the Board as an additional insured.
- e. Workers' Compensation/Employer's Liability with statutory coverage with a \$500,000/accident, \$500,000/Disease-Policy, and \$500,000/Disease-Employee.

All insurance companies must have a minimum AM Best Rating of A-VII.

Tenant shall provide The Board with Certificates of Insurance acceptable to the Board, evidencing the existence of the coverages described above during all periods in which Tenant has possession of the Premises. All policies of insurance shall provide by endorsement that no coverages may be cancelled, terminated or reduced by the insuring company without the insuring company first giving at least thirty (30) days' prior written notice to the Board as Additional Insured. Tenant shall provide to the Board certified copies of all such policies, if so requested in writing by the Board.

Section 21. Indemnification.

Tenant agrees to indemnify, defend and save the Board and its agents, board members, officers and employees harmless from and against all liability, injury, loss, cost, damage and expense (including reasonable attorneys' fees and expenses) in respect of any injury to, or death of, any person, and from any damage to, or loss or destruction of any property while on the Premises or any portion thereof occasioned by any act or omission of Tenant, or anyone claiming by, through or under Tenant. The foregoing covenants are intended to survive the expiration of the Term or earlier termination of this Lease.

Section 22. General Provisions

The following general provisions govern this Lease:

Amendment. This Lease may not be amended or modified without a writing signed by both Parties.

Assignment. Tenant shall not assign this Lease in whole or in part, or sublet the Premises or any part thereof.

Authorization to Execute Lease. The persons executing this Lease hereby represent and warrant that they are duly authorized and acting representatives of the Board and Tenant respectively and that by their execution of this Lease, it became the binding obligation of the Board and Tenant respectively, subject to no contingencies or conditions except as specifically provided herein.

Binding Effect and Disclaimer of Third-Party Beneficiaries. This Lease shall be binding upon the Parties and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Parties and their respective successors and permitted assigns (as provided herein). Nothing contained in this Lease, nor any act of a Party, shall be deemed or construed by any of the Parties or by any person, to create or imply any relationship of third-party beneficiary, principal, agent, limited or general partnership, joint venture or any association or relationship involving Tenant or the Board.

Entire Lease. This Lease (including the preamble, recitals and any exhibit(s) attached hereto), reflects and constitutes the entire Lease between the Parties and it supersedes all prior Leases, negotiations and discussions between the Parties relative to the subject matter hereof. There are no other representations, inducements or other rights or obligations being extended to any Party.

Further Assurances. The Board and Tenant agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Lease.

Force Majeure. No Party shall be considered in breach of or in default of its obligations under this Lease in the event of any delay caused by damage or destruction by fire or other casualty, terrorist act, declaration of emergency by government authorities, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones which in fact interferes with the reasonable ability of such Party to discharge its obligations hereunder. The Party relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other Party and may only rely on this Section with respect to any such delay to the extent of the actual number of days of delay effected by any such events described above.

Governing Law, Venue and Consent to Jurisdiction. This Lease shall be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its conflicts of law principles. If there is a lawsuit under this Lease, each Party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois or the United States District Court for the Northern District of Illinois.

Incorporation. The above preamble and recitals are incorporated as part of this Lease as though fully set forth herein.

Limitation of Liability. No elected or appointed official or member or employee of the Board shall be individually or personally liable in connection with this Lease.

Conflict of Interest. This Lease is not legally binding 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 of the Board of Education of the City of Chicago during the one year period following expiration or other termination of their terms of office.

Indebtedness. Tenant agrees to comply with the Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as may be amended from time to time, which policy is hereby incorporated by reference as if fully set forth herein.

Ethics. The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time is incorporated into and made part of this Lease.

Project Labor Agreement. The Board has entered into a project labor agreement with various trades regarding construction projects performed on Board owned or leased property, a copy of which is attached hereto as Exhibit A, together with a list of signatory unions, and by this reference, incorporated herein (the "**Project Labor Agreement**"). Tenant acknowledges familiarity with the requirements of the Project Labor Agreement, its applicability to any alteration, remodeling or other construction that may be done on the Premises, and further agrees to comply with the Project Labor Agreement in all respects.

Notice. All notices pursuant to this Lease shall be made via reputable overnight courier to the following addresses:

If to the Board: Board of Education of the City of Chicago
Department of Operations
125 South Clark St., 17th floor
Chicago, Illinois 60603
Attn: Chief Operating Officer

with a copy to: Board of Education of the City of Chicago
Law Department
125 South Clark St., 7th floor
Chicago, Illinois 60603
Attn: General Counsel

if to Tenant: New Original Ministeries
1750 E. 78th Street
Chicago, Illinois 60649

Any notice, demand or request sent by guaranteed overnight courier shall be deemed received on the business day immediately following acceptance for delivery by the overnight courier.

Remedies Cumulative. The remedies of a Party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such Party unless specifically so provided herein.

Severability. If any provision in this Lease or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held invalid, this Lease shall be construed as if such invalid part were never included herein and the remainder of this Lease shall be and remain valid and enforceable to the fullest extent permitted by law.

Waiver. No act done or thing said by a Party or its agents or employees shall constitute a cancellation, termination or modification of this Lease, or a waiver of any covenant, agreement or condition of this Lease, nor relieve the other Party from its obligation to pay the rents reserved or other charges. Any waiver or release by a Party and any cancellation, termination or modification of this Lease must be in writing signed by that Party. No failure by a Party to insist upon the strict performance of any covenant, agreement, term or condition of this Lease or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial rent during the continuance of any such breach, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition.

(Signature Page Follows)

IN WITNESS WHEREOF, the Parties have executed this Lease as of the day and year last written below.

**THE BOARD OF EDUCATION OF THE
CITY OF CHICAGO**

By: Patricia L. Taylor
Patricia L. Taylor
Chief Operating Office

Date: Jan. 5, 2011

COO No:10-1205-COO12

Approved as to Legal Form:

Patrick J. Rocks *PK*
Patrick J. Rocks, General Counsel

NEW ORIGINAL MINISTERIES

By: Thomas Jackson Jr.
Name: THOMAS JACKSON JR
Title: PRESIDENT

Date: DECEMBER 27, 2010