

This Agreement will be posted on the CPS Internet website.

**SECOND RENEWAL OF LEASE AGREEMENT
FOR 4632, 4634 AND 4638 WEST DIVERSEY AVENUE, CHICAGO, ILLINOIS**

THIS SECOND RENEWAL OF LEASE AGREEMENT ("Second Renewal") is entered into as of July 1, 2014 ("Effective Date") between the Board of Education of the City of Chicago, a body politic and corporate ("Tenant") and Klairmont Enterprises, Inc., an Illinois corporation, by its agent, Imperial Realty Company ("Landlord").

RECITALS

1. Landlord is the owner of a Shopping Center ("Shopping Center") commonly known as the "Hall Plaza," in which are located buildings commonly known as 4632, 4634, and 4638 West Diversey Avenue, Chicago, Illinois ("Premises"). The Premises consist of approximately 14,200 rentable square feet.
2. Pursuant to that certain Lease Agreement for 4632, 4634 and 4638 West Diversey Avenue, Chicago Illinois entered into as of July 1, 2006 between Imperial Realty Company, as agent for the beneficiaries of Chicago Title Land Trust Company, as Trustee under Trust Number # 4612-HP as landlord thereunder and Tenant, Landlord's predecessor in interest leased the Premises to Tenant for a term commencing July 1, 2006 and ending June 30, 2009, to be used for State Pre-Kindergarten classrooms for Schubert Elementary School, Barry Elementary School, and Falconer Elementary School and for general educational purposes ("Original Lease").
3. Pursuant to Assignment And Assumption dated August 1, 2008, Chicago Title Land Trust Company, as Trustee under Trust Agreement dated December 14, 1989 and known as Trust Number # 4612-HP, assigned its right, title, and interest in the Original Lease to Klairmont Enterprises, Inc., an Illinois corporation.
4. The Original Lease was renewed by that certain Renewal Of Lease Agreement entered into as of July 1, 2009 between Imperial Realty Company, as agent for the beneficiaries of Chicago Title Land Trust Company, as Trustee under Trust Number # 4612-HP as assigned by Assignment dated August 1, 2008 to Klairmont Enterprises, Inc., an Illinois corporation as landlord thereunder and Tenant ("First Renewal"), which renewed the Original Lease for a renewal term commencing July 1, 2009 and ending June 30, 2014. The Original Lease, as amended by the First Renewal, is referred to hereinafter as the "Lease Agreement."
5. Landlord and Tenant desire to renew the Lease Agreement for an additional five (5)-year term on the terms and conditions set forth in this Second Renewal.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by reference and made a part of this Second Renewal as if fully set forth herein; for other good and valuable consideration in hand paid, the receipt and sufficiency of which are hereby

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acknowledged; and the mutual covenants and conditions contained herein, the parties agree as follows:

1. **DEFINED TERMS.** All defined and/or capitalized terms used herein shall have the same meaning as in the Lease Agreement, unless the context clearly requires a different meaning or connotation. The term "Lease" shall mean and shall consist of the Lease Agreement, as amended by this Second Renewal.

2. **GRANT/SECOND RENEWAL TERM.** The Lease Agreement is hereby renewed for an additional five (5)-year term, commencing July 1, 2014 and ending June 30, 2019 ("Second Renewal Term"). Landlord hereby leases the Premises to Tenant for the Second Renewal Term upon the terms and conditions set forth herein.

3. **BASE RENT FOR SECOND RENEWAL TERM.** The Base Rent for the Second Renewal Term shall be as follows:

Lease Year	Monthly Base Rent	Annual Base Rent	Rent Per Sq. Ft.
7/1/14 – 6/31/15	\$23,666.67	\$284,000.00	\$20.00
7/1/15 – 6/31/16	\$24,250.00	\$291,000.00	\$20.50
7/1/16 – 6/31/17	\$24,850.00	\$298,200.00	\$21.00
7/1/17 – 6/31/18	\$25,441.67	\$305,300.00	\$21.50
7/1/18 – 6/30/19	\$26,033.33	\$312,400.00	\$22.00

4. **ADDITIONAL RENT.** Paragraph 3 of the Original Lease is amended to reflect that the estimated amount of Tenant's Proportionate Share of annual CAM (as required by and defined in Paragraphs 3 and 7 of the Original Lease) for the period commencing July 1, 2014 and ending June 30, 2019 is Seventy-Five Thousand Dollars and 00/100 Dollars (\$75,000.00) annually, or Six Thousand Two Hundred-Fifty and 00/100 Dollars (\$6,250.00) per month.

5. **USE OF PREMISES.** Paragraph 4 of the Original Lease is deleted in its entirety and substituted in lieu thereof as Paragraph 4 is the following language:

USE OF PREMISES. Tenant shall use the Premises for its State Pre-Kindergarten classrooms for Barry Elementary School, Falconer Elementary School, and Gray Elementary School, an office space for Early Childhood, and for general educational purposes and no other purposes whatsoever without the Landlord's prior written consent, which shall not be unreasonably withheld or delayed.

6. **INDEMNIFICATION.** The following language is added to Paragraph 9 of the Original Lease:

Landlord agrees that no Board member, employee, agent, officer or official shall be personally charged by Landlord with any liability or expense under this Lease or be held personally liable under this Lease to Landlord.

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7. **INSURANCE.** The following language is added to Paragraph 10 of the Original Lease:

Prior to the commencement of the Second Renewal Term, Landlord will have its insurance company, or its representative, submit an insurance certificate evidencing all coverage as required hereunder from Landlord. The Certificate must provide thirty (30) days prior written notice of material change, cancellation, or non-renewal be given to:

Chicago Board of Education
Bureau of Risk Management
125 S. Clark Street, 7th Floor
Chicago, Illinois 60603
Phone: (773) 553-2244
Fax: (773) 553-3326
Email: riskmanagement@cps.edu

The above-referenced certificate shall be deposited with Tenant at the above address.

Landlord shall have its fire, all risk, and comprehensive public liability Insurance endorsed to provide that the Board of Education of the City of Chicago, a body politic and corporate, and its members, employees, officers, officials and agents, and any other entity as may be designated by Tenant are named as additional insureds (as their interests may appear) on a primary basis without recourse or right of contribution from Tenant.

Landlord must register with the insurance certificate monitoring company designated by Tenant stated below, and must maintain a current insurance certificate on file during the term of this Lease, including any extensions or renewals thereof. Landlord must register and pay the initial annual monitoring fee to the insurance certificate monitoring company prior to the commencement of the First Renewal Term. The initial annual monitoring fee is currently Twelve and 00/100 Dollars (\$12.00) per year, but is subject to change.

Each year, Landlord will be notified 30 to 45 days prior to the expiration date of its required insurance coverage (highlighted on its latest submitted insurance certificate on file) that it must submit an updated insurance certificate with the insurance certificate monitoring company. Insurance certificate submissions and related annual fees are required to be made online at the dedicated website established by the certificate monitoring company identified below. Questions on submissions and payment options should be directed to the certificate monitoring company.

Certificate Monitoring Company:
Topiary Communications, Inc.
676 N. LaSalle – Suite 230
Chicago, IL 60654
Phone – (312) 494-5709
Email – dans@topiarycomm.net

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Website for online registration, insurance certificate submissions and annual fee payments: URL – <http://www.cpsvendorcert.com>.

8. **NOTICES.** Paragraph 15 of the Original Lease is amended to provide that the address to which notices to Tenant are to be addressed is:

To Tenant: Board of Education of the City of Chicago
Chief Facilities Officer
125 S. Clark Street, 17th Floor
Chicago, Illinois 60603

With a copy to: Board of Education of the City of Chicago
Law Department
General Counsel
125 South Clark Street, 7th Floor
Chicago, Illinois 60603

9. **ETHICS.** The language in Paragraph 20 of the Original Lease is hereby deleted in its entirety and substituted in lieu thereof as Paragraph 20 is the following language:

ETHICS. Tenant's Ethics Policy (11-0525-P02), adopted May 25, 2011, as may be amended from time to time, and any subsequent policies on or relating to Ethics, are hereby incorporated herein by reference and made a part of this Lease as if fully set forth herein.

10. **INDEBTEDNESS.** The language in Paragraph 21 of the Original Lease is hereby deleted in its entirety and substituted in lieu thereof as Paragraph 21 is the following language:

INDEBTEDNESS. Landlord agrees to comply with Tenant's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended June 26, 1996 (96-0626-PO3), and as may be further amended from time to time, and any subsequent policies on or relating to Indebtedness.

11. **ADDITIONAL TERMS.** The following are added as additional terms to the Lease:

10.1. **FREEDOM OF INFORMATION ACT.** Landlord acknowledges that this Lease and all related documents are a matter of public record and are subject to the Illinois Freedom of Information Act (5 ILCS 140/1) and any other comparable state and federal laws, and are subject to reporting requirements under 105 ILCS 5/34-220. Landlord further acknowledges that this Lease shall be posted on the Board's Internet website at <http://www.cps.edu>.

12. **OTHER LEASE TERMS.** Except as modified or amended herein, all other terms of the Lease Agreement are unchanged and shall remain in full force and effect during the Second Renewal Term. In the event of any inconsistency between this Second Renewal and the Lease

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Agreement, the terms of this Second Renewal shall control.

IN WITNESS WHEREOF, the parties hereto have executed this Second Renewal as of the day and year first above written.

TENANT:

BOARD OF EDUCATION OF
THE CITY CHICAGO *gju*

By: *David J. Vitale*
Name: David J. Vitale
Title: President

Attest: *Estela B. Beltran 7/21/14*
Name: Estela Beltran
Title: Secretary

Date: *7/21/14*

Board Report Number: 14-0423-OP3-1

Approved as to legal form: *JS/RS*

James L. Bebley
James L. Bebley, General Counsel

LANDLORD:

KLAIRMONT ENTERPRISES, INC., an
Illinois corporation, BY ITS AGENT,
IMPERIAL REALTY COMPANY

By: *Alfred M. Klairmont*
Name: Alfred M. Klairmont
Title: President

Attest: *Robert Klairmont*
Name: Robert Klairmont
Title: Vice President

Date: *6-30-14*