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LEASE AGREEMENT

FOR 4626 S. KEDZIE, CHICAGO, IL 60612

BETWEEN

INVESCOMEX I, LLC, AS LANDLORD

AND

THE BOARD OF EDUCATION OF THE

CITY OF CHICAGO,

AS TENANT

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**LEASE AGREEMENT FOR 4626 S. KEDZIE, CHICAGO, ILLINOIS BETWEEN
INVESCOMEX I, LLC, AS LANDLORD, AND THE BOARD OF EDUCATION OF THE CITY
OF CHICAGO, AS TENANT**

THIS LEASE AGREEMENT ("Lease") is made effective as of August 1, 2013 ("Effective Date") between INVESCOMEX I, LLC, a limited liability corporation ("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 4626 S. Kedzie, Chicago, Illinois ("Premises") which is improved with a building ("Building").

B. Tenant desires to lease space in the Building from the Landlord in accordance with the terms and conditions described herein.

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 approximately 2,000 square feet of the Building to Tenant ("Tenant Space") as depicted in the floor plan as Exhibit A attached hereto and incorporated by reference herein ("Floor Plan") for a term commencing as of August 1, 2013 through and including June 30, 2018 ("Term"). Tenant shall also have the right to use the common areas of the Building, outdoor parking and any amenities in the common areas.

2. **USE.** To provide two (2) classrooms and office space for the Columbia Explorers School as described in the Floor Plan for Tenant's sole and exclusive use ("Use").

3. **RENT.** In consideration of the leasing to Tenant of the Tenant Space as set forth above, Tenant covenants and agrees to pay to the Landlord, as rent for the Premises ("Rent"), the sum of Two Thousand Dollars (\$2,000.00) per month. Tenant's obligation for the payment of Rent shall commence on the Possession Turnover Date. As used in this Lease, "Possession Turnover Date" shall mean later of (i) August 1, 2013, or (ii) the date of completion of Tenant Improvements. Rent shall be payable on the 1st day of each month of the Term and will be prorated for any month where Tenant does not occupy the Tenant Space for the entire calendar month; any overpayment of Rent will be promptly refunded to Tenant.

4. **ADDITIONAL RENT.** Tenant shall pay Landlord for its portion of real estate taxes and common area maintenance expenses ("Additional Rent") the amount of One Thousand Two Hundred and Eight Dollars (\$1,208.00) per month. Such amount shall be payable on the 1st day of the month and will be prorated for any month where Tenant does not occupy the Premises for the entire calendar month; any overpayment of Additional Rent will be promptly refunded to Tenant. The cost of water is included in the charge for

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Additional Rent.

5. **UTILITIES, MAINTENANCE AND JANITORIAL SERVICES.** Landlord shall provide separate meters exclusively for the Tenant Space for gas and electric. Landlord will provide the HVAC equipment, plumbing and electric in good repair and working order as of the Effective Date and the Tenant shall maintain such equipment throughout the Term and any renewal thereof. Landlord will provide maintenance for the roof and structure of the Building and Premises.

6. **TENANT IMPROVEMENTS.** Landlord agrees to make all reasonable effort to complete on or before August 22, 2013, improvements to the Tenant Space including building three restrooms, two classrooms and a hallway and other work as more specifically described in the plans attached hereto as Exhibit B which is incorporated by reference herein ("Tenant Improvements").

Tenant agrees to pay Landlord as follows for the Tenant Improvements an amount not to exceed One Hundred Thousand Dollars (\$100,000.00) provided Tenant is in receipt of invoice from Landlord and appropriate supporting documentation: (i) Fifty Thousand Dollars (\$50,000.00) upon or immediately after the execution of this Lease, and (ii) the remaining amount (not to exceed \$50,000) within ten (10) days after the Possession Turnover Date.

7. **LANDLORD COVENANTS.** Throughout the Term, Landlord shall provide the following at no additional cost to Tenant:

(A) any maintenance, replacement, or repairs (including, but not limited to, painting) of the Premises and Building. Landlord agrees to maintain the exterior of the Premises and Building in good and tenable condition and repair during the Term;

(B) any maintenance, replacement, or repairs of the facilities, fixtures and equipment in and servicing the common areas of the Building and Premises. All of the foregoing shall be maintained in good operating order and in a safe, healthful and clean condition;

(C) prompt removal of snow and ice from the sidewalks, steps, walkways, driveways and entrance ways serving the Premises; and

(D) janitorial services for the common areas of the Building.

At all times, Landlord shall comply with all applicable municipal, county, state and federal ordinances, laws, rules and regulations pertaining to the repair, maintenance and operation of the Premises and Building. Landlord also agrees that the Tenant has the right to inspect, sample and analyze the materials, systems and structures in the Premises as required by the United States Environmental Protection Agency, the Illinois Environmental Protection Agency, the Chicago Department of Health, or any other municipal or Chicago Board of Education entity charged with establishing and policing occupational or educational health and safety standards, or as necessary to determine compliance of the Premises with standards or guidelines established by any of the foregoing.

If Landlord fails to complete any repair, replacement, or maintenance for which Landlord is obligated herein within ten (10) days of written notice from Tenant of a condition requiring repair, replacement, or

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maintenance (or, if such repair, replacement, or maintenance cannot by its nature reasonably be completed within ten (10) days, Landlord has not commenced within ten (10) days of said notice the repair, replacement, or maintenance and continuously and diligently prosecuted its completion), Tenant may, but shall not be obligated to, commence or complete such repair, replacement, or maintenance. All sums expended and all costs and expenses incurred by Tenant in connection with any such repair, replacement, or maintenance shall be paid by Landlord to Tenant and shall bear interest from the respective dates when expended or incurred by Tenant at the rate of the lesser of six percent (6%) per annum or the maximum rate then permitted to be charged by law until repaid by Landlord to Tenant, and all such sums together with interest shall be deducted from Rent under this Lease that is due to Landlord from Tenant, or payable by Landlord to Tenant on demand.

8. **IMPROVEMENTS.** With the prior written approval of the Landlord if the value of an improvements project exceeds Ten Thousand Dollars (\$10,000.00), which approval shall not be unreasonably withheld or denied, the Tenant may make improvements to the Tenant Space which are necessary for the use thereof by the Tenant.

9. **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. Tenant shall have access to the Building and Leased Premises twenty-four hours per day, seven days per week.

10. **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 Improvements, less reasonable use and wear thereof and damages by fire and accident excepted, and will remove all personal property from the Premises.

11. **INSURANCE.**

During the Term, the Tenant, at its cost and expense, shall carry and maintain the following types of insurance with respect to the Premises with insurance companies having a minimum AM Best Rating of A-VI:

- A. **Commercial General Liability Insurance.** Commercial General Liability Insurance or equivalent with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the aggregate for bodily injury, personal injury and property damage liability.
- B. **Automobile Liability Insurance.** Automobile Liability Insurance when any motor vehicle (whether owned, non-owned or hired) is used in connection with this Lease, with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage.
- C. **Workers' Compensation and Employers' Liability.** The Tenant is self-insured for all Workers' Compensation exposures.

The policies shall name Landlord as an additional insured and shall contain a clause that the insurer

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will not cancel or change the insurance without first giving Landlord thirty (30) day's notice. Said insurance shall be in form, and carried with responsible companies, reasonably satisfactory to Landlord. 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 deposited with Landlord within fifteen (15) days after the Effective Date and shall provide thirty (30) days' notice to the Landlord prior to cancellation, material change, or non-renewal thereof. If Tenant fails to comply with such requirements, Landlord may obtain such insurance and keep the same in effect, and Tenant shall pay Landlord the premium cost thereof to Landlord upon demand.

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 and on all 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 or change the insurance without first giving Tenant thirty (30) day's 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 deposited with Tenant within fifteen (15) days after the Effective Date and shall provide thirty (30) day's notice to the Tenant prior to cancellation, material change, or non-renewal thereof. 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.

12. **LANDLORD DEFAULT.** If Landlord is in default under this Lease and such default shall continue for ten (10) 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 ten (10) 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 and/or Additional Rent due under this Lease or immediately terminate this Lease by providing Landlord written notice as provided for herein.

13. **TENANT DEFAULT.** If the Tenant is in default under this Lease and such default shall continue for ten (10) 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 ten (10) 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 cure the default or elect to terminate this Lease by providing Tenant written notice as provided for herein.

14. **CASUALTY AND CONDEMNATION.** If the Premises are made untenable by fire or other casualty, or taken by any governmental entity pursuant to its power of eminent domain, the Landlord or Tenant may elect to terminate this Lease as of the date of the fire or other casualty or the taking by eminent domain, by notice to the other party within thirty (30) days after the date of the fire or other casualty, or in the case of eminent domain, by notice delivered as soon as reasonably possible after a party receives notice or otherwise becomes aware of such proceedings. Rent shall abate as of the date of the casualty or taking, and if there is any award or payment by the condemning governmental entity, Tenant shall be entitled to a portion thereof.

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Landlord agrees to promptly notify Tenant if it receives any notice of proposed taking by a governmental entity pursuant to eminent domain.

15. **INDEMNIFICATION.**

A. Tenant hereby agrees to indemnify and hold the Landlord harmless from any liability, claim or demand (including court costs and reasonable attorneys' fees), incurred by Landlord as a result of Tenant's actions on or about the Premises, limited, however, to only such liabilities, claims or demands which arise or are caused by Tenant's negligent acts, errors and/or omissions.

B. Landlord hereby agrees to indemnify and hold the Tenant harmless from any liability, claim or demand (including court costs and reasonable attorneys' fees), incurred by Tenant as a result of Landlord's actions on or about the Premises, limited, however, to only such liabilities, claims or demand which arise or are caused by Landlord's negligent acts, errors and/or omissions.

16. **SECURITY.** Landlord agrees to establish and maintain security measures appropriate to reasonably protect the Premises.

Landlord understands that the Tenant Space will be used as classrooms for kindergarten children and that the safety and security of the children are of paramount importance. Landlord hereby represents that none of the other tenants in the Building or the business in which they are engaged should pose any risk for Tenant's Use and Landlord will not lease space in the Building to any party whose use would potentially pose any risk or threat to Tenant's Use. Businesses by way of example and not an exhaustive list, that would potentially pose a risk or threat to Tenant's Use would include a liquor store, gun shop, pawn shop, businesses that do not serve/admit/do business with individuals under the age of 18, adult book store or other type of establishment with adults only entertainment, any business that knowingly serves individuals who are convicted felons (e.g. skills training center for parolees).

17. **SIGNAGE.** Subject to Landlord's prior approval, which approval shall not be unreasonably withheld, Tenant shall be permitted to install signage identifying the Building as a location for a Chicago Public School:

- A. On the door that is the main entrance into Tenant's Space;
- B. On the interior and/or exterior of the Building, consistent with the practices of other tenants at the Premises; and
- C. Upon request of Tenant, Landlord will incorporate Tenant's name in signage provided by Landlord that identifies other tenants of the Building and Premises.

18. **NOTICES.** All notices and other communications given pursuant to this Lease shall be in writing and shall be deemed properly served and effective (a) as of the day of delivery if delivered in person, by messenger, overnight delivery service or a party's attorney or agent, or (b) on the third (3rd) day after deposit in the U.S. mail as registered or certified mail, return receipt requested, postage prepaid. All notices shall be addressed as follows:

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If to Landlord: Invescomex I, LLC
3760 West 38th Street
Chicago, IL 60632
Attention: Eduardo Rodriguez
Phone: (773) 908 7065
Email: invescomex@yahoo.com

If to Tenant: BOARD OF EDUCATION
125 South Clark Street, 16th Floor
Chicago, Illinois 60603
Attention: Director of Real Estate

With a copy to: BOARD OF EDUCATION
125 South Clark Street, 7th Floor
Chicago, Illinois 60603
Attention: James L. Bebley, General Counsel

Either party may from time to time change the names or 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.

19. **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.

20. **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.

21. **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.

22. **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.

23. **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.

24. **INDEBTEDNESS.** Landlord agrees to comply with the Tenant's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as may be amended from time to time, which policy is hereby incorporated by reference as if fully set forth herein.

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25. **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).

26. **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.

27. **ETHICS.** Landlord must comply with the Board of Education Ethics Code (11-0525-PR2), adopted May 25, 2011, and as amended from time to time, which is hereby incorporated into and made a part of this Lease as if fully set forth herein.

28. **EXECUTION.** This Agreement may be executed in two or more counterparts, and by facsimile, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party, it being understood that all parties need not sign the same counterpart.

IN WITNESS WHEREOF, the parties have set their hands and seals as the date written below.

TENANT:

LANDLORD:

BOARD OF EDUCATION OF
THE CITY OF CHICAGO

INVESCOMEX I, LLC

By: David Vitale
Name: David Vitale
Title: President

By: _____
Name: Eduardo Rodriguez
Title: President

Attest: Estela M. Beltran
Estela Beltran, Secretary 7/30/13

Attest:
By: _____

Board Report Number: 13-0626-OP17 - 1

Approved as to legal form:

James L. Bebley
James L. Bebley, General Counsel

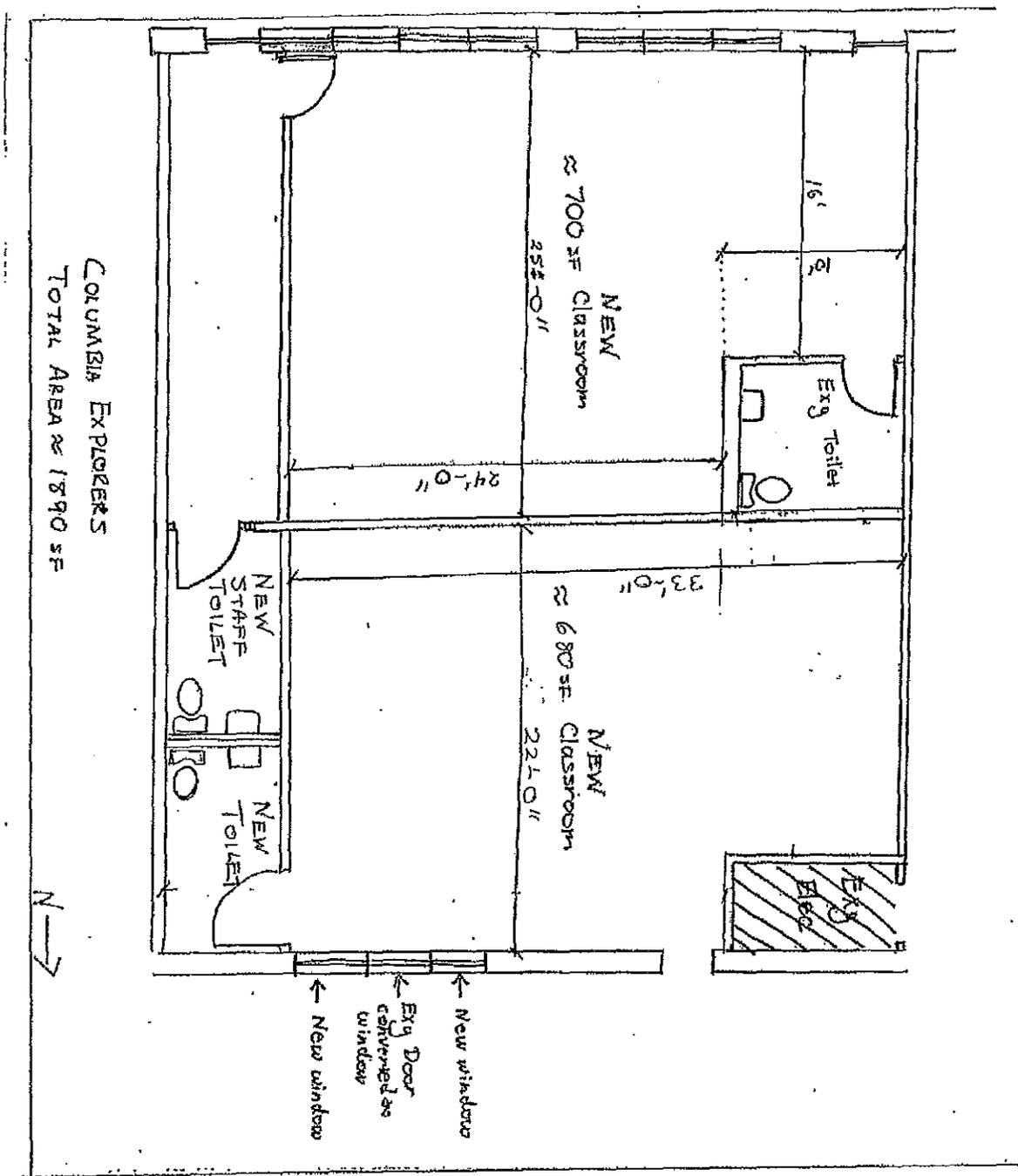
Name: _____
Title: _____

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EXHIBIT A
TO THE
LEASE AGREEMENT
FOR 4626 S. KEDZIE, CHICAGO, IL BETWEEN
INVESCOMEX I, LLC, AS LANDLORD AND
THE BOARD OF EDUCATION OF THE CITY OF CHICAGO, AS TENANT

See attached page for floor plan

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EXHIBIT B
TO THE
LEASE AGREEMENT
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See attached page for Tenant Improvements

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2220 Calwagner Ave
Melrose Park IL.60164
ruletinc@sbcglobal.net

CUSTOMER INFORMATION:

ATT: Eduardo Rodrigez /DBA/ Invescomex
ADDRESS: 4628 S. Kedzie Ave.
Chicago, IL 60612

Owner: Ruben Lopez
OFFICE: 847 323-3519
FAX: 847 455-0820

DATE: 07-19-2013
CONTRACT # 071913-45

CONTRACT

This contract is to the attention of Eduardo Rodrigez /DBA/ Invescomex. to do the interior and exterior remodel work at the property located on 4628 S. Kedzie Ave. Chicago, IL 60612

SCOPE OF WORK:

EXTERIOR RENOVATION:

1. Provide 3 new windows total of 80'SF of natural light.
2. Convert existing back door into a window total of 25' SF of natural light.

PROVIDE NEW CALASSROOMS:

3. Demolish all existing finishes total of 1,890' SF
4. Remove existing partition walls and drywall total of 1,870' SF
5. Provide new partition walls with new gypsum board at new classrooms and corridor total of 1,040' SF.
6. Remove existing mop sink. Cap ea utilities in place. (1)

CLASSROOM 1:

7. Provide 700' SF of new VCT floor including subfloor and 4" vinyl base.
8. Patch 200' SF area of existing drywall walls.
9. Paint 1,700' SF of interior walls.
10. Provide and install 700' SF of new 2x4 suspended ACT ceiling including grid.
11. Provide and install One new C label Classroom Door 3070 w/ 100 Sq max door light with Hollow Metal Frame Solid C label transom panel if needed.
12. Provide and install 700' SF of new indirect fluorescent lay-in lighting.

CLASSROOM 2:

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13. Provide 700' SF of new VCT floor including subfloor and 4" vinyl base.
14. Patch 200' SF area of existing drywall walls.
15. Paint 1,700' SF of interior walls.
16. Provide and install 700' SF of new 2x4 suspended ACT ceiling including grid.
17. Provide and install One new C label Classroom Door 3070 w/ 100 Sq max door light with Hollow Metal Frame Solid C label transom panel if needed.
18. Provide and install 700' SF of new indirect fluorescent lay-in lighting.

TOILET ROOM:

19. Provide and install new 50' SF of CT floor.
20. Patch 60' SF area of existing drywall walls.
21. Paint 500' SF of interior walls.
22. Provide and install 1,100' SF of new 2x2 suspended ACT ceiling including grid.
23. Provide and install 50' SF of new indirect fluorescent lay-in lighting.
24. Provide and install One new 3070 wood door and HM frame.
25. Provide and install One new WC with manual flush valves, with horizontal, vertical grab bars and toilet paper holder.
26. Provide Rough-in location at existing chase wall and provide new accessible lav. sink with metered faucets, insulation and local temp. control (1)
27. Provide Rough-in location and provide new floor drain (1)
28. Provide new ventilation and grills (1)
29. Tie-in existing Plumbing water, waste and vent. (1)
30. Provide new GFI receptacle within 6'feet of sink locations. (1)
31. Provide electrical connection to exhaust fan. (1)

EXISTING TOILET ROOM:

32. Provide 50' SF of new CT flooring.
33. Patch 60' SF area of existing drywall walls.
34. Paint 500' SF of interior walls.
35. Provide and install 50' SF of new 2x2 suspended ACT ceiling including grid.
36. Provide and install 50' SF of new indirect fluorescent lay-in lighting.
37. Provide and install One new 3070 wood door and HM frame.
38. Provide and install One new WC with manual flush valves, with horizontal, vertical grab bars and toilet paper holder.
- 39. Existing Ventilation and Grill to remain.**
40. Provide new GFI receptacle within 6'feet of sink locations. (1)
- 41. Electrical connection to exhaust fan to remain.**

CORRIDOR:

42. Provide 300' SF of new VCT floor including subfloor and 4" vinyl base.
43. Paint 870' SF of interior walls.

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44. Provide and install 300' SF of new 2x2 suspended ACT ceiling including grid.
45. Provide and install 300' SF of new indirect fluorescent lay-in lighting.

46. Remove, clean and haul off site all garbage and debris.

All work to be performed in a good and workmanlike manner by **Rulet's Construction Inc.** including all labor and materials for the total price of **\$78,684.00** (Seventy Eight Thousand Six Hundred Eighty Ford Dollars).

Exceptions:

- This price includes only the work and items listed above and does not include any blueprints, survey or permit cost.
- Also is not include in this price any marker board, CPS standard tables and sating chairs and new accessories.

Any additional or unforeseen work will be separated charge upon owner's approval. Additional work not to be stared or complete until owner approves.

All work should be done in professional workmen like management according to industry standards.

Rulet's Construction will always work in according with management agent and architect to obtain all needed permits.

Thank you for the opportunity of quoting this job. This quote is based on license, bond and insurance cover which we presently carry.

Time schedule for the completion of the job after we have the permit to start the work Anywhere from 4 or 6 weeks if weather permits.

Payment terms:

- 25% upon commencement of the work.
- 35% upon half way completer.
- 30% upon 90 per % completer.
- 10% upon completion of total work, punch list and final approval.

Acceptance of contract

The above prices, specifications, and conditions are satisfactory and hereby accepted. You are authorized to do work as specified. Payment will be made as outlined above.

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***** Customer agrees and understands:** Upon completion of work, payments in full are expected every 30 days as outlined above and that situation no money is to be held due to any third parties involved. Consequently a service charge of 2.5% per month will apply for all outstanding invoices past 30 days and legal fees.

Ruben Lopez /DBA/
Rulet's Construction Inc.

Eduardo Rodrigez /DBA/
Invescomex

