

## MASTER LEASE AGREEMENT

THIS MASTER LEASE AGREEMENT is dated as of the latter of the two dates set forth on the signature page below, but effective as of July 1, 2015 (the "Effective Date"), by and between **THE CATHOLIC BISHOP OF CHICAGO**, an Illinois corporation sole ("Landlord") and **BOARD OF EDUCATION OF THE CITY OF CHICAGO**, a body politic and corporate ("Tenant"). Landlord and Tenant may collectively hereinafter be referred to as the "Parties" and each a "Party."

### WITNESSETH

WHEREAS, Landlord is the owner of land and improvements in the City of Chicago, County of Cook, State of Illinois, as more specifically listed on Exhibit A attached hereto and made a part hereof (collectively "Landlord's Property");

WHEREAS, the Parties have entered into the Parish Riders attached hereto and made a part hereof respecting the locations listed on Exhibit A (collectively the "Parish Riders" and each a "Parish Rider") and may enter into future Parish Riders for any locations added hereunder after the Effective Date hereof based on the Parish Rider template attached as part of Exhibit A;

WHEREAS, Landlord wishes to lease to Tenant and Tenant wishes to lease from Landlord a portion of Landlord's Property more particularly described as the school buildings identified in the Parish Riders or such additional Parish Riders executed by Landlord and Tenant after the Effective Date hereof;

NOW THEREFORE, for and in consideration of their mutual covenants and agreements hereinafter set forth and the above recitals which are by this reference incorporated herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties hereto, Landlord and Tenant agree as follows:

1. **PARISH RIDERS/DEFINED TERMS.** Any reference to the "Master Lease" shall mean the terms and conditions set forth in Section 1 through Section 31 hereof, exclusive of any terms and conditions contained within any Parish Rider. Any reference to the "Lease" shall collectively mean both the terms and conditions of this Master Lease and the terms and conditions of each Parish Rider executed by the Parties. Any reference to the "Premises" within this Master Lease shall collectively mean the school buildings identified in each Parish Rider. Any reference to the "Access Areas" within this Master Lease shall collectively mean the Access Areas identified in each Parish Rider. Any reference to the Premises or Access Areas within any Parish Rider shall mean the Premises and Access Areas identified in such Parish Rider. All capitalized terms not defined in this Master Lease shall have the meaning set forth in the applicable Parish Rider. The terms and conditions of the Master Lease are hereby incorporated into each Parish Rider and the terms and conditions of each Parish Rider are hereby incorporated into the Master Lease. In the event of any conflict between the terms and conditions of the Master Lease and the terms and conditions of any Parish Rider, the terms and conditions of the applicable Parish Rider shall govern and control.

2. **PREMISES.** Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises identified in each Parish Rider subject to all of the terms, conditions, covenants and agreements contained in the Lease.
  
3. **TERM.** The term of this Master Lease and all Parish Riders shall commence on the Effective Date ("Commencement Date") and shall expire on June 30, 2025 ("Expiration Date") unless this Lease is terminated earlier as hereinafter set forth ("Term"). All of Tenant's covenants and agreements under this Lease shall be effective as of the Commencement Date. Any reference to a "Lease Year" shall mean the twelve-month period beginning on the Commencement Date or any anniversary thereof. In the event that possession of the Premises shall not be delivered to Tenant on the Commencement Date or any commencement date applicable to a Parish Rider executed after the Commencement Date, this Lease shall nevertheless continue in full force and effect, and no liability shall arise against Landlord out of any such delay other than the abatement of Rent until possession of the Premises is delivered to Tenant; provided, however, that there shall be no abatement of Rent if the Premises are not delivered to Tenant due to any delay caused by, or resulting from the fault of Tenant.
  
4. **USE.**
  - (a) **Permitted Use.** Tenant and Tenant Group shall use and occupy the Premises on weekdays during the Term from 6:30 a.m. CST to 4:30 p.m. CST for the sole purpose of operating a public school facility for children grades pre-school through eighth grade, customary ancillary extracurricular school-related activities for children and offices customarily related to such use and for no other use or purpose whatsoever ("Use"). Landlord acknowledges and agrees that the Use customarily includes less activity by Tenant in the months of June, July and August and Tenant shall retain full use of the Premises during the days/hours of Use during those months. Landlord expressly reserves the right to exclusive use of the Premises outside Tenant's days and hours of Use.
  
  - (b) **Permits, Etc. for Use.** Tenant shall, at its sole risk, cost and expense, procure all permits, licenses, certificates and other authorizations and any renewals, extensions or continuances of the same required in connection with the Use. Upon request of Landlord, Tenant shall provide evidence of any permits, licenses, certificates and other authorizations and any renewals, extensions or continuances of the same required in connection with the Use.
  
5. **RENT.**
  - (a) **Rent.** Any reference to the term "Base Rent" shall collectively mean all of the base rent set forth in each Parish Rider. Any reference to the term "Additional Rent" shall collectively mean: (i) all of the additional rent set forth in each Parish Rider; (ii) all of the additional rent items set forth in Section 5(b)-(f) below and; (iii) any other amount due and payable to Landlord under this Lease. Any reference to the

term “Rent” shall collectively include all Base Rent and all Additional Rent due and payable under this Lease. Rent shall be due and payable by Tenant to Landlord without any prior demand therefor and without set-off, abatement, counterclaim, or deduction of any kind whatsoever. As an accommodation to Tenant, but not as an obligation hereunder, Landlord agrees to invoice Tenant for Rent as reasonably requested by Tenant pursuant to Tenant’s internal procurement procedures; provided, however, that any failure by Landlord to provide such invoices shall not be deemed a default under this Lease and shall not release Tenant from its obligation to pay Rent in accordance with the terms and conditions herein contained. Tenant shall pay each monthly installment of Rent in advance on or before the first day of each calendar month during the Term. Rent payments made on or after the fifth day of the month shall be considered late and are subject to additional interest charges per Section 17. All payments of Rent shall be payable to “The Catholic Bishop of Chicago, an Illinois corporation sole” and delivered to “Archdiocese of Chicago, 835 N. Rush St., Chicago, Illinois 60611; Attention: Director of Real Estate.”

(b) **Water, Sewer and Miscellaneous Charges:** In the event that Landlord is assessed water and sewer charges for the Premises, or any other miscellaneous charges by a governmental entity related to the Premises, Tenant shall be responsible for paying one hundred percent (100%) of such water/sewer/miscellaneous charges for the Premises as Additional Rent hereunder; provided, however, that if there is no submeter serving the Premises that tracks such water/sewer/miscellaneous charges applicable to the Premises and a portion of those charges result from the use of other buildings forming part of Landlord’s Property outside of the Premises by Landlord or parties other than Tenant, then in such case: (i) Landlord shall use good-faith efforts to pass through the portion of the charges applicable to the Premises based on reasonable objective factors in order to assess actual use resulting from Tenant’s use and occupancy of the Premises which factors shall be provided to Tenant in support of Landlord’s calculation; (ii) the Parties agree to install a new submeter, to the extent possible for the type of charges at issue, in accordance with and subject to the Capital Improvement procedures set forth in Section 9(d); and (iii) until such submeter is installed, or if a submeter cannot be installed for the type of charges at issue, Tenant agrees to pay the charges resulting from Tenant’s use and occupancy of the Premises in accordance with the reasonable objective factors provided by Landlord.

(c) **Real Property Taxes:**

(i) In the event that Landlord is assessed real estate taxes on the Premises or Access Areas by a governmental entity as a result of: (a) any change in Applicable Law currently in effect as of the Commencement Date related in whole or in part to Tenant’s organizational status as a body politic and corporate or Tenant’s general use and occupancy of the Premises or Access Areas; or (b) the Use; or (c) Tenant’s Default under any of the terms and conditions of this Lease, including but not limited to Tenant’s covenants under Section 4 and/or Section 31(h) of the Master Lease, Tenant shall be

responsible for paying one hundred percent (100%) of such real estate tax assessment resulting therefrom as Additional Rent hereunder for all periods of Tenant's Use and occupancy of the Premises, which obligation shall survive the expiration or earlier termination of the Term of the Master Lease. Landlord shall have the option, but not the obligation, to appeal any such real estate taxes assessed pursuant to this Section 5(c)(i), and Tenant agrees to reimburse all of Landlord's reasonable costs incurred in performing such appeal as Additional Rent hereunder with such obligation of reimbursement surviving the expiration or earlier termination of the Term of the Master Lease. As of the Commencement Date, neither Landlord nor Tenant has any actual knowledge of any real estate taxes that are due and owing on the Premises or Access Areas that would be payable by Tenant under this Section; provided, however, that the Parties acknowledge and agree that the term "actual knowledge" in relation to Landlord shall mean the actual knowledge of Landlord's Director of Capital Assets. In the event either Party receives any notice of assessment of real estate taxes on any of the Premises or Access Areas from a governmental entity, the Party receiving such notice shall promptly notify the other Party in writing. Both Parties agree to send any notices that each Party may receive from a governmental entity about property tax assessment related to the Premises in a commercially reasonable time period after receipt, but each Party shall use best efforts to send copies of such notices to the other Party within a time period that would not materially adversely affect either Party's rights to pursue an appeal under this Section.

- (ii) In the event of change in Applicable Law which results in real estate taxation of the Premises as contemplated in Section 5(c)(i) above, Tenant shall have the right to terminate the Term of this Lease upon prior written notice to Landlord subject to the following terms and conditions: (a) the effective termination date of the Term shall be June 30th following such written termination notice; (b) Tenant must not be in Default at the time Tenant provides written notice to Landlord as required herein or upon the effective date of such termination; (c) Tenant must pay all Rent and any other charges due and payable to Landlord under this Lease on or before the effective date of such termination; (d) Tenant must deliver the Premises to Landlord on or before such effective termination date in accordance with the terms and conditions of this Lease the same as if such effective termination date were the original Expiration Date of the Term; and (e) Tenant shall remain liable to pay all such real estate taxes applicable to the Premises for all periods of Tenant's Use and occupancy thereof.
- (iii) In the event Landlord declines to pursue an appeal of real estate taxes assessed against the Premises, then in such case, Landlord shall notify Tenant in writing of such decision and Tenant shall have the right to pursue

appeal, subject to the following terms and conditions: (a) Tenant shall have the right to contest the amount or validity, in whole or in part, of any real estate taxes, and to seek a reduction in the valuation of the Premises assessed for tax purposes by appropriate proceedings ("Tenant Tax Appeal"); (b) Tenant shall notify Landlord in writing of Tenant's desire to pursue a Tenant Tax Appeal within thirty (30) days of Landlord's notification to Tenant declining to pursue such appeal; (c) Landlord shall have the right to approve the third party performing the Tenant Tax Appeal, such approval not to be unreasonably withheld; (d) Tenant shall pay for all costs and charges related to or derived from the Tenant Tax Appeal, including all attorneys' fees, at Tenant's sole risk, cost and expense; (e) Tenant shall provide Landlord with copies of all governmental forms and other information required to pursue any Tenant Tax Appeal; (f) Landlord shall reasonably cooperate with obtaining information or signing such forms in its capacity as owner; (g) Tenant shall diligently pursue any Tenant Tax Appeal to conclusion or shall otherwise be responsible to pay all real estate taxes assessed if Tenant does not pursue such Tenant Tax Appeal to conclusion, in accordance with the foregoing paragraphs of this Section 5(c); and (h) any recovery of real estate taxes actually paid by Tenant which results from any Tenant Tax Appeal may be retained by Tenant, so long as Tenant has paid all costs incurred in connection with the Tenant Tax Appeal as required hereunder.

- (d) **Boiler Inspection, Maintenance and Repair:** As Additional Rent hereunder, Tenant shall be responsible for reimbursing Landlord fifty percent (50%) of Landlord's costs and expenses incurred for the performance of inspections, maintenance and repairs of any boiler or HVAC system serving the Premises and the building area that contains such boiler or HVAC system serving the Premises, which amount shall not be subject to Tenant's Cap; provided, however, that the performance of any Capital Improvement respecting replacement of the boiler or HVAC system that services the Premises shall be subject to Tenant's Cap.
- (e) **Tenant's Contribution:** As Additional Rent hereunder, Tenant shall pay Tenant's Contribution as set forth in Section 9 of the Master Lease for all Capital Improvements performed at or around the Premises and/or Access Areas.
- (f) **Payment of Additional Rent.**
  - (i) If a time period for the payment of any Additional Rent is not specifically provided hereunder, it is hereby acknowledged and understood that Tenant must pay such Additional Rent within thirty (30) days of invoice or other notice from Landlord. Payment of Additional Rent shall be subject to additional interest pursuant to Section 17 of the Master Lease. Payment for Additional Rent shall be payable in the same manner, and subject to the same terms as set forth in Section 5(a) above, including that Additional Rent shall be paid without any prior demand therefor and without set-off, abatement, counterclaim, or deduction of any kind whatsoever except as

provided in Section 5(f)(ii) below.

- (ii) Notwithstanding the foregoing, in the event that Tenant is obligated to pay Landlord Additional Rent for electric or gas services under any Parish Rider and Landlord has failed to pay the electric or gas supplier for electric or gas service at the Premises because of administrative error, such that the electric or gas supplier cuts services to the Premises for such non-payment, then in such case: (i) Tenant shall notify Landlord in writing that the applicable electric or gas services have been cut; (ii) Tenant shall have the right to pay the electric or gas supplier directly in order to have the electric or gas service restored; (iii) upon receipt of Tenant's notice to Landlord advising that the applicable electric or gas service has been cut, Landlord agrees to recommence payment of the electric or gas supplier as soon as is reasonably practical; (iv) the amount paid by Tenant to the applicable supplier shall be credited against future Additional Rent due and payable to Landlord for the electric or gas service that has been cut until such time as the electric or gas service has been restored and Landlord recommences payment directly to the supplier ("Utility Credit"); (v) the Parties agree that this Utility Credit shall not be available to Tenant to the extent that there are service interruptions of electric or gas services for any reason other than non-payment to the supplier; and (vi) the Utility Credit shall be Tenant's sole and exclusive remedy for interruption to electric gas service resulting from non-payment to the supplier.

6. **INTENTIONALLY OMITTED.**

7. **COVENANTS REGARDING USE.** Tenant and Tenant's officers, directors, employees, agents, contractors, invitees, and students of the Premises (collectively "Tenant Group") shall comply with the following covenants as to each and every one of the Premises and/or Access Areas:

- (a) **Compliance with law.** Tenant shall not use the Premises nor permit Tenant Group to use the Premises or its surroundings in any way that, directly or indirectly, is forbidden by any and all applicable laws, statutes, ordinances, codes, decrees rules and regulations of any federal, state, county, municipal or other governmental or quasi-governmental authority having jurisdiction thereof, or as promulgated by any official thereof (hereinafter, "Applicable Law(s)"), including but not limited to, those relating to criminal activity, disturbance of the peace, public nuisances or protection of health, safety or welfare. Additionally, Tenant shall comply with all Applicable Laws and require compliance by Tenant Group, including but not limited to any licensing, notification or other Applicable Laws related to or required by Tenant or Tenant Group's use and occupancy.
- (b) **Immoral activity.** Tenant shall not use the Premises nor permit Tenant Group to use the Premises for any purpose such as counseling about or referrals for or advocacy of or performance of abortion, sterilization, contraception, in vitro fertilization,

euthanasia or assisted suicide, the production, display, sale or viewing of pornographic or soft pornographic media, performances or services, the practice of satanism or atheism or any other activity contrary to the moral teachings of the Catholic Church, which shall be decided in the sole discretion of the then-sitting Bishop or Archbishop with jurisdiction over Landlord's Property; provided, however, that Landlord acknowledges that Tenant is a governmental entity responsible for educating minors in accordance with Applicable Law as part of the Use and to the extent any curriculum forming part of the Use is required by Applicable Law such as curriculum related to sex education, including issues related to contraception, or where Applicable Law requires the right of Tenant Group assembly such as issues related to gender identification, Tenant shall not be deemed to be in Default of this Section 7(b). For purposes of clarity, this Section is not intended to apply to the items listed in Section 7(d) below.

- (c) **Alcohol, drugs, weapons.** Tenant or Tenant Group shall not permit alcohol, drugs, smoking or weapons on the Premises.
  
- (d) **Disciplinary rules and regulations.** Tenant shall enforce Tenant's rules and regulations governing employee and invitee behavior and discipline. Tenant shall use all reasonable measures to prohibit the following:
  - (i) Use, possession, and/or concealment of a firearm/destructive device or other weapon;
  - (ii) Use, possession, and/or concealment of illegal substances;
  - (iii) Aggravated assault;
  - (iv) Trespassing;
  - (v) Loitering;
  - (vi) False activation of a fire alarm;
  - (vii) Assault;
  - (viii) Vandalism or criminal damage to property;
  - (ix) Fighting;
  - (x) Disorderly conduct or disruptive behavior around the Premises;
  - (xi) Use of tobacco products;
  - (xii) Profane or other improper language; and

- (xiii) Allowing student members of the Tenant group to leave the Premises without permission.
- (e) **Security of Persons and Property.** Tenant shall be fully responsible for securing the Premises, any personal property on the Premises, and persons in the Premises. If necessary, Tenant shall hire adequate security personnel to monitor and regulate invitee behavior and compliance with all of Tenant's covenants herein.
- (f) **Obstruction.** Tenant and Tenant Group shall not obstruct or use for storage or for any purpose other than ingress and egress, the sidewalks, entrances, passages, courts, corridors, vestibules, halls and stairways of the Premises or Access Areas.
- (g) **Personal Property.** Tenant shall not use personal property of Landlord at the Premises or Access Areas without obtaining the prior written consent of Landlord or Pastor. Notwithstanding the foregoing, in the event Landlord grants Tenant permission to use any of Landlord's personal property, Landlord and Tenant acknowledge and agree that: (i) such personal property is provided in "as-is", "where-located" condition without warranties of any kind; (ii) Tenant shall use such personal property at Tenant's sole risk, cost and expense; and (iii) Tenant agrees to maintain such personal property in good repair and condition and replace any of Landlord's personal property that is damaged or destroyed as a result of Tenant or Tenant Group's use.
- (h) **Extended Absence.** If Premises will be vacant or unoccupied for a period of more than ten (10) days, excluding customary vacation breaks related to the Use such as during the months of June, July and August, Tenant shall provide Landlord with advance written notice of such period and recognizes that the terms and conditions of this Lease shall be in full effect and applicable during the same.
- (i) **Use of Name or Logo.** Tenant agrees not to use the name, logo, or any other marks owned by or associated with the Landlord or Parish or the name of any representative of the Landlord or Parish, except for the limited purpose of identifying the location in advertising or other notices relevant to Tenant's Use.
- (j) **Walls, Signs.** Tenant shall not, without the prior written consent of Landlord, attach, affix or exhibit or permit to be applied, attached, affixed or exhibited, except by Landlord or its agent, any articles of permanent character, including signage in any form, in any place in or about the Premises or Access Areas, or upon any of the appurtenances thereto. This specifically excludes the posting of asbestos warning labels pursuant to 77 IAC 855.300(a)(6)(C). All approved signage must be removed on or before the Expiration Date or earlier termination of this Lease.
- (k) **Entrances/Exits.** Tenant shall lock all entrances and exits to the Premises at all times outside the hours of Use or when Tenant is not otherwise in occupancy of the Premises.



- (l) **Locks.** Unless Landlord gives prior written consent to each and every instance Tenant shall not have the right to install additional locks, keyless systems, security alarms or similar devices to any door or window of the Premises. Tenant shall provide the same if Landlord consents to additional locks, keyless systems, security alarms or similar devices. At all times, Landlord shall have the right to a set of keys, codes or cards necessary to access the Premises.
- (m) **Illumination.** Unless Landlord gives prior written consent to each and every instance, Tenant shall not use any illumination other than electric light or use or permit to be brought into the Premises or Building any inflammable oils or fluids such as gasoline, kerosene, naphtha and benzene, or any explosives or other articles hazardous to life, limb or property.
- (n) **Electricity.** Tenant shall not install or permit to be installed in the Premises any equipment which uses an amount of electrical current, together with all other equipment using electric current, in excess of the maximum amount of electrical current which can be safely used in the Premises. Tenant shall ascertain the maximum amount of electrical current that can safely be used in the Premises, taking into account the capacity of the electric wiring in the Premises, and shall not use more than such safe capacity.
- (o) **Utility Waste.** Tenant shall not cause or permit any waste, misuse or neglect of the water, gas or electric fixtures or mechanical systems, including heating, ventilation and air conditioning systems. Tenant shall bear the cost of replacement of all lamps, tubes, ballasts and starters for lighting fixtures that it uses on the Premises. Tenant shall be responsible for damages resulting from waste, misuse or neglect, including damages arising from unauthorized changes to the thermostat or leaving windows open when the heating system is on.
- (p) **No Air or Roof Rights.** This Lease does not grant any rights to light or air over or about the Premises. Notwithstanding anything to the contrary contained in this Lease, neither Tenant nor Tenant Group shall have any right to use the roof of the Building for any purpose without the prior written approval of Landlord. Landlord expressly reserves exclusively to itself the right to use the roof, as well all other rights to the Premises and Access Areas not specifically granted to Tenant under this Lease.
- (q) **Animals.** Tenant shall not permit animals other than service animals on the Premises.
- (r) **Supervision.** Tenant shall cause adult staff members of the Tenant Group to provide continuous supervision over student members of the Tenant Group who are present at or around the Premises during the hours of Use.
- (s) **Religious Symbols.** Landlord agrees to remove any temporarily affixed religious symbols from classroom space within the Premises. Notwithstanding the

foregoing, Landlord shall have no obligation to remove any religious symbols at, in or around the Premises if such religious symbols are affixed thereto or permanent in character.

8. **CONDITION ON POSSESSION/DISCLAIMER OF WARRANTIES.** Tenant shall take possession of the Premises and Access Areas in “AS-IS, WHERE-IS” condition subject to all of the terms, conditions, covenants and agreements contained herein. Tenant agrees that Landlord has not made any representations regarding the condition and/or repair of the Premises and/or Access Areas, nor any agreement to decorate, alter, clean or improve the Premises and/or Access Areas that are not expressly set forth in this Lease. Landlord makes no representations or warranties, of habitability, fitness for a particular purpose or otherwise, whether express or implied, about the condition of the Premises and/or Access Areas; the quality of the air, water in and around and/or provided to the Premises and/or Access Areas; the presence of Hazardous Substances (as hereinafter defined) above, in, on, or under the Premises and/or Access Areas; compliance with the Americans with Disabilities Act of 1990; compliance with any asbestos and lead-based paint laws and regulations; and compliance with any other Applicable Laws regarding or pertaining to the Premises and/or Access Areas. Tenant acknowledges that it is Tenant’s sole responsibility to investigate and determine the condition of the Premises and/or Access Areas and locations of any Hazardous Substances including but not limited to lead-based paint and asbestos existing in, under or on the Premises and/or Access Areas; and, Tenant acknowledges that if it has requested and been provided with any documents by Landlord concerning asbestos and lead-based paint at or on the Premises and/or Access Areas, it cannot rely on those documents or investigations done at the direction or request of Landlord, and Tenant, for itself and Tenant Group, must rely on its own investigation into the conditions of the Premises and/or Access Areas.

9. **TENANT OBLIGATIONS FOR CONDITION OF PREMISES.**

- (a) **Compliance with Law.** At all times during the Term or when Tenant is otherwise in possession of the Premises, Tenant shall be solely responsible for compliance with all Applicable Laws related to the condition of the Premises as well as Tenant’s use and occupancy thereof. This includes, but is not limited to construction, installation, inspection, maintenance, repair, replacement, response, operation, management, and notification requirements, if any, as needed to keep the Premises in compliance with all Applicable Laws. Additionally, Tenant is solely responsible all fees, fines and costs related to such compliance. Upon request of Landlord, Tenant shall provide evidence that Tenant has complied with the terms and conditions of this Section 9(a).
- (b) **Environmental Laws and Regulations.** Without limiting the generality of Subsection 9(a) above, the covenant contained in Subsection 9(a) above shall include compliance with Applicable Laws of any governmental authority relating to Hazardous Substances. “Hazardous Substances” means: asbestos, suspect asbestos, lead-based paint, polychlorinated biphenyls as these terms are defined in the Toxic Substances Control Act, 15 U.S.C. Section 2601-2692, or regulations promulgated thereunder; source, special or byproduct nuclear materials, radioactive waste, high-

level or low level radioactive waste, or transuranic waste as defined in the Atomic Energy Act, 42 U.S.C. Sections 2014, *et seq.*, or regulations promulgated thereunder; and any “hazardous substance” as defined by 415 ILCS 3.215; petroleum or petroleum products or by-products; “hazardous waste” as defined by Section 5/3.15 of the Act (415 ILCS 5/3.15) or by 35 IAC 721.03; radon; “hazardous material” as defined by 430 ILCS 50/2.05; or “waste” as defined by 415 ILCS 5/3.435. Tenant covenants and agrees that neither Tenant nor Tenant Group, shall use, bring upon, transport, store, keep or cause or allow the discharge, spill or release (or allow a threatened release) in each case of any Hazardous Substances in, on, under or from the Premises. Without limiting any other indemnification obligations of Tenant contained herein, Tenant hereby agrees to protect, indemnify, defend (with counsel acceptable to Landlord) and hold harmless Landlord, its officers, directors, and agents from and against any and all losses and claims (including, without limitation, (i) reasonable attorney’s fees, (ii) liability to third parties for toxic torts and/or personal injury claims, (iii) fines, penalties and/or assessments levied or raised by any governmental authority or court, and (iv) assessment, remediation and mitigation costs and expenses and natural resource damage claims) arising out of, resulting from or connected with any Hazardous Substances used, brought upon, transported, stored, kept, discharged, spilled, disturbed, or released by Tenant or any member of the Tenant Group in, on, under or from the Premises.

- (i) Hazardous Substances. In the event Tenant or Tenant Group brings any Hazardous Substance into, under, or onto the Premises, or performs Work (as defined in Section 11) which generates a Hazardous Substance, Tenant and Tenant Group shall, at its own expense, use, handle, store, generate, treat, transport and dispose off-site all such Hazardous Substances in compliance with all Applicable Laws relating to or imposing liability as standards of conduct concerning such Hazardous Substance, all at Tenant’s own expense.
- (ii) Notice of Violation/Release. Without limiting the generality of Subsection 9(d) below, the covenant contained in Subsection 9(d) shall include Tenant's obligation to provide Landlord with prompt written notice upon Tenant’s obtaining knowledge of the existence of any Hazardous Substances on, in or under the Premises in violation of Applicable Laws and of any potential or known release or threat of release of any Hazardous Substances affecting the Premises. With that notice, Tenant shall describe the location of the Hazardous Substance, how Tenant became aware of it, and, if a release, how and when it occurred and what was and will be done by Tenant in response to it.
- (iii) Local Educational Authority. Tenant shall be considered a Local Educational Authority (“LEA”) pursuant to the Illinois Asbestos Abatement Act and Code, 105 ILCS 105, and, as the LEA, Tenant shall perform all obligations and responsibilities of a LEA under all Applicable

Laws with respect to the Premises. As a LEA, Tenant shall have a designated person (“LEA Agent”) to oversee all asbestos management plan activities. Tenant’s LEA Agent shall receive adequate training required by the federal Asbestos Hazard Emergency Response Act (AHERA). Tenant shall maintain an asbestos management program in compliance with all Applicable Laws, including but not limited to Illinois Department of Public Health and Illinois Environmental Protection Agency regulations, as needed to keep the Premises, Access Areas, as well as any maintenance, storage or utility facility that would be considered essential to the operation of the Premises, such as the building area which contains the boiler system that serves the Premises, in good order, repair and condition at all times (“Asbestos Management Program”).

(c) **Notices.** Tenant immediately shall forward to Landlord a copy of any notice relating to Landlord’s Property that Tenant receives from any governmental authority or agency, including but not limited to municipal or county building inspectors and the fire department, regarding any alleged violation of Applicable Laws. Tenant shall promptly provide notice to Landlord of any inspections scheduled to be performed by any governmental authority or agency. If an inspection was unannounced, Tenant shall promptly provide notice to Landlord after the inspection has been performed.

(d) **Capital Improvements.**

(i) The term “Capital Improvement(s)” shall mean replacements of the following items affecting the Premises and Access Areas: foundations, roofs, load-bearing structural walls, building wall assemblies, brick/masonry, window systems as a whole, plumbing system as a whole, gas system as a whole, electrical system as a whole, the boiler or other HVAC system as a whole and parking lots, which in Landlord’s reasonable discretion is needed for the structural integrity and safe use, occupancy and operation of the Premises, as well as the items expressly provided in Section 11(f)(iv)(b) and Section 11(f)(iv)(c); provided, however, that the following items shall be expressly excluded from the definition of Capital Improvements: (a) any obligations of Tenant arising under the foregoing Sections 9(a) and 9(b) hereof, except as otherwise expressly provided in Section 11(f)(iv)(b); (b) any other Work required to maintain the condition of the Premises in accordance with Applicable Laws, including governmental rules and regulations respecting Hazardous Substances, fire alarms, enunciator panels, sprinkler systems and fire escapes; (c) Work desirable for the Use such as cosmetic upgrades or installation of trade fixtures; and (d) items of repair and/or maintenance under Section 9(e) below, all of which shall be performed by Tenant at Tenant’s sole risk, cost and expense subject to the terms and conditions of Section 11 below, except otherwise expressly provided in Section 11(f)(iv)(c). Upon discovery, Landlord and Tenant shall promptly report to each other any identifiable need for Capital Improvements.

The Parties shall thereafter meet to determine a reasonable schedule and scope for performing any Capital Improvements; provided, however, that the commencement of such Capital Improvements shall be scheduled for a date not to exceed six (6) months after discovery, except to the extent that the Capital Improvements to be performed would materially disrupt the curriculum forming part of the Use, in which case the Parties agree to schedule such Capital Improvements to the earliest possible time period where such disruption would not occur. At or before the end of each Lease Year, but prior to the commencement of the next active school session (Fall or Spring) forming part of the Use, Landlord and Tenant hereby agree to arrange for a mutually acceptable time to meet in order to review the existing condition of the Premises and Access Areas and to identify any Capital Improvements and/or repairs, and/or preventative maintenance which shall be performed during the following Lease Year; provided, however, that either Party shall have the right to initiate such a meeting by written request to the other Party and both Parties shall use reasonable efforts to accommodate such a meeting in each instance.

- (ii) Unless otherwise agreed to by Landlord and Tenant in writing, or as otherwise provided in Section 9(d)(viii) below, Capital Improvements shall be performed by a contractor engaged by Landlord, with the cost to be allocated between Landlord and Tenant as follows: (a) Landlord shall be responsible for fifty percent (50%) of the costs for performing Capital Improvements (“Landlord’s Contribution”), such amount not to exceed one-third (1/3) of the total annual Base Rent then due and payable during the then-current Lease Year when the Capital Improvement project is identified (“Landlord’s Cap”); and (b) except for Landlord’s Contribution, Tenant shall be responsible for paying all remaining costs for the performance of such Capital Improvements (“Tenant’s Contribution”), which Tenant Contribution shall be paid to Landlord within thirty (30) days of execution of the contract for construction as Additional Rent hereunder; provided, however, that in the event the aggregate total of Tenant’s Contribution under this Lease has already exceeded Eight Hundred Fifty Thousand Dollars (\$850,000) for the then-current Lease Year when the Capital Improvement project is identified and prior to Landlord’s execution of any construction contract for the performance of any Capital Improvements (“Tenant’s Cap”), Tenant shall have the right to provide written notice to Landlord of its desire to forgo the performance of such Capital Improvements exceeding Tenant’s Cap and to terminate the Term of the Parish Rider applicable to the Capital Improvements that would exceed Tenant’s Cap in lieu of providing Tenant’s Contribution for such Capital Improvements (“Tenant’s Termination Right”), subject to the following terms and conditions: (1) Tenant’s Termination Right must be exercised at the time Landlord and Tenant are determining the expected scope of any Capital Improvements and cannot be exercised after a construction contract for the performance of such Capital Improvements has been signed by Landlord; (2) upon Tenant’s exercise of Tenant’s Termination

Right, the Term of the applicable Parish Rider shall end on the date which represents the last day of Tenant's then-current school session (Fall or Spring) forming part of the Use; (3) Tenant must not be in Default under this Lease or any Parish Rider at the time Tenant provides written notice to Landlord exercising Tenant's Termination Right or upon the effective date of such termination; (4) Tenant must pay all Rent and any other charges due and payable to Landlord under this Lease on or before the effective date of such termination; and (5) Tenant must deliver the Premises applicable to the terminated Parish Rider to Landlord on or before such effective termination date in accordance with the terms and conditions of this Lease the same as if such effective termination date were the original Expiration Date of the Term.

- (iii) Landlord and Tenant acknowledge and agree that: (a) in the event of any overages above and beyond the amount set forth in Landlord's contract for the performance of Capital Improvements, such overages shall be paid in the same proportion as set forth above for Landlord's Contribution and Tenant's Contribution, but subject solely to Landlord's Cap; (b) any such overages above Landlord's Cap shall be Tenant's sole responsibility to pay; and (c) upon Landlord's execution of a construction contract for the performance of Capital Improvements, Tenant's obligation to pay Tenant's Contribution and/or such overages shall survive the expiration or earlier termination of the Term and Tenant's Cap shall not apply.
- (iv) Landlord and Tenant acknowledge and agree that Tenant's Cap shall increase three percent (3%) annually each Lease Year on the anniversary of the Commencement Date.
- (v) Notwithstanding anything to the contrary herein contained, in the event that Landlord in its sole discretion decides to forgo performing any Capital Improvement prior to execution of any corresponding contract for construction, then in such case Landlord shall have the right to terminate the Term of the Parish Rider applicable to the Capital Improvement upon prior written notice to Tenant, subject to the following terms and conditions ("Landlord's Termination Notice"): (a) the Term of the Parish Rider applicable to the Capital Improvement shall terminate on (1) the date which represents the last day of Tenant's then-current school session (Fall or Spring) forming part of the Use so long as Landlord provides at least three (3) months notice prior to such date or (2) the date which represents the last day of Tenant's next school session (Fall or Spring) following Landlord's written notice if less than three (3) months notice is provided; (b) Tenant must pay all Rent and any other charges due and payable to Landlord under this Lease on or before the effective date of such termination; and (c) Tenant must deliver the Premises applicable to the terminated Parish Rider to Landlord on or before such effective termination date in accordance with the terms and conditions of this Lease the same as if such effective termination

date were the original Expiration Date of the Term.

- (vi) Notwithstanding anything to the contrary herein contained, in the event of any need for Capital Improvements, or of repair or maintenance by Tenant pursuant to Section 9(e) below, and such need constitutes an emergency life safety issue in Landlord's discretion, then in such case Landlord shall have the right to close the entirety of the Premises at issue, or the portion thereof affected by the emergency life safety issue, without any abatement of Rent until such time as the Capital Improvements or Tenant's repair/maintenance items are performed, or until such time as Landlord deems such area reasonably safe for occupancy, and Tenant hereby releases, discharges and holds Landlord harmless from and against any and all claims asserted by Tenant for closing such areas as a result of such life safety issue.
- (vii) Landlord and Tenant acknowledge and agree that: (a) Landlord will incur additional costs to oversee the progress of the design and construction of the Capital Improvements below the PLA Threshold; (b) by performing these activities, Landlord is not doing so as the contractor, architect, engineer, construction manager, construction contract administrator, project manager, representative or agent of Tenant and that Landlord is undertaking these activities solely for its own benefit and not for the benefit of Tenant or any third party; (c) these activities entail significant work by the staff of the Landlord; (d) Tenant shall reimburse Landlord five percent (5%) of the cost of each Capital Improvement, such amount not to exceed Ten Thousand Dollars (\$10,000), which shall be paid as Additional Rent hereunder within thirty (30) days of invoice as a reasonable estimation of Landlord's costs under this Section 9(d)(vii) (collectively "Oversight Fee"); and (e) Landlord shall oversee the construction of Capital Improvements in a reasonably cost-effective and efficient manner consistent with similarly situated building owners for the type of Capital Improvements at issue.
- (viii) All Capital Improvements with an initial contract price of Twenty-Four Thousand Nine Hundred Ninety-Nine Dollars (\$24,999) ("PLA Threshold") or less, shall be performed by Landlord in accordance with Section 9(d)(ii) above. All Capital Improvements with an initial contract price in excess of the PLA Threshold shall be performed by a contractor engaged by Tenant and affirmatively acknowledged as a construction project being performed pursuant to the Chicago Board of Education Multi-Project Labor Agreement (the "PLA"). All of the terms and conditions of Section 9(d), including but not limited to the allocation of costs as set forth in Section 9(d)(ii), shall apply to Capital Improvements with an initial contract price in excess of the PLA Threshold the same as if they were below the PLA Threshold; provided, however, that: (a) the Parties hereby agree to negotiate in good faith in order to reasonably estimate any additional costs that would be incurred by Landlord due to the application of the terms of the PLA and Tenant agrees to assume those reasonably estimated costs as part of its costs under Section

9(d)(ii); (b) the timing of Landlord's reimbursement to Tenant for Landlord's portion of allocated costs under Section 9(d)(ii) that arise in connection with Capital Improvements in excess of the PLA Threshold shall be mutually agreed upon by the Parties; (c) the Parties acknowledge and agree that all of the terms and conditions of Section 11 shall apply to Capital Improvements above the PLA Threshold, as though such Capital Improvements constitute Work as that term is defined therein; and (d) Tenant shall manage Capital Improvements above the PLA Threshold in a cost-effective and efficient manner.

- (e) **Tenant Repair and Maintenance.** Except as otherwise expressly provided in Section 9(d) and Section 11(f)(iv)(b) and Section 11(f)(iv)(c), Tenant shall, at Tenant's sole risk, cost and expense, have the following obligations with respect to the Premises and Access Areas:
- (i) **Inspect, Clean and Keep in Good Order.** Regularly inspect, clean and keep such areas in good order and condition at all times, which shall include without limitation Tenant's obligation to clean daily after each use and to collect and place waste and recyclables in the dumpsters or other receptacles designated by Landlord or Pastor, as well as Tenant's obligation to remove or contract with a waste removal company acceptable to Landlord at Tenant's sole cost for the removal of all waste and recyclable dumpsters on a regular basis in accordance with Applicable Laws if waste and recyclables are not removed by local municipal services;
  - (ii) **Regular Maintenance and Repair.** Responsibility for all regular maintenance, preventative maintenance and repair items as identified by Tenant or which are necessary in Landlord's reasonable discretion, including but not limited to Tenant's obligation to promptly repair damaged, broken or non-functioning fixtures, window panes, equipment, building systems, appurtenances, areas constituting part of the Premises and all items referenced under Section 9(d)(i), except to the extent such items would constitute Capital Improvements, using materials at least equal in quality and class to the original materials, subject to the approval of Landlord and within any reasonable period of time specified by Landlord or Pastor;
  - (iii) **Conduits.** Responsibility for all costs and expenses associated with repairing water, sewer, electricity and/or gas conduits or pipes serving the Premises;
  - (iv) **Asbestos.** Inspect, maintain, abate, remediate and clean any asbestos, suspect asbestos, and lead-based paint, by properly trained and credentialed persons in compliance with Applicable Laws, including obligations of an LEA as set forth above in Section 9(b)(iii), as needed to keep the locations required under the Asbestos Management Program in good order, repair and condition at all times;



- (v) Alarms; Life Safety. Responsibility to keep, maintain in good operation and replace all fire protection and life safety systems, including but not limited to security alarms/systems, fire alarms, smoke detectors, pump tests and fire escape inspections, as well as a carbon monoxide protection and warning systems;
  - (vi) Pest control. Responsibility for maintenance to keep the Premises and Access Areas free from insects, rodents, vermin and other noxious animal infestation;
  - (vii) Ice, snow, debris. Remove all ice, snow and debris from around the Premises and Access Areas in order to keep such areas in safe condition on both weekdays and weekends during the Term;
  - (viii) Janitorial Supplies. Tenant shall be responsible for acquiring and maintaining all janitorial supplies necessary or desirable for the Premises;
- (f) **Tenant Request.**
- (i) If Tenant requests assistance from a janitor on staff for janitorial services and Landlord or Pastor allows said janitor or engineer to assist Tenant, subject to availability, the janitor or engineer shall be considered a contractor of Tenant for purposes of such work and Tenant shall pay Landlord Fifty Dollars (\$50.00) per hour for such services requested; provided, however, that this amount may be increased by Landlord or Pastor as Landlord or Pastor deem appropriate and further provided that Landlord makes no warranty regarding work performed by Landlord's janitor or engineer and Landlord is under no obligation to make such janitor or engineer available to Tenant. Tenant acknowledges that the janitor or engineer on staff for the Landlord's Property is not licensed to manage, abate or otherwise handle asbestos, suspect asbestos, or lead-based paint, and it is Tenant's responsibility to ensure that work requested of janitor and engineer on staff for the Landlord's Property does not involve, require, generate, or relate to asbestos, suspect asbestos, lead-based paint or any Hazardous Substance. Landlord shall provide Tenant with an itemized statement or invoice of the work performed and the time incurred and Tenant shall pay such amount as Additional Rent within thirty (30) days of invoice.
  - (ii) In the event Tenant requests that Landlord undertake or contract for any of Tenant's repair and/or maintenance obligations under this Section, and Landlord agrees to perform such repair and/or maintenance in writing, Tenant shall pay Landlord all of Landlord's costs incurred in performing the same, plus the Oversight Fee for each such repair and/or maintenance obligation undertaken. Tenant shall also pay the Oversight Fee with respect to Landlord's review, consent and observance of the new construction/building additions contemplated under Section 11 below.

- (g) **Tenant Failure to Perform Repairs.** In the event Tenant fails to perform any obligation of repair and/or maintenance as required hereunder beyond any applicable notice and cure period set forth in Section 17, then in addition to all other remedies under this Lease for such failure, Landlord shall have the right, but not the obligation, to perform such repairs and/or maintenance and Tenant hereby agrees to pay Landlord all of Landlord's costs incurred in performing the same, plus the Oversight Fee for each such repair and/or maintenance obligation performed.
- (h) **Performance of Repairs.** Tenant shall promptly perform all repairs and/or maintenance using licensed workers, as may be required, for which Tenant is responsible in a manner that will not interfere (except to a de minimis extent) with the use of the Premises, Access Areas or Landlord's Property by other occupants.
- (i) **Coordination of Repairs to Shared Building System Components.** In the event that repair Work to any portion of any building systems serving the Premises is to be performed outside of the Premises and the portion of the applicable building system located outside of the Premises actually services both the Premises and other building(s) on Landlord's Property ("Shared Building System Component") such that Tenant would be precluded from paying for such repair Work under Applicable Law, then in such case: (a) Landlord and Tenant agree to meet to reasonably coordinate such repair Work in the best interest of both Parties and to avoid damage to the buildings on Landlord's Property where the Shared Building System Component is located or disruption to Landlord's activities, or the activities of any other tenant or licensee of Landlord, related to such buildings; (b) Landlord agrees to reimburse Tenant fifty percent (50%) of Tenant's actual out-of-pocket costs incurred to perform the repair Work solely to the Shared Building System Component and not the remaining repair costs for the portion of the building system located within the Premises, which shall be calculated by the Parties using Tenant's actual out-of-pocket costs for contractors and parts incurred by Tenant to perform the repair Work to the Shared Building System Component, but not the salaries of Tenant staff that Tenant might assign to perform such repair Work; (c) Tenant shall perform the repair Work subject to and in accordance with all of the terms, conditions and covenants of Section 11; and (d) in the event that Tenant's repair Work causes damage to other buildings on Landlord's Property, Tenant agrees to repair such damage at its sole risk, cost and expense, or to otherwise pay all costs to have such damage repaired. The Parties acknowledge and agree that the terms and conditions of this Section 9(i) shall not apply to repair Work performed by Tenant to portions of building systems located outside of the Premises, if those building systems solely serve the Premises.

## 10. **LANDLORD OBLIGATIONS.**

- (a) Other than as expressly set forth in this Lease or as required by Applicable Law, Tenant acknowledges and agrees that Landlord shall have no obligation to provide any services, perform any acts or to pay any expenses, charges, obligations, or costs

of any kind whatsoever with respect to the Use, the Premises or Tenant's general use or occupancy thereof during the Term. Notwithstanding the foregoing, Landlord shall be responsible for performing all landscaping to green areas at or around the Premises ("Landlord Landscaping Obligation").

- (b) To the extent Landlord has rights or remedies under any warranties issued as part of any Capital Improvements or Work performed at the request of Tenant, Landlord agrees to exercise such rights to the extent repairs for such Capital Improvements and/or Work become necessary; provided, however, that nothing within this Section 10(b) shall be deemed a waiver or reduction of any Tenant obligations under this Lease, including but not limited to Section 9 and Section 11, and Tenant agrees to discharge all of its obligations in accordance with the Lease regardless of whether Landlord's rights and remedies under the warranties prove successful and/or during the period of time while such warranty rights and remedies are being administered with the warranty provider.
- (c) Landlord shall not knowingly violate any Applicable Law governing the performance of the Landlord Landscaping Obligation or its oversight of Capital Improvements to be performed; provided, however, that the Parties acknowledge and agree that this provision is not meant to supersede, and shall not apply to the extent that, Landlord shall have the right to assert any protections under the U.S. Constitution, or exemptions under Applicable Law that apply to Landlord's status as a religious organization, or its status as a not-for-profit provider of charitable and education services, or which otherwise apply to Landlord as a tax exempt organization under 501(c)(3) of the U.S. Internal Revenue Code, or which are derived from Landlord's exemption from Illinois state retailers' occupation tax, service occupation tax, use tax and service use tax.

11. **TENANT'S WORK ON PREMISES; ADDITIONS; ALTERATIONS.**

- (a) **Communication.** For purposes of this Section 11, the term Landlord shall expressly include both the Pastor of the Parish at the address identified on the applicable Parish Rider and Landlord's Director of Capital Assets at the address identified in Section 29.
- (b) **Building Additions/New Construction.** Any building additions or new construction desired by Tenant shall be performed by contractors engaged by Tenant at Tenant's sole risk, cost and expense; provided, however, that Tenant must comply with all terms and conditions of this Section 11 for all such building additions or new construction as part of Tenant's obligations respecting Work (as defined below).
- (c) **Consent.** Tenant shall not make any replacements, improvements, alterations, additions or repairs to the Premises, including but not limited to any capital construction or new building additions to be performed by Tenant rather than Landlord (collectively the "Work"), without obtaining the prior written consent of Landlord in each instance. The term "Work" shall expressly encompass and include

any Initial Work (as defined in any Parish Rider). Tenant must comply with all terms and conditions of this Section 11 with respect to the Work.

- (d) **Plans, Specifications, Contractors, Permits, Etc.** Upon obtaining Landlord's consent to any Work, Tenant shall satisfy all of the following obligations:
- (i) Tenant shall submit to Landlord for Landlord's review and approval any construction plans and specifications and any amendments thereto showing all Work in reasonable detail and Landlord shall have the right to request reasonable changes as needed in Landlord's sole discretion.
  - (ii) Tenant shall submit to Landlord for Landlord's review and approval the names and addresses of all contractors and copies of all contracts with such contractors and any amendments thereto. Prior to the commencement of any Work, Tenant must obtain confirmation from Landlord that Tenant's proposed contractors comply with Landlord's standard pre-qualification requirements as provided to Tenant and obtain Landlord's written approval as to such contractors.
  - (iii) Tenant shall submit to Landlord its contractor's certificates of insurance evidencing insurance against liabilities that may occur during the performance of or otherwise arise out of any Work, which insurance policy shall name Landlord as an additional insured thereunder. Such insurance shall include Contractor's Risk insurance, Builder's Risk insurance and a General Contractor's Bond. Tenant shall require contractors and subcontractors performing any Work on the Premises to procure and maintain during the course of any work: (x) Broad Form Commercial General Liability insurance policy naming "The Catholic Bishop of Chicago, an Illinois corporation sole" as an additional insured and (y) Workers' Compensation/ Employer's Liability with limits equal to at least the statutory minimum. Contractors' and subcontractors' insurance policies shall expressly state that they are primary and non-contributing with respect to any other insurance maintained by Landlord and Tenant.
  - (iv) Tenant shall submit to Landlord copies of all necessary permits evidencing compliance with all ordinances and regulations of the city, county and state in which the Premises is located.
- (e) **Tenant Deliveries.** Within fifteen (15) days of completing any Work:
- (i) Tenant shall deliver "as-built" drawings of the alterations or additions, or an accurately marked record set of drawings showing the actual location of such Work.
  - (ii) Tenant shall deliver to Landlord evidence of payment, contractors' affidavits and full and final waivers of all liens for labor, services or materials all in form reasonably satisfactory to Landlord.

(f) **Certain Conditions.**

- (i) **Indemnification of Contractor's Work.** Tenant shall indemnify, defend and hold Landlord harmless from all costs, damages, liens and expenses related to any Work. Any Work performed by Tenant's contractors pursuant to this Section 11 shall be performed in a first-class workmanlike manner using only good grades of materials and shall comply with all insurance requirements and all Applicable Laws.
- (ii) **Intentionally Omitted.**
- (iii) **Removal of Alteration.** Except for Capital Improvements, Landlord may elect to require that Tenant remove, at Tenant's sole risk, cost and expense, all or certain additions or alterations forming part of the Work performed upon the Premises by Tenant, at the expiration or earlier termination of the Lease and to repair the affected areas to their original condition; provided, however, that Landlord shall notify Tenant of this removal requirement at the time of Landlord's consent to any Work requested by Tenant. Any improvements or alterations forming part of any Work upon the Premises by Tenant which are not required to be removed by Landlord, shall become Landlord's property at the expiration or earlier termination of the Term without compensation of any kind to Tenant.
- (iv) **Discovery of Underground Tanks or Other Unexpected Conditions.**
  - a. Tenant agrees that it will be solely responsible for all costs and expenses incurred by the discovery, movement, remediation or any other incident, whether associated with underground tanks or any other Hazardous Materials, whether patent or latent, in any way related to or resulting from Work performed by Tenant or Tenant's obligations under Section 9(a), Section 9(b) and/or Section 9(e).
  - b. Notwithstanding the foregoing, in the event that any patent or latent underground tanks or Hazardous Materials are discovered or disturbed as part of a Capital Improvement project, the costs for remediation of such issues shall be allocated between the Parties as a Capital Improvement in accordance with, and subject to, the terms and conditions of Section 9(d).
  - c. Notwithstanding the terms and conditions of Section 9(e)(iii), in the event repairs are needed to any water, sewer, electricity and/or gas conduits or pipes serving the Premises, and the entirety of the applicable conduit or pipe in need of repair is located outside the Premises, the costs for repair shall be allocated between the Parties as a Capital Improvement in accordance with, and subject to, the terms

and conditions of Section 9(d).

12. **COVENANT AGAINST LIENS.** Tenant shall not permit mechanics' or other liens to be placed upon the Premises or Tenant's leasehold interest in connection with any Work, alterations, improvements or services done or purportedly done by or for the benefit of Tenant. Tenant shall give Landlord notice at least fifteen (15) days prior to the commencement of any such work in or to the Premises to afford Landlord the opportunity, where applicable, to post and record notices of non-responsibility. Tenant, within twenty (20) days of notice from Landlord, shall fully discharge any lien by settlement, by bonding or by insuring over the lien in the manner prescribed by the applicable lien law and, if Tenant fails to do so, Tenant shall be deemed in Default under this Lease and, in addition to any other remedies available to Landlord as a result of such Default by Tenant, Landlord, at its option, may bond, insure over or otherwise discharge the lien. Tenant shall reimburse Landlord for all amounts paid by Landlord, including without limitation, reasonable attorney's fees incurred to comply with this Section 12.
  
13. **ACCESS TO PREMISES.** Tenant shall allow Landlord free access to the Premises for the purpose of performing Landlord obligations, for inspecting the condition of the Premises and Tenant's performance of Tenant's obligations thereto, or for exhibiting the Premises and Tenant shall not interfere with the same; provided, however, that Landlord shall use good faith efforts to minimize interference with Tenant's use of the Premises. Landlord shall use good faith efforts to give Tenant twenty-four (24) hour notice to enter the Premises for such purposes unless it is an emergency or a regularly scheduled entry. Entry by Landlord shall not constitute a constructive eviction or entitle Tenant to an abatement or reduction of Rent.
  
14. **INSURANCE.**
  - (a) **Tenant Insurance.** Tenant, at its sole cost and expense, shall carry and maintain the following insurance policies for the Premises and Access Areas at all times during the Term and when Tenant is otherwise in possession of the Premises, with insurance companies acceptable to Landlord having a minimum AM Best Rating of A-VI; provided, however, that for purposes of this Lease, Tenant's self-insurance program shall be deemed acceptable to Landlord, subject to Tenant's continuing compliance with terms and conditions set forth below, as well as Tenant's obligation to maintain the levels of insurance that follow:
    - (i) Broad Form Commercial General Liability Insurance, naming Landlord as an additional insured under such policy with a self-insured retention of \$10,000,000.
    - (ii) Excess Liability Insurance, naming Landlord as an additional insured under such policy, with a minimum policy limit of \$20,000,000 per occurrence and in the aggregate.
    - (iii) Automobile Liability Insurance for each automobile owned or leased by Tenant (if any), naming Landlord as an additional insured under such

policy, with a \$1,000,000 per occurrence policy limit.

- (iv) Workers compensation and Employers' Liability insurance with workers compensation policy limits in the amounts required under Applicable Law and to which Tenant is self-insured.
- (v) Personal property damage insurance, together with insurance against vandalism and malicious mischief, with coverage limits of not less than the full replacement value of Tenant's personal property located in or on the Premises with a self-insured retention of \$5,000,000.
- (vi) As a condition of Landlord's consent to any Work, Tenant and Tenant's contractors shall comply with the insurance related requirements set forth in Sections 11 above.

(b) **Tenant's Self-Insurance Obligations.** Landlord understands that Tenant is self-insured for losses up to \$5,000,000 for property and \$10,000,000 for liability, subject to the excess liability policy as herein required for losses greater than such amount. Tenant agrees that it shall be solely responsible for all damages and amounts that would be covered by the policies and limits described above that that Landlord or Landlord's insurance shall not be responsible for any portion of Tenant's self-insured retention amounts. Tenant may satisfy its obligation to procure insurance by the purchase of excess insurance subject to a self-insured retention, upon the express understanding and agreement that amounts subject to any self-insured retention shall be deemed by the Parties to be insurance, and not indemnity. Tenant agrees that its self-insured retention shall be deemed primary insurance and shall be non-contributory with any other insurance or self-insured retention maintained by the Landlord. Tenant waives any and all rights under any statute, ordinance or other law that renders void or unenforceable agreements whereby the Tenant agrees to indemnify the Landlord for liability to third persons.

(c) **Endorsements:**

- (i) The excess liability policy shall include the "Additional Insured-Manager or Lessors of Premises" endorsement, naming as additional insured "The Catholic Bishop of Chicago, an Illinois corporation sole, and its successors."
- (ii) Each of the policies required in Section 14(a) shall include the following endorsement: "The insurance afforded to the additional insured is primary insurance. If the Landlord has other insurance, which is applicable to the loss on a contributing, excess or contingent basis, the amount of this insurance company's liability under this policy shall not be reduced by the existence of such other insurance. Any insurance carried by the additional insured shall be excess and non-contributing with the insurance provided by the Tenant."

- (iii) Each of the policies required in Section 14(a) shall include the following endorsement: “No coverages may be cancelled, terminated or reduced by this insurance company without first giving at least thirty (30) days' prior written notice to the Landlord.”
  
- (d) **Certificates.** Prior to the Commencement Date, Tenant shall provide Landlord with certificates of insurance on the Acord 25 form and acceptable to Landlord evidencing the existence of the coverages described above during all periods which Tenant has possession of or is using the Premises. Tenant shall not be released from any liability whatsoever if Tenant fails to maintain the coverages described above. Tenant shall not be entitled to possession of the Premises for any period during which Tenant is not covered by the required certificates of insurance. Tenant must maintain a current certificate of insurance evidencing the existence of the insurance coverages required hereunder at all times during the Term. The failure to provide acceptable certificates of insurance or maintain current certificates of insurance shall be deemed a Default but such failure to provide acceptable certificates of insurance shall in no way be deemed a waiver of any insurance requirement.
  
- (e) **Landlord Right to Obtain.** In the event Tenant is in Default for failure to obtain, pay for and maintain any insurance required herein, Landlord may, but shall not be obligated to, obtain and maintain such insurance coverage. All premiums paid by Landlord shall be deemed Additional Rent hereunder and shall be paid by Tenant to Landlord upon demand. In addition, Landlord may recover from Tenant, and Tenant agrees to pay as Additional Rent to Landlord, any and all reasonable expenses (including attorneys' fees) and damages which Landlord may have sustained by reason of the failure of Tenant to obtain and maintain such insurance, it being expressly declared that the expenses and damages of Landlord shall not be limited to the amount of premiums thereon.
  
- (f) **Landlord Insurance.** During the Term of this Lease, Landlord shall carry and maintain general commercial liability insurance and property insurance on the Premises and may do so with excess insurance subject to a \$1,000,000 retention for commercial general liability insurance and a \$1,500,000 retention for property insurance.
  
- (g) **Increase.** After the fifth Lease Year, Landlord hereby reserves the right to raise or otherwise alter Tenant's insurance policy limits as herein provided if such limits no longer meet a commercially reasonable standard for the Premises under the Lease at such time by providing sixty (60) days' written notice to Tenant and Tenant shall cause Tenant's insurance provider to alter its respective insurance policies to reflect the policy limits set forth in Landlord's notice within the time period specified in Landlord's notice.

15. **WAIVERS OF SUBROGATION**



- (a) Whenever (i) any loss, cost, damage or expense resulting from fire, explosion or any other casualty or occurrence is incurred by either of the Parties to this Lease, or anyone claiming by, through or under them, to the Premises, Access Areas, or personal property located therein, and (ii) either Party is then either covered in whole or in part by insurance with respect to such loss, cost, damage or expense, or required under this Lease to be so insured, then the covered Party (or the Party required to be covered) and its insurer hereby release the other Party from any liability the other Party may have on account of such loss, cost, damage or expense to the extent of any amount recovered by reason of such insurance (or to the extent of any limits required herein) and waives any right of subrogation or recovery against the other Party which might otherwise exist in or accrue to any person on account thereof.
- (b) Tenant agrees to have all fire and extended coverage and property damage insurance that is required under this Lease contain or be endorsed with a clause providing that any release from liability of or waiver of claim for recovery from the Landlord entered into in writing by the insured thereunder prior to any loss or damage shall not affect the validity of that policy or the right of the insured to recover thereunder and providing further that each Party and their respective insurers waive all rights of subrogation that they might have against the other Party and the other Party's respective insurers.

16. **WAIVER OF CLAIMS; INDEMNIFICATION; HOLD HARMLESS**

- (a) All personal property situated in or on the Premises or Access Areas and belonging to or being used by Tenant or Tenant Group shall be at the risk of Tenant or such other person only, and Landlord shall not be liable for damage thereto or theft, misappropriation or loss thereof.
- (b) To the fullest extent permitted by Applicable Law, Tenant, its successors and assigns, shall indemnify, defend (with counsel acceptable to Landlord) and hold forever harmless Landlord, Landlord's affiliates and all of their present and future officers, employees, agents and interests in any real property ("Landlord Protected Parties"), from and against any and all claims, obligations, liens, encumbrances, demands, injuries (including without limitation damage to property and personal injury), liabilities, penalties, causes of action, and costs and expenses, including, without limitation, orders, judgments, fines, forfeitures, amounts paid in settlement, and reasonable attorney's fees (each a "Claim" and collectively "Claims") resulting in whole or in part from: (i) the Use; (ii) the negligent or willful acts or omissions of Tenant or Tenant Group, occurring or alleged to have occurred in whole or in part in connection with the use, occupancy or possession of the Premises or Access Areas by Tenant or Tenant Group; (iii) Tenant or Tenant Group's violation of, or failure to comply with, all Applicable Laws; and (iii) any Default by Tenant under this Lease, but excluding Claims to the extent caused by Landlord's negligence or willful misconduct.

- (c) Tenant's obligations of defense and indemnification (per Section 16(b)), repair and maintenance (per Section 9), and payment of Rent shall not be limited by any limitation on the amount or type of damages, compensation, or benefits payable by or for Tenant under workmen's compensation acts, disability benefit acts or other employee benefit acts or by Tenant's insurance coverages.
- (d) Tenant shall not be entitled to any form of equitable or implied indemnification at any time.
- (e) Tenant's obligations under this Section 16 shall survive the expiration or earlier termination of this Lease.
- (f) In the event that the applicable law prohibits enforcement of any part of this Section 16 as written, then such provision shall be modified to provide the maximum indemnification allowable under that applicable law.

17. **DEFAULTS AND REMEDIES**

- (a) **Default by Tenant.** The occurrence of any one or more of the following events, whether under the Master Lease or any Parish Rider, shall, upon the expiration of the applicable notice and cure period, constitute a material default and breach of this Lease by Tenant ("Default"):
  - (i) **Monetary Default.** The failure by Tenant to make any payment of Base Rent or Additional Rent or any other payment required to be made by Tenant hereunder as and when due within ten (10) days after receipt of written notice from Landlord of such failure; or
  - (ii) **Non-monetary Default.** The failure by Tenant to observe or perform any of the terms, conditions, covenants or agreements of this Lease to be observed or performed by Tenant other than described in Subsection 17(a)(i) above within thirty (30) days after written notice from Landlord of such failure (or if such failure cannot be reasonably cured within such thirty (30) day period, the failure by Tenant to commence and diligently prosecute such cure within such thirty (30) days).
  - (iii) **Tenant's Reinstatement for Monetary Default.** Notwithstanding the foregoing, and so long as Tenant is not in Default under the Lease for a reason set forth in Section 17(b)(ii), Tenant shall have the right to fully cure a monetary Default, inclusive of all charges applicable under Section 17(b)(i), prior to the date Landlord issues written notice to Tenant exercising its rights and remedies under Section 17(b)(iv).
- (b) **Landlord's Remedies.** In the event of a Default, Landlord may at any time thereafter, and without limiting Landlord in the exercise of any other right or remedy

which Landlord may have by reason of such Default, exercise any one or more of the following remedies:

- (i) Late Charges. All Rent becoming due under this Lease and remaining unpaid by the 5<sup>th</sup> of each month shall be considered late and shall: (a) be subject to a late charge of ten percent (10%) of the Rent due hereunder for the month in which Rent was paid late; or at Landlord's option: (b) bear interest, on a compounded basis, at a rate equal to the lesser of (i) one and a half percent (1½ %) per month, or (ii) the maximum rate allowed by law.
- (ii) Performance. Landlord may, but shall not be required, to cure any non-monetary Default, and Tenant shall pay Landlord the costs thereof, including Landlord's Costs (defined below), forthwith upon being billed for same. "Landlord's Costs" shall mean the actual costs or expenses paid by Landlord, for all overhead, general conditions, fees and other costs and expenses arising from Landlord's actions or involvement. Landlord may enter the Premises at all reasonable times to make such repairs or replacements. Landlord will endeavor to minimize disruption to Tenant's operations.
- (iii) Damages. Landlord shall have the right to recover all costs incurred and damages (including reasonable attorneys' fees) arising from any Default under this Lease in accordance with the terms and conditions hereof.
- (iv) Termination. Any reference to the termination of either a Parish Rider or the Term of the Parish Rider shall terminate Tenant's right to possession of the Premises set forth in such Parish Rider. Landlord may elect at its sole discretion, upon written notice to Tenant, to terminate the Term of this Lease or the Term of the Parish Rider applicable to the location where the Default occurred without waiving any rights to damages or rent due for the balance of the Term. Upon the termination of Tenant's applicable right of possession, Tenant agrees to surrender possession of the terminated Premises immediately. No reentry or repossession, repairs, alterations and additions, or re-letting by Landlord shall be construed as an eviction of Tenant or as an election on Landlord's part to terminate this Lease, unless a written notice of such intention is given to Tenant, or shall operate to release Tenant in whole or in part from any of Tenant's obligations hereunder. Landlord may sue and recover judgment for any deficiencies remaining after the application of the proceeds of any such re-letting.
- (v) Landlord's Right to Relet. If Tenant's right of possession to the applicable Premises shall be terminated in any way, such Premises, or any part thereof, may, but need not (except as provided by Illinois statute), be relet by Landlord, for the account and benefit of Tenant, for such Rent and upon such terms and to such person or persons and for such period or periods as may seem fit to Landlord. Landlord shall not be required to accept or receive any tenant offered by Tenant, except to the extent such offering would be

required under Applicable Law as a mitigation of Landlord's damages, and only so long as such tenant offered by Tenant complies in all respects with the requirements of New Tenant as that term is defined under Section 23. If a sufficient sum shall not be received from such reletting to satisfy the Rent hereby reserved, after paying the expenses of reletting and collection, including commissions to agents, and including also expenses of redecorating, Tenant agrees to pay and satisfy all deficiency. The acceptance of a tenant by Landlord, in place of Tenant, shall not operate as a cancellation of this Lease, nor to release Tenant from the performance of any covenant, promise or Lease herein contained, and performance by any substituted tenant by the payment of Rent, or otherwise, shall constitute only a partial satisfaction of the obligations of Tenant arising under this Lease.

- (vi) Tenant's Obligation to Pay Rent. Subject to the Mutual Termination Right, Tenant shall be obligated to pay all Rent arising under this Lease through the Expiration Date unless otherwise provided herein. The obligation of Tenant to pay the Rent during the Term shall not be deemed to be waived, released or terminated by the service of any five-day notice, other notice to collect, demand for possession, or notice that the tenancy hereby created will be terminated on the date therein named, the institution of any action of forcible detainer or ejectment or any judgment for possession that may be rendered in such action, or any other act or acts resulting in the termination of Tenant's right to possession of the Premises. Landlord may collect and receive any Rent due from Tenant, and payment or receipt thereof shall not waive or affect any such notice, demand, suit or judgment, or in any manner whatsoever waive, affect, change, modify or alter any rights or remedies which Landlord may have by virtue hereof.

(c) **Cross Default.**

- (i) Landlord and Tenant acknowledge and agree that any Default by Tenant under any other lease by and between Landlord and Tenant ("Other Leases") shall constitute a Default under this Lease and any Default by Tenant under this Lease shall constitute a Default under the Other Leases, thereby allowing Landlord all rights and remedies available for such a Default. If any of the Other Leases shall be terminated because of any Default by Tenant under such Other Lease, Landlord at its sole option, shall have the right to terminate this Lease or any one or more locations governed under a Parish Rider in the manner provided for herein and to pursue all of its rights and remedies for such termination as herein provided.
- (ii) Landlord and Tenant further acknowledge and agree that any Default by Tenant applicable to the Premises governed under any one Parish Rider shall constitute a Default for the collective Premises governed under all Parish Riders thereby allowing Landlord all rights and remedies available

for such a Default. If the Term of any one Parish Rider shall be terminated because of any Default by Tenant, Landlord at its sole option, shall have the right to terminate the Term of any other Parish Rider or this Lease in its entirety in the manner provided for herein and Landlord shall have the right to pursue all of its rights and remedies for such termination as herein provided.

18. **RIGHTS AND REMEDIES CUMULATIVE; NONWAIVER**

- (a) The duties and obligations imposed by this Lease and the rights and remedies available hereunder shall be in addition to, and not a limitation of, the duties, obligations, rights and remedies otherwise imposed or available by law. Rights and remedies hereunder and available by law shall be cumulative and the use of one remedy shall not be taken to exclude or waive the right to the use of another.
- (b) No waiver of any provision of this Master Lease or any provision of any Parish Rider shall be implied by any failure of Landlord to enforce any remedy on account of the violations of such provisions, even if such violation be continued or repeated subsequently, and no express waiver shall affect any provision other than the one specified in such waiver and that one only for the time and in the manner specifically stated. No waiver under any one Parish Rider shall be deemed a waiver under any other Parish Rider under any circumstances.
- (c) No receipt of payment by Landlord from Tenant after the termination of this Lease or any Parish Rider shall in any way alter the length of a Term or of Tenant's right of possession hereunder or after the giving of any notice shall reinstate, continue or extend a Term or affect any notice given Tenant prior to the receipt of such payment, it being agreed that after the service of notice or the commencement of a suit or after final judgment for possession of the Premises, Landlord may receive and collect any Rent due, and the payment of said Rent shall not waive or affect said notice, suit or judgment.

19. **MUTUAL TERMINATION RIGHT.**

- (a) Both Landlord and Tenant shall have the right to terminate the Term of this Master Lease and/or any Parish Rider by delivering written notice of such termination election to the other Party hereunder on or before December 31<sup>st</sup> of each Lease Year ("Mutual Termination Right"); provided, however, that: (i) the effective termination date of the Term shall be June 30<sup>th</sup> following such written termination notice; (ii) Tenant must not be in Default at the time Tenant provides written notice to Landlord as required herein or upon the effective date of such termination; (ii) Tenant must pay all Rent and any other charges due and payable to Landlord under this Lease on or before the effective date of such termination; and (iv) Tenant must deliver the applicable Premises to Landlord on or before such effective termination date in accordance with the terms and conditions of this Lease the same as if such effective termination date were the original Expiration Date of the Term.

(b) In the event that: (i) Landlord elects to terminate the Term of this Master Lease and/or any Parish Rider pursuant to the Mutual Termination Right; and (ii) Tenant's Contribution, together with Tenant's reasonable costs expended on improvements or additions forming part of Work (but only so long as such reasonable costs would be treated as a depreciable item and not as a current expense according to generally accepted accounting principles and only so long as such reasonable and actual costs are approved by Landlord as applicable to this Section pursuant to express inclusion in the applicable Parish Rider to be terminated or any fully executed amendment thereof) ("Tenant's Additional Reimbursement Amount"), has exceeded One Hundred Thousand Dollars (\$100,000) for the particular Premises being terminated under such Parish Rider at the time of such termination; and (iii) Landlord leases the entirety of such terminated Premises to a Non-Catholic Third Party (as defined in Section 31(q)(i)) within six (6) months of such termination, then in such case Landlord shall reimburse Tenant up to and not to exceed fifty percent (50%) of no more than five (5) years of the-then unamortized portion of Tenant's Contribution and Tenant's Additional Reimbursement Amount, amortized on a straight line basis over a ten (10) year period commencing upon the date of such substantial completion of the Capital Improvement applicable to such Tenant Contribution and upon the date of such substantial completion of the Work applicable to Tenant's Additional Reimbursement Amount. Notwithstanding anything to the contrary herein contained, Landlord and Tenant hereby acknowledge and agree that Landlord's obligations of reimbursement under this Section 19(b) shall not apply in the event Landlord terminates the Term of this Lease or any Parish Rider due to Tenant's Default, or in the event Landlord exercises Landlord's Termination Right or its right to terminate under Section 22, and Landlord shall have no obligation to reimburse any portion of Tenant's Contribution or Tenant's Additional Reimbursement Amount in the event of termination for Tenant's Default or pursuant to Landlord's Termination Right or pursuant to Landlord's rights under Section 22.

20. **DISPUTE RESOLUTION; GOVERNING LAW.** In the event a dispute arises between Landlord and Tenant relating to the interpretation or enforcement of the terms and conditions of this Lease, which cannot, after reasonable diligence and efforts be resolved, then the terms and provisions of this Lease shall be governed by and construed in accordance with the laws of the State of Illinois and any suit, action or proceeding related to this Lease shall be commenced, brought, litigated and consummated in the Courts of the State of Illinois located in the County of Cook or (as applicable) the United State District Court for the Northern District of Illinois. The Parties waive any objection which they may have at the time to the laying of venue of any proceeding brought in any such court, waives any claim that any proceeding brought in any such court has been brought in an inconvenient forum, and further waives the right to object with respect to such proceeding on the basis of jurisdiction.
21. **CONDEMNATION.** If Landlord's Property or any portion thereof shall be taken or condemned by any competent governmental authority (a "Taking"), or if the configuration of

any street, or alley, adjacent to the Premises is changed by any competent authority and such Taking or change in configuration makes it necessary or desirable to remodel or reconstruct the Premises, Landlord shall have the right, exercisable at its sole discretion, to terminate the Term of the applicable Parish Rider upon notice to Tenant and such termination shall be effective on the date which represents the last day of Tenant's then-current school session (Fall or Spring) forming part of the Use, but subject at all times to the effective date of the applicable Taking or change in configuration. No money or other consideration shall be payable by Landlord to Tenant if Landlord exercises its right of termination under this Section 21; provided however, that Tenant shall not be precluded from sharing in any condemnation award or judgment for damages resulting from such Taking or change in configuration, subject to the following terms and conditions: (a) the extent of Tenant's share in any condemnation award or judgment for damages shall be limited to fifty percent (50%) of no more than five (5) years of the-then unamortized portion of Tenant's Contribution accrued under the applicable Parish Rider that is terminated, amortized on a straight line basis over a ten (10) year period commencing upon the date of such substantial completion of the Capital Improvement applicable to such Tenant's Contribution; (b) under no circumstances shall Tenant's share in any condemnation award or judgement for damages exceed ten percent (10%) of the total condemnation award or judgment for damages that remains after deduction of Landlord's actual costs and attorneys' fees incurred in relation to such Taking or change in configuration; and (c) as a condition precedent to Tenant's right to share in any condemnation award or judgment for damages in accordance with this Section, the calculation of such condemnation award or judgment for damages must have expressly included the value of Tenant's Contribution as a calculated factor in determining the amount of such condemnation award or judgment for damages issued by the respective governmental authority or court of jurisdiction as applicable.

22. **DESTRUCTION & DAMAGE; RESTORATION**

- (a) **Notice.** If the Premises or any part thereof shall be damaged by fire or other casualty, Tenant shall give prompt notice thereof to Landlord.
- (b) **Partial.** In the event of a fire or other casualty that renders fifty percent (50%) or less of the Premises untenable, Landlord in its sole, reasonable discretion shall have the right to terminate this Lease by giving Tenant thirty (30) days prior written notice of termination, unless Tenant agrees to pay the Landlord's retention plus any amounts in excess of Landlord's insurance proceeds. If Landlord elects to restore the Premises, Landlord shall give Tenant notice of the same within a reasonable time. Landlord shall have no liability to Tenant by virtue of any delays in completion of such restoration. Base Rent, however, shall abate on such portion of the Premises as is, from time to time, untenable as a result of such damage.
- (c) **Total.** In the event of a fire or other casualty that renders fifty percent (50%) or more of the Premises untenable, either Party shall have the right to terminate this Lease as of the date of such damage upon giving written notice to the other Party at any time within thirty (30) days after the date of such damage.

23. **SUBLETTING; ASSIGNMENT.**

- (a) Tenant shall not have the right to assign, sublet, license, mortgage, pledge or otherwise transfer this Lease or any Parish Rider, or renew any of the foregoing rights, without the prior written consent of Landlord which consent shall not be unreasonably withheld or conditioned. Landlord's denial of consent shall be deemed reasonable if the proposed assignee or sublessee ("New Tenant") fails to meet reasonable conditions including, but not limited to:
- (i) In the case of an assignment only, proposed New Tenant's financial statements demonstrate the organizational wherewithal to fulfill all terms and conditions of the Lease, including but not limited to the payment of Rent, and at least the same financial wherewithal and creditworthiness as the Tenant had as of the Effective Date;
  - (ii) In the case of an assignment or full sublet only, Tenant shall sign an agreement (whose form shall be approved by Landlord) that, among other things, states that New Tenant assumes all of Tenant's responsibilities but that Tenant remains primarily liable under the Lease;
  - (iii) In the case of an assignment or full sublet only, New Tenant shall not have any options to extend the lease or purchase the property nor shall New Tenant have any termination rights provided to the named Tenant in this Lease;
  - (iv) New Tenant is exempt from taxation pursuant to Section 501(c)(3) or other provision of the Internal Revenue Code and the Premises or portion thereof shall only be used by New Tenant for property tax exempt purposes (religious, charitable, or educational) and not with a view to profit;
  - (v) New Tenant is in good standing in the State of Illinois, and meets other reasonable measures Landlord would employ in selecting a Tenant for the Premises;
  - (vi) New Tenant's proposed use and New Tenant's compatibility with other activities occurring on Landlord's Property shall be consistent with Landlord's religious and moral principles and the operating policies of the Archdiocese of Chicago;
  - (vii) Tenant shall pay Landlord ninety percent (90%) of any amount exceeding the Rent then due and payable to Landlord that the Tenant would be paid from New Tenant;
  - (viii) New Tenant is not an entity with which Landlord is currently negotiating another lease or an entity that will compete with Landlord's business and/or other tenants at Landlord's Property; and



- (ix) New Tenant shall provide Landlord with certificates of insurance acceptable to Landlord.
  - (b) Tenant understands that the Landlord will incur additional costs to review information concerning the proposed New Tenant. Tenant agrees to pay Landlord a \$1,000 review fee in connection with the review of any and each proposed New Tenant. Such \$1,000 review fee is a reasonable estimate of Landlord's costs to review information concerning the proposed New Tenant.
  - (c) In the event that any of Tenant's current or future secured lenders require Landlord's execution of any documents necessary for Tenant's benefit, Tenant hereby agrees to reimburse Landlord all reasonable expenses incurred by Landlord, including but not limited to reasonable attorneys' fees, in reviewing, approving and processing such documentation.
24. **ESTOPPEL CERTIFICATES.** Tenant agrees from time to time, at Landlord's request to deliver to Landlord, within ten (10) days of Landlord's request, a statement in writing certifying: (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified and identifying the modifications); (b) the dates to which the Rent and other charges have been paid; (c) that Landlord is not in default under any provision of this Lease (or if Landlord is in default or claimed by Tenant to be in default, the nature thereof in reasonable detail); (d) no payments other than as currently due have been made (or stating those that have been made); (e) that Tenant has accepted the Premises and the condition thereof and of improvements thereto and has no claims against Landlord or any other party with respect thereto (or stating what the nature of such claims); and (f) such other matters as may reasonably be requested by Landlord. Such certificate shall provide that any prospective purchaser, mortgagee or beneficiary may rely on such certificate.
25. **TENANCY AT SUFFERANCE; HOLDOVER TENANCY.**
- (a) If Tenant fails to surrender all or any part of the Premises at the expiration of this Lease, occupancy of the Premises after the expiration shall be that of a tenancy at sufferance. No failure to surrender by Tenant or payment by Tenant after the termination of this Lease shall be construed to extend the Term or prevent Landlord from immediate recovery of possession of the Premises by summary proceedings or otherwise.
  - (b) In Landlord's sole discretion, Landlord may elect at any time after the expiration of the Lease to treat Tenant's occupancy as a holdover tenant subject to all the terms and provisions of this Lease, having a month-to-month tenancy, and owing an amount (on a per month basis without reduction for partial months during the tenancy at sufferance) equal to 150% of the sum of the Rent due for the period immediately preceding the expiration.

- (c) If Landlord is unable to deliver possession of the Premises to a new tenant or to perform improvements for a new tenant as a result of Tenant's failure to surrender upon the expiration of the Term, Tenant shall be liable for all damages that Landlord incurs whether direct or consequential.
  - (d) Any tenancy at sufferance or month-to-month tenancy or holdover tenancy shall be subject to every term, condition, and covenant contained in this Lease.
26. **NO BROKERS.** Tenant warrants that it has had no dealings with any broker or agent in connection with this Lease other than Landlord. Tenant shall indemnify and hold Landlord harmless from all claims of any broker or agent claiming to have represented Tenant in connection with this Lease.
27. **LANDLORD'S MORTGAGE/GROUND LEASE.** Landlord may have heretofore executed and delivered or may hereafter execute and deliver a mortgage or trust deed in the nature of mortgage, both sometimes hereinafter referred to as "Mortgage," encumbering the Premises, or portion thereof or any interest therein, and may sell and lease back the underlying land on which the Premises, or portion thereof, is situated. If requested by the holder of a Mortgage ("Mortgagee") or by Landlord of any ground or underlying lease ("Ground Landlord"), Tenant will either subordinate its interest in this Lease to said Mortgage or ground lease or make such interest superior, and will execute such documentation as may be reasonably required by such Mortgagee or Ground Landlord; provided that any such agreement which provides for Tenant's subordination of its interest in this Lease shall also provide that so long as Tenant is not in Default under this Lease, Tenant may remain in possession under the terms and conditions of this Lease notwithstanding the foreclosure of such Mortgage or termination of such ground lease and shall otherwise be in form and substance reasonably satisfactory to Tenant.
28. **CONDITION UPON SURRENDER OF POSSESSION.** Tenant shall yield the Premises back to Landlord upon the termination of this Lease, whether such termination shall occur by expiration of the Term or in any other manner whatsoever, in good condition, ordinary wear and tear and casualty excepted (unless the casualty is the result of Tenant's acts or omissions), broom clean and free of debris. Tenant shall also satisfy the requirements of this Lease regarding utilities, additions or alterations. Tenant shall arrange with Landlord a walk-through of the Premises within ninety (90) days of the expiration or earlier termination of the Lease. This provision shall survive the termination of this Lease.
29. **NOTICES.** (a) All notices, demands, consents and submissions to be made or given pursuant to this Lease shall be in writing and shall be deemed properly served if delivered by hand, or if mailed, postage prepaid, by United States certified or registered mail, return receipt requested, or if sent by a nationally recognized overnight courier, proof of delivery required, to the following addresses or to such other address or addressee as either Party may give to the other in writing:

If to Landlord, then to:

If to Tenant, then to:

Archdiocese of Chicago  
835 N. Rush Street  
Chicago, Illinois 60611-2030  
Attention: Director of Capital Assets

Chicago Board of Education – Real Estate  
Department  
42 West Madison, 2<sup>nd</sup> Floor  
Chicago, IL 60602  
Attention: Chief Facility Officer

With a copy to:

With a copy to:

Archdiocese of Chicago  
835 N. Rush Street  
Chicago, Illinois 60611-2030  
Attention: Office of Legal Services

Chicago Board of Education  
42 West Madison, 9<sup>th</sup> Floor  
Chicago, IL 60602  
Attention: Chief Administrative Officer

With a copy to the Parish at the address listed  
in the Parish Rider applicable to such written  
notice.

With a copy to:  
Chicago Board of Education – Law  
Department  
One North Dearborn, 9th Floor  
Chicago, IL 60602  
Attention: General Counsel

(b) Notwithstanding the foregoing, if Landlord is unable to serve any such notice or demand as provided above, a notice or demand shall be deemed properly served if affixed to any door leading into the Premises, in which event the notice or demand shall be considered served at the time the copy is so affixed.

30. **FREEDOM OF INFORMATION ACT.** Landlord acknowledges that certain Tenant records and documents are subject to the Illinois Freedom of Information Act (5 ILCS 140/1) and the reporting requirements under 105 ILCS 5/10-20.44. Landlord further acknowledges that this Lease shall be posted on Tenant’s website.

31. **MISCELLANEOUS.**

(a) **No Offer or Option.** Landlord’s delivery of a copy of this Lease to Tenant for Tenant’s review does not constitute an offer to Tenant or an option.

(b) **Parties; Successors.** All covenants, promises, representations and agreements herein contained shall be binding upon, apply and inure to and are intended solely for the benefit of Landlord and Tenant and their respective heirs, legal representatives, successors and assigns.

(c) **Complete Agreement.** Provisions typed on this Lease and all Parish Riders referenced in and attached to this Lease are hereby made a part of this Lease. This Lease embodies the entire Lease of the Parties. There are no promises, terms, conditions, or obligations other than those contained herein, and this Lease shall supersede all previous communications, representations or agreements, either verbal

or written, between the Parties hereto.

- (d) **Amendments Must be in Writing.** This Lease Agreement cannot be changed or provisions waived orally or by course of conduct. No modification, waiver or amendment of this Lease or any of its conditions or provisions shall be binding upon Landlord and Tenant unless in writing and signed by both Parties. No course of conduct applicable to the Premises under any one Parish Rider shall affect the terms and condition of this Master Lease or any other Parish Rider. The Parties agree to amend Exhibit A to reflect the termination of any Parish Rider or the addition of Premises added pursuant to a Parish Rider executed by Parties after the Effective Date.
- (e) **Captions.** The captions of Sections and Subsections are for convenience only and shall not be deemed to limit, construe, affect, or alter the meaning of such Sections.
- (f) **No Agency or Partnership.** Nothing contained in this Lease shall be deemed or construed by the Parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venture, a special relationship or any association between Landlord and Tenant, it being expressly understood and agreed that no act of the Parties hereto shall be deemed to create any relationship of Landlord and Tenant other than the relationship between landlord and tenant.
- (g) **Authority.** Landlord and Tenant, and signatories hereunder, each represent and warrant that they have the power and authority to execute and deliver this Lease and to perform all the covenants to be performed by it hereunder. The Parties represent that they have participated in the preparation of this Lease and, for purposes of principles of law governing the construction of the terms of an agreement, the Parties further acknowledge that they have carefully read this Lease Agreement and that they have had an opportunity to have this Lease Agreement reviewed and explained to them by an attorney of their own choosing, but have either done so or declined to do so.
- (h) **Tenant Representations.** Tenant hereby warrants and certifies that: (i) Tenant is a a body politic and corporate organized and existing under Applicable Laws; (ii) Tenant is exempt from income taxation and assessment of real estate taxes pursuant to Application Laws; and (iii) the Premises and Access Areas shall only be used by Tenant for property tax exempt purposes (religious, charitable, or educational) and not with a view to profit.
- (i) **Limitation of Liability.** Tenant agrees to look solely to Landlord's interest in the building containing the Premises for the enforcement or payment of any judgment, award, order or other remedy that Tenant may have against Landlord arising under or in connection with the Lease. No other assets of Landlord (or any assets of any members, partners, beneficiaries, shareholders, managers, officers, directors or employees of Landlord) shall be subject to levy, execution or other procedures for the satisfaction of any remedy by Tenant. No personal liability is assumed by, nor

shall at any time be asserted or enforceable against Landlord's clergy, officers, directors or employees on account of this Lease or any covenant, undertaking or agreement of Landlord hereunder. No personal liability is assumed by, nor shall at shall at any time be asserted or enforceable against, Tenant's individual board members, directors, officers or employees.

- (j) **Force Majeure.** If Landlord or Tenant shall be delayed, burdened in, or prevented from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, rent restrictions, war, weather or the act, failure to act, or default of the other Party, or any other reason beyond their control, the performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.
- (k) **Prior Lease.** Landlord and Tenant hereby acknowledge and agree that as of the Effective Date that certain Lease by and between the Parties dated July 1, 2005 ("Prior Lease") shall be deemed cancelled, terminated and shall have no further force or effect, and except for claims accrued but not yet asserted by third parties, such as premises liability claims, Landlord and Tenant hereby release and forever discharge each other from all liability, claims and damages of any kind which either Party may now have or at any time shall have against the other Party as a result of any matter, cause or thing whatsoever occurring under the Prior Lease.
- (l) **Construction.** Except as otherwise specifically indicated, all references to Sections, Subsections and Clauses refer to Sections, Subsections and Clauses of this Lease and all references to Parish Riders refer to the Parish Riders attached hereto. The words "herein," "hereof," "hereunder," "hereinafter" and words of similar import refer to this Lease as a whole and not to any particular Section or Subsection hereof. Unless expressly stated to the contrary, reference to a Section includes all of the Subsections contained therein. The terms "include" and "including" shall be construed as if followed by the phrase "without being limited to."
- (m) **Time is of Essence.** Time is of the essence of this Lease and of every provision hereof.
- (n) **OFAC List.** Tenant represents and warrants that it is not listed, nor is it owned or controlled by, or acting for or on behalf of any person or entity, on the list of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the United States Department of the Treasury, or any other list of persons or entities with whom Landlord is restricted from doing business with ("OFAC List"). Notwithstanding anything to the contrary herein contained, Tenant shall not permit the Premises or any portion thereof to be used, occupied or operated by or for the benefit of any person or entity that is on the OFAC List. Tenant shall provide documentary and other evidence of Tenant's

identity and ownership as may be reasonably requested by Landlord at any time to enable Landlord to verify Tenant's identity or to comply with any Applicable Laws.

- (o) **Severability.** If any clause, phrase, provision or portion of this Lease or the application thereof to any person or circumstance shall be invalid, or unenforceable under applicable law, such event shall not affect, impair or render invalid or unenforceable the remainder of this Lease nor any other clause, phrase, provision or portion hereof, nor shall it affect the application of any clause, phrase, provision or portion hereof to other persons or circumstances, so long as the remainder of this Lease expresses the intent of the Parties.
  
- (p) **Counterparts.** This Lease may be executed by each of the Parties hereto in separate counterparts and such counterparts shall have the same force and effect as if the Parties had executed it as a single document. An electronic copy of the signature of the Parties hereto via facsimile or electronic message may be treated as if the signature was an original one and shall be fully enforceable.
  
- (q) **Right of First Offer.**
  - (i) In the event that Landlord decides in its sole and absolute discretion to market the building forming part of the Premises ("Subject Property") for sale during the Term to any third party who is not related to or an affiliate of Landlord, and who is otherwise not a Catholic organization (collectively "Non-Catholic Third Party"), Landlord shall notify Tenant in writing of such decision prior to marketing the Subject Property to any such Non-Catholic Third Party ("ROFO Notice") and Tenant shall have the right of first offer to purchase the Subject Property from Landlord in accordance with the terms and conditions of this Section 31(q) (collectively "ROFO"). To the extent Landlord decides to market or sell the Subject Property to a third party who is related to or an affiliate of Landlord or to a third party who is otherwise a Catholic Organization ("Catholic Purchaser"), Landlord and Tenant acknowledge and agree that the ROFO shall not apply and Landlord shall have no obligation to send a ROFO Notice to Tenant. To the extent Landlord does send Tenant a ROFO Notice, Landlord shall be under no obligation to actually sell the Subject Property to Tenant as part of the ROFO. The ROFO shall not apply to any portion of Landlord's Property other than the Subject Property and if Landlord decides to market the Subject Property for sale to any Non-Catholic Third Party or to a Catholic Purchaser as part of a larger sale which includes other areas of Landlord's Property or any other real property owned by Landlord, the ROFO shall not apply.
  
  - (ii) In order for Tenant to effectively exercise the ROFO, Tenant must comply with the following terms and conditions: (a) Tenant must notify Landlord in writing in accordance with Section 29 and this Section 31(q) of its intent to exercise the ROFO within thirty (30) days of the ROFO Notice ("ROFO

Offer"); (b) the ROFO Offer must include a binding offer to purchase the Subject Property with a proposed closing date and evidence of non-contingent financing or other evidence reasonably acceptable to Landlord in Landlord's sole discretion which confirms Tenant's ability to close on the purchase of the Subject Property on or before the closing date set forth in the ROFO Offer; (c) if Tenant timely provides the ROFO Offer in accordance with this Section 31(q), then Landlord shall review the ROFO Offer and decide whether or not it desires to sell the subject Property pursuant to the terms and conditions of the ROFO Offer; (d) in the event Landlord desires in its sole and absolute discretion to sell the Subject Property to Tenant pursuant to the terms and conditions of the ROFO Offer, then Landlord and Tenant shall proceed with the sale of the Subject Property in accordance with the ROFO Offer and this Section 31(q); (e) in the event Landlord does not desire in its sole and absolute discretion to sell the Subject Property to Tenant pursuant to the ROFO Offer and rejects the ROFO Offer, Landlord shall have no obligation to sell the Subject Property to Tenant pursuant to the ROFO and the ROFO shall forever be deemed null, void and of no further force or effect with Landlord being free to sell the Subject Property on any terms and to any Non-Catholic Third Party or to any Catholic Purchaser without liability to Tenant; and (f) to the extent Tenant decides not to exercise the ROFO after receipt of the ROFO Notice or to the extent Tenant shall fail to comply in all respects with the terms and conditions of this Section 31(q) in exercising the ROFO, the ROFO shall be deemed to have lapsed, Landlord shall be free to sell the Subject Property on any terms and to any Non-Catholic Third Party or to any Catholic Purchaser without liability and the ROFO shall forever be deemed null, void and of no further force or effect.

- (iii) As conditions precedent to Tenant's right to exercise the ROFO, Tenant must: (i) not be in Default under any of the terms and conditions of the Lease; (ii) not have assigned the Lease or sublet all or any portion of the Premises; or (iii) not be in violation of Section 25. The ROFO is personal to the Board of Education of the City of Chicago and may not be transferred by sublease, assignment, merger or any other means.
- (iv) Notwithstanding the foregoing, in the event that the Subject Property is sold to a Catholic Purchaser or a Non-Catholic Third Party, the Parties hereby agree that: (a) the Catholic Purchaser or Non-Catholic Third Party shall take title subject to the terms and conditions of the Master Lease and Parish Rider applicable to the Subject Property; (b) the Parties hereby agree to amend the Master Lease and Parish Rider applicable to the Subject Property in order to extract the applicable Subject Property from the terms of the Master Lease; (c) Landlord, Tenant and such Catholic Purchaser or Non-Catholic Third Party, as a condition of Landlord's sale of the Subject Property, shall enter into such documentation reasonably necessary so that Catholic Purchaser and Tenant, or Non-Catholic Third Party and Tenant,

shall have a lease agreement applicable to the Subject Property which is separate from this Master Lease, but consistent in all respects with its terms and conditions, except that such Catholic Purchaser or Non-Catholic Third Party shall be restricted from exercising its rights to terminate the Term of the Parish Rider applicable to the Subject Property under the Mutual Termination Right set forth under Section 19 for a period of: (i) one (1) year immediately following the closing date of the sale of the Subject Property if such closing date occurs in June through December of the first (1<sup>st</sup>) through the eighth (8<sup>th</sup>) Lease Year; or (ii) six (6) months immediately following such closing date if such date occurs in January through May of the first (1<sup>st</sup>) through the ninth (9<sup>th</sup>) Lease Year; provided, however, that upon the expiration of such one (1) year or six (6) month period, as applicable, the right of Catholic Purchaser or Non-Catholic Third Party to exercise the Mutual Termination Right shall be in full force and effect with no restrictions. Nothing included in this Section 31(q)(iv) shall limit or restrict the rights of Catholic Purchaser or Non-Catholic Third Party to terminate the Term of the Parish Rider applicable to the Subject Property under any terms or conditions of this Master Lease or such Parish Rider other than the Mutual Termination Right, or any other rights generally, that Catholic Purchaser or Non-Catholic Third Party would assume under the Master Lease and the Parish Rider applicable to the Subject Property as part of any sale thereof.


[SIGNATURE PAGE FOLLOWS]



IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be duly executed.


**LANDLORD:**

**THE CATHOLIC BISHOP OF CHICAGO,**  
an Illinois corporation sole

Signature:   
Eric Wollan,  
Director of Capital Assets

Date: 4/20/2018

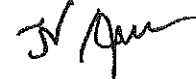
**TENANT:**

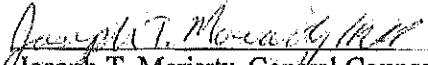
**BOARD OF EDUCATION OF THE CITY OF CHICAGO,**   
a body politic and corporate

Signature: \_\_\_\_\_  
Frank Clark, President

Attest: \_\_\_\_\_  
Estela Beltran, Secretary

By:   
Janice K. Jackson, Chief Executive Officer

Approved as to Legal Form: 

  
Joseph T. Moriarty, General Counsel

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be duly executed.


**LANDLORD:**

**THE CATHOLIC BISHOP OF CHICAGO,**  
an Illinois corporation sole

Signature: \_\_\_\_\_  
Eric Wollan,  
Director of Capital Assets

Date: \_\_\_\_\_

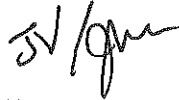
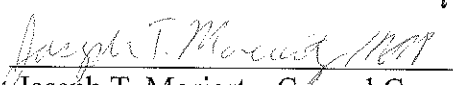
**TENANT:**

**BOARD OF EDUCATION OF THE CITY  
OF CHICAGO,** a body politic and corporate 

Signature:  \_\_\_\_\_  
Frank M. Clark, President

Attest:  4/23/18  
Estela Beltran, Secretary

By:  \_\_\_\_\_  
Janice K. Jackson, Chief Executive Officer

Approved as to Legal Form:   
 \_\_\_\_\_  
Joseph T. Moriarty, General Counsel

**EXHIBIT A TO MASTER LEASE AGREEMENT**

<b><u>Parish Rider</u></b>	<b><u>Name of Parish/Address</u></b>	<b><u>Tenant School Name</u></b>
Parish Rider A	Good Shepherd/ 2719 S. Kolin	Zapata
Parish Rider B	Holy Cross/ 1740 W. 46th	Seward Branch
Parish Rider C	Our Lady of Mercy/ 4432 N. Troy and Gym/ 4432 N. Troy	North River School
Parish Rider D	St. Camillus/ 5426 S. Lockwood	Pasteur
Parish Rider E	St. Clare de Montefalco/ 5443 S. Washtenaw	Talman
Parish Rider F	St. Columba/ 13323 S. Greenbay	Clay
Parish Rider G	St. Denis/ 8301 S. St. Louis	Ashburn
Parish Rider H	St. Francis de Sales/ 10200 S. Ave J St. Francis de Sales H.S./ 10155 S. Ewing St. Francis de Sales - Gym	Gallistel Elementary
Parish Rider I	St. John of God/ 1234 W. 52nd	Second
Parish Rider J	St. Joseph - Hermitage/ 4821 S. Hermitage	Cesar Chavez
Parish Rider K	St. Joseph - Orleans/ 1107 N.Orleans St. Joseph - Orleans - Gym	Payton
Parish Rider L	St. Maurice/ 3625 S. Hoyne	Thomas, V. Early Childhood
Parish Rider M	St. Michael the Arch./ 1957 W. 48th	Hedges Middle Branch
Parish Rider N	St. Michael the Arch./ 4821 S. Damen	Cesar Chavez
Parish Rider O	St. Priscilla/ 7001 W. Addison	Bridge
Parish Rider P	St. Rita/ 6201 S. Fairfield St. Rita - Gym/ 6201 S. Fairfield	Fairfield Academy
Parish Rider Q	St. Stanislaus B&M/ 2318 N. Lorel	Hanson Branch
Parish Rider R	St. Wenceslaus/ 3425 N. Lawndale	Reilly Branch
Parish Rider S	St. Turbius/ 5646 S. Karlov Ave.	South West Area Magnet School

[Exhibit A Continued on Next Page]

Our Lady of Victory : CPS began leasing in August 2022 - request sent to  
AOC to extend through 4/30/2023

## PARISH RIDER S TO MASTER LEASE AGREEMENT

THIS PARISH RIDER S TO MASTER LEASE AGREEMENT (this "RIDER S") is dated as of the latter of the two dates set forth on the signature page below, but effective as of July 1, 2016 (the "Effective Date"), by and between **THE CATHOLIC BISHOP OF CHICAGO**, an Illinois corporation sole ("Landlord") and **BOARD OF EDUCATION OF THE CITY OF CHICAGO**, a body politic and corporate ("Tenant"). Landlord and Tenant may collectively hereinafter be referred to as the "Parties" and each a "Party."

### WITNESSETH

WHEREAS, Landlord and Tenant are the Parties to the Master Lease attached hereto and made a part hereof ("Master Lease");

WHEREAS, Landlord is the owner of the land and improvements commonly known as **ST. TURIBIUS PARISH** ("Parish"), consisting of: (i) a church building located at 5646 S. Karlov Ave. ("Church"); (ii) a rectory building located at 5646 S. Karlov Ave. ("Rectory"); (iii) a convent building located at 4125 W. 56<sup>th</sup> Place ("Convent"); (iv) the parking lot located at the corner of 56<sup>th</sup> Place and Karlov Ave. ("Parking Lot"); (v) the school building located at 4120 W. 57<sup>th</sup> St. and colloquially known as the primary school ("Primary School"); and (vi) the school building located at 4120 W. 57<sup>th</sup> St. and colloquially known as the junior high school ("Jr. High School"), all of which are depicted on Exhibit 1 to Rider S attached hereto and made a part hereof (collectively "Landlord's Property"); and

WHEREAS, Landlord wishes to lease to Tenant, and Tenant wishes to lease from Landlord, a portion of Landlord's Property more particularly described as the Primary School and Jr. High School; provided, however, that: (i) the storage room space designated as "W001" on the drawings for the Initial Work (as defined in Section 5(b) below) in the basement of the Jr. High School ("Parish Storage Room"); and (ii) the former library space located on the second floor of the Jr. High School ("Religious Education Office") (collectively the Parish Storage Room and Religious Education Office shall hereinafter be referred to as the "Excluded Space") are expressly excluded (the Primary School and Jr. High School, less the Excluded Space, shall hereinafter be referred to as the "Premises").

NOW THEREFORE, for and in consideration of their mutual covenants and agreements hereinafter set forth and the above recitals which are by this reference incorporated herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties hereto, Landlord and Tenant agree as follows:

#### 1. GRANTS

- (a) Master Lease/Defined Terms. Any reference to the "Master Lease" within this

Rider S shall mean the terms and conditions set forth in Sections 1 through Section 31 of the Master Lease, exclusive of any terms and conditions contained within this Rider S. Any reference to the "Lease" shall collectively mean both the terms and conditions of the Master Lease and the terms and conditions of this Rider S. Any reference to the "Premises" within this Rider S shall mean the Premises identified in this Rider S. Any reference to the "Access Areas" within this Rider S shall mean the Access Areas identified in this Rider S. The terms and conditions of the Master Lease are hereby incorporated into this Rider S and the terms and conditions of this Rider S are hereby incorporated into the Master Lease. All capitalized terms not defined in this Rider S shall have the meaning set forth in the Master Lease. In the event of any conflict between the terms and conditions of the Master Lease and the terms and conditions of this Rider S, the terms and conditions of this Rider S shall govern and control.

- (b) **Premises.** Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises identified above, subject to all of the terms, conditions, covenants and agreements contained in the Lease. From and after the date of substantial completion of Initial Work, the Excluded Space shall consist of: (i) the pantry space designated as "057A" on the drawings for the Initial Work (as defined in Section 5(b) below) in the basement of the Jr. High School ("Parish Pantry Space"); and (ii) the Northeast corner office space with attached, private restroom, both designated as "113" on the drawings for the Initial Work located on the first floor of the Primary School ("Religious Education Office").
- (c) **Tenant's School Name and Permitted Hours of Use.** The name of Tenant's school forming part of the Use at the Premises identified in this Rider S is South West Area Magnet School. Notwithstanding the permitted hours of Use set forth in Section 4(a) of the Master Lease, the Parties acknowledge and agree that the permitted hours of Use under this Rider S shall be as follows: Mondays, Thursdays and Fridays, from 6:30 a.m. to 6:00 p.m. CST, and on Tuesdays and Wednesdays, from 6:30 a.m. to 5:30 p.m. CST. All other terms and conditions under Section 4(a) of the Master Lease are hereby ratified, confirmed and are in full force and effect.
- (d) **Additional Rights and Licenses.** In addition, Landlord hereby grants to Tenant and Tenant Group a conditional, revocable and non-exclusive right and license over the following areas of Landlord's Property for so long as Tenant is leasing the Premises during the Term, subject to the terms and conditions herein contained and as follows:
  - (i) **Ingress/Egress Area:** Pedestrian ingress and egress over Landlord's Property, to and from the Premises, upon and across the Parking Area (as

defined below) and sidewalks surrounding the Premises as depicted on Exhibit 1 to Rider S (“Ingress/Egress Area”);

- (ii) Parking Area: The non-exclusive right for Tenant Group to use parking spaces 1-32 within the Parking Lot as designated on Exhibit 2 to Rider S attached hereto and made a part hereof for the sole purpose of parking automobiles on a “first-come,” “first-served” basis (“Parking Area”); provided, however, that: (a) Tenant and Tenant’s Group’s right to use the Parking Area for parking under this Section 1(b)(ii) shall be expressly subject to Landlord’s reservation of rights in Section 1(e) below; (b) Tenant shall not use the parking spaces within the Parking Lot which are designated for Parish or “Sisters” use as set forth on Exhibit 2 to Rider S; (c) Tenant shall not permit any vehicle to remain parked on any portion of Landlord’s Property overnight; and (d) Tenant shall not permit the parking of commercial vehicles, including but not limited to trucks or buses, on any portion of Landlord’s Property under any circumstances except as needed for deliveries, incidental uses by Tenant Group including contractors and for coordinating transportation of student members of Tenant Group;
- (iii) Access Areas: The Ingress/Egress Area and Parking Area are hereinafter collectively referred to as “Access Areas”. Landlord may, from time to time, change the size, location and nature of the Access Areas and may make installations therein and move and remove such installations. Tenant’s use of Access Areas shall be subject to such rules and regulations as Landlord or Pastor may impose. Landlord makes no representation or warranty regarding the use, availability or suitability of the Access Areas for Tenant’s intended activity.

(e) **Express Reservation of Rights by Landlord.**

- (i) No Access. Tenant shall not enter, or permit Tenant Group to enter Landlord’s Property, other than the Premises and Access Areas, without, in each instance first obtaining the prior written consent of both the Landlord and the pastor or administrator who oversees operations at the Landlord’s Property (“Pastor”). Tenant shall take all reasonable measures to prevent Tenant or Tenant Group from entering the Landlord’s Property other than the Premises and Access Areas.
- (ii) Parish’s Right to Occupancy. Landlord expressly reserves the right to exclusive use of the Premises outside Tenant’s days and hours of Use. If Landlord or Pastor requests occasional and temporary use of any space

forming part of the Premises during the days/hours of Use, Landlord or Pastor will provide Tenant reasonable prior notice, and Tenant will use good faith efforts to accommodate such request.

2. **ADDITIONAL USE.**

- (a) If Tenant requests a one-time use of the Premises outside the days/hours of Use, Tenant shall notify Landlord and Pastor as soon as reasonably practicable and Pastor shall use good faith efforts to accommodate Tenant’s request; provided, however, that such additional one-time use shall be in accordance with and subject to the terms and conditions of this Lease as well as any additional terms and conditions imposed by Pastor.
  
- (b) In the event Tenant requests ongoing and regular use of the Premises outside Tenant’s days/hours of Use, such additional use of the Premises must be approved in advance in writing by both Pastor and Principal pursuant to the additional use authorization form attached hereto and made a part hereof as Exhibit 3 to Rider S (“Additional Use Authorization Form”), which additional use shall be in accordance with and subject to the terms and conditions of this Lease as well as any additional terms and conditions imposed by Pastor as shown the Additional Use Authorization Form. In addition, Tenant shall provide a monthly schedule of all ongoing and regular uses of the Premises which are outside Tenant’s days/hours of Use and authorized by an Additional Use Authorization Form on or before the twentieth (20<sup>th</sup>) day of the preceding month. Notwithstanding the foregoing, Landlord hereby agrees that parent-teacher conferences required for the curriculum forming part of the Use and held outside of the permitted hours of Use under this Rider S shall be deemed approved and accommodated hereunder. In the event Tenant requests use and occupancy of the Premises, or any portion thereof, outside of the permitted hours of Use hereunder for the sole purpose of a curriculum-related need, Landlord shall use its best efforts to accommodate such request pursuant to the terms of this Section, so long as such after-hours use or occupancy of the Premises, or any portion thereof, would not conflict with an already-scheduled Parish need.

3. **BASE RENT.** Subject to the terms and conditions of the Lease, Tenant covenants to pay Landlord, as base rent for the Premises during the Term (“Base Rent”), the following amounts:

Period	Period Amount	Monthly Amount
7/1/2016-6/30/2017	\$386,925.00	\$32,243.75
7/1/2017-6/30/2018	\$400,467.38	\$33,372.28
7/1/2018-6/30/2019	\$414,483.73	\$34,540.31

7/1/2019-6/30/2020	\$428,990.66	\$35,749.22
7/1/2020-6/30/2021	\$444,005.34	\$37,000.44
7/1/2021-6/30/2022	\$459,545.52	\$38,295.46
7/1/2022-6/30/2023	\$475,629.62	\$39,635.80
7/1/2023-6/30/2024	\$492,276.65	\$41,023.05
7/1/2024-6/30/2025	\$509,506.34	\$42,458.86

4. **ADDITIONAL RENT.** In addition to Base Rent and any additional rent set forth in Section 5 of the Master Lease, Tenant shall pay the following costs as additional rent (collectively "Additional Rent"):

(a) **Electrical Service Costs:** Tenant shall be responsible for paying the cost of electricity serving the Premises as provided herein. Electrical service is not separately metered for the Premises. Effective as of the Commencement Date and each anniversary thereafter, Tenant shall provide Landlord with a monthly payment in the amounts and at the rates that follow in satisfaction of electrical charges incurred or to be incurred by Landlord on behalf of Tenant each Lease Year referenced below:

Period	Period Amount	Monthly Amount
7/1/2016-6/30/2017	\$53,310.23	\$4,442.52
7/1/2017-6/30/2018	\$54,909.53	\$4,575.79
7/1/2018-6/30/2019	\$56,556.82	\$4,713.07
7/1/2019-6/30/2020	\$58,253.52	\$4,854.46
7/1/2020-6/30/2021	\$60,001.13	\$5,000.09
7/1/2021-6/30/2022	\$61,801.16	\$5,150.10
7/1/2022-6/30/2023	\$63,655.20	\$5,304.60
7/1/2023-6/30/2024	\$65,564.85	\$5,463.74
7/1/2024-6/30/2025	\$67,531.80	\$5,627.65

(b) **Additional Electric Costs:** In addition to the foregoing, Landlord and Tenant acknowledge and agree that Tenant has installed window air conditioning units in the Premises and as a condition of Landlord's consent to such air conditioning units, Tenant agrees to pay the following additional electric costs:

Period	Period Amount	Monthly Amount
7/1/2016-6/30/2017	\$6,728.48	\$560.71
7/1/2017-6/30/2018	\$6,930.33	\$577.53
7/1/2018-6/30/2019	\$7,138.24	\$594.85
7/1/2019-6/30/2020	\$7,352.39	\$612.70



7/1/2020-6/30/2021	\$7,572.96	\$631.08
7/1/2021-6/30/2022	\$7,800.15	\$650.01
7/1/2022-6/30/2023	\$8,034.15	\$669.51
7/1/2023-6/30/2024	\$8,275.18	\$689.60
7/1/2024-6/30/2025	\$8,523.43	\$710.29

- (c) **Gas Service Costs:** Tenant shall be responsible for paying the cost of natural gas serving the Premises as provided herein. Gas service is not separately metered for the Premises. Effective as of the Commencement Date and each anniversary thereafter, Tenant shall provide Landlord with a monthly payment in the amounts and at the rates that follow in satisfaction of gas charges incurred or to be incurred by Landlord on behalf of Tenant during each Lease Year referenced below:

Period	Period Amount	Monthly Amount
7/1/2016-6/30/2017	\$74,530.80	\$6,210.90
7/1/2017-6/30/2018	\$76,766.72	\$6,397.23
7/1/2018-6/30/2019	\$79,069.73	\$6,589.14
7/1/2019-6/30/2020	\$81,441.82	\$6,786.82
7/1/2020-6/30/2021	\$83,885.07	\$6,990.42
7/1/2021-6/30/2022	\$86,401.62	\$7,200.14
7/1/2022-6/30/2023	\$88,993.67	\$7,416.14
7/1/2023-6/30/2024	\$91,663.48	\$7,638.62
7/1/2024-6/30/2025	\$94,413.39	\$7,867.78

5. **TENANT’S WORK ON PREMISES; ADDITIONS; ALTERATIONS.**

- (a) **Work.** Tenant shall not perform any Work without obtaining the prior written consent of Landlord and Pastor in each instance and Tenant must comply with all terms and conditions of the Lease, including but not limited to Section 11 of the Master Lease, with respect to the Work.
- (b) **Initial Work.** Notwithstanding the foregoing required under Tenant shall perform, at Tenant’s sole cost and expense, certain initial improvements described on Exhibit 4 to Rider S attached hereto and made a part hereof (“Initial Work”) prior to operating the Use. Consent of Landlord under Section 11 of the Master Lease shall be deemed granted in general for the Initial Work, subject to Landlord’s further review and final approval of specific plans required to perform the Initial Work; provided, however, that Tenant shall comply with all of Tenant’s obligations under Section 11 of the Master Lease with respect to the Initial Work including the obligation to notify Landlord of any changes in the plans to the Initial Work and obtain Landlord’s written consent thereto. The Initial Work is not considered a Capital Improvement and any amount paid by Tenant for the Initial Work shall not

be considered part of Tenant's Contribution. If Tenant installs an elevator as part of the Initial Work, all future maintenance, repairs and/or replacements of such elevator during the Term shall be performed at Tenant's sole risk, cost and expense. In the event the Initial Work triggers requirements for additional Work to make the Premises comply with Applicable Laws such as ADA, Tenant shall perform all such additional Work needed to comply with Applicable Laws at Tenant's sole risk, cost and expense, which obligation shall survive the expiration or earlier termination of the Lease. Any reference to "Work" under this Lease shall encompass and include the Initial Work.

6. **NO CROSS DEFAULT.** The Parties acknowledge and agree that the terms and conditions under Section 17(c) of the Master Lease shall not apply to this Parish Rider S.
7. **LANDLORD'S CAP/TENANT'S CAP.** Landlord and Tenant acknowledge and agree that neither Landlord's Cap nor Tenant's Cap, as those terms are defined in Section 9(d)(ii) the Master Lease, shall apply to Capital Improvements performed at the Premises under this Rider S; provided, however, that all other terms and condition of the Master Lease respecting Capital Improvements are hereby ratified, confirmed and in full force and effect.
8. **NO MUTUAL TERMINATION RIGHT.** The Parties acknowledge and agree that the terms and conditions under Section 19 of the Master Lease shall not apply to this Parish Rider S.
9. **PARISH NOTICE ADDRESS.** All notices sent by Tenant to Landlord under Section 29 of the Master Lease shall include a copy to the Parish, in the same manner as provided in Section 29, at the following address: 5646 S. Karlov Ave. Chicago, IL 60629, Attention: Pastor 42 West Madison, 9<sup>th</sup> Floor, Chicago, Illinois 60; Attention: Pastor.
10. **FUTURE NEGOTIATIONS.** Landlord and Tenant acknowledge their intent to enter into good faith negotiations on an extension of the Term of this Parish Rider S, which would be subject to the terms and conditions of the Master Lease regardless of whether the Term of the Master Lease is extended. Notwithstanding the foregoing, any extension of the Term of this Parish Rider S shall not be effective until a written amendment to both the Master Lease and this Parish Rider S is signed by both Parties.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Landlord and Tenant have caused this Rider S to be duly executed.

**LANDLORD:**

**TENANT:**

**THE CATHOLIC BISHOP OF CHICAGO,**  
an Illinois corporation sole

**BOARD OF EDUCATION OF THE CITY**  
**OF CHICAGO,** a body politic and corporate *mu*

Signature: *Eric Wollan*  
Eric Wollan,  
Director of Capital Assets

Signature: \_\_\_\_\_  
Frank Clark, President

Date: 4/20/2018

Attest: \_\_\_\_\_  
Estela Beltran, Secretary

Acknowledged on behalf of Parish:  
*Rev. William E. Lego, pastor*  
Rev. William Lego, Pastor,  
St. Turibius Parish

By: *Janice K. Jackson*  
Janice K. Jackson, Chief Executive Officer

Approved as to Legal Form: *SV*

By: *Joseph T. Moriarty*  
Joseph T. Moriarty, General Counsel

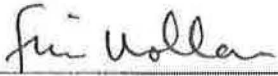
IN WITNESS WHEREOF, Landlord and Tenant have caused this Rider S to be duly executed.

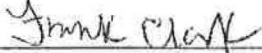
**LANDLORD:**

**TENANT:**

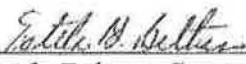
**THE CATHOLIC BISHOP OF CHICAGO,**  
an Illinois corporation sole

**BOARD OF EDUCATION OF THE CITY OF CHICAGO,** a body politic and corporate

Signature:   
Eric Wollan,  
Director of Capital Assets

Signature:   
Frank M. Clark, President


Date: 5/9/2018

Attest:  4/23/18  
Estela Beltran, Secretary

Acknowledged on behalf of Parish:

By:   
Janice K. Jackson, Chief Executive Officer

Rev. William Lego, Pastor,  
St. Turibius Parish

Approved as to Legal Form: 

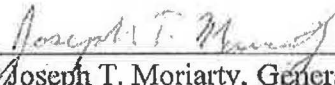
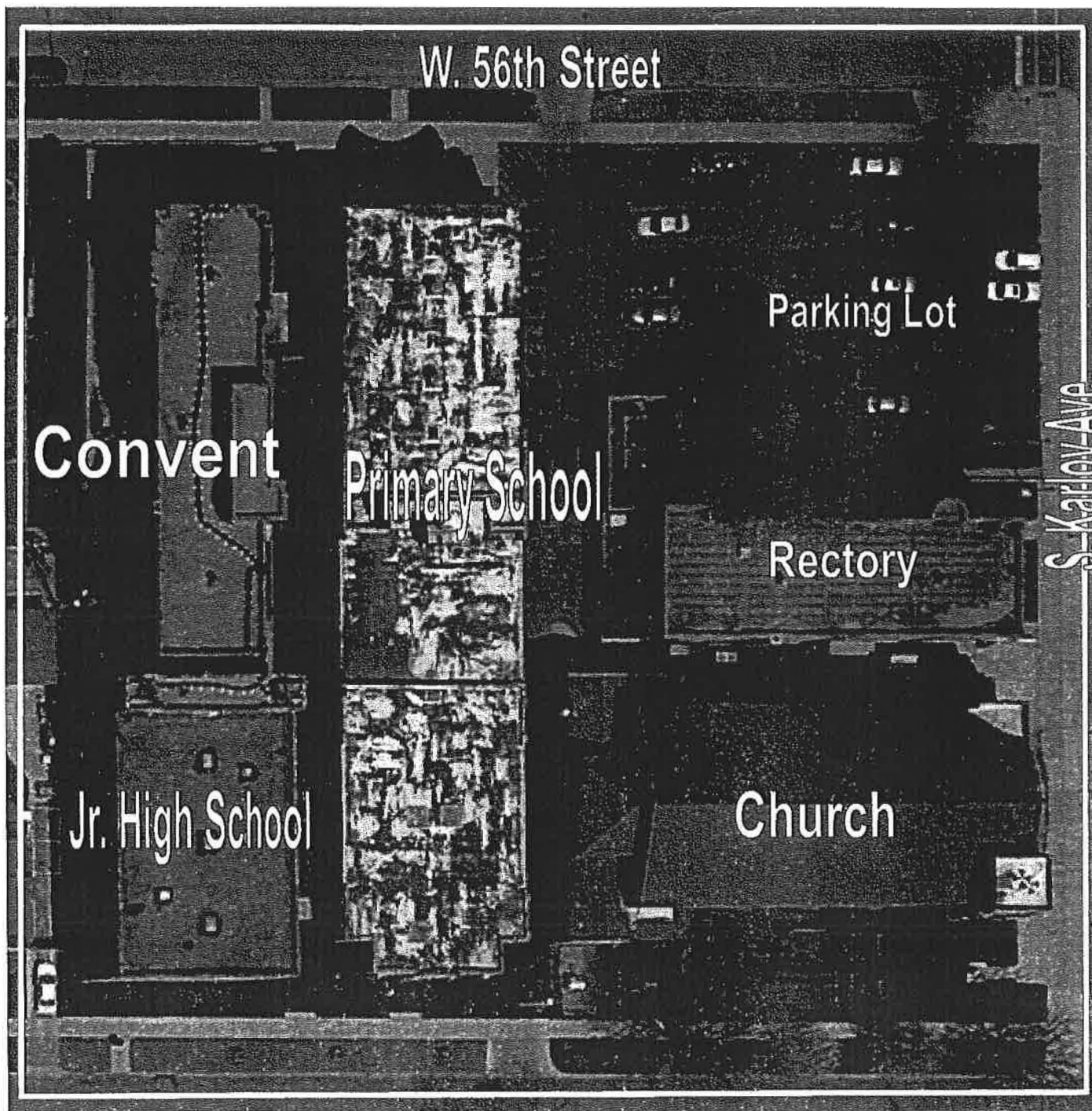
By:   
Joseph T. Moriarty, General Counsel

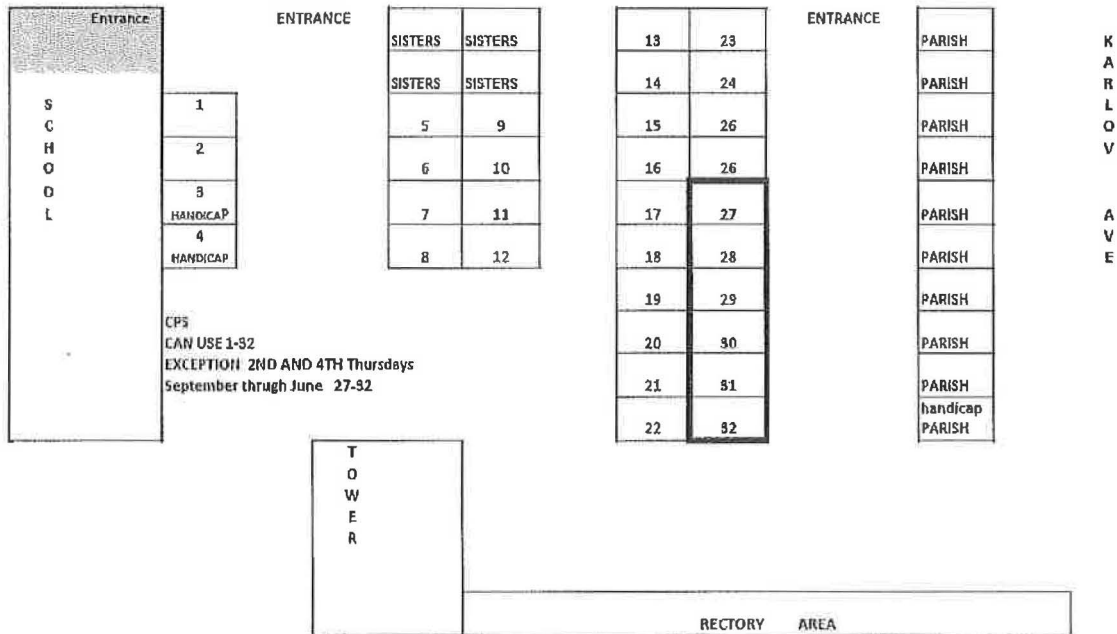
EXHIBIT 1 TO RIDER S



## EXHIBIT 2 TO RIDER S

PARKING LOT ST TURIBIUS

56TH Street



**EXHIBIT 3 TO RIDER S**  
**Additional Use Authorization Form**

*No revisions may be made to this Authorization Form other than to fill in the business terms requested below. Any changes to this Authorization Form will not be binding upon the Parties.*

PARISH NAME: \_\_\_\_\_

CPS SCHOOL NAME: \_\_\_\_\_

DATES OF ADDITIONAL USE: \_\_\_\_\_  
\_\_\_\_\_

CLASSROOM OR OTHER SPACE AUTHORIZED FOR ADDITIONAL USE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SPECIAL RULES OR ADDITIONAL FEE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

APPROVED BY:

**LANDLORD:**

**TENANT:**

**THE CATHOLIC BISHOP OF CHICAGO,**  
an Illinois corporation sole

**BOARD OF EDUCATION OF THE CITY  
OF CHICAGO,** a body politic and corporate

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: Pastor of Above-Referenced Parish

Title: Principal of Above-Referenced CPS  
School

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# EXHIBIT 4 TO RIDER S

## Initial Work

ST. TURIBIUS MAGNET SCHOOL

4120 W. 57th St.

NETWORK: B

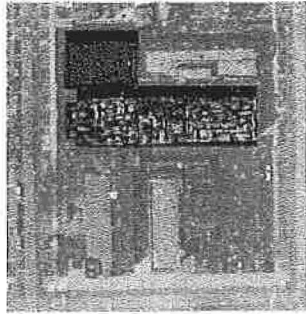
WARD: 13

DRAFT for Internal use only

Option 2: Entire Building - 2 Classrooms Per Grade

Southwest Side

Budget: \$6M

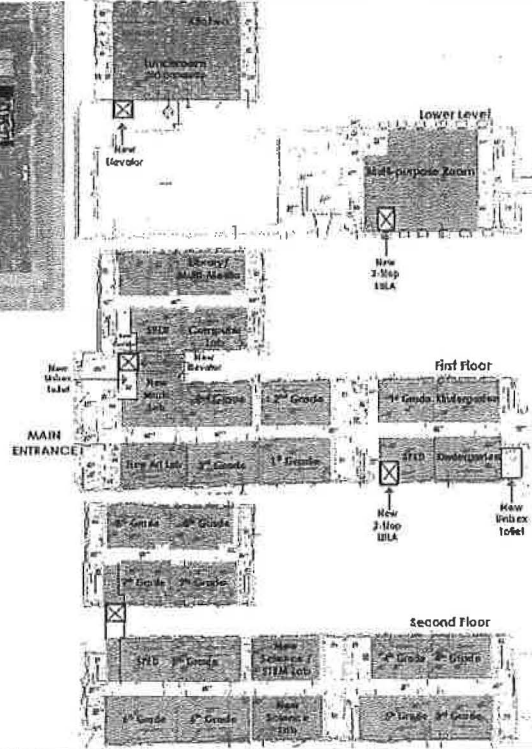


NORTH →

SPACE UTILIZATION	PROPOSED
School Information	Permanent
Number of Classrooms	20
Seat Capacity	670
Plenary Space	456 - 694
Enrollment	750
Elementary Index	190
Index	350

Proposed Grade Comb:  
2 Classrooms per grade (K-5)

Program  
21 Typical Classrooms  
1 Computer Lab  
1 Science Lab  
1 Art Room  
1 Music Room  
Library  
Lunchroom  
Multi-purpose Room



**Purpose:**

The purpose of this project is to convert St. Turibus School into a Kindergarten through 5th grade CPS Magnet School.

**Scope:**

The work includes providing program spaces including an art lab, science lab, science / STEM lab, computer lab and library, finish upgrades, accessibility improvements and envelope repairs. Envelope repairs are needed in order to ensure that the building is watertight. In addition targeted mechanical and electrical equipment will be upgraded and the protection and security systems will be provided to meet CPS standards.

Project Complete Estimate:	(Includes soft costs)
<b>Site</b>	\$ 200,000
Provide new magnetic sign	
Remove brick signage building project	
<b>Envelope</b>	\$3,420,000
Replace roof	
Complete masonry repairs and lead-painting	
<b>Interior Renovation</b>	\$ 1,000,000
Upgrade school classrooms to program spaces	
- Science, STEM, Computer, Art and Library	
Provide targeted finish upgrades to classrooms	
Install metal wood tile new ceiling checkbook	
<b>MEP</b>	\$1,700,000
Provide new electrical service to support the new elevator	
Provide wireless network	
Provide additional power and data	
Provide cooling to the new MEI room	
New fire alarm system	
New public address/sound system	
Provide maintenance (mechanical equipment) and controls	
Allowance: \$100,000	
<b>Accessibility</b>	\$1,840,000
Provide new elevator	
Provide new LRA	
Upgrade existing toilet rooms to meet accessibility requirements	
Convert existing spaces into additional rooms	
Provide accessible entrance and parking spaces	
<b>Furniture</b>	Included above
<b>FFR</b>	\$ 300,000
Furniture for classrooms, music, art, science, computer	
lunchroom, multi-purpose room and administrative offices	
<b>TOTAL</b>	<b>\$8,770,000</b>

**Note:**

- This budget is to be substituted with design development.
- This budget does not include costs associated with the lease or purchase of the facility or utility services.
- This budget does not include facility start-up costs.
- The scope includes new 750,000 sq ft of program area. The existing program area will meet CPS standards and be preserved to the maximum.
- The facility code is Multi-Purpose Facility. The facility code will have no modification.