

THIS AGREEMENT SHALL BE POSTED ON THE CPS INTERNET WEBSITE

**FIRST AMENDMENT TO THE LEASE AGREEMENT
Between 5410 S. State, LLC ("Lessee")
and the Board of Education of the City of Chicago ("Lessor")
(Premises Located at 5410 South State Street, Chicago, Illinois)**

This **FIRST AMENDMENT** ("First Amendment") to the **LEASE AGREEMENT** ("Lease") is made and entered into this 30 day of September, 2021, by and between **5410 S. STATE, LLC** an Illinois Limited Liability Company (the "Lessee") and the **BOARD OF EDUCATION OF THE CITY OF CHICAGO**, a body politic and corporate ("Lessor").

RECITALS

- A. Lessor and Lessee entered into the Lease on March 5, 2020, for the Premises located at 5410 South Street, Chicago, Illinois ("Premises"), as more particularly described on Exhibit A attached to the Lease and to this First Amendment.
- B. The term of the Lease is five (5) years, March 5, 2020 to March 4, 2025. By mutual agreement, Lessee and Lessor may extend the Term to March 4, 2030 ("Option to Extend").
- C. The Premises is approximately 60,000 square feet with 82 parking spaces. Lessee has negotiated a sublease with the University of Chicago ("U of C") for approximately 31,845 square feet of the Premises ("U of C Sublease"). The U of C Sublease is contingent on extending the Lease to March 2030.
- D. Lessee requests that the Lease be extended to March 4, 2030, so that it may secure and execute the Sublease.
- E. Lessor and Lessee hereby agree to amend the Lease to:
 - i. Exercise the Option to Extend the Lease to March 4, 2030; and
 - ii. Revise the Rent to be paid to Lessor for the Premises.

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

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1. **Defined Terms:** All of the defined terms used herein shall have the same meaning as in the Lease unless otherwise stated herein or the context clearly requires a different meaning or connotation.

2. **Term:** Section 1.1 of the Lease is deleted and replaced by the following:

"In consideration of the additional Rent to be paid and the terms, covenants, conditions, agreements, and obligations to be performed and observed by the Lessee as provided herein, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises described on Exhibit A, for a term commencing on **March 5, 2020**, and ending **March 4, 2030**, the ("Term"), unless sooner terminated as provided herein."

3. **Option to Extend:** Section 1.2 is hereby deleted and replaced as follows:

"Lessee and Lessor have mutually exercised the Option to Extend. The Lease will terminate on **March 4, 2030**."

4. **Rent:** Section 2.1 is hereby deleted and replaced by the following:

"The rent ("Rent") due and owing from Lessee to Lessor for the Term of this Lease shall consist of a Base Rent and a Percentage Rent. The term "**Rent**" shall also apply to any other sums to be paid by Lessee or on behalf of the Lessor (such as Taxes, as hereinafter defined). The Base Rent to be paid shall be as follows:

| Lease Year | Monthly Rent | Annual Rent |
|------------|--------------|-------------|
| 1 | \$4,167.76 | \$50,013.12 |
| 2 | \$4,271.95 | \$51,263.45 |
| 3 | \$4,378.75 | \$52,545.03 |
| 4 | \$4,488.22 | \$53,858.66 |
| 5 | \$4,600.43 | \$55,205.13 |
| 6 | \$4,715.44 | \$56,585.25 |
| 7 | \$4,833.32 | \$57,999.89 |
| 8 | \$4,954.15 | \$59,449.88 |
| 9 | \$5,078.00 | \$60,936.13 |
| 364 days | \$5,204.95 | \$62,459.53 |

Base Rent shall be payable monthly in advance on the first (1st) calendar day of each month and will be prorated for any month if Lessor is unable to deliver possession of the Premises to Lessee for the entire calendar month; any overpayment of Rent will be promptly refunded to Lessee. For the period March 1, 2030, to March 4, 2030, the Base Rent shall be prorated at \$167.90/day. If the first day of any month falls on a Saturday, Sunday or holiday, payment shall be due on the first (1st) business day following. Base 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 12.2.

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Percentage Rent: From October 1, 2021 to December 31, 2026, Lessee shall pay to Lessor the Base Rent plus 7% of the Gross Revenues received by Lessee from all sub-lessees, licensees, sub-licensees, or other users or occupants of the entire Premises (all "Occupants"), except for the 31,845 square feet of space currently subleased to the U of C. If the U of C subleases or expands the area that it subleases or occupies to more than 31,845 SF, then Lessee shall pay to Lessor, 7% of the Gross Revenues received from the U of C for any additional space.

From January 1, 2027 to March 4, 2030, Lessee shall pay to Lessor, the Base Rent plus 7% of the Gross Revenues received by Lessee for the 31,845 SF subleased to the U of C and 10% of all Gross Revenues received by Lessee from all other Occupants in the Premises including any **additional** space subleased or occupied by the U of C.

Gross Revenues is defined as the total revenues and payments received by Lessee from all Occupants to use or occupy space in the building and Premises.

Starting March 1, 2022 and on March 1 of each year thereafter, Lessee shall pay the additional rent with an accounting of the rents and fees received by Lessee from all Occupants in or on the Premises for the prior calendar year. Lessor shall have the right to examine and audit Lessee's records, payments, receipts and accounts relating to Gross Revenues and all Occupants in the Premises, including the U of C. Lessee agrees to maintain full, complete, and accurate books and records of the total revenues received and to make said records available to Lessor on ten (10) days prior written notice. Lessee's failure to comply with this Section shall be a default under the Lease.

5. **Counterparts, Digital Signatures and Facsimiles:** This First Amendment may be executed with digital signatures in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one instrument. A signature delivered by facsimile or electronic means shall be binding on both parties.

6. **Freedom of Information Act:** Lessee acknowledges that this First Amendment and all documents submitted to the Board related to this contract are a matter of public record and are subject to the Illinois Freedom of Information Act (5 ILCS 140/1) and any other comparable state and federal laws and that this First Amendment is subject to reporting requirements under 105 ILCS 5/10-20.40. Lessee further acknowledges that this First Amendment shall be posted on the Board's website at www.cps.edu.

7. **Lease:** Except as expressly provided in this First Amendment, all terms and conditions of the Lease are and shall remain in full force and effect during the Term of the Lease.

[SIGNATURES APPEAR ON THE NEXT PAGE]

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

LESSEE:

5410 S. State, LLC

By: 

Title: Manager

Date: 9/30/21

LESSOR:

Board of Education of the City of Chicago


By: DocuSigned by:

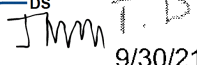
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Title: Lindy F. McGuire
Interim Chief Operating Officer

Approval for Form and Legality

General Counsel for Lessor

By: DocuSigned by:

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DS

9/30/21

COO Report No: 20-0228-C002(amended)