

LEASE

THIS LEASE, made and entered this ____ day of **June**, 2018 by and between the **NORTHWEST TRI-COUNTY INTERMEDIATE UNIT 5**, with business offices located at 252 Waterford Street, Edinboro, Pennsylvania 16412 (hereinafter the "Tenant") and **CRAWFORD CENTRAL SCHOOL DISTRICT**, with its principal office at 11280 Mercer Pike, Meadville, PA 16335-9504 (hereinafter the "Landlord")

WITNESSETH, that for and in consideration of the rent hereinafter reserved and to be paid by Tenant to Landlord, and the performance by both parties hereto of all duties and obligations hereinafter set forth, and intending to be legally bound hereby, the parties hereto agree as follows:

1. LEASEHOLD PREMISES. Landlord, warranting that it has title, interest, and authority to do so, does hereby rent, lease and demise unto Tenant, a non-exclusive right to use of the hereinafter described premises (hereinafter the "Leased Premises"), including, in common with Landlord, the right to the use of all parking areas, sidewalks, and other common facilities, and any and all easements or rights-of-way thereto appurtenant, to be used for classroom and/or office space for the Tenant and no other purpose. The Leased Premises specifically are described as the following rooms of the building formerly known as "East End Elementary School" (the "Building") located on that certain piece or parcel of land situate in the City of Meadville, County of Crawford and Commonwealth of Pennsylvania, commonly known as 640 Walnut Street, Meadville, PA 16335 and bearing Crawford County Map Number 3400-004-70204 (the "Property"): Room 210 (consisting of approximately 768 square feet) and Room 209 (consisting of approximately 768 square feet).

2. TERM. The term of this Lease shall commence on the 15th day of July 2018 (the "Commencement Date"), and shall continue until July 31, 2023, at which time this Lease shall terminate and Tenant shall peaceably surrender possession of the Leased Premises to the Landlord, together with the building and improvements thereon, in the same condition that they were received less reasonable wear and tear, which premises shall thereupon revert to and become the property of the Landlord free and clear of all claims of Tenant, its successors and assigns, subject to the provision of Paragraph 6 herein.

3. RENT. The Landlord reserves and Tenant agrees to pay to Landlord as rent for the leased premises the base sum of **Nine Thousand Four Hundred and 32/100 Dollars (\$ 9,400.32)** per year, payable in equal monthly installments of **Seven Hundred Eighty-Three and 36/100 Dollars (\$ 783.36)** in advance on or before the first day of each and every calendar month during the term of this Lease. An initial payment of **Four Hundred Twenty-Nine and 58/100 Dollars (\$429.58)** will be made by the Tenant to the Landlord on the date this Lease is signed by the Tenant to cover the rent from July 15, 2018 through and including July 31, 2018. The rental payments shall be paid by Tenant's check or draft payable to the order of Landlord and mailed by first class mail to such payee at the address hereinafter set forth in the paragraph captioned "Notices."

4. REPAIRS AND MAINTENANCE. At its own cost and expense, the Landlord agrees to make all necessary repairs during the term of the Lease, and any extension or renewal thereof to the roof, gutters and downspouts of said the building located upon or containing the leased premises, and all necessary structural repairs to the exterior walls, foundations, inside and

outside plumbing, and to make all repairs and replacements of heating and cooling equipment as required, and repairs and maintenance of common areas, and all sidewalks and parking areas, including snow removal from such parking areas.

5. ALTERATIONS, ADDITIONS, AND IMPROVEMENTS. Tenant shall not create any openings in the roof or exterior walls, nor make any alterations, additions, or improvements to the Leased Premises without the prior written consent of Lessor. Consent for nonstructural alterations, additions, or improvements shall not be unreasonably withheld by Landlord. Tenant shall have the right at all times to erect or install equipment, lighting, shelves, bins, and trade fixtures, provided that Tenant complies with all applicable laws, ordinances, and governmental regulations. Tenant shall have the right to remove at the termination of this lease such items so installed, provided Tenant is not in default; however, Tenant shall, prior to the termination of this lease, repair any damage caused by such removal. All alterations, additions, or improvements made by Tenant shall become the property of Landlord at the termination of this lease; however, the Tenant may remove, if Tenant so elects, all alterations, additions, and improvements on or before the last day of the lease term, and Tenant shall repair any damage caused by such removal.

6. TAXES AND UTILITIES. The Landlord shall pay all real estate taxes, all municipal assessments thereafter assessed, and all expenses, except as hereinafter set forth, necessary for the maintenance of the Leased Premises during the term of the lease and any and all renewals thereof. Landlord shall pay all utilities, including water and sewer rental charges commencing with the commencement date of the Lease term and all utility and telephone charges for the Leased Premises.

7. INSURANCE. During the term hereof, and all renewals or extensions hereof, Tenant, at its own cost and expense, shall provide and pay for public liability insurance, naming the Landlord and Tenant as insureds therein, as their interest may appear. The minimum limits of said policy shall be One Million Dollars (\$1,000,000.00) as to any one occurrence, One Million Dollars (\$1,000,000.00) as to injuries to any one person, and Two Million Dollars (\$2,000,000.00) in the aggregate.

8. FIRE AND CASUALTY DAMAGE. If the building or other improvements housing the Leased Premises should be damaged or destroyed by fire, flood, or other casualty, Tenant shall give immediate written notice thereof to Landlord.

a. If the building housing the Leased Premises is totally destroyed by fire, flood, or other casualty, or if it should be so damaged that rebuilding or repairs cannot reasonably be completed within forty-five (45) working days from the date of written notification by Tenant to Landlord of the occurrence of the damage, this Lease shall terminate and rent shall be abated for the unexpired portion of this Lease, effective as of the date of said written notification.

b. If the building or other improvements housing the leased premises are damaged by fire, flood, or other casualty, but not to such an extent that rebuilding or repairs cannot reasonably be completed within forty-five (45) working days from the date of written notification by Tenant to Landlord of the occurrence of the damage, this Lease shall not terminate but Landlord shall, if the casualty has occurred prior to the final three (3) months of the lease term, at Landlord's sole cost and risk proceed forthwith to rebuild or repair such building and other improvements to

substantially the condition in which they existed prior to such damage. If the casualty occurs during the final three (3) months of the lease term, Landlord shall not be required to rebuild or repair such damage. If the building and other improvements are to be rebuilt or repaired and are untenable in whole or in part following such damage, the rent payable hereunder during the period in which they are untenable shall be adjusted equitably. In the event that Landlord should fail to complete such rebuilding or repairs within forty-five (45) working days from the date of written notification by Tenant to Landlord of the occurrence of the damage, Tenant may, at Tenant's option, terminate this Lease by written notification at such time to Landlord, whereon all rights and obligations hereunder shall cease.

9. QUIET ENJOYMENT. The Landlord covenants that Tenant shall have a right of possession and enjoyment of the Leased Premises, during the term of the lease. Tenant warrants that it will comply with all applicable rules and regulations with respect to use of said Leased Premises, and no unlawful activities will be conducted thereon in conjunction with its use of the Leased Premises.

10. INDEMNIFICATION.

a. Tenant will defend and, except to the extent caused by the negligence of Landlord, its agents, servants, and employees, will indemnify Landlord and hold it harmless from and against any and all claims, actions, damages, liability, and expense (including, but not limited to, attorney's fees and disbursements) in connection with the loss of life, personal injury, or damage to property or business arising from, related to, or in connection with the occupancy or use by Tenant of the Leased Premises or any part of Landlord's property or occasioned wholly or in part by act or omission of Tenant, its agents, servants, or employees. Tenant shall pay all costs, expenses and reasonable attorney's fees that may be expended or incurred by Landlord in successfully enforcing the covenants and agreements of this Lease.

b. Landlord will defend and, except to the extent caused by the negligence of Tenant, its agents, servants, and employees, will indemnify Tenant and hold it harmless from and against any and all claims, actions, damages, liability, and expense (including, but not limited to, attorney's fees and disbursements) in connection with the loss of life, personal injury, or damage to property or business arising from, related to, or in connection with the occupancy or use by Tenant of the Leased Premises or any part of Landlord's property or occasioned wholly or in part by act or omission of Landlord, its agents, servants, or employees. Landlord shall pay all costs, expenses and reasonable attorney's fees that may be expended or incurred by Tenant in successfully enforcing the covenants and agreements of this Lease.

11. WAIVER OF SUBROGATION. Landlord and Tenant hereby release each other from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for any loss or damage to property caused by fire or any of the extended coverage or supplementary contract casualties, even if such fire or other casualty shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible, provided, however, that this release shall be applicable and in force and effect only with respect to loss or damage occurring during such time as the releasor's policies of insurance shall contain a clause or endorsement to the effect that such release shall not adversely affect or impair such policies or prejudice the right of the releasor to recover thereunder. Landlord and

Tenant each agrees that it will request its insurance carriers to include in its policies such a clause or endorsement. If extra cost shall be charged therefor, each party shall advise the other thereof and of the amount of the extra cost, and the other party, at its election, may pay the same, but shall not be obligated to do so.

12. SIGNS. Tenant, at Tenant's own cost and expense, shall be permitted to erect signs advertising on in the leased premises, said sign to be of a size and kind acceptable to the Landlord. Tenant shall remove such signs upon the expiration of the Lease term.

13. BINDING EFFECT. This Lease shall extend to and be binding upon the parties hereto, their heirs, successors and assigns.

14. NOTICES. Any notice from one party to the other hereunder shall be in writing and shall be deemed to have been fully given if delivered personally or mailed enclosed in a certified post paid envelope addressed to the respective addresses stated below:

To the Landlord at:
Crawford Central School District
c/o Business Manager
11280 Mercer Pike
Meadville, PA 16335-9504

To the Tenant at:
Northwest Tri County Intermediate Unit 5
Dr. Dean Maynard
252 Waterford Street
Edinboro, PA 16412

15. ADDENDUM. The terms of this Lease have been modified by an addendum, which is attached hereto and made a part hereof as Exhibit A.

16. ENTIRE CONTRACT. This Lease Agreement constitutes the entire contract between the parties hereto and there are no other understandings, promises, representations or warranties, oral or written, relating to the subject matter of this Lease Agreement, which shall be deemed to exist or to bind any of the parties hereto, their respective heirs, executors, administrators, successors or assigns, except as set forth herein. No amendment, change or addition to this Lease Agreement shall be binding upon Landlord or Tenant unless reduced to writing and signed by both parties.

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IN WITNESS WHEREOF, the parties hereto have executed this Lease on the day and year first above written, pursuant to duly authorized Resolutions of the Boards of Directors.

ATTEST:

CRAWFORD CENTRAL SCHOOL DISTRICT

Board Secretary

By: _____
Board President

ATTEST:

**NORTHWEST TRI COUNTY
INTERMEDIATE UNIT 5**

Board Secretary

By: _____
Board President

1930252.v2

EXHIBIT A

ADDENDUM

Attached to and made a part of that certain Lease

Dated: June ___, 2018

By and between:

NORTHWEST TRI-COUNTY INTERMEDIATE UNIT 5

And

CRAWFORD CENTRAL SCHOOL DISTRICT

In addition to provisions previously set forth in the attached Lease, and intending to be legally bound hereby, it is agreed as follows:

1. **Conflict of Terms:** In the event of a conflict or inconsistency between the printed terms of the Lease and this addendum, the printed terms of this addendum shall control and be deemed to supersede the printed terms of the Lease.
2. **Tenant's Percentage Interest.** The classroom space for the two (2) classrooms/offices consists of a total rentable square footage of 1,536 sq. ft. The total rentable square footage for all of the classrooms/offices in the Building is 17,837 sq. ft. Therefore, the Leased Premises comprises 8.6% of the total rentable square footage classroom/office space in the Building (the "Tenant's Percentage Interest").
3. **Common Facilities.** The locations and/or times that the Tenant may use the common facilities of the Tenant's right to use certain common facilities, including but not limited to the hallway(s), bathroom(s), gym(s) and playground(s), shall be agreed upon by the Landlord and Tenant in writing prior to the Commencement Date.
4. **Utilities; Services.**
 - (a) Tenant will pay its pro-rata share of the bills for electricity, natural gas, sewer, water and janitorial/custodial services for the Building of which the Leased Premises is a part during the Term. The Tenant's pro-rata share of such charges shall be based on the Tenant's Percentage Interest. Each month, the Landlord shall submit a statement along with copies of the invoices to Tenant identifying the total amount the Landlord paid for electricity, natural gas, sewer, water and janitorial/custodial services for the immediately preceding month, which amounts shall be deemed to be additional rent. Within fifteen (15) days of the receipt of said statement, Tenant shall pay its pro-rata share of said bills.
 - (b) The Tenant shall be responsible for its own separate waste removal, telephone, internet and any other services or utilities used, rendered or supplied to the Tenant in connection with the Leased Premises, and the Tenant shall contract for the same in its own name.
 - (c) The Tenant shall not use any equipment or devices that will utilize excessive electrical energy or which may, in the Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.
 - (d) In the event that the Landlord shall incur charges above and beyond normal or customary usage for any of the services described in this Paragraph 4, or if the Tenant is the only user or one of the only users of such services, and the Landlord shall determine, in its reasonable discretion, that the usage of any such services by the Tenant shall be the result of said charges, then the Landlord may separately invoice the Tenant for such usage

(beyond the equivalent of the Tenant's Percentage Interest), which invoice shall be deemed to be additional rent and shall be payable within fifteen (15) days of any such invoice.

5. **Taxes.** The Building is currently not subject to real estate taxes. Should it be determined that portions of the Building are subject to tax as a result of this Lease, then the Tenant shall be responsible for the payment of all such taxes, together with any interest, penalties, or other sums thereby imposed, attributable to the Leased Premises or to any improvements to the Leased Premises made by the Tenant, and the Tenant shall indemnify and hold the Landlord harmless with respect to the same. Therefore, for illustrative purposes, it is understood if said taxes are imposed upon the entire Property, then the Tenant shall be responsible for the Tenant's Percentage Interest of said taxes. However, if said taxes are imposed only upon the Leased Premises, then the Tenant shall be responsible for all of said taxes. If only a portion of the Property is subject to tax, including the Leased Premises, then the Tenant shall be responsible for its pro-rata share of such taxes based on the square footage of the Leased Premises relative to the square footage of other tenants in the Building that are also subject to tax.

6. **Condition of Leased Premises.** The Tenant has inspected the Leased Premises, including the improvements thereto, and the Tenant has determined that the Leased Premises is suitable for its intended purpose and the Tenant agrees to lease the Leased Premises, including any improvements thereto, "AS-IS", "WHERE-IS" and "WITH ALL FAULTS" as a result of such inspection and not because of any representation, oral or written by the Landlord. THE LEASED PREMISES IS BEING LEASED WITHOUT ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, QUALITY, CONDITION, DURABILITY AND ANY AND ALL SUCH WARRANTIES ARE DISCLAIMED IN ALL RESPECTS. The taking of possession of the Leased Premises by Tenant shall be conclusive evidence that Tenant accepts the same "AS-IS", "WHERE-IS" and "WITH ALL FAULTS" and that the Leased Premises was in good and satisfactory condition at the time such possession was taken.

7. **Maintenance and Repair.**

(a) Unless provided otherwise herein, the Tenant shall faithfully maintain and keep in good order, condition and repair all portions of the Leased Premises and appurtenances thereto not addressed by the Landlord as provided herein, which the Tenant's responsibilities shall include, but not be limited to, the entrances, doors, fixtures, lighting, and improvements (to the extent installed by Tenant) of the Leased Premises. The Tenant shall also faithfully maintain and keep clean and free from any and all accumulations of trash, debris and/or rubbish all interior and exterior portions of the Leased Premises and the appurtenances thereto. Moreover, the Tenant shall, at the expiration of the Term hereof, surrender the Leased Premises, together with any alternations, improvements and any other property belonging to Landlord thereon in as good condition and repair and as clean as at the commencement of said Term, except for reasonable wear and tear and acts of God.

(b) The parties further agree that should the Tenant fail to maintain and repair those items that it is responsible for, the Landlord may, but shall be under no obligation to, undertake such maintenance and repair and add the cost of said maintenance and repair to future Rent. The Landlord shall provide the Tenant with copies of any invoices or costs associated with such maintenance and repair at the time such maintenance and repair is performed.

(c) The Tenant must pay for all repairs, replacements and damages caused by the act or neglect of the Tenant or the Tenant's directors, officers, agents, students, employees, invitees or licensees.

8. **Insurance.**

(a) All insurance policies the Tenant is required to maintain pursuant to the terms of the Lease shall (i) name Landlord as an additional insured; (ii) be issued by one or more A. M. Best A: VII or better rated insurance company(ies) licensed to do business in the Commonwealth of Pennsylvania and subject to Landlord's reasonable approval; and (iii) be written as primary policy coverage and non-contributing with respect to any coverage which Landlord may carry.

(b) The cancellation of the insurance required to be maintained by Tenant pursuant to the terms of the Lease shall be construed as a breach of the covenants and warranties hereunder and Landlord shall have the right to terminate this Agreement without losing or waiving any of its rights hereunder.

(c) Upon securing the insurance coverages required Tenant pursuant to the Lease, Tenant shall give written notice thereof to Landlord together with a certified copy of the applicable insurance binders. Proof shall also be given by Tenant to Landlord that each of the policies required pursuant to this Lease expressly provides that said policies shall not be cancelled or altered without thirty (30) days prior written notice to Landlord, except for in the case of non-payment of premium, in which event the notice requirement shall be ten (10) days.

9. **Waiver of Liability.** Unless due to the act or negligence of the Landlord, its employees or agents, the Landlord and the Landlord's agents and employees shall not be liable in damages by abatement of Rent or otherwise, for any damage either to the person or property of the Tenant nor for the loss of or damage to any property of the Tenant by theft or from any other cause whatsoever. The Tenant waives all claims for damage to person or property sustained by the Tenant or by any person claiming through the Tenant resulting from any accident or occurrence in, upon or about the Leased Premises, unless due to the act or negligence of Landlord, its employees or agents. Said waiver shall include, without limitation, claims for injury or damage resulting from: (a) any equipment or appurtenances becoming out of repair; (b) injury done or occasioned by wind; (c) any defect in or failure of plumbing, heating, or air conditioning equipment, electric wiring, gas, water and stem pipes, stairs, rails or walks; (d) broken glass; (e) the backing up of any sewer or downspout; (f) the bursting, leaking or running of any washstand, tub, water closet, drain pipe, waste piping, or any other pipe or tank in, on, or upon the Leased Premises; (g) the escape of steam or hot water; (h) water, snow or ice being on or coming through the roof, skylight, trap door, stairs, walks or any other place in, on, about or near the Leased Premises; (i) the falling of any plaster, fixture or stucco; (j) any act, omission or negligence of trespassers, co-tenants, or of other persons or occupants of the Building or of adjoining or contiguous buildings or of owners of adjacent or contiguous property; (k) loss or interruption of business; (l) operations in construction of any private, public or quasi-public work; nor shall the Landlord be liable for any latent defects in the Leased Premises of which they form a part.

10. **Termination.**

(a) Upon the termination of the Tenant's rights hereunder, the Tenant will surrender possession of the Leased Premises to the Landlord together with the Building and improvements thereon, in good condition and repair, which premises, Building and improvements shall thereupon revert to and become the property of the Landlord to have and to hold in fee simple, free of all claims of the Tenant, its successors or assigns.

(b) All machinery, equipment, trade fixtures and other property forming a part of the contents of the Leased Premises introduced into it by the Tenant in furtherance of its business shall remain and be the property of the Tenant and shall be subject to its removal; provided, however, that the Tenant shall be obligated to restore the Leased Premises to its original condition. This provision shall not include alterations, additions, improvements and fixtures constructed upon the Leased Premises.

(c) In any case in which this Lease shall have been terminated by Landlord or abandoned by Tenant, Landlord may, without further notice, enter upon and repossess the Leased Premises, by summary proceedings, ejectment or otherwise, and may dispossess the Tenant and remove the Tenant and all other persons and property from the Leased Premises and may have, hold and enjoy the Leased Premises and the rents and profits therefrom. The Landlord shall not be liable for trespass, conversion or any damages for the removal of any property from the Leased Premises and the Tenant hereby agrees to indemnify and hold Landlord harmless with respect to the same. The Tenant shall be responsible for costs incurred by the Landlord with respect to the removal of said property

11. **Subordination.** The Landlord reserves the right to subject and subordinate this Lease at all times to the lien of any first mortgage or mortgages now or hereafter placed upon the Landlord's interest in the Leased Premises and of the land of which the Leased Premises are a part. The Tenant covenants and agrees to execute and deliver upon demand such further instrument or instruments subordinating this Lease to the lien of any such first mortgage or mortgages as shall be desired by the Landlord and any such mortgagee; provided, however, that it is a

condition of such subordination that this Lease shall not be terminated, and the Tenant's rights hereunder shall not otherwise be disturbed by reason of default or foreclosure sale under any such mortgage.

12. **Condition Precedent.** The parties hereto understand and agree that this Lease may be subject to the approval of the Pennsylvania Department of Education (the "PDE"). In advance of the execution of this Lease by the parties, the Landlord has made application to the PDE to seek such approval.

13. **Governing Law.** The terms and conditions of this Lease shall be construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to its conflict of laws provisions, and any action arising hereunder shall be brought in Crawford County, Pennsylvania. The Landlord and the Tenant hereby consent and agree to personal jurisdiction in Crawford County, Pennsylvania.

14. **No Joint Venture.** Nothing contained in this Lease shall constitute or be construed to create a partnership or joint venture between the parties hereto.

[Remainder of this Page is Left Intentionally Blank; Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Addendum on the day and year first above written, pursuant to duly authorized Resolutions of the Boards of Directors.

ATTEST:

CRAWFORD CENTRAL SCHOOL DISTRICT

Board Secretary

By: _____
Board President

ATTEST:

NORTHWEST TRI COUNTY INTERMEDIATE UNIT 5

Board Secretary

By: _____
Board President

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