

Certificate of Occupancy

City of Albuquerque
Planning Department
Building Safety Division

This Certificate, issued pursuant to the requirements of Section 308 of the Albuquerque Uniform Administrative Code, certifies that at the time of issuance this structure was in compliance with the above code and other technical codes and city ordinances regulating building construction or use.

Building Address 1718 Yale Blvd. SE Zip

Portion of Building School (Interior & Exterior Remodel & Change of Occupancy)

Use Classification Commercial Project Bldg. Permit No. 0608923

Occupancy Group E Type of Construction IIB Sprkld Land Use Zone SU-1

Owner of Building Larry Rieder Address 1810 Mango Way Los Angeles, CA 90049

By: Bob William Date June 20, 2007

Chief Building Official

POST IN A CONSPICUOUS PLACE

Certificate of Occupancy

City of Albuquerque
Planning Department
Building Safety Division

This Certificate, issued pursuant to the requirements of Section 115.3 of the Albuquerque Uniform Administrative Code, certifies that at the time of issuance this structure was in compliance with the above code and other technical codes and city ordinances regulating building construction or use.

Building Address 2401 Ross Ave SE Zip 87106

Portion of Building Alteration Level 3

Use Classification Commercial Project Bldg. Permit No 201592763

Occupancy Group E Type of Construction II-B Non-Sprinkler Land Use Zone N/A

Owner of Building Guardian Airport Parking LLC Address: 2505 Anthem Village Dr Ste E-390 Henderson NV 89052

By: Victoria Tena



Date: May 4, 2017

V Land Clark
Chief Building Official

IBC Code Year 2009

POST IN A CONSPICUOUS PLACE

MAXIMUM OCCUPANT LOAD: 987

Certificate of Occupancy

City of Albuquerque
Planning Department
Building Safety Division

This Certificate, issued pursuant to the requirements of Section 115.3 of the Albuquerque Uniform Administrative Code, certifies that at the time of issuance this structure was in compliance with the above code and other technical codes and city ordinances regulating building construction or use.

Building Address 2310 Ross Ave SE

Zip 87106

Portion of Building Alteration Level 2

Use Classification Commercial Project

Bldg. Permit No. 201691649

Occupancy Group E Type of Construction

II-B

Land Use Zone N/A

Owner of Building Guardian Airport Parking LLC

Address: 2505 Anaheim Village Dr Ste R-390 Henderson NV
89052

By: Victoria Tena



V Land Clark
Chief Building Official

Date: May 4, 2017

IBC Code Year: 2009

POST IN A CONSPICUOUS PLACE

MAXIMUM OCCUPANT LOAD: 200

STATE OF New Mexico
REGULATION AND LICENSING DEPARTMENT
CONSTRUCTION INDUSTRIES DIVISION
GENERAL CONSTRUCTION BUREAU

23871

THIS BUILDING HAS BEEN OCCUPIED BEFORE A FINAL INSPECTION HAS BEEN CONDUCTED.

PERMANENT

EXPIRY,

9/16/2018
EXPIRATION DATE

~ CERTIFICATE OF OCCUPANCY ~

THE FOLLOWING BUILDING OR PORTION THEREOF HAS BEEN INSPECTED FOR COMPLIANCE WITH THE REQUIREMENTS OF
OCCUPANCY GROUP E K & 1st AS SPECIFIED BY THE NEW MEXICO BUILDING CODE.

1255 Old Coors Rd, Alge, NM 87121

BUILDING ADDRESS

King Bennett 301 West 5th St Pueblo, Co 81003

NAME AND ADDRESS OF OWNER

See below

NAME(S) OF LICENSED NEW MEXICO CONTRACTOR(S)

IF NO LICENSED CONTRACTOR, NAME(S) OF OWNER-BUILDER(S)

See below

BUILDING PERMIT NUMBER

4 Partake, Classroom

PORTION OF BUILDING

INSPECTOR'S NAME

[Signature]

DATE

8/16/2018

COMMENTS "A" 2018025154; "B" 2018025157; "C" 2018025158; "D" 2018025154

**State of New Mexico
Public School Facilities Authority**

Jonathan Chamblin, Director



Martica Casias, Deputy Director

**1312 Basehart Road, SE, Suite 200
Albuquerque, NM 87106
(505) 843-6272 (Phone); (505) 843-9681 (Fax)
Website: www.nmpsfa.org**

September 30, 2021

JoAnn Mitchell, CEO
1718 Yale Boulevard SE
Albuquerque, NM 87106

**RE: wNMCI for Mission Achievement and Success Charter School
VIA E-MAIL**

Ms. Mitchell,

The Public School Facilities Authority is in receipt of your request for the weighted New Mexico Condition Index (wNMCI) score for Mission Achievement and Success Charter School. The wNMCI represents the facility condition related to systems and adequate space for students. (Lower is better, with zero being perfect.) The current wNMCI score for the facility located on Yale is 25.46%. The current wNMCI score for the facility located on Old Coors is 15.69%.

Please feel free to contact me if you have any questions or concerns regarding this correspondence.

Respectfully,

Alyce Ramos, Research Analyst
Public School Facilities Authority

Cc; Martica Casias, Deputy Director

FOURTH AMENDMENT TO LEASE AGREEMENT

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is made and entered into as of April 1, 2021, by and between **CSP-SAGE ROAD, LLC** a Nevada limited liability company ("Landlord"), and **MISSION ACHIEVEMENT AND SUCCESS CHARTER SCHOOL**, a New Mexico public charter school ("Tenant").

RECITALS

A. Tenant is the tenant under that certain Building and Improvements Lease, dated June 6, 2018, by and between Landlord and Tenant (the "Lease") that was subsequently amended by that certain First Amendment to Building and Improvement Lease dated December 10, 2018 ("First Amendment"), a Second Amendment to Building and Improvement Lease dated April 15, 2019 ("Second Amendment") and a Third Amendment to Lease Agreement executed July 29, 2020. The Lease concerns certain premises commonly known as 1255 Old Coors Road SW, Albuquerque, New Mexico. Initially capitalized terms used and not defined herein shall have the meaning given to them in the Lease.

B. Landlord and Tenant desire to amend the Lease to modify the rent to account for certain Additional Tenant Improvements made by Landlord to the Premises and completed as of September 4, 2020. The Additional Tenant Improvements made by Landlord include constructing the foundations for, installing utilities to and low voltage to the Premises for Tenant to install three (3) portable double-classrooms as shown on Exhibit B-4 attached hereto.

AGREEMENT

NOW THEREFORE, in consideration of the RECITALS hereinabove (which are incorporated herein by reference), covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Amended Terms. The terms of the Lease are amended as shown by strike-through (omitted), or italics for new language in the manner set forth herein.
2. Paragraph 2 of the Basic Lease Provisions is modified as follows:

~~Approximately 10,976 square feet of usable building space commonly known as 1255 Old Coors Road SW Albuquerque, New Mexico 87121 contained on a ground lease parcel of approximately 2 acres and the Improvements located thereon.~~ An office building of approximately 5,600 square feet, foundations, utilities and low voltage for ~~eleven (11)~~ fourteen (14) portable buildings ("Infrastructure"), a gymnasium/cafeteria complex of approximately 16,640 square feet and related Improvements thereon, contained on approximately 16.566 acres of land commonly referred to as 1255 Old Coors Road SW, Albuquerque, New Mexico 87121.

3. A paragraph 2.1 of the Basic Lease Provision (as described in the Third Amendment to Lease Agreement) is modified as follows:

Tenant Improvements. A gymnasium/cafeteria complex totaling approximately 16,640 square feet; and the foundations, utilities and low voltage for installation of three (3) leased portable double-classrooms, more particularly described in Exhibit B-3 which is incorporated herein. Tenants Improvements shall be completed and ready for Tenant's occupancy by no later than August 10, 2020.

Additional Tenant Improvements were completed, and occupancy granted as of September 4, 2020. These Additional Tenant Improvements include foundations for, utilities to and low

voltage for installation of three (3) portable double-classrooms by Tenant, more particularly shown on Exhibit B-4 as Buildings L, M and N, which exhibit is incorporated herein.

4. Paragraph 4 of the Basic Lease Provisions is modified as follows:

Beginning the first day after the Final or Temporary Certificate of Occupancy is issued for students to occupy the Premises and for the School to be operational in the Tenant Improvements, the total Minimum Annual Rent for the Premises shall be increased to a rental rate of \$499,476.00. Such amount shall increase three percent (3%) per annum, effective twelve months following the occupancy date and on a like day of every year of the Term of the Lease.

In addition to the Minimum Annual Rent stated in this Paragraph 4, for the period of April 1, 2021 through September 1, 2021 Tenant shall pay \$9,780.00 per month (First Additional Rent Period). Beginning October 1, 2021 and through September 1, 2025, Tenant shall pay additional rent in the amount of \$4,514.00 per month (Second Additional Rent Period. The Additional Rent shall increase by three percent (3%) per annum, effective twelve (12) months following the first day of the First Additional Rent Period and on a like day of every year of the Additional Rent Period. The all Additional Rent contemplated in this Paragraph 4 shall expire automatically on September 1, 2025 without notice to Landlord.

5. A new Exhibit B-4 depicting the Additional Tenant Improvements described in paragraph 5 is attached hereto and incorporated herein by reference.

6. Full Force and Effect; Conflict with Lease; Integration. Except as amended hereby and the First Amendment, Second Amendment, and Third Amendment the Lease remains in full force and effect in accordance with its terms. In the event of any conflict between the provisions of the Lease, the First Amendment, Second Amendment, Third Amendment and the provisions of this Fourth Amendment shall control. The Lease, as amended by this Fourth Amendment: (a) integrates all the terms and conditions mentioned in or incidental to the Lease; (b) supersedes all oral negotiations and prior and other writings with respect to its subject matter; and (c) is intended by the parties as the final expression of the agreement with respect to the terms and conditions set forth therein and as the complete and exclusive statement of the terms agreed to by the parties.

7. Miscellaneous. This Fourth Amendment shall be governed by New Mexico law. This Fourth Amendment may be executed in counterparts, and all counterparts shall constitute but one and the same document. The parties agree that facsimile or electronic signatures shall constitute binding and effective signatures of the parties.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Fourth Amendment as of the date first above written.

LANDLORD
CSP – SAGE ROAD, LLC,
a Nevada limited liability company

By: _____
Larry Rieder, Managing Member

TENANT
MISSION ACHIEVEMENT AND
SUCCESS CHARTER SCHOOL
a New Mexico Public Charter School

By: 
JoAnn Mitchell, Executive Director

BUILDING AND IMPROVEMENT LEASE
(Absolute Net – Bond Type)

This Building and Improvement Lease (the “**Lease**”), dated as of the date set forth in Section 1 of the Basic Lease Provisions below (the “**Basic Lease Provisions**”), is made by and between CSP – SAGE ROAD, LLC, a Nevada limited liability company (“**Landlord**”), and MISSION ACHIEVEMENT AND SUCCESS, A NEW MEXICO PUBLIC CHARTER SCHOOL (“**Tenant**”). Except as otherwise set forth herein, capitalized terms used herein shall have the meaning set forth in the Basic Lease Provisions and, if not defined therein, then in Exhibit A attached hereto.

BASIC LEASE PROVISIONS

1. Effective Date June 6, 2018
2. Premises (Article 1) Approximately 10,976 square feet of useable building space commonly known as 1255 Old Coors Road SW Albuquerque, New Mexico 87121 contained on a ground leased parcel of approximately 2 acres and the Improvements located thereon.
3. Term of the Lease (Article 2)
 - 3.1 Length of Term Twenty Five (25) Years.
 - 3.2 Lease Commencement Date..... August 15, 2018
 - 3.3 Lease Expiration Date..... The last day of the three hundredth (300th) month to occur after the Lease Commencement Date (as such date may be extended pursuant to the terms of this Lease).
 - 3.4 Options to Extend the Term of the Lease Two (2) automatic options to extend the Term of the Lease, each for a period of five (5) years, subject to the terms and conditions set forth in Section 2.2 herein.
4. Minimum Annual Rent (Article 3) The Minimum Annual Rent shall be as follows:

Months 1-12: The Minimum Annual Rent shall be \$329,280, which amount shall increase three percent (3%) per annum, effective the first day of the thirteenth (13th) month of the Term of the Lease and on a like day of every year of the Term of the Lease (as it may be extended as provided herein) thereafter.
5. Permitted Use (Article 5)..... Public charter school and other uses directly related to a public charter school’s educational purpose and operations.
6. Security Deposit (Article 21)..... \$27,440.00
7. Notice Address of Tenant (Section On and after the Lease Commencement Date,

- 26.18) notices shall be sent to Tenant at the Premises.
8. Notice Address of Landlord (Section 26.18) 2505 Anthem Village Drive, Suite E-390
Henderson, NV 89052
9. Brokers (Section 26.24)
- For Landlord..... None
- For Tenant None
10. Guarantor(s) (Section 26.32) None
11. Intentionally Deleted.....

[CONTINUED ON FOLLOWING PAGE]

EXHIBITS ATTACHED AND INCORPORATED HEREIN

Exhibit A	Definitions Applicable to the Lease
Exhibit B	Legal Description of the Land Portion of the Premises
Exhibit B-1	Depiction/Site Plan of the Premises
Exhibit C	Form of Memorandum of Lease
Exhibit D	Form of Tenant's Estoppel Certificate
Exhibit E	Tenant's Insurance Specifications and Limits
Exhibit F	State Specific Provisions
Exhibit 101	Integration, Incorporation of Ground Lease and Assumption of Landlord's Obligations as Lessee under the Ground Lease
Exhibit 102	Landlord's Surviving Interests in Ground Leased Facilities

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the Effective Date, consisting of the foregoing Basic Lease Provisions, the paragraphs which follow, and all exhibits attached hereto.

"TENANT":

**MISSION ACHIEVEMENT AND SUCCESS, A
NEW MEXICO PUBLIC CHARTER SCHOOL**

By: 

Name: John Mitchell

Title: Principal

"LANDLORD":

**CSP - SAGE ROAD, LLC,
a Nevada limited liability company**

By: 

Name: LAURENCE RIEDER

Title: MANAGER

[PROVISION BELOW IS TO BE COMPLETED AFTER LEASE COMMENCEMENT]

Tenant hereby confirms that the Term of the Lease commenced on

June 6

2018.


Tenant Initials

Date

06/06/2018

ARTICLE 1

PREMISES, BUILDING

1.1 Leasing. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises subject to the Ground Lease and other Permitted Encumbrances. The outline of the Premises is generally depicted on the Site Plan attached hereto as Exhibit B-1. The parties hereto agree that the lease of the Premises is upon and subject to the terms, covenants and conditions herein set forth, and Tenant covenants as a material part of the consideration for this Lease to keep and perform each and all of such terms, covenants and conditions by it to be kept and performed and that this Lease is made upon the condition of such performance. The parties hereto hereby acknowledge that the purpose of Exhibit B-1 is to show the approximate location of the Premises only, and such Exhibit is not meant to constitute an agreement, representation or warranty as to the construction of the Premises, the precise area thereof, the specific location of the Building or any other improvements or of the accessways to the Premises. For purposes of this Lease, the square footage set forth in the Basic Lease Provisions or elsewhere in the Lease shall be deemed accurate and neither the Premises, Building, Improvements, nor Land shall be subject to remeasurement.

1.1.1 Title. Tenant acknowledges and agrees that Tenant has examined the title to the Premises prior to the execution and delivery of this Lease and has found the condition of title to be satisfactory for the purposes contemplated by this Lease. Without limiting the generality of the foregoing, the Premises are demised and let subject to the terms of this Lease as well as all of the following:

1.1.1.1 The Ground Lease and other Permitted Encumbrances.

1.1.1.2 The Legal Requirements.

1.1.1.3 The Insurance Requirements.

1.1.1.4 The condition of the Premises as of the commencement of the Term, without representation or warranty by Landlord.

1.1.2 Condition. LANDLORD HAS NOT MADE AND WILL NOT MAKE ANY INSPECTION OF ANY OF THE PREMISES, AND LANDLORD LEASES AND WILL LEASE AND TENANT TAKES AND WILL TAKE THE PREMISES "AS IS", AND TENANT ACKNOWLEDGES THAT LANDLORD (WHETHER ACTING AS LANDLORD HEREUNDER OR IN ANY OTHER CAPACITY) HAS NOT MADE AND WILL NOT MAKE, NOR SHALL LANDLORD BE DEEMED TO HAVE MADE, ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, WITH RESPECT TO ANY OF THE PREMISES, INCLUDING ANY WARRANTY OR REPRESENTATION AS TO ITS FITNESS FOR USE OR PURPOSE (INCLUDING, WITHOUT LIMITATION, TENANT'S INTENDED USE), COMPLIANCE WITH "LEGAL REQUIREMENTS", DESIGN OR CONDITION FOR ANY PARTICULAR USE OR PURPOSE, AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP THEREIN, LATENT OR PATENT, AS TO LANDLORD'S TITLE THERETO, OR AS TO VALUE, COMPLIANCE WITH SPECIFICATIONS, LOCATION, USE, CONDITION, MERCHANTABILITY, QUALITY, DESCRIPTION, DURABILITY OR OPERATION, IT BEING AGREED THAT ALL RISKS INCIDENT THERETO ARE TO BE BORNE BY TENANT. Tenant acknowledges that the Premises are of its selection and to its specifications, and that the Premises have

been inspected by Tenant and are satisfactory to it. In the event of any defect or deficiency in any of the Premises of any nature, whether patent or latent, Landlord shall not have any responsibility or liability with respect thereto or for any incidental or consequential damages (including strict liability in tort). The provisions of this Paragraph have been negotiated, and the foregoing provisions are intended to be a complete exclusion and negation of any warranties by Landlord, express or implied, with respect to the Premises, arising pursuant to the uniform commercial code or any other law now or hereafter in effect or otherwise.

ARTICLE 2

INITIAL TERM OF THE LEASE; OPTIONS TO EXTEND THE TERM OF LEASE

2.1 Initial Term of the Lease. The terms and provisions of this Lease shall be effective as of the date of this Lease. The Term of the Lease shall commence on the Lease Commencement Date and shall terminate on the Lease Expiration Date (as it may be extended as provided in this Lease) unless this Lease is sooner terminated as hereinafter provided. At any time during the Term of the Lease, Landlord may request that Tenant execute or initial the Basic Lease Provisions where indicated (or execute a different comparable document) to confirm the Lease Commencement Date, which Tenant shall execute/initial and return to Landlord within five (5) days of receipt thereof.

2.2 Automatic Extension of the Term of the Lease; Tenant Right to Decline Extension. Landlord hereby grants Tenant, the Options to Extend the Term of the Lease set forth in the Basic Lease Provisions, if any. Each Option to Extend the Term of the Lease shall be deemed *automatically exercised* without notice or further action by any party unless Tenant delivers the irrevocable Option Decline Notice to Landlord. If the irrevocable Option Decline Notice has not been timely delivered, the next available Option to Extend the Term of the Lease shall be deemed effective and exercised and the Lease Expiration Date shall be extended for a period of years as set forth in the Basic Lease Provisions. If the irrevocable Option Decline Notice is timely delivered, the then-current Lease Expiration Date shall not be extended and all remaining Options to Extend the Term of the Lease shall be terminated and of no further force or effect and Tenant shall have no ability to rescind the Option Decline Notice.

2.3 Option Rent. Upon commencement of each Option to Extend the Term of the Lease and during the extended Term of the Lease, the Minimum Annual Rent shall continue to be adjusted as provided in the Basic Lease Provisions.

ARTICLE 3

BASE RENT

3.1 Generally. Tenant shall pay, without prior notice or demand, to Landlord at the place or address it designates in writing from time to time, by a check for currency which, at the time of payment, is legal tender for private or public debts in the United States of America, one-twelfth (1/12th) of the Minimum Annual Rent (the "Minimum Monthly Rent") in advance on or before the Rent Payment Date for each and every calendar month during the Term of the Lease, without any setoff or deduction whatsoever. The Minimum Monthly Rent for the first full month of the Term of the Lease shall be paid at the time of Tenant's execution of this Lease. If any payment of Minimum Monthly Rent is for a period which is shorter than one month, the Minimum Monthly Rent for any such fractional month shall accrue on a daily basis such that 1/30th of the Minimum Monthly Rent shall be payable for each and every day that the Lease is in effect and/or Tenant is in possession of the Premises (whichever is greater). All other payments or adjustments required to be made under the terms of this Lease that require proration on a time basis shall be prorated on the basis of thirty (30) day months notwithstanding the actual numbers of

days in such month. Upon written notice to Tenant at any time, Landlord may (in its sole discretion) elect to require (by providing written notice to Tenant) that Tenant pay the Minimum Monthly Rent and any Additional Rent by electronic funds transfer or wire transfer on or before the Rent Payment Date.

ARTICLE 4

ADDITIONAL RENT

4.1 Survival. Without limitation on other obligations of Tenant which survive the expiration of the Term of the Lease, the obligations of Tenant to pay the Rent shall survive the expiration or termination of the Lease.

4.2 Additional Rent. Tenant covenants to pay and discharge, when the same shall become due, as Additional Rent, all other amounts, liabilities and obligations which Tenant assumes or agrees to pay or discharge pursuant to this Lease, together with every fine, penalty, interest and cost which may be added for non-payment or late payment thereof. In the event of any failure by Tenant to pay or discharge any of the foregoing, the Landlord shall have all rights, powers and remedies provided herein, by law or otherwise in the case of non-payment of Rent.

4.3 Taxes and Other Charges as Additional Rent. Without limiting Tenant's obligations set forth elsewhere in this Lease, Tenant shall pay at least thirty (30) days before due and before interest or penalties are due thereon: (i) all taxes, assessments, levies, fees, water and sewer rents and charges of every kind and nature, general and special, ordinary and extraordinary, foreseen and unforeseen, which are, at any time prior to or during the Term hereof, imposed or levied upon, assessed, or incurred by Landlord or Tenant against (A) the Premises, (B) any Rent, Additional Rent or other sum payable hereunder, or (C) this Lease, the Ground Lease, or the leasehold estates thereby created, or which arise in respect of the operation, possession or use of the Premises; (ii) all gross receipts or similar taxes imposed or levied upon, assessed against or measured by any Rent, Additional Rent or other sum payable hereunder; (iii) all sales, use and similar taxes at any time levied, assessed or payable on account of the acquisition, leasing or use of the Premises; (iv) all charges and/or taxes for any easement or agreement maintained for the benefit of the Premises; (v) all charges for water, sewer and other utilities serving the Premises; (vi) all ground rents on or with respect to the Premises, whether payable under the Ground Lease or any other ground lease; and (vii) all other public charges and/or taxes whether of a like or different nature, even if unforeseen or extraordinary, imposed or assessed upon or with respect to the Premises. Any such taxes, assessments and other charges with respect to the Premises for the then current tax period shall be apportioned as of the Commencement Date, and the pro rata share thereof shall be paid to the Landlord or credited to Tenant, as the case may be. Tenant shall furnish to the Landlord, promptly after demand therefor, proof of payment of all items referred to above which are payable by Tenant. If any such assessment may legally be paid in installments, Tenant may pay such assessment in installments; in such event, Tenant shall be liable only for installments which are attributable to any period falling within the Term hereof.

4.4 Expenses for Permitted Exceptions as Additional Rent. Tenant agrees that Tenant is obligated to and shall perform all obligations of the owner of the Premises and pay all expenses which the owner of the Premises may be required to pay in accordance with any of the Permitted Encumbrances (including, without limitation any Ground Lease, or any other similar agreements) and that Tenant shall comply with all of the terms and conditions of the Permitted Encumbrances during the term of this Lease.

4.5 Landlord's Right to Pay or Cure. Should Tenant fail to pay any Additional Rent when due, Landlord shall have the right (but not the obligation) to pay, such amount and/or to discharge or remove any tax, assessment, levy, fee, rent, charge, lien or encumbrance on behalf of Tenant and charge

Tenant for all costs and expenses incurred or paid by Landlord plus the Administrative Fee. Tenant further covenants and agrees to indemnify, defend and hold harmless Landlord and its Lenders against any claim, loss or damage suffered by Landlord or Lender by reason of Tenant's failure to perform any obligations or pay any expenses as and when required under this Lease.

4.6 Net Lease. It is understood and agreed by Tenant that this Lease is an absolute triple net lease and the Rent, Additional Rent and all other sums payable hereunder to Landlord shall be absolutely net to the Landlord, without deduction or set off. Tenant shall be responsible for (and pay directly) all taxes, payments in lieu of taxes, assessments, utility charges, liens, insurance, capital replacements, maintenance, repairs and all other costs associated with the Premises, whether existing now or hereinafter imposed or incurred. Tenant shall pay all sums payable hereunder without notice or demand, and without set-off, abatement, suspension or deduction and Tenant shall not interpose any counterclaim or defense of whatever nature or description in any proceeding by the Landlord for the collection of money due hereunder.

4.7 Not Financing. Landlord and Tenant agree that this Lease is a true lease and does not represent a financing arrangement. Each party shall reflect the transactions represented by this Lease in all applicable books, records and reports (including, without limitation, income tax filings) in a manner consistent with "true lease" treatment rather than "financing" treatment.

ARTICLE 5

USE OF PREMISES

5.1 Permitted Use. Tenant shall use the Premises solely for the Permitted Use set forth in Section 5 of the Basic Lease Provisions and Tenant shall not use or permit the Premises to be used for any other purpose or purposes whatsoever without the prior written consent of Landlord, which may be withheld in Landlord's sole discretion.

5.2 Prohibited Uses. In no event shall the Premises be used for any purpose which shall violate any of the provisions of any Permitted Encumbrance or any covenants, conditions, restrictions or agreements hereafter created by or consented to by Tenant applicable to the Premises. Tenant agrees that with respect to the Permitted Encumbrances and any covenants, restrictions or agreements hereafter created by or consented to by Tenant, Tenant shall observe, perform and comply with and carry out the provisions thereof required therein to be observed and performed by Landlord. Tenant shall not commit or suffer to be committed any waste in or upon the Premises. Tenant shall not permit any unlawful occupation, business or trade to be conducted on the Premises or any use to be made thereof contrary to applicable Legal Requirements or Insurance Requirements. Tenant shall not use, occupy or permit any of the Premises to be used or occupied, nor do or permit anything to be done in or on any of the Premises, in a manner which would (i) make void or voidable any insurance which Tenant is required hereunder to maintain then in force with respect to any of the Premises, (ii) affect the ability of Tenant to obtain any insurance which Tenant is required to furnish hereunder, or (iii) cause any injury or damage to the Building or any other Improvements, unless pursuant to Alterations permitted under this Lease.

5.3 Compliance with Law. Tenant shall, at its expense, comply with and shall cause the Premises and all Occupants of any portion thereof to comply with all Insurance Requirements and Legal Requirements, including those which require the making of any structural, unforeseen or extraordinary changes, whether or not any of the same which may hereafter be enacted involve a change of policy on the part of the governmental body enacting the same.

5.4 Permits and Approvals. Tenant shall, at its sole cost and expense, obtain all permits, certificates, approvals, licenses and all other necessary or appropriate actions of any Federal, State or City authorities required for the operation of Tenant's business on the Premises, all in accordance with the Legal Requirements.

5.5 Compliance with Contractual Requirements. Tenant shall, at its expense, comply with the requirements of all policies of insurance which are carried by Tenant (or by the Landlord when permitted by the terms of this Lease) which at any time may be in force with respect to the Premises or any portion thereof, and with the provisions of all contracts, agreements and restrictions entered into by such Tenant or by which such Tenant is legally bound affecting the Premises or any portion thereof or the ownership, occupancy or use thereof.

5.6 Quiet Enjoyment. If and so long as Tenant shall pay all Rent and other charges herein provided, observes and performs all covenants, agreements and obligations contained herein and there is otherwise no Event of Default, Landlord covenants to do no act to disturb the peaceful and quiet occupation and enjoyment of the Premises by Tenant; provided, that the Landlord and its agents may enter upon and examine the Premises as provided herein.

5.7 Surrender of Premises. At the expiration or earlier termination of the Term of this Lease or any portion thereof, Tenant shall peaceably leave, quit and surrender the Premises.

ARTICLE 6

NON-TERMINABILITY

6.1 No Termination Rights. It is the intention of the parties hereto that the obligations of Tenant under this Lease shall be separate and independent covenants and agreements, and that Minimum Annual Rent, Additional Rent and all other sums payable by Tenant hereunder shall continue to be payable on an absolute net basis and in all events (or, in lieu thereof, Tenant shall pay amounts equal thereto), and that all obligations of Tenant under this Lease (including both monetary and performance obligations) shall continue unaffected, unless this Lease shall have been terminated pursuant to an express provision of this Lease. Accordingly, except as otherwise expressly provided in this Lease, this Lease shall not terminate and Tenant shall not have any right to terminate this Lease, during the Term. Except as otherwise expressly provided in this Lease, Tenant shall not be entitled to any setoff, counterclaim, recoupment, abatement, suspension, deferment, diminution, deduction, reduction or defense of or to Minimum Annual Rent, Additional Rent or any other sums payable under this Lease; and except as otherwise expressly provided in this Lease, the obligations of Tenant under this Lease shall **not** be affected, modified, reduced or excused by any interference with Tenant's use of any of the Premises for any reason. Without limitation, Tenant's obligations under this Lease shall not be affected, modified, reduced or excused by any of the following:

- 6.1.1** Any damage to or destruction of any of the Premises by any cause whatsoever,
- 6.1.2** Any Condemnation:
- 6.1.3** The prohibition, limitation or restriction of Tenant's use of any of the Premises,
- 6.1.4** Any eviction by paramount title or otherwise,
- 6.1.5** Tenant's acquisition of ownership of any of the Premises other than pursuant to an express provision of this Lease,
- 6.1.6** Any default on the part of Landlord under this Lease or under any other agreement,

- Equipment,
- 6.1.7 Any latent or other defect in, or any theft or loss of any of the Premises,
 - 6.1.8 The breach of any warranty of any seller or manufacturer of any of the
 - 6.1.9 Any violation of Section 5.6 by Landlord,
 - 6.1.10 Any other cause, whether similar or dissimilar to the foregoing, any present or future law or Legal Requirement to the contrary notwithstanding.

ARTICLE 7

MAINTENANCE, REPAIRS, AND OPERATION

Maintenance, Repairs and Operation. Tenant agrees that it will, during the Term of this Lease, at its expense, keep, maintain, repair, replace, use and operate the Premises, including any altered, rebuilt, additional or substituted buildings, structures, equipment, and other improvements thereto, in good repair and appearance and in a first-class and tenantable condition, and will promptly make all structural and non-structural, foreseen and unforeseen, and ordinary and extraordinary changes, repairs and replacements of every kind and nature which may be required to be made upon or in connection with the Premises or any part thereof in order to keep and maintain the Premises, in good repair and appearance and in a tenantable condition. Without limiting the generality of the foregoing, Tenant shall maintain, repair and/or replace all equipment or facilities, including, but not limited to, plumbing, HVAC equipment, electrical, lighting facilities, boilers, pressure vessels, fire protection and sprinkler system, fixtures, walls (interior and exterior), foundations, ceilings, roofs, roof drainage systems, floors, windows, doors, plate glass, skylights, landscaping, driveways, parking lots, fences, retaining walls, signs, sidewalks and parkways located in, on, or adjacent to the Premises. Tenant's responsibilities for any and all capital replacement of all such equipment and/or facilities shall be determined according to generally accepted replacement schedules. Tenant, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including the procurement and maintenance of the service contracts required by Section 7.2 below. Tenant shall, at its own expense, keep the Premises in a clean, neat and sanitary condition and shall keep the exterior appearance of the Building in a first-class condition (including, e.g. graffiti removal), including, when necessary, the exterior repainting or refinishing of the Building. Tenant shall do or cause others to do all shoring of the Premises (including the foundations and walls of the Building) and every other act necessary or appropriate for preservation and safety thereof, by reason of or in connection with any excavation or other building operation upon any of the Premises, whether or not Landlord shall, by reason of any Legal Requirements or Insurance Requirements, be required to take such action or be liable for failure to do so. Tenant shall, in all events, make all repairs for which it is responsible hereunder promptly, and all repairs shall be in a good, proper and workmanlike manner. Tenant hereby waives the right to make repairs at Landlord's expense under the provisions of any laws permitting repairs by a tenant at the expense of Landlord to the extent allowed by law, in that Landlord and Tenant have by this Lease (including, without limitation, Article 11) made specific provision for such repairs and have defined their respective obligations relating thereto.

Landlord warrants that at the Commencement Date the Premises comply with or will comply with any and all federal, state and local building occupancy and environmental regulations, and with applicable E-occupancy and state adequacy standards pertaining to the School's uses, and that the Premises as-built currently meet or exceed the New Mexico Public School Facilities Authority's average condition index for school buildings in New Mexico, as certified by the NMPSFA. If the space does not meet NMPSA standards, it shall be the Tenant's responsibility to cure such issues in order to meet E-occupancy standards.

Landlord, agrees to maintain the Premises to the statewide adequacy standards applicable to the School as developed pursuant to the requirements of the Public School Capital Outlay Act, NMSA 1978, §22-24-1, *et seq.*, at no additional cost to the Tenant, the School or the State.

7.1 Records; Service Contracts. As part of its maintenance obligations hereunder, Tenant shall, at Landlord's request, provide Landlord with copies of all maintenance schedules, service contracts, reports and notices prepared by, for or on behalf of Tenant. Tenant shall procure and maintain preventative maintenance contracts, with copies to Landlord, in customary form and substance for, and with contractors specializing and experienced in the maintenance of the following equipment and improvements, if any, if and when installed on the Premises: (i) heating and air conditioning equipment, (ii) boiler, and pressure vessels, (iii) fire extinguishing systems, including fire alarm and/or smoke detection, (iv) landscaping and irrigation systems, (v) roof covering and drains, and (vi) clarifiers. However, Lessor reserves the right, upon notice to Lessee, to procure and maintain any or all of such service contracts, and Lessee shall reimburse Lessor, upon demand, for the cost thereof plus the Administrative Fee.

7.2 Landlord has No Obligations. Landlord shall not be required to maintain, repair or rebuild, or to make any alterations, replacements or renewals of any nature or description to the Premises (or any other property), or any part thereof, whether ordinary or extraordinary, structural or non-structural, foreseen or unforeseen, or to maintain the Premises, or any part thereof in any way. Tenant hereby expressly waives the right to make repairs at the expense of the Landlord, which such right may be provided for in any law now or hereafter in effect.

7.3 Equipment Replacements. Tenant shall, at its sole expense, from time to time replace with other operational equipment or parts any of the Equipment which shall have become worn out or unusable for the purpose for which it is intended, been taken by a Condemnation, or been lost, stolen, damaged or destroyed. Tenant shall repair at its sole cost and expense all damage to the Premises caused by the removal of Equipment (including any replacements thereof) or other personal property of Tenant or the installation of any replacement Equipment. All replacement Equipment shall immediately become the property of Landlord and shall be free and clear of all liens and rights of others and shall become a part of the Equipment as if originally demised herein.

7.4 Compliance with Requirements. In the event that any Improvements violate any Legal Requirements or Insurance Requirements and as a result of such violation enforcement action is threatened or commenced against Tenant or with respect to the Premises, then Tenant, at the request of Landlord, shall either (i) obtain valid and effective waivers or settlements of all claims, liabilities and damages resulting from each such violation, whether the same shall affect Landlord, Tenant or both, or (ii) take such action as shall be necessary to remove such violation, including, if necessary, any Alteration. Any such repair or Alteration shall be made in conformity with the provisions of Section 8 below.

7.5 Compliance with Environmental Laws. Tenant represents and warrants that, except as herein set forth, it will not use, store or dispose of any Hazardous Materials in or on the Premises. Without limiting the foregoing, Tenant agrees that it will not install any underground or above ground storage tank at the Premises without specific, prior written approval from the Landlord, which approval may be withheld in Landlord's sole and absolute discretion. Similarly, Tenant agrees that it will not store Hazardous Materials or other combustible or flammable materials on the Premises. Notwithstanding the preceding provisions, Landlord agrees that Tenant may use, store and properly dispose of Permitted Chemicals. However, Tenant may use, store and dispose of same, provided that in doing so; Tenant fully complies with all Environmental Laws.

7.6 Remediation of Hazardous Materials. To the extent required by the Environmental Laws, any other Legal Requirements, the Insurance Requirements, and/or any other federal, state or local laws, rules or regulations governing Hazardous Materials, Tenant shall remove any Hazardous Materials whether now or hereafter existing on the Premises and whether or not arising out of or in any manner connected with Tenant's occupancy of the Premises during the Term. In addition to, and without limiting other indemnity provisions set forth in this Lease, Tenant shall and hereby does agree to defend, indemnify and hold Landlord and its Lenders, and their respective officers, directors, shareholders, partners, members and employees, harmless from and against any and all causes of actions, suits, demands or judgments of any nature whatsoever, losses, damages, penalties, expenses, fees, claims, costs (including response and remedial costs), and liabilities, including, but not limited to, reasonable in-house and outside attorneys' fees and costs of litigation, arising out of or in any manner connected with (i) the violation of any applicable federal, state or local Environmental Law with respect to the Premises; (ii) the "release" or "threatened release" of or failure to remove, as required by this Article, Hazardous Materials from the Premises or any portion or portions thereof, including any past or current release and any release or threatened release during the initial term or any extension of Term, whether or not arising out of or in any manner connected with Tenant's occupancy of the Premises.

7.7 Failure to Comply. If Tenant shall be in default under any of the provisions of this Article, Landlord may after thirty (30) business days written notice given to Tenant and failure of Tenant to cure during said period, but without notice in the event of an emergency, do whatever is necessary to cure such default as may be appropriate under the circumstances for the account of and at the expense of Tenant. In the event of an emergency Landlord shall notify Tenant of the situation by phone or other available communication. All reasonable sums so paid by Landlord and all reasonable costs and expenses (including, without limitation, in-house and outside attorneys' fees and expenses) so incurred, together with interest thereon at the Default Rate from the date of payment or incurring the expense, shall constitute Additional Rent payable by Tenant under this Lease and shall be paid by Tenant to Landlord on demand.

ARTICLE 8

ADDITIONS AND ALTERATIONS

8.1 Landlord's Consent to Alterations. Tenant shall not make, permit, or cause to be made Alterations to the Premises without first obtaining the written approval of Landlord, which approval shall not be unreasonably withheld. Notwithstanding the foregoing, Tenant shall have the right, at its discretion and sole cost, without obtaining the prior written consent of Landlord, but subject to all governmental requirements, and subject to first notifying Landlord in writing of such proposed Alterations, to make any interior nonstructural Alterations to the Building it may desire so long as the cost thereof does not exceed \$50,000.00. Any request for consent to (or notice of) Alterations shall be accompanied by two (2) complete sets of plans and specifications for the proposed Alterations, suitable for submission to Landlord's architect for evaluation. Tenant shall pay all reasonable costs incurred by Landlord in the evaluation of the plans and specifications, including, but not limited to, architects' and engineers' fees and an Administrative Fee. In addition, as a condition to its consent, Landlord may require Tenant to furnish assurances satisfactory to Landlord that all contractors who will perform such work have in force workers' compensation and such other employee and comprehensive general liability insurance as Landlord deems necessary to supplement the insurance coverage provided for in this Lease. Landlord may impose, as a condition of its consent to any and all Alterations, such requirements as Landlord in its sole discretion may deem desirable, including, but not limited to, the requirement that Tenant utilize for such purposes only contractors, subcontractors, materials, mechanics and materialmen selected by Tenant from a list provided and consented to by Landlord, the requirement that upon Landlord's request, Tenant shall, at Tenant's expense, remove such Alterations upon the expiration or any

early termination of the Term of the Lease. In addition, Landlord may require that Tenant provide Landlord, at Tenant's sole cost and expense, a performance and/or payment bond or a lien and completion bond or some alternate form of security satisfactory to Landlord (and naming Landlord as a co-obligee) in an amount equal to one and one-half (1½) times the estimated cost of the Alterations, to ensure Landlord that said Alterations shall be completed lien-free and satisfactorily to Landlord. Tenant shall give Landlord notice at least twenty (20) days prior to the commencement of any such work on the Premises (or such additional time as may be necessary under applicable laws) to afford Landlord the opportunity of posting and recording appropriate notices of non-responsibility. Landlord shall have the right at all reasonable times to post and keep posted on the Premises any notices which it deems necessary for protection from such liens. Any consent or supervision by Landlord of such Alterations shall in no event constitute Landlord's approval of the work so performed, nor shall Landlord be responsible for or have any liability with respect to such supervision or work. Copies of required building permits or authorizations shall be obtained by Tenant at its expense and Tenant shall furnish copies of same to Landlord.

8.2 Manner of Construction.

In the event that Landlord gives its prior written consent to any Alterations, or if such consent is not required, Tenant agrees that in connection with any Alteration: (i) the Alterations shall be constructed using materials of equal or greater quality to the existing Improvements, and the fair market value of the Premises shall not be lessened in any material respect after the completion of any such Alteration, or its structural integrity impaired; (ii) the Alteration and any Alteration theretofore made or thereafter to be made shall not in the aggregate reduce the gross floor area of the Improvements by more than five percent (5%); (iii) all such Alterations shall be performed in a good and workmanlike manner in accordance with the plans and specifications consented to by Landlord, and shall be expeditiously completed in compliance with all Legal Requirements; (iv) all work done in connection with any such Alteration shall comply with all Insurance Requirements; (v) Tenant shall promptly pay all costs and expenses of any such Alteration, and shall discharge all liens filed against any of the Premises arising out of the same; (vi) Tenant shall procure and pay for all permits and licenses required in connection with any such Alteration; and (vii) upon completion thereof, all such Alterations shall be the property of Landlord and shall be subject to this Lease. In addition, upon completion of any Alterations, Tenant agrees to cause a Notice of Completion (or similar document evidencing completion of the work) to be recorded, and Tenant shall deliver to Landlord a reproducible copy of the "as built" set of plans and specifications (modified to reflect change orders) of the Alterations as well as all permits, approvals and other documents issued by any governmental agency in connection with the Alterations.

8.3 Construction Insurance. In addition to the requirements of Article 10 of this Lease, in the event that Tenant makes any Alterations, prior to the commencement of such Alterations, Tenant shall provide Landlord with evidence that Tenant carries "**Builder's All Risk**" insurance in an amount approved by Landlord covering the construction of such Alterations, and such other insurance as Landlord may require, it being understood and agreed that all of such Alterations shall be insured by Tenant pursuant to Article 10 of this Lease immediately upon completion thereof.

ARTICLE 9

COVENANT AGAINST LIENS; RECORDING; TITLE

9.1 Liens. Tenant shall not, directly or indirectly, create or permit to be created or to remain, and shall promptly discharge, any lien on the Premises, Landlord's reversionary estate therein, on the Minimum Annual Rent, Additional Rent or on any other sums payable by Tenant under this Lease, other than Permitted Encumbrances, and encumbrances or other charges created by or resulting from any act or

omission by Landlord or those claiming by, through or under Landlord (but not Tenant). Notice is hereby given that Landlord shall not be liable for any labor, services or materials furnished or to be furnished to Tenant, or to anyone holding any of the Premises through or under Tenant, and that no mechanic's or other liens for any such labor, services or materials shall attach to or affect the interest of Landlord in and to any of the Premises. Tenant shall give Landlord notice at least twenty (20) days prior to the commencement of any such work on the Premises (or such additional time as may be necessary under applicable laws) to afford Landlord the opportunity of posting and recording appropriate notices of non-responsibility. Landlord shall have the right at all reasonable times to post and keep posted on the Premises any notices which it deems necessary for protection from such liens.

9.2 Memorandum. Upon Tenant's request, Landlord and Tenant shall execute and acknowledge a short form memorandum of this Lease for recording purposes in the form attached hereto as **Exhibit C.** Except as set forth above, Tenant shall not record this Lease or any short form memorandum of this Lease. Tenant shall be responsible for all expenses associated with any such recording of a short form memorandum of this Lease. Upon the expiration or earlier termination of this Lease for any reason, Tenant, within three (3) days following the date of request by Landlord, shall deliver to Landlord a quitclaim deed conveying to Landlord any and all interest Tenant may have under this Lease. In the event of any discrepancy between the provisions of said recorded Memorandum of this Lease and the provisions of this Lease, the provisions of this Lease shall prevail. The terms of this Section shall survive the expiration or earlier termination of this Lease.

9.3 Creation of Leasehold Only. Nothing in this Lease and no action or inaction by Landlord shall be deemed or construed to mean that Landlord has granted to Tenant any right, power or permission to do any act or to make any agreement which may create, give rise to, or be the foundation for, any right, title, interest or lien in or upon the estate of Landlord in any of the Premises.

ARTICLE 10

INDEMNITY AND INSURANCE

10.1 Indemnification and Waiver. The provisions of this Article shall survive the expiration or sooner termination of this Lease including, without limitation, any period where Tenant remains in possession of (or responsible for) the Premises beyond such expiration or sooner termination.

10.1.1 Tenant hereby unconditionally assumes all risk of damage to property or injury to persons in, upon or about the Premises for any reason and from any cause whatsoever and agrees the Landlord Parties shall not be liable for, and are hereby released from any responsibility for, any damage either to person or property or resulting from the loss of use thereof, which damage is sustained by or to Tenant or by or to other persons claiming through Tenant. Tenant shall indemnify, defend, protect, and hold harmless the Landlord Parties from any and all Claims and Losses incurred in connection with, in any way relating to, or arising from: (i) the Premises or this Lease; (ii) the use, non-use, occupancy, condition, design, construction, maintenance, repair or rebuilding of the Premises; and (iii) any injury to or death of any person or persons or any loss of or damage to any property, real or personal, in any manner arising from or connected with the Premises or this Lease. Tenant's obligations under this paragraph shall apply (and not be reduced) whether or not Landlord has or should have knowledge or notice of the defect or conditions, if any, causing or contributing to the Claims and Losses and whether or not the Claims and Losses were caused by any Landlord Parties negligence. Tenant shall indemnify, defend, protect, and hold harmless the Landlord Parties for Claims and Losses in any way relating to or arising from: (a) any causes in, on or about the Premises; (b) any activity, work, or thing done, or permitted or suffered by Tenant in, on, or about the Premises; (c) any acts, omission, or negligence of Tenant or of any person claiming under Tenant, or the contractors, agents, employees,

invitees, or visitors of Tenant or any such person; (d) any breach, violation, or non-performance by Tenant or any person claiming under Tenant or the employees, agents, contractors, invitees, or visitors of Tenant or any such person of any term, covenant, or provision of this Lease or any law, ordinance, or governmental requirement of any kind; (e) any injury or damage to the person, property, or business of Tenant, its employees, agents, contractors, invitees, visitors, or any other person entering upon the Premises under the express or implied invitation of Tenant; or (f) the placement of any personal property or other items within the Premises. The foregoing indemnity is intended to apply to all Claims and Losses incurred directly by the Landlord Parties, or their property, as well as by any third party or their property. Should Landlord be named as a defendant in any suit brought against Tenant in connection with or arising out of Tenant's occupancy of the Premises, Tenant shall pay to Landlord its costs and expenses incurred in such suit, including without limitation, its actual professional fees such as appraisers', accountants', experts', and in-house and outside attorneys' fees including, without limitation, cumis counsel. Further, Tenant's agreement to indemnify Landlord pursuant to this Section is not intended and shall not relieve any insurance carrier of its obligations under policies required to be carried by Tenant pursuant to the provisions of this Lease, to the extent such policies cover the matters subject to Tenant's indemnification obligations; nor shall they supersede any inconsistent agreement of the parties set forth in any other provision of this Lease.

10.1.2 Tenant's obligation to indemnify shall include the greater of (a) actual cost, or (b) the commercially reasonable professional rates, for in-house and outside attorneys' fees and investigation costs and all other reasonable costs, expenses and liabilities incurred by Landlord or its counsel from the first notice that any claim or demand is to be made or may be made. Payment shall not be a condition precedent to the enforcement of any indemnity provision in this Lease. If any action or proceeding shall be brought against any Landlord Parties for which Tenant is to provide indemnification under this Lease, then the Landlord Parties shall be entitled to pursue either of the following options, both at Tenant's sole cost and expense:

10.1.2.1 The Landlord Parties shall be entitled to, in their sole and complete discretion, to select separate counsel to defend the Landlord Parties at commercially reasonable rates and to change counsel at any time; or

10.1.2.2 Tenant upon notice from any Landlord Party shall defend the same; provided, however, that if at any time (including, without limitation, after Tenant has retained counsel) any Landlord Parties have articulable reasons to disapprove the counsel chosen by Tenant to defend the Landlord Parties or asserts a conflict of interest, any Landlord Party may, but shall not be obligated to, disapprove such counsel by written notice to Tenant stating with reasonable specificity the reasons for such disapproval. In the event of any such disapproval, the Landlord Parties shall be entitled to: (i) select and retain counsel as provided in Section 10.1.2.1 above; or (ii) cause Tenant to discharge the disapproved counsel and choose replacement counsel reasonably acceptable to the Landlord Parties.

10.1.3 Tenant shall not be required to indemnify and hold Landlord harmless from any claims and losses determined by a court of competent jurisdiction to have been caused solely by the willful misconduct of the Landlord Parties (except for damage to Tenant's personal property, fixtures, furniture and equipment in the Premises, to the extent Tenant is required to obtain insurance coverage therefor pursuant to the terms of this Lease).

10.2 Tenant's Compliance With Insurance Requirements. Tenant shall, at Tenant's expense, comply with all insurance company requirements pertaining to the use of the Premises, whether such insurance is obtained by Tenant or Landlord. If Tenant's conduct or use of the Premises causes any increase in the premium charged to Landlord for its insurance (if any) then Tenant shall reimburse Landlord for any such increase. Tenant, at Tenant's expense, shall comply with all rules, orders,

regulations or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and with any similar body.

10.3 Tenant's Insurance Specifications and Limits. Tenant shall maintain the coverages set forth in Exhibit E attached hereto during the entire Term of the Lease. In addition, Tenant shall carry and maintain during the entire Term of the Lease, at Tenant's sole cost and expense, increased amounts of the insurance required to be carried by Tenant pursuant to this Article and such other reasonable types of insurance coverage and in such reasonable amounts covering the Premises and Tenant's operations therein, as may be reasonably requested by Landlord, Lender, credit facilitator, or credit enhancer.

10.4 Subrogation. Landlord and Tenant intend that all property loss and injury risks shall be borne by Tenant and its insurance carriers. Accordingly, Tenant hereby agrees to look solely to, and seek recovery only from, Tenant's insurance carriers (and not Landlord or Landlord's insurance) in the event of an injury or property loss. Tenant hereby waives all rights and claims against Landlord and its insurance companies and Tenant further waives all rights of subrogation of Tenant's insurers, provided such waiver of subrogation shall not affect the right of Tenant to recover thereunder. Tenant agrees that its insurance policies are now, or shall be, endorsed to reflect the foregoing waiver of subrogation. Upon request, Tenant will cause all other occupants of the Premises claiming by, under, or through Tenant to execute and deliver to Landlord a waiver of claims similar to the waiver in this Section 10.4 and to obtain such waiver of subrogation rights endorsements.

ARTICLE 11

CONDEMNATION; DAMAGE AND DESTRUCTION; RESTORATION

11.1 Notice of Condemnation. Tenant, promptly upon obtaining knowledge of the institution of any proceeding for Condemnation, shall notify Landlord thereof and Landlord shall be entitled to participate in any Condemnation proceeding. Landlord, promptly after obtaining knowledge of the institution of any proceeding for Condemnation, shall notify Tenant thereof and Tenant shall have the right to participate in such proceedings. All Improvements are deemed to inure to Landlord and shall be deemed Landlord's property for purposes of condemnation. Subject to the provisions of this Article, Tenant hereby irrevocably assigns to Lender (if any) or to Landlord, in that order, any award or payment in respect of any Condemnation of Landlord's interest in the Premises including Improvements and Trade Fixtures, except that (except as hereinafter provided) nothing in this Lease shall be deemed to assign to Landlord or Lender any award or payment on account of the Improvements or Trade Fixtures residually owned by Tenant which are not inuring or being abandoned to Landlord at any time during, at expiration or earlier termination of the Term of the Lease, moving expenses and out-of-pocket expenses incidental to the move, if available, to the extent Tenant shall have a right to make a separate claim therefor against the condemnor, it being agreed, however, that in no event shall Tenant be entitled to any payment that reduces the award to which Landlord is or would be entitled for the condemnation of Landlord's interest in the Premises.

11.2 Restoration after Condemnation. In the event of a Condemnation of any part of the Premises, subject to the requirements of this Article, the Net Award shall be retained by Landlord or, if applicable, Lender. Promptly after such Condemnation, Tenant shall commence and diligently continue the Restoration of the Premises in accordance with the provisions of this Lease, including but not limited to the provisions of Article 7. In such event, the following provisions shall apply:

11.2.1 Upon the payment to Landlord of the Net Award of a Taking, Landlord and Lender shall make the Restoration Award available to Tenant for Restoration, in accordance with the provisions of Section 11.7 below, and promptly after completion of the Restoration, the balance of the

Net Award shall be paid to Landlord. Tenant shall complete such Restoration (including all Improvements and Equipment), whether or not the Net Award is sufficient for such purpose.

11.2.2 In the event of a Requisition of the Premises, Landlord shall apply the Net Award of such Requisition, to the extent available, to the installments of Minimum Annual Rent, Additional Rent or other sums payable by Tenant hereunder thereafter payable and Tenant shall pay any balance remaining thereafter. Upon the expiration of the Term, any portion of such Net Award which shall not have been previously credited to Tenant on account of the Minimum Annual Rent and Additional Rent shall be retained by Landlord.

11.3 Consents. Except with respect to an award or payment to which Tenant alone is entitled pursuant to the provisions of this Article, no agreement with any condemnor in settlement of or under threat of any Condemnation shall be made by either Landlord or Tenant without the written consent of the other, and of Lender, if the Premises are then subject to a mortgage or credit facility, which consent shall not be unreasonably withheld or delayed.

11.4 Notice of Casualty. In the event of any Casualty exceeding \$10,000 (regardless of the cause thereof), Tenant shall give Landlord immediate notice thereof. Tenant shall adjust, collect and compromise any and all claims, with the consent of Landlord and its Lender, not to be unreasonably withheld or delayed, and Landlord and Lender shall have the right to join with Tenant therein. If the estimated cost of Restoration or repair shall be Fifty Thousand Dollars (\$50,000.00) or less, all proceeds of any insurance required under Article 10 shall be payable to Tenant, provided that there is no Event of Default under this Lease (in which case the proceeds shall be paid to Landlord). In all other events, such proceeds shall be paid to Landlord, or at Landlord or Lender's election, to a Trustee designated by Landlord. The cost of the Trustee, if any, shall be paid by Tenant and shall not be deducted or paid from the Restoration Fund. Each insurer is hereby authorized and directed upon Landlord's request to make payment under said policies directly to such Trustee instead of to Landlord and Tenant jointly; and Tenant and Landlord each hereby appoints such Trustee as its attorney-in-fact to endorse any draft therefor for the purposes set forth in this Lease.

11.5 Restoration after Casualty. In the event of a Casualty loss exceeding \$50,000, Net Proceeds shall be retained by Landlord or the Trustee (as applicable). Promptly after such casualty, Tenant, at Landlord's election, shall commence and diligently continue to perform the Restoration to the Premises in accordance with the provisions of this Lease, including but not limited to the provisions of Article 7. Upon receipt of such Net Proceeds, the Landlord or Trustee (as the case may be) shall, to the extent available, make the Net Proceeds available to Tenant for Restoration, in accordance with the provisions of Section 11.7 below. Tenant shall complete such Restoration (including all Improvements and Equipment), whether or not the Net Proceeds are sufficient for such purpose. In the event any Casualty occurs at such time as Tenant shall not have maintained insurance in accordance with this Lease, Tenant shall pay the Tenant Insurance Payment to Landlord or the Trustee (as applicable).

11.6 No Termination or Abatement of Rent. In the event of any Condemnation or Casualty, the Term shall nevertheless continue and there shall be no abatement or reduction of Minimum Annual Rent, Additional Rent or any other sums payable by Tenant under the Lease. Without limiting the generality of the foregoing, during the period of Restoration, all Minimum Annual Rent, Additional Rent and other sums payable hereunder shall continue unabated and unreduced.

11.7 Restoration. The Restoration Fund shall be held and disbursed by Landlord or the Trustee (as applicable) in accordance with the following conditions:

11.7.1 Prior to commencement of the Restoration the architects, general contractor(s), and plans and specifications for the Restoration shall be consented by Landlord, which consent shall not be unreasonably withheld or delayed; and which consent shall be granted to the extent that the plans and specifications depict a Restoration which is substantially similar to the Improvements and Equipment which existed prior to the occurrence of the Casualty or Taking, whichever is applicable.

11.7.2 At the time of any proposed disbursement, no Event of Default (as defined below) shall be allowed to exist and no mechanics' or materialmen's liens shall have been filed and remain undischarged or unbonded.

11.7.3 Disbursements shall be made from time to time in an amount not exceeding the hard and soft cost of the work and costs incurred since the last disbursement upon receipt of (1) satisfactory evidence, including architects' certificates of the stage of completion, of the estimated cost of completion and of performance of the work to date in a good and workmanlike manner in accordance with the contracts, plans and specifications, (2) partial releases of liens, and (3) other reasonable evidence of cost and payment so that Landlord can verify that the amounts disbursed from time to time are represented by work that is completed in place or delivered to the site and free and clear of mechanics' lien claims.

11.7.4 Each request for disbursement shall be accompanied by a certificate of Tenant describing the work, materials or other costs or expenses, for which payment is requested, stating the cost incurred in connection therewith and stating that Tenant has not previously received payment for such work or expense and the certificate to be delivered by Tenant upon completion of the work shall, in addition, state that the work has been substantially completed and complies with the applicable requirements of this Lease.

11.7.5 Upon Landlord's request, Landlord or the Trustee (as applicable) shall retain ten percent (10%) of the Restoration Fund until the Restoration is complete.

11.7.6 The Restoration Fund shall be kept in a separate interest-bearing federally insured account by Landlord or the Trustee (as applicable).

11.7.7 At all times the undisbursed balance of the Restoration Fund held by Landlord or the Trustee (as applicable) plus any funds contributed thereto by Tenant shall be not less than the unpaid cost of completing the Restoration, free and clear of all liens.

11.7.8 In addition, prior to commencement of Restoration and at any time during Restoration, if the estimated cost of Restoration, as reasonably determined by Landlord, exceeds the amount of the Net Proceeds, the Restoration Award and Tenant Insurance Payment available for such Restoration, the amount of such excess shall be paid by Tenant to Landlord or the Trustee (as applicable) to be added to the Restoration Fund or Tenant shall fund at its own expense the costs of such Restoration until the remaining Restoration Fund is sufficient for the completion of the Restoration. Any sum in the Restoration Fund which remains in the Restoration Fund upon the completion of Restoration shall be paid to Tenant. For purposes of determining the source of funds with respect to the disposition of funds remaining after the completion of Restoration, the Net Proceeds or the Restoration Award shall be deemed to be disbursed prior to any amount added by Tenant.

11.8 Waiver of Statutory Provisions.

11.8.1 The provisions of this Lease, including this Article, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Premises. The parties hereby expressly waive any statute or regulation of the State in which the Premises are located that provides for any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any other similar statute or regulation, now or hereafter in effect, and agree that any such statute or regulation shall have no application to this Lease or any damage or destruction to all or any part of the Premises.

11.8.2 The parties waive such rights of Lease termination (if any) as may be granted them in the event of a Condemnation by the laws of the State in which the Premises are located, it being their agreement that the parties have no such rights of termination as a result of any Condemnation or Casualty.

ARTICLE 12

NONWAIVER

No provision of this Lease shall be deemed waived by either party hereto unless expressly waived in a writing signed thereby. The waiver by either party hereto of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of same or any other term, covenant or condition herein contained. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular Rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No acceptance of a lesser amount than the Rent herein stipulated shall be deemed a waiver of Landlord's right to receive the full amount due, nor shall any endorsement or statement on any check or other payment form or any letter accompanying such check or other payment form be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the full amount due. No receipt of monies by Landlord from Tenant after the termination of this Lease shall in any way alter the length of the Term of the Lease or of Tenant's right of possession hereunder, or after the giving of any notice shall reinstate, continue or extend the Term of the Lease or affect any notice given Tenant prior to the receipt of such monies, 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.

ARTICLE 13

PERMITTED CONTESTS

13.1 After prior written notice to Landlord, Tenant shall not be required to (i) pay any Imposition, (ii) comply with any Legal Requirement, (iii) discharge or remove any mechanic's lien arising from Tenant's construction activities so long as Tenant shall contest, in good faith and at its expense, the existence, the amount or the validity thereof, the amount of the damages caused thereby, or the extent of its or Landlord's liability therefor, by appropriate proceedings which shall operate during the pendency thereof to prevent (a) the collection of, or other realization upon, the Imposition or lien so contested, (b) the sale, forfeiture or loss of any of the Premises, any Minimum Annual Rent or any Additional Rent to satisfy the same or to pay any damages caused by the violation of any such Legal Requirement or by any such violation, (c) any interference with the use or occupancy of any of the Premises, (d) any interference with the payment of any Minimum Annual Rent or any Additional Rent, (e) the cancellation of any fire or other insurance policy.

13.2 In no event shall Tenant pursue any contest with respect to any Imposition, Legal Requirement, lien, or violation, referred to above in such manner that exposes Landlord or Lender to (i) criminal liability, penalty or sanction, (ii) any civil liability, penalty or sanction for which Tenant has not made provisions reasonably acceptable to Landlord and Lender or (iii) defeasance of its interest in the Premises.

13.3 In connection with any contest, Landlord may require that Tenant provide Landlord, at Tenant's sole cost and expense, a performance and/or payment bond or a lien and completion bond in an amount equal to one and one-half (1½) times the amount in dispute.

13.4 Tenant agrees that each such contest shall be promptly and diligently prosecuted to a final conclusion, except that Tenant shall have the right to attempt to settle or compromise such contest through negotiations. Tenant shall pay and save Lender and Landlord harmless against any and all Claims and Losses in connection with any such contest and shall, promptly after the final determination of such contest, fully pay and discharge the amounts which shall be levied, assessed, charged or imposed or be determined to be payable therein or in connection therewith, together with all penalties, fines, interest, costs and expenses thereof or in connection therewith, and perform all acts the performance of which shall be ordered or decreed as a result thereof.

ARTICLE 14

ASSIGNMENT AND SUBLETTING

14.1 Transfers. Tenant shall not, without the prior written consent of Landlord, Transfer this Lease or any interest hereunder or permit the Transfer this Lease or any interest hereunder. If Tenant desires Landlord's consent to any Transfer, Tenant shall deliver to Landlord a Transfer Notice (including all documents required to be delivered therewith). Any Transfer made without Landlord's prior written consent shall, at Landlord's option, be null, void and of no effect, and shall, at Landlord's option, constitute an Event of Default by Tenant under this Lease. Whether or not Landlord consents to any proposed Transfer, Tenant shall pay Landlord's Transfer Expenses within thirty (30) days after written request by Landlord. In addition, as a condition to the effectiveness of any Transfer (whether a Permitted Transfer or consummated with Landlord's consent), Tenant and/or the Transferee shall pay the Transfer Fee to Landlord at the time the Transfer Notice is provided to Landlord.

14.2 Landlord's Consent. Landlord shall not unreasonably withhold its consent to any proposed Transfer of the Subject Space to the Transferee on the terms specified in the Transfer Notice. Without limitation as to other reasonable grounds for withholding consent, the parties hereby agree that it shall be reasonable under this Lease and under any applicable law for Landlord to withhold consent to any proposed Transfer where Landlord determines in good faith that one or more of the following apply:

14.2.1 The Transferee is of a character or reputation or engaged in a business which is not consistent with the quality of the Premises, or would be a significantly less prestigious occupant of the Subject Space than Tenant;

14.2.2 The Transferee intends to use the Subject Space for purposes which are not permitted under this Lease;

14.2.3 The Transferee is either a governmental or quasi-governmental agency or instrumentality thereof (other a charter school);

14.2.4 The Transferee is not a party of reasonable financial worth and/or financial stability in light of the responsibilities to be undertaken in connection with the Transfer on the date consent is requested;

14.2.5 The terms of the proposed Transfer will allow the Transferee to exercise a right of renewal, purchase right, or other similar right held by Tenant; or

14.2.6 The Transferee does not intend to occupy the entire Premises and conduct its business therefrom for a substantial portion of the term of the Transfer.

If Landlord consents to any Transfer, Tenant may within four (4) months after Landlord's consent, but not later than the expiration of the one hundred eighty (180) day period set forth in the Transfer Notice, enter into such Transfer of the Premises or portion thereof, upon the same terms and conditions as are set forth in the Transfer Notice furnished by Tenant to Landlord pursuant to this Lease, provided that if there are any changes in the terms and conditions from those specified in the Transfer Notice (i) such that Landlord would initially have been entitled to refuse its consent to such Transfer under this Lease, or (ii) which would cause the proposed Transfer to be more favorable to the Transferee than the terms set forth in Tenant's original Transfer Notice, Tenant shall again submit the Transfer to Landlord for its approval and other action under this Article. Notwithstanding anything to the contrary in this Lease, if Tenant or any proposed Transferee claims that Landlord has unreasonably withheld or delayed its consent under Section 14.2 or otherwise has breached or acted unreasonably under this Article, their sole remedies shall be a declaratory judgment and an injunction for the relief sought without any monetary damages, and Tenant hereby waives all other remedies, including, without limitation, any right at law or equity to terminate this Lease, on its own behalf and, to the extent permitted under all applicable laws, on behalf of the proposed Transferee. Tenant shall indemnify, defend and hold harmless Landlord from any and all liability, losses, claims, damages, costs, expenses, causes of action and proceedings involving any third party or parties (including without limitation Tenant's proposed subtenant or assignee) who claim they were damaged by Landlord's wrongful withholding or conditioning of Landlord's consent.

14.3 Transfer Premium. If Landlord consents to a Transfer, as a condition thereto which the parties hereby agree is reasonable, Tenant shall pay to Landlord the Transfer Premium defined herein.

14.4 Effect of Transfer. If Landlord consents to a Transfer and as a condition precedent to the effectiveness of such consent, (i) the terms and conditions of this Lease shall in no way be deemed to have been waived or modified, (ii) such consent shall not be deemed consent to any further Transfer by either Tenant or a Transferee, (iii) Tenant shall deliver to Landlord, promptly after execution, an original executed copy of all documentation pertaining to the Transfer in form reasonably acceptable to Landlord, (iv) Tenant shall furnish upon Landlord's request a complete statement, certified by an independent certified public accountant, or Tenant's chief financial officer, setting forth in detail the computation of any Transfer Premium Tenant has derived and shall derive from such Transfer; and (v) no Transfer relating to this Lease or agreement entered into with respect thereto, whether with or without Landlord's consent, shall relieve Tenant or any guarantor of the Lease from any liability under this Lease, including, without limitation, in connection with the Subject Space. Landlord or its authorized representatives shall have the right at all reasonable times to audit the books, records and papers of Tenant relating to any Transfer, and shall have the right to make copies thereof. If the Transfer Premium respecting any Transfer shall be found understated, Tenant shall, within thirty (30) days after demand, pay the deficiency, and if understated by more than two percent (2%), Tenant shall pay Landlord's costs of such audit.

14.5 Permitted Transfers. Notwithstanding anything to the contrary contained in this Article, Tenant shall be entitled to assign the Lease or sublet all or a portion of the Premises to an Affiliate without Landlord's consent provided that: (i) such assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease; (ii) Tenant shall notify Landlord of any such proposed assignment or sublease at least sixty (60) days prior to the completion thereof; (iii) upon Landlord's request, Tenant and/or the Affiliate shall execute an assignment and assumption, sublease, or other similar document confirming the assignment, all in a form and content reasonably approved by Landlord; (iv) Tenant and/or the Affiliate promptly supplies Landlord with any other documents or information reasonably requested by Landlord; (v) no such assignment or subletting shall relieve Tenant or any guarantor of the Lease from any liability under this Lease; and (vi) Tenant and the Affiliate shall have paid Landlord all Transfer Expenses and the Transfer Fee.

14.6 Occurrence of Default. Any Transfer hereunder shall be subordinate and subject to the provisions of this Lease, and if this Lease shall be terminated during the term of any Transfer, Landlord shall have the right to: (i) treat such Transfer as canceled and repossess the Subject Space by any lawful means, or (ii) require that such Transferee attorn to and recognize Landlord as its landlord under any such Transfer. If Tenant shall be in default under this Lease, Landlord is hereby irrevocably authorized, as Tenant's agent and attorney-in-fact, to direct any Transferee to make all payments under or in connection with the Transfer directly to Landlord (which Landlord shall apply towards Tenant's obligations under this Lease) until such default is cured. Such Transferee shall rely on any representation by Landlord that Tenant is in default hereunder, without any need for confirmation thereof by Tenant. Upon any assignment, the assignee shall assume in writing all obligations and covenants of Tenant thereafter to be performed or observed under this Lease. No collection or acceptance of rent by Landlord from any Transferee shall be deemed a waiver of any provision of this Article or the approval of any Transferee or a release of Tenant from any obligation under this Lease, whether theretofore or thereafter accruing. In no event shall Landlord's enforcement of any provision of this Lease against any Transferee be deemed a waiver of Landlord's right to enforce any term of this Lease against Tenant or any other person. If Tenant's obligations hereunder have been guaranteed, Landlord's consent to any Transfer shall not be effective unless the guarantor also consents to such Transfer.

ARTICLE 15

SURRENDER OF PREMISES; OWNERSHIP AND REMOVAL OF TRADE FIXTURES

15.1 Surrender of Premises. No act or thing done by Landlord or any agent or employee of Landlord during the Term of the Lease shall be deemed to constitute an acceptance by Landlord of a surrender of the Premises unless such intent is specifically acknowledged in writing by Landlord. The delivery of keys to the Premises to Landlord or any agent or employee of Landlord shall not constitute a surrender of the Premises or effect a termination of this Lease, whether or not the keys are thereafter retained by Landlord, and notwithstanding such delivery Tenant shall be entitled to the return of such keys at any reasonable time upon request until this Lease shall have been properly terminated. The voluntary or other surrender of this Lease by Tenant, whether accepted by Landlord or not, or a mutual termination hereof, shall not work a merger, and at the option of Landlord shall operate as an assignment to Landlord of all subleases or subtenancies affecting the Premises or terminate any or all such sublessees or subtenancies.

15.2 Delivery of Possession. Upon the expiration or earlier termination of this Lease, Tenant shall peaceably leave and surrender the Premises (except as to any portion thereof with respect to which this Lease has previously terminated) to Landlord. Tenant shall surrender the Premises to Landlord good order and condition and, subject to Landlord's rights under Section 19.2.5 below, Tenant shall remove

from the Premises on or prior to such expiration or earlier termination the Trade Fixtures and personal property which is owned by Tenant or third parties other than Landlord, and Tenant at its expense shall, on or prior to such expiration or earlier termination, repair any damage caused by such removal. Trade Fixtures and personal property not so removed at the end of the Term or within thirty days after the earlier termination of the Term for any reason whatsoever shall, at Landlord's option, become the property of Landlord, and Landlord may thereafter cause such property to be removed from the Premises. The cost of removing and disposing of such property and repairing any damage to any of the Premises caused by such removal shall be borne by Tenant. Landlord shall not in any manner or to any extent be obligated to reimburse Tenant for any property which becomes the property of Landlord as a result of such expiration or earlier termination (including pursuant to the exercise of Landlord's rights under Section 19.2.5 below). Tenant waives all claims against Landlord for any damage to Tenant resulting from Landlord's retention or disposition of any such Trade Fixtures or Tenant's personal property. Tenant shall be liable to Landlord for Landlord's costs for storing, removing and disposing of any Trade Fixtures or Tenant's personal property and shall indemnify and hold Landlord harmless from the claim of any third party to an interest in said personal property.

ARTICLE 16

HOLDING OVER

If Tenant holds over after the expiration of the Term of the Lease or earlier termination thereof, with or without the express or implied consent of Landlord, such tenancy shall be from month-to-month only and shall not constitute a renewal hereof or an extension for any further term, and in such case, Rent shall be payable at a monthly rate equal to one hundred fifty percent (150%) of the amount of Rent paid by Tenant during the last rentable period of the Term of the Lease. Such month-to-month tenancy shall be subject to every other applicable term, covenant and agreement contained herein. For purposes of this Article, a holding over shall include, without limitation, Tenant's failure to remove items and restore the Premises as required in Article 15, above. Nothing contained in this Article shall be construed as consent by Landlord to any holding over by Tenant, and Landlord expressly reserves the right to require Tenant to surrender possession of the Premises to Landlord as provided in this Lease upon the expiration or other termination of this Lease. The provisions of this Article shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law. If Tenant fails to surrender the Premises upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord harmless from all loss, costs (including reasonable in-house and outside attorneys' fees) and liability resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender and any lost profits to Landlord resulting therefrom. A termination or non-renewal of this Lease is not intended to be and shall not be deemed to be a breach of the covenant of good faith and fair dealing.

ARTICLE 17

ESTOPPEL CERTIFICATES

Tenant shall at any time and from time to time, upon not less than twenty (20) days' prior written request from Landlord, execute, acknowledge and deliver to the Landlord a statement in writing in the form of Exhibit D attached hereto and such other matters as may reasonably be requested by Landlord or its Lenders. It is intended that any such statements may be relied upon by Landlord and its Lenders, the recipient of such statements or their assignees or by any prospective purchaser, assignee or subtenant of the Premises. Any such certificate may be relied upon by any prospective mortgagee or purchaser of all or any portion of the Premises. Failure of Tenant to timely execute, acknowledge and deliver such

estoppel certificate or other instruments shall constitute an Event of Default and Tenant's acceptance of the Premises and an acknowledgment by Tenant that statements included in the estoppel certificate are true and correct, without exception. If Tenant fails or refuses to execute, acknowledge, and deliver any such document within twenty (20) days after written demand, Landlord, its successors and assigns will be entitled to execute, acknowledge, and deliver any such document on behalf of Tenant as Tenant's attorney-in-fact. Tenant constitutes and irrevocably appoints Landlord, its successors and assigns, as Tenant's attorney-in-fact to execute, acknowledge, and deliver on behalf of Tenant any documents described in this Article. This Article shall be self-operative and no further instrument shall be required in order to affect it.

ARTICLE 18

SUBORDINATION AND ATTORNMENT

18.1 Subordination. This Lease shall be subject and subordinate to all present and future ground or underlying leases of the Premises and to the lien of any Mortgage or other trust deed or other encumbrances now or hereafter in force against the Premises, if any, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made or hereafter to be made upon the security of such mortgages or trust deeds, unless the holders of such mortgages, trust deeds or other encumbrances, or the lessors under such ground lease or underlying leases, require in writing that this Lease be superior thereto. Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage or deed in lieu thereof (or if any ground lease is terminated), to attorn, without any deductions or set-offs whatsoever, to the lienholder or purchaser or any successors thereto upon any such foreclosure sale or deed in lieu thereof (or to the ground lessor), if so requested to do so by such purchaser or lienholder or ground lessor, and to recognize such purchaser or lienholder or ground lessor as the lessor under this Lease, provided such lienholder or purchaser or ground lessor shall agree to accept this Lease and not disturb Tenant's occupancy, so long as Tenant timely pays the rent and observes and performs the terms, covenants and conditions of this Lease to be observed and performed by Tenant. Landlord's interest herein may be assigned as security at any time to any lienholder or Lender. Tenant shall, within five (5) business days of request by Landlord, execute such further instruments or assurances as Landlord or the holders of any mortgages or deeds of trust encumbering the interest of Landlord in the Building or the ground or underlying lessors of the Building or Premises, or any portion thereof may reasonably deem necessary to evidence or confirm the subordination or superiority of this Lease to any such mortgages, trust deeds, ground leases or underlying leases. If Tenant fails or refuses to execute, acknowledge, and deliver any such document within five (5) business days after written demand, Landlord, its successors and assigns will be entitled to execute, acknowledge, and deliver any such document on behalf of Tenant as Tenant's attorney-in-fact. Tenant constitutes and irrevocably appoints Landlord, its successors and assigns, as Tenant's attorney-in-fact to execute, acknowledge, and deliver on behalf of Tenant any documents described in this Article. Tenant waives the provisions of any current or future statute, rule or law which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of Tenant hereunder in the event of any foreclosure proceeding or sale. This Article shall be self-operative and no further instrument of subordination shall be required in order to affect it. Upon Tenant's request, Landlord agrees to request from its Lender(s) a Non-Disturbance Agreement.

ARTICLE 19

DEFAULTS; REMEDIES

19.1 Events of Default. The occurrence of any of the following shall constitute a default of this Lease by Tenant (an “Event of Default”):

19.1.1 Any failure by Tenant to pay any Rent or any other charge required to be paid under this Lease, or any part thereof, when due unless such failure is cured within three (3) business days after written notice that said amounts are past due; provided, however, that Tenant will not be entitled to more than one (1) notice for default in payment of Rent during any twelve (12) month period, and if, within twelve (12) months after any such notice, any Rent is not paid when due, an event of default will have occurred without further notice; or

19.1.2 Except where a specific time period is otherwise set forth for Tenant’s performance in this Lease, in which event the failure to perform by Tenant within such time period shall be an Event of Default by Tenant under this Section 19.1.2, any failure by Tenant to observe or perform any other provision, covenant or condition of this Lease to be observed or performed by Tenant where such failure continues for ten (10) days after written notice thereof from Landlord to Tenant; provided that if the nature of such default is such that the same cannot reasonably be cured within a ten (10) day period, Tenant shall not be deemed to be in default if it diligently commences such cure within such period and thereafter diligently proceeds to rectify and cure such default, but in no event exceeding a period of time in excess of thirty (30) days after written notice thereof from Landlord to Tenant; or

19.1.3 To the extent permitted by law, a general assignment by Tenant or any guarantor of this Lease for the benefit of creditors, or the taking of any corporate action in furtherance of bankruptcy or dissolution whether or not there exists any proceeding under an insolvency or bankruptcy law, or the filing by or against Tenant, an Affiliate, or any guarantor of any proceeding under an insolvency or bankruptcy law, unless in the case of a proceeding filed against Tenant, an Affiliate, or any guarantor the same is dismissed within sixty (60) days, or the appointment of a trustee or receiver to take possession of all or substantially all of the assets of Tenant, an Affiliate, or any guarantor, unless possession is restored to Tenant, an Affiliate, or such guarantor within thirty (30) days, or any execution or other judicially authorized seizure of all or substantially all of Tenant’s assets located upon the Premises or of Tenant’s interest in this Lease, unless such seizure is discharged within thirty (30) days; or

19.1.4 Abandonment or vacation of all or a substantial portion of the Premises by Tenant; or

19.1.5 The failure by Tenant to observe or perform according to the provisions of Section 10.3 or any other Insurance Requirements, where such failure continues for more than five (5) business days after notice from Landlord; or

The notice periods provided herein are in lieu of, and not in addition to, any notice periods provided by law.

19.2 Remedies Upon Default. Upon the occurrence of any Event of Default by Tenant, Landlord shall have, in addition to any other remedies available to Landlord at law or in equity (all of which remedies shall be distinct, separate and cumulative), the option to pursue any one or more of the following remedies, each and all of which shall be cumulative and nonexclusive, without any notice or demand whatsoever.

19.2.1 Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part

thereof, without being liable for prosecution or any claim or damages therefor; and Landlord may recover from Tenant the following:

(i) The worth at the time of any unpaid rent which has been earned at the time of such termination; plus

(ii) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the Term of the Lease after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof for a new tenant, whether for the same or a different use, and any special concessions made to obtain a new tenant; and

(v) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

The term "rent" as used in this Section 19.2 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Paragraphs 19.2.1(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the Default Rate, but in no case greater than the maximum amount of such interest permitted by law. As used in Paragraph 19.2.1(iii) above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

19.2.2 To the extent that Tenant was permitted to occupy the Premises without the payment of Rent or at a reduced Rent at the beginning of the Term of the Lease ("reduced rent period"), Landlord shall be entitled to an amount equal to what the Rent would have been during the reduced rent period to be determined at the Rent rate per month established for the last month of the first year of the Term of the Lease of this Lease (including any renewal or extension of this Lease).

19.2.3 Upon the occurrence of an Event of a Default, Landlord shall have the remedy to continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations. Accordingly, if Landlord does not elect to terminate this Lease on account of any Event of Default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all rent as it becomes due.

19.2.4 Landlord shall at all times have the rights and remedies (which shall be cumulative with each other and cumulative and in addition to those rights and remedies available under Sections 19.2.1 through 19.2.3, above, or any law or other provision of this Lease), without prior demand or notice except as required by applicable law, to seek any declaratory, injunctive or other equitable relief, and specifically enforce this Lease, or restrain or enjoin a violation or breach of any provision hereof.

19.2.5 In addition to any other rights and remedies set forth in this Lease, upon any termination of this Lease due to an Event of Default or upon the end of the Term of the Lease, Landlord shall have the right (but not the obligation) to become the owner of some or all of the Trade Fixtures located on the Premises (at Landlord's sole discretion) which existed prior to such Event of Default. Landlord shall exercise the foregoing right, if at all, no later than ninety (90) days after the termination of the Lease due to an Event of Default. Landlord reserves the right to demand a mandatory meeting between Landlord and Tenant (or, if Tenant refuses such demand, to enter onto the Premises at any time) at any time to establish and document those items that shall be removed or left. Upon Landlord's request, Tenant shall execute and deliver a General Assignment and Bill of Sale (or other similar document) confirming Landlord's ownership of the applicable Trade Fixtures. If Tenant fails or refuses to execute, acknowledge, and deliver any such document within five (5) business days after written demand, Landlord, its successors and assigns will be entitled to execute, acknowledge, and deliver any such document on behalf of Tenant as Tenant's attorney-in-fact.

19.3 Subleases of Tenant. Whether or not Landlord elects to terminate this Lease on account of any Event of Default, as set forth in this Article, Landlord shall have the right to terminate any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Tenant and affecting the Premises or may, in Landlord's sole discretion, succeed to Tenant's interest in such subleases, licenses, concessions or arrangements. In the event of Landlord's election to succeed to Tenant's interest in any such subleases, licenses, concessions or arrangements, Tenant shall, as of the date of notice by Landlord of such election, have no further right to or interest in the rent or other consideration receivable thereunder.

19.4 Form of Payment After Default. Following the occurrence of an Event of Default by Tenant, Landlord shall have the right to require that any or all subsequent amounts paid by Tenant to Landlord hereunder, whether to cure the default in question or otherwise, be paid in the form of cash, money order, cashier's or certified check drawn on an institution acceptable to Landlord, or by other means approved by Landlord, notwithstanding any prior practice of accepting payments in any different form.

19.5 Efforts to Relet. No re-entry or repossession, repairs, maintenance, changes, alterations and additions, reletting, appointment of a receiver to protect Landlord's interests hereunder, or any other action or omission by Landlord shall be construed as an election by Landlord to terminate this Lease or Tenant's right to possession, or to accept a surrender of the Premises, nor shall same operate to release Tenant in whole or in part from any of Tenant's obligations hereunder, unless express written notice of such intention is sent by Landlord to Tenant. Tenant hereby irrevocably waives any right otherwise available under any law to redeem or reinstate this Lease.

19.6 Default by Landlord. Landlord shall not be deemed to be in default in the performance of any obligation required by it under this Lease, or under any agreement executed in connection herewith, unless and until it has failed to perform such obligation within thirty (30) days after receipt of written notice by Tenant to Landlord, specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, then Landlord shall not be deemed to be in default if it shall commence such performance within such thirty (30) day period and thereafter diligently prosecute the same to completion. Nothing in this Article shall be interpreted to mean that Tenant shall have the right to terminate this Lease or that Tenant is excused from paying any Rent due hereunder. If Landlord fails to cure its default during the applicable time period, Tenant's sole and exclusive remedy shall be to bring an action for its actual damages. Tenant hereby expressly waives all of its other rights and remedies including, without limitation, any claim for consequential or punitive damages.

ARTICLE 20

FINANCIAL STATEMENTS; OTHER DOCUMENTS

Tenant shall furnish to the Landlord within one hundred twenty (120) days after the end of each fiscal year of Tenant a consolidated balance sheet for Tenant and its parent and its subsidiaries, statements of income, statements of changes in stockholder's equity for Tenant and its subsidiaries, certified by independent certified public accountants of recognized standing selected by Tenant, together with copies of all documents and materials filed by it, its parent or its subsidiaries during the year with the United States Securities and Exchange Commission, any state or federal agency, regulatory or licensing body, or its lenders. If there is a guarantor of this Lease, at such time Tenant shall provide all of the foregoing documents and information with respect to such Guarantor(s). Without limiting the foregoing, at any time during the Term of the Lease, Landlord may require Tenant and any Guarantor(s) to provide Landlord with a current financial statement and financial statements. In addition, Tenant shall promptly furnish the Landlord from time to time such other information regarding its operations, business affairs and financial condition concerning the Premises as the Landlord may reasonably request. Tenant shall provide the Landlord with copies of any reports furnished to any state or federal agency, regulatory or licensing body, or lender relative to the Premises or Tenant's activities and operations.

ARTICLE 21

SECURITY DEPOSIT

Concurrent with Tenant's execution of this Lease, Tenant shall deposit the Security Deposit with Landlord as security for the faithful performance by Tenant of all of its obligations under this Lease. If Tenant defaults with respect to any provisions of this Lease, including, but not limited to, the provisions relating to the payment of Rent, the removal of property and the repair of resultant damage, Landlord may, without notice to Tenant, but shall not be required to apply all or any part of the Security Deposit for the payment of any Rent or any other sum in default and Tenant shall, within five (5) days of demand therefor, restore the Security Deposit to its original amount. Any unapplied portion of the Security Deposit shall be returned to Tenant, or, at Landlord's option, to the last assignee of Tenant's interest hereunder, within sixty (60) days following the expiration of the Term of the Lease so long as Tenant is not in default under this Lease. Tenant shall not be entitled to any interest on the Security Deposit. Without limiting the generality of the foregoing, Tenant acknowledges that the Security Deposit may be held and applied to offset any and all damages arising from Tenant's default under, or breach of this Lease. Landlord is not required to hold the Security Deposit in a separate account and may co-mingle the funds with other funds of Landlord.

ARTICLE 22

SIGNS

22.1 Advertising Media. Tenant shall not affix upon the Premises any sign, advertising placard, name, insignia, trademark, descriptive material or other like item unless approved by Landlord in advance. No advertising medium shall be utilized by Tenant which can be heard or seen outside the Premises or patio area including, without limitation, flashing lights, searchlights, loudspeakers, phonographs, radios or televisions.

22.2 Signs. Notwithstanding anything contained in Section 22.1 to the contrary, Tenant shall erect signs at its own expense in accordance with (a) the sign criteria established by Landlord; and (b) all applicable laws, ordinances and regulations, and shall maintain these signs in good condition and repair during the Term. At Landlord's option, Tenant shall, at its sole cost and expense, remove some or all of the signs installed by Tenant upon the expiration or earlier termination of this Lease.

22.3 Prohibited Signage and Other Items. Any signs, notices, logos, pictures, names or advertisements which are installed and that have not been separately approved by Landlord may be removed without notice by Landlord at the sole expense of Tenant.

22.4 Change in Tenant's Name. Should the name of Tenant be legally changed to another name, Tenant shall be entitled to modify, at Tenant's sole cost and expense, Tenant's name on the signage previously installed pursuant to this Article to reflect Tenant's new name, so long as Landlord reasonably determines the new name does not relate to an entity which is of a character or reputation, or is associated with a political orientation or faction, which is inconsistent with the quality of the Premises, or which would otherwise reasonably offend or be unacceptable to a landlord of comparable Premises.

ARTICLE 23

LATE CHARGES

Tenant hereby acknowledges that late payment by Tenant to Landlord of Rent due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing, administration and accounting charges and late charges which may be imposed on Landlord by the terms of any encumbrance covering the Premises. Accordingly, if any installment of Rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within five (5) days after said amount is due, then Tenant shall pay to Landlord a late charge equal to the greater of (i) five percent (5%) of the overdue amount, or (ii) two Hundred Fifty Dollars (\$250.00). In addition, Tenant shall pay any in-house and outside attorneys' fees incurred by Landlord by reason of Tenant's failure to pay Rent and/or other charges when due hereunder. The late charge shall be deemed Additional Rent and the right to require it shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner. In addition to the late charge described above, any Rent or other amounts owing under this Lease which are not paid within five (5) days after the date they are due shall bear interest from the date when due until paid at the Default Rate.

ARTICLE 24

LANDLORD'S RIGHT TO CURE DEFAULT; PAYMENTS BY TENANT

24.1 Landlord's Cure. All covenants and agreements to be kept or performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any reduction of Rent, except to the extent, if any, otherwise expressly provided herein. If Tenant shall fail to perform any obligation under this Lease, and such failure shall continue in excess of the time allowed under Section 19.1, above, unless a specific time period is otherwise stated in this Lease, Landlord may, but shall not be obligated to, make any such payment or perform any such act on Tenant's part without waiving its rights based upon any default of Tenant and without releasing Tenant from any obligations hereunder.

24.2 Tenant's Reimbursement. Except as may be specifically provided to the contrary in this Lease, Tenant shall pay to Landlord, upon delivery by Landlord to Tenant of statements therefor: (i) sums equal to expenditures reasonably made and obligations incurred by Landlord in connection with the remedying by Landlord of Tenant's defaults pursuant to the provisions of Section 24.1; and (ii) sums equal to all expenditures made and obligations incurred by Landlord in collecting or attempting to collect the Rent or in enforcing or attempting to enforce any rights of Landlord under this Lease or pursuant to law, including, without limitation, all legal fees and other amounts so expended. Tenant's obligations under this Section 24.2 shall survive the expiration or sooner termination of the Term of the Lease.

ARTICLE 25

ENTRY BY LANDLORD

Landlord, its agents, contractors, servants and employees may upon 24 hours prior oral notice enter the Premises during business hours upon reasonable notice and complying with any of Tenant's visitor policies if entry is during school hours (except in the event of an emergency, in which case, Landlord may enter the Premises at all times without notice), (a) to examine and inspect the Premises; (b) to perform any obligation, or exercise any right or remedy, of Landlord under this Lease; (c) to make repairs to the Premises as Landlord deems necessary or desirable; (d) to perform work necessary to comply with the Legal Requirements and/or Insurance Requirements; (e) to perform work that Landlord deems reasonably necessary to prevent waste or deterioration in connection with the Premises; (f) to show the Premises to prospective purchasers, Lenders, mortgagees or tenants, or to current or prospective Lenders, mortgagees, ground or underlying lessors or insurers; (g) to post notices of nonresponsibility; (h) to take possession due to any breach of this Lease in the manner provided herein; and (i) perform any covenants of Tenant which Tenant fails to perform. Landlord may make any such entries without the abatement of Rent and may take such reasonable steps as required to accomplish the stated purposes. Tenant hereby waives any claims for damages or for any injuries or inconvenience to or interference with Tenant's business, lost profits, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned by Landlord's entry, all claims for such damage being hereby released. In an emergency, Landlord shall have the right to use any means that Landlord may deem proper to open the doors in and to the Premises. Any entry into the Premises by Landlord in the manner hereinbefore described shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an actual or constructive eviction of Tenant from any portion of the Premises. No provision of this Lease shall be construed as obligating Landlord to perform any repairs, alterations or decorations. No reentry into or taking of possession of the Premises by Landlord pursuant to this Article shall be construed as an election to terminate this Lease unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction. No notice from Landlord under this Lease or under a forcible entry and detainer statute or similar law will constitute an election by Landlord to

terminate this Lease unless such notice specifically says so. Landlord reserves the right following any such reentry or re-letting, or both, to exercise its right to terminate this Lease by giving Tenant such written notice, and, in that event the Lease will terminate as specified in such notice.

ARTICLE 26

MISCELLANEOUS PROVISIONS

26.1 Terms; Captions. The words "Landlord" and "Tenant" as used herein shall include the plural as well as the singular. The necessary grammatical changes required to make the provisions hereof apply either to corporations or partnerships or individuals, men or women, as the case may require, shall in all cases be assumed as though in each case fully expressed. The captions of Articles and Sections are for convenience only and shall not be deemed to limit, construe, affect or alter the meaning of such Articles and Sections.

26.2 Binding Effect. Subject to all other provisions of this Lease, each of the covenants, conditions, and provisions of this Lease shall extend to and shall, as the case may require, bind or inure to the benefit not only of Landlord and of Tenant, but also of their respective heirs, personal representatives, successors or assigns, provided this clause shall not permit any assignment by Tenant contrary to the provisions of Article 14 of this Lease.

26.3 No Air Rights. No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease. If at any time any windows of the Premises are temporarily darkened or the light or view therefrom is obstructed by reason of any repairs, improvements, maintenance or cleaning in, on, or about the Premises, the same shall be without liability to Landlord and without any reduction or diminution of Tenant's obligations under this Lease.

26.4 Modification of Lease. Should any current or prospective mortgagee, Lender, credit facilitator, or ground lessor for the Premises require a modification of this Lease, which modification will not cause an increased cost or expense to Tenant or in any other way materially and adversely change the rights and obligations of Tenant hereunder, then and in such event, Tenant agrees that this Lease may be so modified and agrees to execute whatever documents are reasonably required therefor and to deliver the same to Landlord within ten (10) days following a request therefor. At the request of Landlord or any mortgagee, credit facilitator, or ground lessor, Tenant agrees to execute a short form of Lease and deliver the same to Landlord within ten (10) days following the request therefor.

26.5 Transfer of Landlord's Interest. Tenant acknowledges that Landlord has the right to transfer all or any portion of its interest in the Premises or Building and in this Lease, and Tenant agrees that in the event of any such transfer, Landlord shall automatically be released from all liability under this Lease for the portion of the interest transferred and Tenant agrees to look solely to such transferee for the performance of Landlord's obligations hereunder for the portion of the interest transferred after the date of transfer and such transferee shall be deemed to have fully assumed and be liable for all obligations of this Lease to be performed by Landlord for the portion of the interest transferred, including the return of any Security Deposit, and Tenant shall attorn to such transferee. Tenant further acknowledges that Landlord may assign its interest in this Lease to a Lender as additional security and agrees that such an assignment shall not release Landlord from its obligations hereunder and that Tenant shall continue to look to Landlord for the performance of its obligations hereunder.

26.6 Prohibition Against Recording. Except for the recordation of a memorandum as provided in Section 9.2 of this Lease, neither this Lease, nor any memorandum, affidavit or other writing

with respect thereto, shall be recorded by Tenant or by anyone acting through, under or on behalf of Tenant.

26.7 Landlord's Title. Landlord's title is and always shall be paramount to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord.

26.8 Relationship of Parties. 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 venturer or any association between Landlord and Tenant.

26.9 Application of Payments. Landlord shall have the right to apply payments received from Tenant pursuant to this Lease, regardless of Tenant's designation of such payments, to satisfy any obligations of Tenant hereunder, in such order and amounts as Landlord, in its sole discretion, may elect.

26.10 Time of Essence. Time is of the essence with respect to Tenant's performance of every provision of this Lease in which time of performance is a factor (including, without limitation, Tenant's delivery of an Option Decline Notice, if any).

26.11 Partial Invalidity. If any term, provision or condition contained in this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, provision or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other term, provision and condition of this Lease shall be valid and enforceable to the fullest extent possible permitted by law.

26.12 No Warranty. In executing and delivering this Lease, Tenant has not relied on any representations, including, but not limited to, any representation as to the amount of any item comprising Additional Rent or the amount of the Additional Rent in the aggregate or that Landlord is furnishing the same services to other tenants, at all, on the same level or on the same basis, or any warranty or any statement of Landlord which is not set forth herein or in one or more of the exhibits attached hereto. Tenant agrees that neither Landlord nor any agent of Landlord has made any representation or warranty as to the suitability of the Premises for the conduct of Tenant's business, that any specific tenant or number of tenants shall occupy any space in buildings adjacent (or in proximity) to the Premises, nor has Landlord agreed to undertake any modification, alteration or improvement to the Premises except as provided in this Lease. Tenant further agrees that neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the physical condition of the Premises, the land upon which the Premises are located, or the expenses of operation of the Premises, or any other matter or thing affecting or related to the Premises, except as herein expressly set forth in the provisions of this Lease.

26.13 Landlord Exculpation. The liability of Landlord or the Landlord Parties to Tenant for any default by Landlord under this Lease or arising in connection herewith or with Landlord's operation, management, leasing, repair, renovation, alteration or any other matter relating to the Premises shall be limited solely and exclusively to an amount which is equal to the lesser of (a) the interest of Landlord in the Premises or (b) the equity interest Landlord would have in the Premises if the Premises were encumbered by third-party debt in an amount equal to eighty percent (80%) of the value of the Premises (as such value is determined by Landlord), provided that in no event shall such liability extend to any sales or insurance proceeds received by Landlord or the Landlord Parties in connection with the Premises. Neither Landlord, nor any of the Landlord Parties shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. The limitations of liability contained in this Section 26.13 shall inure to the benefit of Landlord's and the Landlord Parties' present and future partners, beneficiaries, officers,

directors, trustees, shareholders, agents and employees, and their respective partners, heirs, successors and assigns. Under no circumstances shall any present or future partner of Landlord (if Landlord is a partnership), or trustee or beneficiary (if Landlord or any partner of Landlord is a trust), have any liability for the performance of Landlord's obligations under this Lease. Notwithstanding any contrary provision herein, neither Landlord nor the Landlord Parties shall be liable under any circumstances for injury or damage to, or interference with, Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring.

26.14 Entire Agreement. It is understood and acknowledged that there are no oral agreements between the parties hereto affecting this Lease and this Lease constitutes the parties' entire agreement with respect to the leasing of the Premises and supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. None of the terms, covenants, conditions or provisions of this Lease can be modified, deleted or added to except in writing signed by the parties hereto.

26.15 Waiver of Redemption by Tenant. Tenant hereby waives, for Tenant and for all those claiming under Tenant, any and all rights now or hereafter existing to redeem by order or judgment of any court or by any legal process or writ, Tenant's right of occupancy of the Premises after any termination of this Lease.

26.16 Notices. All Notices given or required to be given by either party to the other hereunder or by law shall be in writing and shall be (A) transmitted by facsimile or email, if such facsimile or email is promptly followed by a Notice sent by Mail with return receipt requested, (B) delivered by a nationally recognized overnight courier, or (C) delivered personally with receipt of delivery. If any Notice is sent by facsimile or email, the date that the Notice is deemed to be delivered shall be (i) the date a receipt by the receiving party is acknowledged either by return facsimile or email or (ii) the date received by the receiving party by Mail evidenced by return receipt. Any Notice given by overnight courier will be deemed given on the date the overnight courier delivery is made, and any Notice given by personal delivery will be deemed given on the date personal delivery is made or attempted to be made. If Notice is tendered under the provisions of this Lease and is refused, or a return receipt is refused to be given, by the intended recipient of the Notice, the Notice shall nonetheless be considered to have been given and shall be effective as of the date provided in this Lease. The contrary notwithstanding, any Notice given to Tenant in a manner other than that provided in this Lease, which is actually received by Tenant, shall be effective with respect to Tenant on receipt of such Notice. Any Notice shall be sent, transmitted, or delivered, as the case may be, to Tenant at the appropriate address set forth in Section 7 of the Basic Lease Provisions, or to such other place as Tenant may from time to time designate in a Notice to Landlord, or to Landlord at the addresses set forth in Section 8 of the Basic Lease Provisions, or to such other places as Landlord may from time to time designate in a Notice to Tenant. If Tenant is notified of the identity and address of Landlord's mortgagee, Lender, or ground or underlying lessor, Tenant shall give to such mortgagee, Lender, or ground or underlying lessor written notice of any default by Landlord under the terms of this Lease by registered or certified mail, and such mortgagee, Lender, or ground or underlying lessor shall be given a reasonable opportunity to cure such default prior to Tenant's exercising any remedy available to Tenant.

26.17 Joint and Several. If there is more than one Tenant, the obligations imposed upon Tenant under this Lease shall be joint and several.

26.18 Authority. If Tenant is a corporation, trust or partnership, each of the persons executing this Lease on behalf of Tenant warrants to Landlord that Tenant is a duly authorized and existing

corporation, that Tenant is qualified to do business in the state in which the Premises are located, that Tenant has full right and authority to enter into this Lease and that each person signing this Lease on behalf of Tenant has full authority to do so. Within thirty (30) days after this Lease is signed, Tenant shall deliver to Landlord a certified copy of a resolution of Tenant's Board of Directors authorizing the execution of this Lease or other evidence of such authority reasonably acceptable to Landlord. If Tenant is a partnership, each person signing this Lease for Tenant represents and warrants that he is a general partner of the partnership, that he has full authority to sign for the partnership and that this Lease binds the partnership and all general partners of the partnership. Tenant shall give written notice to Landlord of any general partner's withdrawal or addition. Within thirty (30) days after this Lease is signed, Tenant shall deliver to Landlord a copy of Tenant's recorded statement of partnership or certificate of limited partnership.

26.19 Attorneys' Fees. In the event that either Landlord or Tenant brings any action, arbitration, or proceeding against the other for possession of the Premises or for the recovery of any sum due hereunder, or because of the breach of any covenant, condition, or provision hereof, or for any other relief against the other, declaratory or otherwise, including appeals therefrom, and whether being an action based upon a tort, or contract or this Lease, then the prevailing party to this Lease in any such proceeding shall be paid by the other party to this Lease in any such proceeding reasonable in-house and outside attorneys' fees (as costs) and all costs of such action or proceeding which shall be enforceable, whether or not such action or proceeding is prosecuted to final judgment, and including an allowance for in-house and outside attorneys' fees (as costs) for appeals and rehearings. Should Landlord be made a party to any suit or proceeding brought by any third party, arising by reason of Tenant's use or occupancy of the Premises and not being a dispute essentially between Landlord and Tenant, then Tenant shall defend the same and Landlord therein, at Tenant's sole cost and expense, and shall hold Landlord free and harmless from any liability, duty or obligation therein, including all in-house and outside attorneys' fees of Landlord.

26.20 Governing Law. THIS LEASE SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED. IN THE EVENT LANDLORD COMMENCES ANY SUMMARY PROCEEDINGS OR ACTION FOR NONPAYMENT OF BASE RENT OR ADDITIONAL RENT, TENANT SHALL NOT INTERPOSE ANY COUNTERCLAIM OF ANY NATURE OR DESCRIPTION (UNLESS SUCH COUNTERCLAIM SHALL BE MANDATORY) IN ANY SUCH PROCEEDING OR ACTION, BUT SHALL BE RELEGATED TO AN INDEPENDENT ACTION AT LAW. IN ANY ACTION OR PROCEEDING ARISING HEREFROM, LANDLORD AND TENANT HEREBY CONSENT TO THE JURISDICTION OF ANY COMPETENT COURT WITHIN THE STATE OF NEVADA.

26.21 Submission of Lease. Submission of this instrument for examination or signature by Tenant does not constitute a reservation of, option for, or option to lease and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant.

26.22 Brokers. Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, and that they know of no other real estate broker or agent who is entitled to a commission in connection with this Lease. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, costs and expenses (including without limitation reasonable in-house and outside attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of any dealings with any real estate broker or agent, other than the Brokers, occurring by, through, or under the indemnifying party.

26.23 Independent Covenants. This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent and not dependent and Tenant hereby expressly waives the benefit of any statute to the contrary and agrees that if Landlord fails to perform its obligations set forth herein, Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense or to any setoff of the Rent or other amounts owing hereunder against Landlord.

26.24 Counterparts. This Lease may be executed in counterparts with the same effect as if both parties hereto had executed the same document. Both counterparts shall be construed together and shall constitute a single lease.

26.25 Confidentiality. Tenant acknowledges that the content of this Lease and any related documents are confidential information. Tenant shall keep such confidential information strictly confidential and shall not disclose such confidential information to any person or entity other than Tenant's financial, legal, and space planning consultants.

26.26 No Violation. Tenant hereby warrants and represents that neither its execution of nor performance under this Lease shall cause Tenant to be in violation of any agreement, instrument, contract, law, rule or regulation by which Tenant is bound, and Tenant shall protect, defend, indemnify and hold Landlord harmless against any claims, demands, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable in-house and outside attorneys' fees and costs, arising from Tenant's breach of this warranty and representation.

26.27 Development of the Project.

26.27.1 Intentionally Deleted.

26.27.2 Intentionally Deleted.

26.27.3 Construction of Other Improvements. Tenant acknowledges that Landlord may perform construction on the Premises following Tenant's occupancy of the Premises, and that such construction may result in levels of noise, dust, obstruction of access, etc. which are in excess of that present in a fully constructed project. Tenant hereby waives any and all rent offsets or claims of constructive eviction which may arise in connection with such construction.

26.28 Intentionally Deleted.

26.29 Waiver of Jury Trial. TENANT AND LANDLORD HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY LITIGATION OR ARBITRATION OR SIMILAR JUDICIAL PROCEEDING ARISING OUT OF OR IN ANY WAY RELATING TO THIS LEASE.

26.30 Hazardous Substances. Landlord may, upon reasonable notice to Tenant, be granted access to and enter the Premises at any time to perform or cause to have performed an environmental inspection, site assessment or audit. Such environmental inspector or auditor may be chosen by Landlord, in its sole discretion, and be performed at Landlord's sole expense, except as provided herein. To the extent that the report prepared upon such inspection, assessment or audit, indicates the presence of Hazardous Materials in violation of Environmental Laws, or provides recommendations or suggestions to prohibit the release, discharge, escape or emission of any Hazardous Materials at, upon, under or within the Premises, or to comply with any Environmental Laws, Tenant shall promptly, at Tenant's sole expense, comply with such recommendations or suggestions, including, but not limited to performing

such additional investigative or subsurface investigations or remediation(s) as recommended by such inspector or auditor and Tenant shall reimburse Landlord for the costs or fees of the initial and any subsequent environmental inspection, site assessment or audit report as Additional Rent. Notwithstanding the above, if at any time, Landlord has actual notice or reasonable cause to believe that Tenant has violated, or permitted any violations of any Environmental Law, then Landlord will be entitled to perform an environmental inspection, assessment or audit at any time, and Tenant must reimburse Landlord for the cost or fees incurred for such as Additional Rent.

26.31 Approval by Lender. Tenant acknowledges and agrees that this Lease may be subject to the approval of Landlord's lender, and Tenant hereby agrees to make such modifications of this Lease as shall be reasonably requested by Landlord's lender, so long as such modifications shall not increase Rent payable hereunder, or the Term hereof, or otherwise materially, adversely affect Tenant's rights and obligations hereunder.

26.32 If so indicated in Basic Lease Provisions, this Lease is subject to and conditioned upon Tenant delivering to Landlord, concurrently with Tenant's execution and delivery of this Lease, a guaranty in the form set forth as **Exhibit 101** attached hereto, if any, which guaranty shall be executed by and binding upon the guarantor.

26.33 Intentionally Deleted.

26.34 State Specific Provisions. The provisions set forth on **Exhibit F** attached hereto (if any) are incorporated herein by reference.

26.35 Intentionally Deleted.

[End of Lease Provisions - Exhibits to Follow.]

EXHIBIT A

DEFINITIONS APPLICABLE TO THE LEASE

"Additional Rent" shall mean all amounts due and payable by Tenant under this Lease other than Minimum Annual Rent.

"Administrative Fee" means and refers to any fee or costs charged by Landlord for its management and overhead with respect to the Lease and/or the Premises, and/or compensation for time expended (at professional rates) to administer or attend to any provision of the Lease.

"Affiliate" means and refers to any company or entity controlled by, controls, or is under common control with, Tenant or any company or entity in which Tenant influences the operation, direction or management. **"Control,"** as used in this paragraph means (i) the ownership, directly or indirectly, of at least fifty-one percent (51%) of the voting securities of, or (ii) possession of the right to vote, in the ordinary direction of its affairs, of at least fifty-one percent (51%) of the voting interest in, any person, company or entity.

"Alteration" or "Alterations" means and refers to mean (whether or not adjacent to or abutting any then-existing buildings) any or all changes, additions, expansions, improvements, reconstructions, removals or replacements of or to any part of the Premises (including, without limitation, the Improvements or Equipment), both interior or exterior, and ordinary and extraordinary.

"Brokers" means and refers to the real estate brokers or agents specified in the Basic Lease Provisions.

"Building" means and refers to the buildings, structures and other improvements now existing or hereinafter constructed on the Land.

"Casualty" means and refers to any damage or destruction to all or any portion of the Premises regardless of the cause of such damage or destruction and whether or not insured against. Casualty includes, without limitation, damage or destruction caused by fire, vandalism, acts of god or nature, earthquake, and water damage of any and all type.

"Claims and Losses" means and refers to (as the context requires) any or all losses, costs, damages, causes of action, suits, claims, demands or judgments, expense and liability of any nature whatsoever, howsoever caused (including without limitation court costs, expert's costs, and reasonable fees for in-house and outside attorneys and their staff members).

"Condemnation" means and refers to (i) any Requisition; and/or (ii) Taking.

"Default Rate" means and refers to the greater of the following per annum rates: (i) the rate equal to the "prime rate" announced from time to time by Bank of America, a national banking association, or its successor, as its prime rate plus four percent (4%), (ii) twelve percent (12%) per annum, and (iii) the highest rate permitted by applicable law.

"Equipment" means and refers to the machinery and equipment which is now or hereinafter attached to the Building or Land in such a manner as to become fixtures under applicable law, together with all additions and accessions thereto, substitutions therefor and replacements thereof permitted by this Lease, excepting therefrom the Trade Fixtures.

"Entity Transfers" means and refers to any of the following: (i) if Tenant is a partnership or limited liability company, the withdrawal or change, voluntary, involuntary or by operation of law, of fifty percent (50%) or more (calculated on an aggregate basis cumulative over time) of the partners/members, or transfer of fifty percent (50%) or more (calculated on an aggregate basis cumulative over time) of partnership/membership interests, or the dissolution of the partnership/limited liability company without immediate reconstitution thereof, and (ii) if Tenant is a closely held corporation (*i.e.*, whose stock is not publicly held and not traded through an exchange or over the counter), (A) the dissolution, merger, consolidation or other reorganization of Tenant or (B) the sale or other transfer of an aggregate (cumulative over time) of fifty percent (50%) or more of the voting shares of Tenant, or (C) the sale, mortgage, hypothecation or pledge of an aggregate (cumulative over time) of fifty percent (50%) or more of the book value or market value (whichever is lesser) of the assets of Tenant. In addition, Entity Transfer shall include any transaction or series of transactions whereby Tenant converts from a non-profit entity to a for-profit entity or any change in guarantors, credit enhancers or holders of any charter or operating license for the Tenant of any type.

"Environmental Laws" means and refers to any and all federal, state, local or quasi-governmental laws (whether under common law, statute or otherwise), ordinances, decrees, codes, rulings, awards, rules, compliance or mitigation programs (including, without limitation, asbestos containing materials operation and maintenance plans), regulations or guidance or policy documents now or hereafter enacted or promulgated and as amended from time to time, in any way relating to (i) the protection of the environment, the health and safety of persons (including employees), property or the public welfare from actual or potential release, discharge, escape or emission (whether past or present) of any hazardous materials or (ii) the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of any hazardous materials.

"Event of Default" is defined in Section 19.1.

"Ground Lease" means and refers to that certain Ground Lease, dated June 6, 2018, executed by Garden Foods Inc. dba GF Capital, as Ground Lessor, and Landlord, as Ground Lessee.

"Hazardous Materials" and **"Hazardous Substances"** means and refers to any solid, liquid or gaseous substance or material that is described or characterized as a toxic or hazardous substance, waste, material, pollutant, contaminant or infectious waste, or any matter that in certain specified quantities would be injurious to the public health or welfare, or words of similar import, in any of the Environmental Laws", or any other words which are intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity or reproductive toxicity and includes, without limitation, asbestos, petroleum (including crude oil or any fraction thereof, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel, or any mixture thereof), petroleum products, polychlorinated biphenyls, urea formaldehyde, radon gas, nuclear or radioactive matter, medical waste, soot, vapors, fumes, acids, alkalis, chemicals, microbial matters (such as molds, fungi or other bacterial matters), biological agents and chemicals which may cause adverse health effects, including but not limited to, cancers and /or toxicity. The words "Hazardous Materials" and "Hazardous Substances" have the same meaning and can be used interchangeably.

"Improvements" means and refers collectively to the Building or any other improvements on, to, or about the Land.

"Insurance Requirements" means and refers collectively to any and all of the terms and specifications of each insurance policy required to be carried by Tenant under this Lease (including, without limitation, the policies required by the provisions of Exhibit E attached to the Lease) and the requirements of the issuer of such policy, including any existing violation of any thereof. Insurance Requirements also shall

include, if applicable, the requirements of (i) the issuer of any insurance policies procured by Landlord from time to time; provided, however, that nothing herein shall be deemed or construed as requiring Landlord to obtain any such insurance policies and (ii) any subsequent requirements of any Lender, credit facilitator, or credit enhancer of Landlord's which pertain to the Landlord or Premises.

"Land" means and refers to the lot or parcel of land described in Exhibit B attached to the Lease and made a part hereof, together with the appurtenant rights and easements, related thereto.

"Landlord Parties" means and refers collectively to Landlord, its member, submembers, partners, subpartners and their respective officers, agents, servants, employees, and independent contractors.

"Lease Commencement Date" is defined and delineated in the Basic Lease Provisions.

"Lease Expiration Date" is defined and delineated in the Basic Lease Provisions.

"Term of the Lease" refers to the Term of the Lease set forth in Section 3.1 of the Basic Lease Provisions including any Options to Extend the Term of the Lease.

"Legal Requirements" means and refers collectively to any and all present and future laws, zoning regulations, restrictions, rules and ordinances, codes (including, without limitation, building codes), ordinances, orders, judgments, decrees, injunctions, rules, regulations and requirements, even if unforeseen or extraordinary, of every duly constituted governmental authority or agency and all covenants, conditions, and restrictions now of record which may be applicable to Tenant, Landlord (with respect to the Premises) or to all or any part of or interest in the Premises, or to the use, manner of use, occupancy, possession, operation, maintenance, alteration, repair or reconstruction of the Premises, even if compliance therewith (i) necessitates structural changes or improvements (including changes required to comply with the "Americans with Disabilities Act" or other similar statutes, whether now existing or enacted in the future), or (ii) results in interference with the use or enjoyment of the Premises, or (iii) requires Tenant to carry insurance other than as required by the provisions of this Lease.

"Lender" refers, collectively, to any lender(s) or credit facility of Landlord.

"Mail" means and refers to a Notice or other correspondence sent by United States certified or registered mail, postage prepaid, return receipt requested.

"Minimum Annual Rent" means and refers to the Minimum Annual Rent set forth in the Basic Lease Provisions (as such amount is increased from time to time).

"Mortgage" means and refers to a mortgage in favor of Landlord's Lender encumbering the Premises and/or Landlord's interest in this Lease or any Ground Lease.

"Net Award" means and refers to the entire award payable to Landlord by reason of a Condemnation, less any expenses incurred by Landlord in collecting such award.

"Net Proceeds" means and refers to the entire proceeds of any insurance required to be maintained by Tenant under this Lease payable in the event of a casualty, less any expenses incurred by Landlord in collecting such proceeds.

"Non-Disturbance Agreement" means and refers to an agreement between Landlord, its Lender(s), and Tenant which provides that Tenant's possession of the Premises, and this Lease, including any options to

extend the term hereof, will not be disturbed so long as Tenant has not committed an Event of Default and attorns to the obligations due to the record owner of any portion of the Premises or due to any Lender.

"Notices" means and refers to any and all notices, demands, statements, designations, approvals or other given by either party to the other hereunder.

"Occupant" means and refers to any lessee, licensee, concessionaire, franchisee or user of a portion of the Premises under a lease, sublease, license, concession or franchise or similar agreement whether with Tenant or any other person.

"Original Tenant" refers to the Tenant originally named in the Basic Lease Provisions.

"Option(s) to Extend the Term of the Lease" is defined in the Basic Lease Provisions.

"Option Decline Notice" means and refers to a written notice from Tenant to Landlord which: (i) is delivered in strict accordance with the notice requirements of the Lease; (ii) is received by Landlord not more than thirty-six (36) months and not less than twenty-four (24) months prior to the then-scheduled Lease Expiration Date; and (iii) expressly states that Tenant has irrevocably elected to decline any and all automatic Options to Extend the Term of the Lease not previously exercised.

"Permitted Encumbrances" means and refers to all covenants, conditions, restrictions, reservations, liens, encroachments, easements, ground leases (including, without limitation, the Ground Lease), and other matters now or hereinafter of record or mutual agreement that encumbers the Premises.

"Permitted Chemicals" means and refers to commonly available household cleaners and chemicals used to maintain the Premises, in Tenant's routine operations, and/or which are appropriate for classroom use and which are not (i) hazardous to public welfare or the Premises or any component thereof, and (ii) are not otherwise a Hazardous Material or Hazardous Substance.

"Permitted Transfer" refers to a transfer meeting all of the requirements set forth in Section 14.5 of the Lease.

"Premises" refers collectively to all of the following: (i) the Land (if applicable, subject to the Ground Lease); (ii) the Improvements; and (iii) the Equipment.

"Rent" refers collectively to the Minimum Annual Rent, Minimum Monthly Rent and the Additional Rent.

"Rent Payment Date" refers to the date which is three (3) calendar days prior to the first (1st) day of each Calendar Month. For example, the Rent Payment Date for February Rent is January 29 and the Rent Payment Date for March Rent is February 26.

"Requisition" means and refers to any temporary condemnation or confiscation of the use or occupancy of the Premises by any governmental authority, civil or military, whether pursuant to an agreement with such governmental authority, in settlement of, or under threat of any such requisition or confiscation, or otherwise.

"Restoration" means and refers to Tenant's restoration of the Premises as nearly as possible to its value, condition and character existing immediately prior to a Condemnation or casualty (as the case may be).

"Restoration Award" means and refers to a portion of the Net Award equal to the cost of Restoration.

"Restoration Fund" means and refers to the aggregate sum of the Net Proceeds, the Restoration Award and Tenant Insurance Payment.

"Security Deposit" means and refers to the Security Deposit set forth in the Basic Lease Provisions,

"Subject Space" means the portion of the Premises that Tenant proposes to Transfer; provided, however, that in the case of an Entity Transfer, the Subject Space shall mean and refer to the entire Premises.

"Taking" means and refers to any taking of the Premises in or by condemnation or other eminent domain proceedings pursuant to any law, general or special, or by reason of any agreement with any condemnor in settlement of, or under threat of any such condemnation or other eminent domain proceedings or by any other means, or any *de facto* condemnation (inverse or otherwise).

"Tenant Insurance Payment" means and refers to an amount equal to the insurance proceeds that would have been payable if Tenant had maintained the insurance required under the Lease.

"Trade Fixtures" shall mean and refer to all fixtures, equipment and other items of personal property which are not attached to the Premises and are owned by Tenant and used in the operation of the business conducted on the Premises.

"Transfer" or **"Transfers"** means any of the following, whether by agreement or operation of law: (i) assignment, mortgage, pledge, hypothecation, encumbrance (or the attachment of a lien to the Premises or this Lease) or otherwise transfer of this Lease or any interest hereunder, (ii) any subletting of the Premises or any part thereof; (iii) any license or concession agreements (written or otherwise) with respect to the Premises or other agreement which permits the occupancy or use of the Premises or any part thereof by any persons other than Tenant and its employees for the Permitted Use contained herein; and/or (iv) an Entity Transfer.

"Transfer Expenses" means and refers to any and all Administrative Fees and reasonable professional fees (including, without limitation, in-house and outside attorneys', accountants', architects', engineers', consultants', and their staff's fees) and all costs incurred by Landlord in connection with its review, processing, and documentation of a proposed Transfer.

"Transfer Fee" means and refers to a fee payable to Landlord in connection with a Transfer in an amount equal to one month of the then-current Minimum Annual Rent.

"Transfer Notice" means and refers to Tenant's written notice to Landlord requesting consent to a proposed Transfer. To be valid, a Transfer notice shall include all of the following: (i) the proposed effective date of the Transfer, which shall not be less than sixty (60) days nor more than one hundred eighty (180) days after the date of receipt by the Landlord of the Transfer Notice, (ii) a description of the Subject Space to be transferred, (iii) all of the terms of the proposed Transfer and the consideration therefor, including calculation of the "Transfer Premium", in connection with such Transfer, the name and address of the proposed Transferee, and a copy of all existing executed and/or proposed documentation pertaining to the proposed Transfer, including all existing operative documents to be executed to evidence such Transfer or the agreements incidental or related to such Transfer, provided that Landlord shall have the right to require Tenant to utilize Landlord's standard Transfer documents in connection with the documentation of such Transfer, (iv) current financial statements of the proposed Transferee certified by an officer, partner or owner thereof, business credit and personal references and history of the proposed Transferee and any other information required by Landlord which will enable Landlord to determine the financial responsibility, character, and reputation of the proposed Transferee, nature of such Transferee's business and proposed use of the Subject Space, and (v) a cashiers' check

made payable to Landlord in the amount of the Transfer Premium as calculated by Tenant according to the terms of this Section. Such calculation of the Transfer Premium is subject to confirmation and adjustment, if needed, by Landlord after review of the calculation proposed by Tenant and contained in the Transfer Notice.

"Transfer Premium" shall mean the sum of the following amounts:

(i) if the Transfer is made in connection with an Entity Transfer, the transfer of Tenant's business, and/or the transfer of substantially all of Tenant's assets, then fifty percent (50%) of the greater of the amount (A) expressed or (B) any "key" money, bonus or other consideration which by competent business valuation techniques can be determined to be equivalent to the value which could be realized on the sale, transfer, or assignment of the Lease however reflected, expressed or otherwise built into, either directly or indirectly, the consideration paid for the Tenant's business or assets or such Entity transfer; **plus**

(ii) fifty percent (50%) of all rent, additional rent or other consideration payable by such Transferee in connection with the Transfer which is in excess of the Rent payable by Tenant under this Lease during the term or occupancy continuing from the Transfer date. If less than all of the Premises is transferred the Transfer Premium shall be calculated on a per rentable square foot basis; **plus**

(iii) key money, bonus money or other cash consideration paid by Transferee to Tenant in connection with such Transfer, and any payment in excess of fair market value for services rendered by Tenant to Transferee or for assets, fixtures, inventory, equipment, or furniture transferred by Tenant to Transferee in connection with such Transfer.

"Transferee" means and refers to any person or entity to which any Transfer is made or sought to be made by Tenant.

"Trustee" means and refers to a trustee which shall be a federally insured bank or other financial institution, selected by Landlord and Tenant and reasonably satisfactory to Lender; provided, however, that if the Premises are encumbered by a Mortgage or credit facility, such Lender, if it so desires, shall be the Trustee.

"Work" means and refers to Alteration or Alterations, repairs or construction work of any kind occurring on or in connection with the Premises.

EXHIBIT B

LEGAL DESCRIPTION OF THE LAND PORTION OF THE PREMISES

PARCEL 1:

Tract lettered "A" of Land Division Plat of LAND OF CORA S. ARMIJO, Bernalillo County, New Mexico, as the same is shown and designated on said plat filed in the Office of the County Clerk of Bernalillo County, New Mexico, on the 10th day of March 1970, in Map Book A3, Folio 1.

PARCEL 2:

Tract numbered 405, UNIT 3, TOWN OF ATRISCO GRANT, as the same is shown and designated on the plat thereof, filed in the Office of the County Clerk of Bernalillo County, New Mexico, on December 5, 1944, in Map Book D, Folio 118.

PARCEL 3:

A certain tract of land situate within projected Section 26, Township 10 North, Range 2 East, N.M.P.M., Town of Atrisco Grant, Bernalillo County, New Mexico being the Southerly portion of Tract numbered 406, UNIT 3, TOWN OF ATRISCO GRANT, as the same is shown and designated on the plat thereof, filed in the Office of the County Clerk of Bernalillo County, New Mexico, on December 5, 1944, in Vol. D, folio 118, and being more particularly described as follows:

BEGINNING at the Southeast corner of the property herein described, being the intersection of the Westerly right of way line of Old Coors Boulevard, SW, and the Northerly right of way line of Sage Road, SW, from whence the ACS Monument "7M11" bears S 16° 48' 59" W, 1965.35 feet; Thence along said Northerly right of way line, S 75° 37' 28" W, 196.37 feet to the Southwest corner; Thence leaving said right of way line, N 14° 15' 08" E, 735.61 feet to the Northwest corner; Thence N 75° 37' 28" E, 210.00 feet to the Northeast corner; Thence S 14° 22' 32" E, 673.43 feet to a point on the Westerly right of way line of Old Coors Boulevard, SW; Thence along said Westerly right of way, S 17° 36' 28" W, 28.71 feet to the point of beginning.

PARCEL 4:

A certain tract of land situate within projected Section 26, Township 10 North, Range 2 East, N.M.P.M., Town of Atrisco Grant, Bernalillo County, New Mexico, being the Southerly portion of Tract numbered 407, UNIT 3, TOWN OF ATRISCO GRANT, as the same is shown and designated on the plat thereof, filed in the Office of the County Clerk of Bernalillo County, New Mexico, on December 5, 1944, in Vol. D, folio 118, and being more particularly described as follows:

BEGINNING at the Southwest corner of the property herein described, being a point on the Westerly right of way line of Old Coors Boulevard, SW, from whence the ACS Monument "7-M11" bears S 16° 49' 40" W, 1994.05 feet; Thence leaving said Westerly right of way line, N 14° 22' 32" W, 673.43 feet to the Northwest corner; Thence N 75° 13' 41" E, 210.00 feet to the Northeast corner; Thence S 15° 23' 16" E, 274.87 feet to the Southeast corner, being a point on the Westerly right of way line of Old Coors Boulevard, SW; Thence along said Westerly right of way line, S 17° 36' 28" W, 407.45 feet to the point of beginning.

EXHIBIT B-1

DEPICTION/SITE PLAN OF THE PREMISES

EXHIBIT C

FORM OF MEMORANDUM OF LEASE

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Attention: _____

MEMORANDUM OF LEASE

(Short Form - Memorandum)

This Lease (Short Form Memorandum) dated as of June 14, 2018, is by and between: CSP – Sage Road. LLC, a Nevada Limited Liability Company, with its principal office located at 2505 Anthem Village Drive, Suite E390, Henderson, NV 89052 (“**Landlord**”), and Mission Achievement and Success, A New Mexico Public Charter School, with its principal office located at 1718 Yale Boulevard SE, Albuquerque, NM 87106 (“**Tenant**”).

W I T N E S S E T H:

1. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord that certain premises (“**Premises**”) located in the City of Albuquerque, County of Bernalillo, State of New Mexico, and legally described on Exhibit A-1 attached hereto and incorporated herein by this reference, at the rental and upon all of the terms and conditions set forth in that certain Lease dated June 6, 2018 between the parties hereto (“**Lease**”).

2. The Premises is leased for a term of Twenty Five years (“**Term**”) with two five (5) year options to extend the Term of the Lease. The Lease Commencement Date under the Lease is August 15, 2018, and the Lease Expiration Date of the Lease is June 30, 2043, subject to earlier termination, as provided in the Lease.

4. Should there be any inconsistency between the terms of this instrument and the Lease, the terms of the Lease shall prevail.

5. This Memorandum of Lease is meant to provide notice only of the existence of the Lease and shall confer no rights nor impute any obligations by Landlord or Tenant to any party other than as contained in the Lease itself.

IN WITNESS WHEREOF, each of the parties hereto has executed this instrument as of the date first above written.

"Landlord":

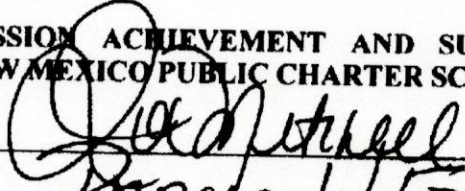
**CSP – Sage Road, LLC,
a Nevada Limited Liability Company**

By: 

Its: MANAGER

"Tenant":

**MISSION ACHIEVEMENT AND SUCCESS, A
NEW MEXICO PUBLIC CHARTER SCHOOL**

By: 

Its: Principal / Founder

By: _____

Its: _____

EXHIBIT D

FORM OF TENANT'S ESTOPPEL CERTIFICATE

The undersigned as Tenant under that certain Building and Improvement Lease (the "Lease") made and entered into as of June 6, 2018 by and between CSP - Sage Road, LLC as Landlord, and the undersigned as Tenant, for Premises located at 1255 Old Coors Road, Albuquerque, New Mexico, certifies as follows:

1. Attached hereto as Exhibit A is a true and correct copy of the Lease and all Exhibits, addendums, amendments and modifications thereto. The documents contained in Exhibit A represent the entire agreement between the parties as to the Premises.

2. The undersigned currently occupies the Premises described in the Lease, the Term of the Lease commenced on 8/16/18, and the original Term of the Lease expires on 8/16/43, and the undersigned has no option to terminate or cancel the Lease (other than to decline to exercise the automatic Option to Extend the Term of the Lease) or to purchase all or any part of the Premises, the Building and/or the Project.

3. Minimum Annual Rent became payable on 8/16/18 (PARTIAL RENT)

4. The Lease is in full force and effect and has not been modified, supplemented or amended in any way except as provided in Exhibit A.

5. Tenant has not transferred, assigned, or sublet any portion of the Premises nor entered into any license or concession agreements with respect thereto except as follows:

N/A

6. All monthly installments of Minimum Annual Rent, all Additional Rent and all monthly installments of estimated Additional Rent have been paid when due through 4/30/18. The current monthly installment of Minimum Annual Rent is \$ 13,720.00.

7. All conditions of the Lease to be performed by Landlord necessary to the enforceability of the Lease have been satisfied and Landlord is not in default thereunder. In addition, the undersigned has not delivered any notice to Landlord regarding a default by Landlord thereunder.

8. No rental has been paid more than thirty (30) days in advance and no security has been deposited with Landlord except as provided in the Lease in the current amount of SD DUE.

9. As of the date hereof, there are no existing defenses or offsets, or, to the undersigned's knowledge, claims or any basis for a claim, that the undersigned has against Landlord.

10. If Tenant is a corporation or partnership, each individual executing this Estoppel Certificate on behalf of Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in NEW MEXICO and that Tenant has full right and authority to execute and deliver this Estoppel Certificate and that each person signing on behalf of Tenant is authorized to do so.

11. There are no claims or legal actions pending against the undersigned under the laws of the United States or any state.

12. Other than in compliance with all applicable laws and incidental to the ordinary course of the use of the Premises, the undersigned has not used or stored any Hazardous Materials or Hazardous Substances in, on, or about the Premises.

13. All tenant improvement work to be performed by Landlord under the Lease has been completed in accordance with the Lease and has been accepted by the undersigned and all reimbursements and allowances due to the undersigned under the Lease in connection with any tenant improvement work have been paid in full.

The undersigned acknowledges that this Tenant's Estoppel Certificate may be delivered to Landlord or to a credit facilitator, credit enhancer, prospective mortgagee or prospective purchaser ("Third Party") and acknowledges that said Third Party will be relying upon the statements contained herein in making the any business arrangement regarding the Landlord and that receipt by the Third Party of this certificate is a condition of making such business arrangement.

Executed at MAS on the 26th day of SEPTEMBER, 2018.

"Tenant":

MISSION ACHIEVEMENT AND SUCCESS, A
NEW MEXICO PUBLIC CHARTER SCHOOL

Its:

By

Its:

[Signature]
Principal/Founder

ACKNOWLEDGEMENT AND ATTORNMENT
OF SCHOOL

The undersigned hereby acknowledges the terms and conditions of the above Ground Lease and agrees to attorn to the Ground Lease and be bound by same.

Mission Achievement and Success,
a New Mexico Public Charter School

By:

Its:

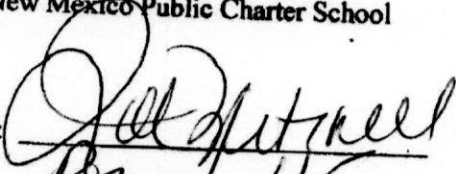

Principal/Founder

EXHIBIT E

TENANT'S INSURANCE SPECIFICATIONS AND LIMITS

1. **Insurance Policies.** Tenant shall procure, pay for and keep in full force and affect the following types of insurance, at its sole cost and expense, commencing on the earlier of (i) the Lease Commencement Date; or (ii) the date Tenant is given earlier access to the Premises, and continuing during the Term of the Lease. Any insurance policy proceeds shall be used as provided in the Lease.

(a) Commercial general liability insurance covering bodily injury, personal injury, death and property damage liability with a combined single limit equal to the greater of: (i) Five Million Dollars (\$5,000,000.00), which amount shall be subject to increases as Landlord may reasonably require from time to time in accordance with prudent industry risk management practices, insuring against any and all liability of the insureds with respect to the Premises or arising out of the maintenance, use or occupancy of the Premises and all areas appurtenant thereto, or related to the exercise of any rights of Tenant pursuant to this Lease; or (ii) the aggregate amount of such insurance carried by Tenant, for bodily injury, personal injury, death and property damage liability in any one occurrence. All such commercial general liability insurance shall specifically insure the performance by Tenant of the indemnity agreement as to liability for injury to or death of persons and injury or damage to property in the Lease, and shall include, without limitation, blanket contractual, cross liability and severability of interest clauses, products/completed operations, broad form property damage, independent contractors, owned, non-owned and hired vehicles and, if alcoholic beverages are served, sold, consumed or obtained in, on, or about the Premises, liquor liability.

(b) Workers' compensation coverage as required by law, together with employer's liability coverage, with a limit of not less than One Million Dollars (\$1,000,000.00) and waiver by Tenant's insurer of any right of subrogation against Landlord by reason of any payment pursuant to such coverage.

(c) Business interruption insurance including the coverage for at least two (2) years' payments of Minimum Annual Rent and Additional Rent.

(d) Plate glass insurance covering all plate glass on the Premises at full replacement value.

(e) Tenant shall carry in full force and effect fire insurance, with extended coverage, upon the Premises specifically insuring against loss or damage due to all perils, including, but not limited to the following: fire, windstorm, cyclone, tornado, hail, flood, subsidence, explosion, riot, riot attending a strike, civil commotion, malicious mischief, vandalism, aircraft, vehicle, smoke damage and sprinkler leakage. Such insurance coverage shall cover the entire Premises including, without limitation, all Buildings, Improvements, Equipment, Trade Fixtures, and leasehold improvements, and personal property from time to time in, on or about the Premises, in an amount not less than one hundred percent (100%) of their full replacement value from time to time (provided, however, that Tenant shall be entirely responsible for any portion of the full replacement value of the Premises not covered by insurance) including coverage for code update, building ordinance, and replacement at different location. Such policy shall include a replacement cost endorsement, providing protection against any peril included within the classification Fire and Extended Coverage, and sprinkler damage, vandalism, malicious mischief and such other additional perils as are covered in an "all risk" standard insurance policy.

(f) During periods of war or national emergency, Tenant shall maintain war risk insurance in an amount not less than the actual replacement cost of the Premises excluding, when and to the extent obtainable from the United States Government or an agency thereof at reasonable cost.

(g) Whenever Tenant or any person claiming under Tenant, or the contractors, agents, employees, invitees, or visitors of Tenant shall be engaged in any Work in excess of \$10,000, Tenant shall obtain or cause its contractor to obtain completed value "all risks" builder's risk insurance, in amounts reasonably acceptable to Landlord. In addition, Tenant and its contractor(s) shall obtain worker's compensation insurance or other adequate insurance coverage covering all persons employed in connection with the Work, whether by Tenant, its contractors or subcontractors.

(h) Such additional and/or other insurance with respect to the Premises and in such amounts as at the time is customarily carried by prudent owners or tenants with respect to improvements similar in character, location and use and occupancy to the Premises.

2. Policy Form. The minimum limits of policies of insurance required of Tenant under this Lease shall in no event limit the liability of Tenant under this Lease. Such insurance shall name Landlord, and any other party the Landlord so specifies, as an additional insured and loss payee. All policies of insurance to be maintained by Tenant as provided for herein shall be issued by insurance companies with general policy holder's ratings of not less than A and financial ratings of not less than X, as rated in the most current available "Best's Key Rating Guide", and which are authorized to do business in the State in which the Premises are located. All such policies shall name and be for the mutual and joint benefit and protection of Landlord, Tenant and Landlord's Lenders as additional insureds. Executed copies of the policies of insurance or certificates thereof shall be delivered to Landlord prior to Tenant, its agents or employees entering the Premises for any purpose, and thereafter, executed copies of renewal policies or certificates thereof shall be delivered to Landlord within thirty (30) days prior to the expiration of the term of each policy. All policies of insurance delivered to Landlord must contain a provision that the company writing the policy will give to Landlord thirty (30) days' notice in writing in advance of any cancellation or lapse or the effective date of any reduction in the amounts of insurance. The insurance required to be maintained by Tenant under this Lease may be subject to commercially reasonable deductibles (not to exceed \$25,000). All property damage and other casualty policies shall allow for waiver of subrogation in accordance with the requirements of the Lease. All insurance policies maintained by Tenant shall be endorsed to read that such policies are primary policies and any insurance carried by Landlord shall be noncontributing with such policies. Each policy shall also provide that any losses otherwise payable thereunder shall be payable notwithstanding (i) any act or omission of Landlord or Tenant which might, absent such provision, result in a forfeiture of all or a part of such insurance payment, or (ii) the occupation or use of any of the Premises for purposes more hazardous than permitted by the provisions of such policy.

3. Blanket Policies. Notwithstanding anything to the contrary contained herein, Tenant's obligations to carry insurance may be satisfied by coverage under a so-called blanket policy or policies of insurance; provided, however, Landlord and Landlord's Lender(s) or beneficiary (ies) shall be named as additional insureds, the coverage afforded Landlord will not be reduced or diminished, and the requirements set forth in this Lease are otherwise satisfied by such blanket policy or policies.

4. Failure by Tenant to Maintain Insurance. If Tenant refuses or neglects to secure and maintain insurance policies complying with the provisions of Lease, Landlord may secure the appropriate insurance policies and Tenant shall pay, upon demand, the cost of same plus an Administrative Fee to Landlord as Additional Rent.

EXHIBIT F

STATE SPECIFIC PROVISIONS

EXHIBIT 101

INTEGRATION, INCORPORATION OF GROUND LEASE AND ASSUMPTION OF LANDLORD'S OBLIGATIONS AS LESSEE UNDER THE GROUND LEASE

1. To the extent that any covenants contained within this Agreement are not in conflict with those specific provisions which are contained in the Ground Lease which is attached hereto then the provisions contained within this Agreement shall set the rights, privileges and obligations of the Landlord and Tenant.
2. However, in the event of a conflict, the provisions of the underlying Ground Lease to the extent applicable to the Leased Premises shall, except as herein specifically provided otherwise, fix the rights and obligations of the parties hereto with the same effect as if Landlord and Tenant were respectively the Lessor and Lessee named in the Ground Lease, and Landlord and Tenant shall each enjoy all those rights and privileges afforded respectively to said Lessor and Lessee in said Ground Lease.
3. Except as otherwise herein specifically provided, Tenant hereby assumes the Landlord's obligations as Lessee under the Ground Lease and covenants to perform the covenants and undertakings of Lessee under the Ground Lease to the extent that same are applicable to the Leased Premises and Landlord hereby covenants to perform or cause Lessor to perform, the covenants and undertakings of Lessor under the Ground Lease to the extent that same are applicable to the Leased Premises.
4. The parties agree that the provisions of the following Articles or Sections of the Ground Lease are, for purposes of this Agreement, hereby included:
5. Tenant agrees herein and by his signature has indicated below that Tenant expressly attorns to, accepts and assumes all the terms, conditions and obligations of the provisions of the Ground Lease which have been attached hereto and incorporated herein.

EXHIBIT 102

Landlord's Surviving Interests in Ground Leased Facilities

1. The parties hereto affirm and acknowledge Landlord's "property interest" in, for and to the Improvements built, made by, abandoned to or otherwise owned by Ground Lessor (hereafter "Ground Lessor's Property") on or about the land which is the subject of the Ground Lease.
2. The stated purposes of this article are to protect the Landlord's investment in said "property interest" and to provide for the continued compensation to Landlord which is to survive beyond the scheduled expiration of the Ground Lease, and thereby induce Landlord to not demolish the facility nor remove the trade fixtures, equipment, Improvements, etc., and as a further result thereof to induce Ground Lessor to improve and/or maintain said real and personal property as a going concern facility so that Tenant or subsequent tenants may reap the benefits of the location and facility in an operating or near operating condition for any extendable term of the Agreement.
3. Any "substituted agreement" for the occupancy for said Premises or any portion thereof drawn for the benefit of the Ground Lessor (or any replacement) and/or the Tenant or any interested parties shall not defeat the continuing and surviving obligations of the Tenant to the Landlord under the continuing or assigned occupancy for the Premises, and this Exhibit shall attach as a rider and attorn to the Substituted Agreement, and furthermore shall survive any effort which attempts to defeat the purpose of this Exhibit.
4. Except as otherwise provided in the Lease or other related agreement, the Landlord specifically reserves and retains for Landlord's sole and exclusive benefit all rights to negotiate with the Ground Lessor to purchase the property or to option, extend, renew, replace or substitute any contract for the occupancy rights (or ground lease) of the Premises. Should the Ground Lessor communicate with or notify Tenant of any matter including, but not limited to, its interest in selling the real property or optioning, extending, renewing, replacing, substituting or modifying the lease, relocating, expanding or extending the tenancy, Tenant agrees to immediately (within 24 hours of said communication) notify Landlord in writing by certified or registered mail of all the information transmitted by the Ground Lessor to Tenant and herewith assigns to Landlord any rights or negotiating privileges which Ground Lessor has given or offered to Tenant. Tenant unconditionally warrants to Landlord that it shall not circumvent Landlord in any manner whatsoever in regard to the continued occupancy or opportunity for ownership of the Premises.

BUILDING AND IMPROVEMENT LEASE

(ABSOLUTE NET – BOND TYPE)

**1255 OLD COORS ROAD,
ALBUQUERQUE, NEW MEXICO 87121**

CSP – SAGE ROAD, LLC,
a Nevada limited liability company

as Landlord,

and

MISSION ACHIEVEMENT AND SUCCESS,
a New Mexico Public Charter School

as Tenant.

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EXHIBITS:

Exhibit A	Definitions Applicable to the Lease
Exhibit B	Legal Description of the Land Portion of the Premises
Exhibit B-1	Depiction/Site Plan of the Premises
Exhibit C	Form of Memorandum of Lease
Exhibit D	Form of Tenant's Estoppel Certificate
Exhibit E	Tenant's Insurance Specifications and Limits
Exhibit F	State Specific Provisions
Exhibit 101	Integration, Incorporation of Ground Lease and Assumption of Landlord's Obligations as Lessee under the Ground Lease
Exhibit 102	Landlord's Surviving Interests in Ground Leased Facilities

EIGHTH AMENDMENT TO LEASE AGREEMENT

THIS EIGHTH AMENDMENT TO LEASE AGREEMENT (this "Amendment") is made and entered into as of January 15, 2020, by and between **GUARDIAN AIRPORT PARKING, LLC**, a New Mexico limited liability company ("Landlord"), and **MISSION ACIDEVEMENT AND SUCCESS**, a New Mexico public charter school ("Tenant").

RECITALS

- A. Tenant is the tenant under that certain Lease Agreement dated April 11, 2012 by and between Landlord and Tenant (the "Lease"). The Lease concerns certain premises commonly known as 1718 Yale Boulevard SE, Albuquerque, New Mexico, as more particularly described in the Lease (the "Premises"). Initially capitalized terms used and not defined herein shall have the meaning given them in the Lease.
- B. The Lease was subsequently amended through the First Amendment to Lease Agreement dated June 20, 2013, a Second Amendment to Lease Agreement dated May 27, 2014 and a Third Amendment to Lease Agreement dated April 29, 2015, a Fourth Amendment to Lease Agreement dated June 23, 2016, a Fifth Amendment to Lease Agreement dated January 2, 2017, a Sixth Amendment to Lease Agreement dated June 7, 2018 and a Seventh Amendment to Lease Agreement dated October 28, 2019. Landlord and Tenant desire to amend the Lease to reflect the additional cost of improvements to the MAS campus requested by the School. The Lease, as amended hereby, shall be referred to herein as the "Eighth Amendment to Lease Agreement."

AGREEMENT

NOW THEREFORE, in consideration of the RECITALS hereinabove (which are incorporated herein by reference), covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Improvements to Interior of 1718 Yale Boulevard.** Landlord has constructed certain improvements requested by Tenant in the Construction Budget completed by Cannady Design + Construction in 2019 in excess of the approved total cost. Landlord has agreed to pay Cannady for the excess amount and Tenant has agreed to reimburse Landlord over a six- month period through the rent payment process.
2. **Rent.** Tenant shall pay Landlord \$13,025.31 payable over six months in equal monthly payments of \$2,170.89.
3. **Full Force and Effect; Conflict with Lease; Integration.** Except as amended herein, the Lease remains in full force and effect in accordance with its terms. In the event of any conflict between the provisions of the Lease and this Amendment, the provisions of this Amendment shall control. The Lease, as amended by this Amendment: (a) integrates all the terms and conditions mentioned in or incidental to the Lease; (b) supersedes all oral negotiations and prior and other writings with respect to its subject matter; and (c) is intended by the parties as the final expression of the agreement with respect to the terms

and conditions set forth therein and as the complete and exclusive statement of the terms agreed to by the parties.

4. Miscellaneous. This Amendment shall be governed according to the laws of the State of New Mexico. This Eighth Amendment to Lease Agreement may be executed in counterparts, and all counterparts shall constitute but one and the same document.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the day first above written.

LANDLORD:

GUARDIAN AIRPORT PARKING. LLC.

a New Mexico limited liability company

By: _____

Lawrence Rieder, Managing Member

TENANT:

MISSIONACHIEVEMENT AND SUCCESS.

a New Mexico public charter school

By: _____

Printed Name: _____

Title: _____

Principal

LEASE AMENDMENT
Owner Maintains Facility to Statewide Adequacy Standards

Eighth (FIRST, SECOND, ETC.) AMENDMENT to Facility _____
LEASE AGREEMENT) (INSERT TITLE OF

This Eighth (FIRST, SECOND, ETC.) AMENDMENT to the Facility (INSERT
TITLE OF LEASE AGREEMENT) is entered into on Jan 15, 2020 (DATE) by and between
Guardian Airport Parking, LLC ("Owner") and Mission_Achievement.And S ("Lessee") (collectively 'the "parties").

WHEREAS Owner and Lessee entered into a Facility Lease (INSERT TITLE OF LEASE
AGREEMENT) dated Jan 15, 2020 ("Agreement"); and

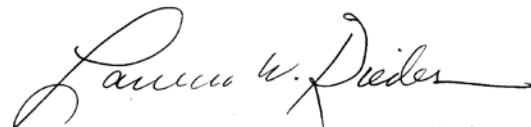
WHEREAS Owner and Lessee desire to amend the Agreement to clarify Owner's
maintenance obligations pursuant to *NMSA 1978 Section 22-8B-4.2(D)(2)(a)*;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained
herein, the parties hereto agree as follows:

1. The Owner of the facility shall be responsible for maintaining the facility to the
statewide adequacy standards applicable to charter schools, at no additional cost to
Lessee or to the state, as set forth in *NMSA 1978 Section 22-8B-4.2(D)(2)(a)*, or a
successor statute.
2. In the event of any conflict between this Eighth (FIRST, SECOND, ETC.)
AMENDMENT and the parties Agreement, this document will prevail over the parties
Agreement.

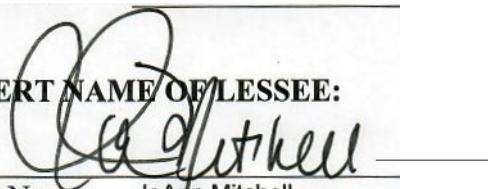
IN WITNESS WHEREOF, the parties have executed this Eighth (FIRST, SECOND, ETC.)
AMENDMENT, effective as of the date indicted above.

INSERT NAME OF LESSOR:



Print Name: Lawrence Rieder
Print Title: Managing Member

INSERT NAME OF LESSEE:



Print Name: JoAnn Mitchell
Print Title: Principal/Superintendent

FACILITY LEASE

1718 Yale Boulevard SE
Albuquerque, New Mexico 87106

LANDLORD:

GUARDIAN AIRPORT PARKING, LLC,
A NEW MEXICO LIMITED LIABILITY COMPANY

TENANT:

MISSION ACHIEVEMENT AND SUCCESS,
A NEW MEXICO PUBLIC CHARTER SCHOOL

Please see attached
all previous copies
of the lease
agreements until
all previous amendments

This also includes
Exhibit C - Owner
Maintenance of
Standards Amendment
which is the last
page.

Dated for reference purposes as of: April 11, 2012

the

LEASE AGREEMENT

Basic Information

Agreement Date	April 11, 2012
Tenant	Mission Achievement and Success
Address	After Commencement Date: 1718 Yale Boulevard SE Albuquerque, New Mexico 87106
Contact Person	JoAnn Myers Founder/Acting Principal
Telephone	505.242-3118
Rent notices to:	Mission Achievement and Success Attn: Al Martinez Guardian Airport Parking, LLC 2505 Anthem Village Drive, Suite E-390 Henderson, NV 89052 Larry Rieder 310.993.1100 21,470 usable square feet
Landlord	1718 Yale Boulevard SE
Address	
Contact Person	
Telephone	
Leased Premises	
Building	
Building Usable Area	59,665 usable square feet
Parcel Usable Area	2.46 Acres
Tenant's Share of Operating Expenses and Real Estate Taxes	35.98%
Term	One (1) year
Commencement Date	July 1, 2012
Expiration Date	June 30, 2013
Base Rent	See Article 6A.
Additional Rents	See Article 6.
Use	Public Charter School and related uses
Security Deposit	\$11,250.00
Parking (East Lot)	Non-exclusive use of 45 parking spaces

LEASE AGREEMENT

This Lease ("Agreement") is entered into as of April 11, 2012 by and between **GUARDIAN AIRPORT PARKING, LLC**, a New Mexico Limited Liability Company (hereinafter "Landlord") and **MISSION ACHIEVEMENT AND SUCCESS**, a New Mexico Public Charter School (hereinafter "Tenant or School").

1. **PREMISES.** Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, those certain premises described and shown on Exhibit A hereto, which premises include the building located at 1718 Yale Boulevard SE in Albuquerque, New Mexico, comprised of approximately 21,470 Usable Square Feet ("USF") with adjacent parking lot all contained within a 2.46 acre parcel (The property described and shown on Exhibit A is hereinafter referred to hereafter as the "Building", "Property" or "Premises").
2. **INTENTIONALLY DELETED.**
3. **INTENTIONALLY DELETED.**
4. **INTENTIONALLY DELETED.**
5. **LEASE TERM.**

A. **Initial Term.** The Initial Term of this Lease shall commence on July 1, 2012 (hereinafter "Commencement Date") and shall continue thereafter for a period of one (1) year ("Term").

Renewal Term. The Tenant may renew this Lease Agreement for an additional one-year term ("Renewal Term"), at Tenant's and Landlord's option. Should Tenant desire to remain in the Building for the extended period, Tenant shall so notify Landlord in writing at least ninety (90) days prior to the expiration of the Initial Term. Both parties shall negotiate mutually agreeable lease terms to extend the lease.

6. **PAYMENTS.**

A. **Base Rent.** Tenant shall pay to Landlord during the Initial Term annual rent in monthly installments pursuant to the following Schedule (hereinafter "Base Rent").

Lease Year	Base Rent per Annum
1	\$135,000

Landlord acknowledges that Tenant will pay to Landlord \$11,250.00, which represents first month's Base Rent upon lease execution.

B. **Rent Due Date.** Monthly Lease Payments shall be due and payable in advance no later than the fifth (5th) of each month. If any such Base Rent shall be payable for a fraction of a month, the

amount payable shall be a pro rata share of the full month's Base Rent based on the actual number of days of the month involved. Should the Tenant fail within three (3) days after the amount is due to pay any Base Rent due hereunder at the time and in the manner herein provided, a late fee of five percent (5%) of the amount then due will be added to the amount due which shall be immediately due and payable without any further notice or demand from Landlord. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent the Landlord from exercising any of the other rights and remedies granted hereunder.

Furthermore, Tenant agrees to pay Landlord as and when Base Rent is due and payable all state and local gross receipts and similar taxes now or hereafter required to be assessed and paid by Landlord (except for income taxes imposed by any governmental entity) in respect of Landlord's receipt of rent under this Lease.

- C. **Net lease.** This Lease is what is commonly called a "Net Lease," it is understood that Landlord shall receive the Base Payments set forth in Section 6.A free and clear of any and all other impositions, taxes, assessments, liens, charges or expenses of any nature whatsoever in connection with the ownership, maintenance, repair and operation of the Premises (other than income taxes). In addition to the Base Payments, and except as explicitly and specifically stated in this Lease, Landlord shall invoice Tenant each month for its proportionate share, which shall be based on the square footage set forth in Section 1 of the direct payment of all impositions, insurance premiums, operating charges, maintenance charges, construction costs, and any other charges, costs and expenses which arise or may be contemplated under any provisions of this Agreement. During the Lease Term, Tenant will pay, when due, all charges of every nature, kind or description for utilities furnished to the Premises or chargeable against the Premises, including all charges for water, sewage, heat, gas, light, garbage, electricity, telephone, steam, power, charges or other public or private utility services. Beginning on the Commencement Date, Tenant shall pay for all utilities or services at the Premises used by it or its agents, employees or contractors.
- D. **Taxes/Additional Rent:** Landlord shall pay all real estate taxes assessed against the Premises. One-twelfth (1/12) of such annual ad valorem taxes shall be added to the Base Rent due each month as Additional Rent, beginning with the date of occupancy. Landlord shall provide a copy of the Bernalillo County Assessors annual "Tax Bill" to Tenant of each year's tax assessment(s) on or before November 30 of each year. The most recent tax assessment shall be the basis of the monthly Additional Rent under this Subsection. In the event of a change in the tax assessment, a lump sum adjustment for past months shall be made, payable by Tenant to Landlord in the event of an increase and by Landlord to Tenant in the event of a decrease, promptly upon notice from Landlord to Tenant of the change.
- E. **Security Deposit.** A lease deposit in the amount of \$11,250.00 which is intended as a security against damages to the property shall be paid to Landlord by June 1, 2012. The security deposit shall be refunded to Tenant in accordance with the provisions of paragraph 51.
- F. **"Rent" defined.** Base Rent and Taxes/Additional Rent are collectively referred to as "Rent".
7. **INTENTIONALLY DELETED.**
8. **USE AND INSURANCE RATING.** Tenant shall use the Premises for the following purposes and for no other purposes whatsoever: operation of a charter school, and related general office use, and any other use permitted by applicable governmental zoning requirement. Tenant will not conduct or

permit to be conducted any activity or place any equipment in or about the Premises, which will in any way increase the rate of fire insurance or other insurance on the Building; and if any increase in the rate of fire insurance or other insurance is stated by any insurance company or by the applicable insurance rating bureau to be due to activity or equipment of Tenant in or about the Premises, such statement shall be conclusive evidence that such increase in such rate is due to such activity or equipment, and as a result thereof, Tenant shall be liable for such increase and shall reimburse Landlord therefor.

9. **LANDLORD WARRANTY.** Landlord warrants that at the Commencement Date the Premises comply with or will comply with any and all federal, state and local building occupancy and environmental regulations, and with applicable E-occupancy and state adequacy standards (subject to the PSFA exceptions/variances provided in Exhibit B), pertaining to the School's uses, and that the Premises as-built currently meet or exceed the New Mexico Public School Facilities Authority's average condition index for school buildings in New Mexico, as certified by the NMPSFA. If the space does not meet NMPSA standards, it shall be the Tenant's responsibility to cure such issues in order to meet E-occupancy standards. Landlord, at Landlord's option shall pay for such improvements and bill the Tenant for said cost. The Premises shall be in "broom clean" condition at time of occupancy, and Building systems shall be in good working condition. If an environmental hazard not caused by Tenant, which threatens the life, health or safety of Tenant's employees or the public is discovered and Landlord refuses or cannot remediate said threat, then Tenant may terminate this Lease without penalty, and/or may exercise all other remedies available under law or equity.

Neither Landlord nor any agents or employees of Landlord have made any other representations or promises with respect to the Premises, except as expressly set forth herein, and no rights, privileges, easements or licenses are acquired by Tenant, except as expressly set forth herein for full quiet enjoyment of the Premises.

10. **ASSIGNMENT AND SUBLETTING.** Tenant shall not have the right to sublet or assign all or any part of the Premises without the prior written consent of the Landlord, which will not be unreasonably withheld, provided the sublease or assignment complies with the conditions below.

- A. Any sublease shall limit the use of the Premises by any subtenant to the permitted uses set forth in Section 8 above;
- B. Any assignment or sublease shall not relieve Tenant of its obligations under this Lease;
- C. Except as stated above, Tenant shall provide Landlord with notice of any assignment or sublease in writing, and Landlord shall have a reasonable time, not to exceed thirty (30) days from receipt thereof to make a decision concerning such assignment or sublease. If Landlord consents to any assignment or sublease, the form of assignment or sublease shall be subject to Landlord's consent;
- D. Such assignment or sublease shall not violate rules, from time to time adopted by Landlord consistent with this Lease for general application throughout any of the Premises, if any;
- E. The financial condition and credit record of the assignee or subtenant shall be reasonably acceptable to Landlord. Landlord shall have the right to receive upon request any assignee's or subtenant's financial statements at anytime during the Lease Term, but no more than once in any given twelve (12) month period; and
- F. Any assignment made in violation of the provisions contained herein shall be ineffective;

G. Except as otherwise agreed to by Landlord, each assignee, subtenant, or other transferee, shall assume, as provided in this Article 10, all obligations of Tenant under this Lease and shall be and remain liable jointly and severally with Tenant for the payment of Rent and Additional Rent, and for the performance of all the terms, covenants, conditions and agreements herein contained on Tenant's part to be performed for the Term; provided, however, that the assignee, subtenant, mortgagee, pledges or other transferee shall be liable to Landlord for rent only in the amount set forth in the Assignment or Sublease. No Assignment shall be binding on Landlord unless the assignee or Tenant shall deliver to Landlord a counterpart of the Assignment and an instrument in recordable form that contains a covenant of assumption by the assignee satisfactory in substance and form to Landlord, consistent with the requirements of this Article 10, but the failure or refusal of the assignee to execute such instrument of assumption shall not release or discharge the assignee from its liability as set forth above.

11. **ALTERATIONS.** Tenant will not make any alterations of or additions to the Premises without the prior written approval of Landlord, not to be unreasonably withheld. Tenant may make changes or alterations required in order to comply with new or revised state adequacy standards applicable to the School, or changes/alterations costing less than \$10,000, without Landlord's approval, but only if (i) they are of a non-structural nature, or (ii) they do not affect or involve Building systems. Changes or alterations required in order to comply with new or revised state adequacy standards applicable to the School that are of a structural nature or that affect or involve Building systems must be approved by the Landlord, which approval shall not unreasonably be withheld. All work to be performed on or within the Premises shall be performed by competent contractors and subcontractors, approved by Landlord, which approval shall not be unreasonably withheld by Landlord. All materials used in alterations shall be previously approved by Landlord. All alteration work performed by or for Tenant hereunder must be performed in such a manner as to avoid disturbance of other tenants of the Property, if any. All alterations, additions or improvements which may be made by either of the parties hereto upon the Premises, except office furnishings, trade fixtures and moveable personal property purchased or otherwise acquired by Tenant which may be removed without damage or destruction to the Premises, shall be the property of Landlord and shall remain upon and be surrendered with the Premises as a part thereof at the termination of this Lease or any extension thereof. Tenant will not permit any mechanics, laborers or materialmen's liens to stand against the Premises and will, within thirty (30) days of notice thereof remove all such liens. Landlord may remove such liens and Tenant shall immediately reimburse Landlord upon demand for all costs and expenses, including attorney's fees, incurred by Landlord in removing such mechanic's or materialmen's lien. Tenant shall give Landlord fifteen (15) days written notice prior to the commencement of any alterations, repairs or maintenance (in excess of \$10,000) in order to allow Landlord's posting of a notice of non-responsibility. Any of Tenant's Property remaining on the Premises at the expiration of the Term, as well as (i) all changes and alterations made without Landlord's approval and (ii) all other changes and alterations made by Tenant (except for Building Standard improvements and except for those which Landlord agreed need not be removed when Landlord's approval was given), shall be removed by Tenant at Tenant's cost and expense, and Tenant shall, at its cost and expense, repair any damage to the Premises or the Building caused by such removal. Any of the foregoing not removed from the Premises prior to the expiration of the Term shall, at Landlord's option, become the property of Landlord or Landlord may remove the same, and Tenant shall pay to Landlord, Landlord's cost of removal and of any repairs in connection therewith within thirty (30) days after the receipt of a bill therefor. Tenant's obligation to pay any such costs shall survive any termination of this Lease.

12. **TENANT EQUIPMENT AND FURNISHINGS.** Tenant may install or operate in the Premises a reasonable quantity of electrically operated equipment or other machinery which uses standard 110

volt current, and 220 volt current, and which Landlord determines in its reasonable judgment to constitute standard office equipment, including employee/customer break room and kitchen facilities. Tenant shall not install or operate in the Premises an excessive amount of equipment or other machinery or any other equipment of any kind or nature whatsoever which will or may require any changes, replacements or additions to or in the use of the heating, air conditioning, electrical or plumbing systems of the Premises without first obtaining the prior written consent of the Landlord. No plumbing fixtures of any type shall be installed within the Premises without Landlord's written approval.

No furniture, equipment or other bulky items of any description will be received into the Property or carried in any elevator, if any, except as approved by Landlord. Landlord shall have the right to limit the weight and prescribe the position of safes and other heavy equipment or fixtures. In no event will Tenant be allowed to place a load exceeding fifty (50) pounds per square foot on any floor of the Premises (except a floor on grade) without prior written consent of Landlord. Any and all damage or injury to the Premises caused by moving the property of Tenant in or out of the Premises, or due to the same being on the Premises, shall be repaired by and at the sole cost of Tenant.

13. SERVICES AND MAINTENANCE. Tenant shall be responsible for the costs of all utility services to the Tenant's portion of the Premises and for all other operating and maintenance costs of the Tenant's portion of the Premises, including without limitation, janitorial services and cosmetic maintenance, and insurance. Landlord is not required to separately meter the Premises for utility usage.

A. Heating and Air Conditioning, Plumbing, Electrical and Life Safety Systems. Landlord leases the Premises in an "as is" condition on the Commencement Date. Tenant shall be responsible for the interior maintenance and repair of the Premises; routine maintenance of the HVAC, plumbing, electrical and life safety systems, roof, glass and the exterior façade of the Premises, landscaping and the parking lot for the Premises. Landlord shall be responsible for major repairs to and/or replacement of the HVAC, plumbing, electrical and fire sprinkler systems, roof, and exterior walls, unless major repairs are necessitated in part or in whole by the act, neglect, fault or omission of any duty by Tenant, its agents, servants, employees or invitees, in which case Landlord shall cause the necessary repairs to be performed and Tenant shall pay to Landlord within 30 days following Landlord's demand, as Additional Rent, the reasonable cost of such repairs. Tenant shall be responsible for all interior maintenance of the Premises, including service contracts on the HVAC, plumbing, electrical and life safety systems and maintenance of the parking lot for the Premises.

All repairs made by or on behalf of Tenant or any person claiming through or under Tenant shall be made and performed (a) at Tenant's cost and expense in at least equal to the quality, value, and utility to the original work or installation, and (b) in accordance with the Rules and Regulations for the Building adopted by Landlord from time to time, if any, and in accordance with all applicable laws and regulations of governmental authorities having jurisdiction over the Premises. If Landlord gives Tenant notice of the necessity of any repairs required to be made by Tenant under Article 13 above and Tenant fails to commence diligently to effect the same within 30 days thereafter, Landlord may proceed to make such repairs and the expenses incurred by Landlord in connection therewith shall be due and payable from Tenant within 60 days following Landlord's demand as Additional Rent; provided that Landlord's making any such repairs shall not be deemed a waiver of Tenant's default in failing to make the same.

B. Keys and Locks. Landlord shall furnish Tenant with the one set of keys for the locks on each door entering the Premises. Tenant shall have the right to change locks or to add locks to any

door of the Premises. Tenant shall notify Landlord of the any changes to locks and furnish Landlord keys upon request. Upon termination of this Lease, Tenant shall surrender to Landlord all keys to the Premises, and give to Landlord the explanation of the combination of all locks for safes, safe cabinets and vault doors, if any, in the Premises.

C. **Signage.** Tenant shall have the right to install its signage on the existing sign post in front of the Building which is permitted by law and agreed to by and between Landlord and Tenant. Landlord shall not unreasonably withhold consent for Tenant to install signage. Signage shall be at Tenant's sole cost and expense. Tenant shall remove its signage at the end of the lease term.

D. **Roof and Structural.** Landlord will be responsible for replacing the roof and structural components during the Lease Term.

14. **NO WARRANTY AS TO SERVICES.** Landlord does not warrant that any of the utility services will be free from interruption. Interruption of utility service shall not be deemed an eviction or disturbance of Tenant's use and possession of the Premises or any part thereof, or render Landlord or Landlord's agents or employees liable to Tenant for damages, or relieve Tenant from performance of Tenant's obligations under this Lease, unless caused by the Landlord's intentional or negligent act(s) or omissions, or those of its employees, agents and representatives.

15. **COMPLIANCE WITH LAWS AND INSURANCE REQUIREMENTS.** Tenant, at Tenant's cost and expense, shall comply with all applicable laws, orders and regulations of federal, state, county and municipal authorities, and with all directions, pursuant to law, of all public officers, that shall impose any duty upon Landlord or Tenant with respect to the Premises or the use or occupancy. Tenant shall not do anything, or permit anything to be done, in or about the Premises inconsistent with classrooms and ancillary areas for a Charter School use and which shall (a) invalidate or be in conflict with the provisions of any fire or other insurance policies covering the Building or any property located therein, or (b) result in a refusal by fire insurance companies of good standing to insure the Building or any such property in amounts reasonably satisfactory to Landlord, or (c) subject Landlord to any liability or responsibility for injury to any person or property by reason of any business operation being conducted in the Premises, or (d) cause any increase in the fire insurance rates applicable to the Building or property located therein at the beginning of the Term or at any time thereafter.

16. **RISK ALLOCATION AND INSURANCE.** Subject to and without waiving any of the immunities and limits of liability afforded to Tenant pursuant to the New Mexico Tort Claims Act, the parties desire, to the extent permitted by law, to allocate certain risks of personal injury, bodily injury or property damage, and risks of loss of real or personal property by reason of fire, explosion or other casualty, and to provide for the responsibility for insuring those risks. It is the intent of the parties that, to the extent any event is insured for or required herein to be insured for, any loss, cost, damage or expense arising from such event, including, without limitation, the expense of defense against claims or suits, be covered by insurance, without regard to the fault of Tenant, its officers, employees or agents ("Tenant Protected Parties"), and without regard to the fault of Landlord, its affiliates, agents, their respective partners, shareholders, members, agents, directors, officers and employees ("Landlord Protected Parties"). As between Landlord Protected Parties and Tenant Protected Parties, such risks are allocated as follows, subject to and without waiving any of the immunities and liability limits afforded to Tenant under the New Mexico Tort Claims Act:

(i) Tenant shall bear the risk of bodily injury to, and death of (i) Tenant, Tenant's employees and Tenant's customers, contractors, agents and invitees and damage to the property

of its employees, customers, contractors, agents and invitees occasioned by events occurring on or about the Premises and (ii) third parties occasioned by events occurring on or about the Premises regardless of the party at fault, except to the extent of the negligent or intentional acts or omissions of Landlord, its employees, agents and representatives, to the extent the same are not covered by the insurance to be carried by Tenant pursuant to this Lease. Said risks shall be insured as provided in Subsection 17.A.

(ii) Landlord shall bear the risk of bodily injury to, and death of its employees and third parties, and damage to the property of its employees and third parties, occasioned by events occurring on or about the Premises.

(iii) Tenant shall bear the risk of damage to Tenant's contents, improvements, trade fixtures, machinery, equipment, furniture and furnishings in the Premises arising out of loss by the events required to be insured against pursuant to Section 17.B.

17. TENANT'S INSURANCE. Tenant shall procure and maintain policies of insurance, at its own cost and expense, insuring:

- A. The Landlord Protected Parties (as "additional insureds"), and Tenant Protected Parties, from all claims, demands or actions made by or on behalf of any person or persons, firm or corporation and arising from, related to or connected with Building, access and the Parking Lot Facilities, for bodily injury to or personal injury to or death of any person, or more than one (1) person, or for damage to property in an amount of not less than two million dollars (\$2,000,000) combined single limit per occurrence/aggregate. If at any time during the Lease Term, Tenant owns or rents more than one location, the policy shall contain an endorsement to the effect that the aggregate limit in the policy shall apply separately to the Premises. Landlord shall have the right, exercisable by giving written notice thereof to Tenant, to require Tenant to increase such limit if, in Landlord's reasonable judgment, the amount thereof is insufficient to protect the Landlord Protected Parties and Tenant Protected Parties from judgments which might result from such claims, demands or actions. Subject to and without waiving any of the immunities and liability limits afforded to Tenant pursuant to the New Mexico Tort Claims Act, and to the extent allowable at law, Tenant will protect, indemnify and save harmless the Landlord Protected Parties from and against any and all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including without limitation reasonable attorneys' fees and expenses) imposed upon or incurred by or asserted against the Landlord Protected Parties, or any of them, by reason of any bodily injury to or personal injury to or death of any person or more than one person or for damage to property, occurring on or about the Premises, caused by any party including, without limitation, any Landlord Protected Party, to the extent of the amount of the insurance required to be carried under this Section 17.A or such greater amount of insurance as is actually carried. Landlord Protected Parties shall be specifically named in the policy as additional insureds.
- B. All contents and Tenant's trade fixtures, machinery, equipment, furniture and furnishings in the Premises to the extent of at least ninety percent (90%) of their replacement cost under Standard Fire and Extended Coverage Policy and all other risks of direct physical loss as insured against under the ISO special causes of loss form CP 10 30 ("all risk coverage"). Said insurance shall contain an endorsement waiving the insurer's right of subrogation against any Landlord Protected Party.
- C. Tenant shall at all times maintain Worker's Compensation insurance covering its employees

in and about the Premises and shall provide Landlord proof of such insurance upon request.

- D. Forms of Insurance. All of the aforesaid insurance shall be with the New Mexico Public Schools Insurance Authority ("NMPSIA") and/or in companies with an A.M. Best rating of at least (B) and licensed to do business in the State of New Mexico. As to Tenant's insurance, the insurer and the form, substance and amount (where not stated above) shall be satisfactory from time to time to Landlord and any mortgagee of Landlord, and shall unconditionally provide that it is not subject to cancellation, material modification or non-renewal except after at least thirty (30) days prior written notice to Landlord and any mortgagee of Landlord. Originals of Tenant's insurance policies (or certificates thereof satisfactory to Landlord), together with satisfactory evidence of payment of the premiums thereon, shall be deposited with Landlord at the Commencement Date and renewals thereof not less than thirty (30) days prior to the end of the term of such coverage.

18. **PROPERTY DAMAGE - MUTUAL WAIVER OF LIABILITY.** Except for specific obligations to repair damage or destruction to the Premises as set forth in this Lease, Landlord and Tenant are hereby mutually released from any and all claims of any nature now or hereafter arising from or on account of damage or destruction to the Premises or to any personal property of any of the foregoing contained therein or thereon, whether such damage or destruction is caused by, arises or results from fire, other perils or any other cause whatsoever. Landlord and Tenant each agree to look to their respective insurance carriers for protection against any such damage or destruction to any of their respective real or personal property and do hereby waive all rights of subrogation. Landlord will insure the Property for fire and casualty based on the value of the Property when completed.

19. **INDEMNITY.**

- A. Subject to and without waiving any of the immunities and liability limits afforded to Tenant pursuant to the New Mexico Tort Claims Act, and to the extent allowable at law, Tenant shall indemnify, defend and hold harmless Landlord Protected Parties from and against any and all liability, claims, demands, causes of action, judgments, costs, expenses, and all losses and damages for bodily injury, death and property damage arising from the negligent or intentional acts or omissions of Tenant, its employees, agents and representatives in or about the Premises (except those resulting from the negligent or willful misconduct of the Landlord or Landlord Protected Parties), and from all costs, attorney's fees and disbursements, and liabilities incurred in the defense of any such claim. Upon notice from Landlord, Tenant shall defend any such claim, demand, and cause of action or suit at Tenant's expense by counsel satisfactory to Landlord in its reasonable discretion. The provisions of this Subsection A shall survive the expiration or earlier termination of this Lease. This contractual indemnification obligation is personal to the Landlord and does not extend to any other person whether by subrogation or otherwise.
- B. Landlord shall indemnify, defend and hold harmless Tenant Protected Parties from and against any and all liability, claims, demands, causes of action, judgments, costs, expenses, and all losses and damages for bodily injury, death and property damage arising from any activity in or about the Premises arising from the negligent or intentional acts or omissions of Landlord, its employees, agents and representatives, and from all costs, attorneys' fees and disbursements, and liabilities incurred in the defense of any such claim. Upon notice from Tenant, Landlord shall defend any such claim, demand, cause of action or suit at Landlord's expense by counsel satisfactory to Tenant in its reasonable discretion. The provisions of this subsection B shall survive the expiration or earlier termination of this Lease. This contractual indemnification obligation is personal to the Tenant and does not extend to any other person whether by

subrogation or otherwise.

- C. No indemnities contained herein shall extend to those matters for which indemnification is prohibited pursuant to Section 56-7-1 N.M.S.A. 1978, as amended.
- D. The indemnities set forth in this Section 19 or elsewhere in this Lease are conditioned upon indemnitee: (i) first notifying the indemnitor of the claim, expense or other matter for which indemnity is sought, provided that delay in notification shall Lease the indemnitor only to the extent of actual prejudice resulting from the delay; (ii) fully tendering to the indemnitor the defense of such claim; and (iii) otherwise fully complying with all of the terms set forth in this Section 19.

With respect to the indemnity obligations undertaken by Landlord and Tenant in this Lease, the indemnitor shall at its cost defend or cause to be defended any claim against the indemnitee alleging such acts or omissions and seeking damages which are payable under the terms of this Lease, even if any of the allegations of such claims are groundless, false or fraudulent; but the indemnitor may make or cause to be made such investigation and such settlement of any claim as the indemnitor or its insurers shall deem expedient. Unless the indemnitor shall decline to so defend, the indemnitee shall not, except at its own cost, voluntarily make any payment, assume any obligation or incur any expense in connection with any claim for which indemnity may be sought hereunder. The indemnitee shall cooperate with the indemnitor or its insurer and, upon the request of the indemnitor, assist in making settlements in the conduct of suits, and in enforcing any right of contribution or indemnity against any person or organization (other than an employee of the indemnitee) who may be liable to the indemnitee because of acts or omissions with respect to which indemnity is afforded under this Lease. The indemnitee shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.

- E. To the extent of any payment made hereunder the indemnitor or, if applicable, its insurer, shall be subrogated to all of the indemnitee's rights of recovery therefor, against any person or organization (other than an employee of the indemnitee) and the indemnitee shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The indemnitee shall do nothing after loss to prejudice such rights.
- F. Upon the indemnitee becoming aware of any act or omission which might reasonably be expected to be the basis of a claim covered hereby, written notice shall be given by the indemnitee or on its behalf to the indemnitor as soon as practicable, together with the fullest information obtainable. If claim or demand is made or suit is brought against the indemnitee, the indemnitee shall immediately forward to the indemnitor every demand, notice, summons or other process received by the indemnitee or its representative.

20. FIRE OR OTHER CASUALTIES. If the Premises is substantially damaged or destroyed by fire or other casualty, such that it cannot be used for Tenant's purposes, the Landlord shall have the right to terminate this Lease, provided it gives written notice thereof to the Tenant within ninety (90) days after such damage or destruction. If a portion of the Premises is damaged by fire or other casualty, and Landlord elects not to terminate this Lease, the insurance proceeds shall be used to restore the Premises, exclusive of any alterations or other changes made to the Premises at any time by or at the direction or request of Tenant, to as near the condition which existed immediately prior to such damage or destruction as reasonably possible. In the event Landlord so elects to restore the Premises, Base Rent shall abate during such period of time as the Premises are unusable in a reasonable manner based on Tenant's ability to utilize the remaining portion of the Premises. If the substantial

destruction to the Premises cannot be substantially restored within one hundred eighty (180) days from the time of such damage or destruction or during the last twelve (12) months of the current Lease term, then the Tenant or Landlord shall have the right to terminate this Lease. The Landlord shall not be responsible to the Tenant for damages to or destruction of any furniture, equipment, alterations or other changes made or installed in, on or about the Premises by Tenant regardless of the cause or the damage or destruction, unless caused by the gross negligence or intentional misconduct of Landlord, its employees, agents and representatives.

21. **EMINENT DOMAIN.** If the entire Premises or substantially all of the Premises is permanently taken by eminent domain, this Lease shall automatically terminate as of the date of such taking. If any portion of the Premises is taken by eminent domain, Landlord shall also have the right to terminate this Lease by giving written notice thereof to Tenant within ninety (90) days after the date of taking. If only a portion of the Premises is taken by eminent domain and Landlord elects not to terminate this Lease, Landlord shall, at its expense, restore the Premises, exclusive of any improvements or other changes made to the Premises by Tenant, to as near the condition which existed immediately prior to the date of taking as reasonably possible. Rent shall abate during such period of time as the Premises are unusable in a reasonable manner based on Tenant's ability to utilize the remaining portion of the Premises and upon completion of restoration necessary adjustments shall be made in the Base Rent or other costs to reflect a reduction in the size of the Premises. Tenant shall have the right to terminate this Lease within ninety (90) days after the date of taking by giving written notice thereof to Landlord, if the taking involves results in Tenant not being able to reasonably utilize the remaining Premises for a charter school. Tenant shall have no right to any of the award or payment made in connection with such taking provided, however, that Tenant shall be entitled to recover any separate amount for Tenant fixtures and/or relocation costs provided under appropriate statutes, ordinances or regulations.
22. **INTENTIONALLY DELETED.**
23. **WASTE.** Tenant shall use due care in the use of heat, water and electricity, the use of the Premises and without qualifying the foregoing, shall not neglect or misuse plumbing fixtures, electric lights and heating.
24. **RUBBISH AND DEBRIS.** No rubbish, trash, dirt, debris or objects of any kind shall be put outside the Building except within designated dumpsters or other appropriate waste receptacles. Tenant shall cause Tenant's employees, agents and invitees to comply with this Section and other applicable portions of this Lease.
25. **HAZARDOUS SUBSTANCES.**
- A. Tenant does not and shall not use or permit the use of the Premises for any purpose relating to the storage and use of Hazardous Materials. Tenant shall not, in any event, generate, manufacture, produce, release, discharge or dispose of on, in or under the Premises or the Building, or transport to or from the Premises, any Hazardous Materials, or allow any other person or entity to do so. Landlord represents and warrants that to its knowledge there are no hazardous materials in or about the Premises or the Building as of the Commencement Date.
 - B. Tenant shall comply with all local, state or federal laws, ordinances or regulations relating to Hazardous Materials and above ground and underground storage tanks on, in, under or about the Premises occurring for the first time after the Commencement Date.
 - C. Tenant shall promptly notify Landlord should Tenant receive notice of or otherwise become

aware of any (i) pending or threatened environmental regulatory action against Tenant, the Premises or the Building; (ii) claims made or threatened by any third party relating to any loss or injury resulting from any Hazardous Material; or (iii) release or discharge or threatened release or discharge of any Hazardous Material in, on, under or about the Premises or the Building.

- D. Tenant shall promptly deliver copies of any documents relating to any governmental proceeding relating to Hazardous Materials and all engineering reports, test reports and laboratory analysis concerning the Hazardous Materials to Landlord.
- E. Tenant shall promptly and thoroughly investigate suspected Hazardous Materials contamination of the Premises or the Building or the ground water of the Building, resulting from Tenant's use of the Premises.
- F. Landlord shall have the right, at Tenant's expense, to require an annual audit of Tenant's operation on the Premises to ensure compliance with environmental laws and regulations and this Section 25, if Tenant is found to be in violation of applicable environmental laws or regulations. Upon receipt of written notice from Landlord, Tenant shall promptly correct any violations and/or deficiencies cited in the audit.
- G. If an Event of Default occurs under this provision, Landlord shall have the right to cause to be conducted an investigation of the Premises for Hazardous Materials and, if such are found and are determined to have been placed on the Property by the Tenant, Tenant shall forthwith remove, repair, clean up or detoxify any Hazardous Materials from the Premises, the Building, or ground water resulting from Tenant's use, whether or not such actions are required by law, and shall reimburse Landlord for its expenses associated with the investigation.
- H. Tenant shall permit Landlord or its agents to inspect the Premises with at least 24 hours' notice (except in event of emergency) at reasonable times when students are not present on the Property and agree to fully cooperate with Landlord in determining compliance with this Section.
- I. Subject to and to the extent allowed by the New Mexico Tort Claims Act and any other governing statute, Tenant shall protect, indemnify and hold harmless Landlord, its directors, officers, employees, agents, successors and assigns from and against any and all loss, damage, cost, expense or liability (including attorney's fees and costs) arising directly or indirectly out of Tenant's use of the Premises, or from the conduct of Tenant's business or attributable to Tenant's failure to comply with this Section 25, including without limitation (i) all foreseeable consequential damages; and (ii) the costs of any required or necessary repair, clean up, or detoxification of the Premises or the Building and the preparation and implementation of any closure, remedial or other required plans. This indemnity shall survive termination or cancellation of this Lease for any reason.
- J. Landlord shall protect, indemnify and hold harmless Tenant, its directors, officers, employees, agents, successors and assigns from and against any and all loss, damage, cost, expense or liability (including attorney's fees and costs) from Hazardous Materials existing prior to the Commencement Date for the Premises and arising directly or indirectly out of Landlord's actions or inactions, including the employees, agents and representatives of Landlord, attributable to Landlord's failure to comply with this Section 25, including without limitation (i) all foreseeable consequential damages; and (ii) the costs of any required or necessary repair, clean up, or detoxification of the Premises or the Building and the preparation and

implementation of any closure, remedial or other required plans. This indemnity shall survive termination or cancellation of this Lease for any reason.

K. "Hazardous Materials" shall mean any flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials, including, without limitation, any substance defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials", "toxic substances", "contaminants" or "pollutants" under any applicable federal or state laws or regulations.

26. **LIENS.** Tenant and Landlord shall keep the Premises free from any liens arising out of any work performed, material furnished or obligations incurred by or for Tenant or any person or entity claiming through or under Tenant. In the event that Tenant shall not, within ten (10) days following the imposition of any such lien, cause same to be released of record by payment or posting of a proper bond, Landlord shall have, in addition to all other remedies provided herein and by law, the right but not the obligation to cause same to be released by such means as it shall deem proper, including payment of the claim giving rise to such lien. All such sums paid by Landlord and all expenses incurred by it in connection therewith shall be considered Additional Rent and shall be payable to it by Tenant to Landlord within 30 days following Landlord's demand. Any such action by Landlord shall not in any event be deemed a waiver of Tenant's default with respect thereto. Landlord shall have the right at all appropriate times to post and keep posted on the Premises any notices permitted or required by law, or that Landlord shall deem proper, for the protection of Landlord, the Premises, the Building, and any other party having an interest therein, from mechanics' and materialmen's liens, and Tenant shall give to Landlord at least ten (10) business days' prior notice of commencement of any construction on the Premises.
27. **LANDLORD'S RIGHT TO ENTER PREMISES.** Landlord, or its authorized agents or attorneys, may at any reasonable time upon prior written three (3) day notice, except in the event of an emergency (and without interfering with Tenant's or subtenant's use of the Premises) enter the Premises to inspect, make repairs and improvements and/or changes in the Premises or other premises in Building as Landlord may deem proper. Except in cases of emergency or upon prior arrangement with the Tenant, Landlord shall restrict entry to days/times when students are not present on the Property. Upon entry Landlord, its agents, employees and representatives must follow all school visitor policies and state laws and regulations regarding student safety and protection.
28. **SECURITY OF PREMISES.** Tenant shall protect the Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed and secured after normal business hours.
29. **REPAIRS.** Tenant shall promptly pay to Landlord upon request an amount equal to any cost incurred by Landlord in repairing the Premises and/or public and common areas in the Property, when such repairs were made necessary by the negligence or of misuse by the Tenant.
30. **AGREEMENT TO BE SUBORDINATE.** This Agreement is subject and subordinate to all mortgages, deeds of trust, and restrictions which may now or hereafter affect the Premises and to all renewals and extensions thereof. For confirmation of such subordination, Tenant shall execute promptly any subordination agreement requested by Landlord. Such subordination is subject to Tenant enjoying the quiet possession of the Premises if any mortgagee or deed of trust grantee becomes landlord hereunder, provided that Tenant is not then in default hereunder or does not default in the future. Tenant agrees to attorn to any mortgagee or deed of trust grantee or other purchaser at foreclosure or in lieu of foreclosure, under this Lease, which shall remain in full force and effect.

31. **ESTOPPEL CERTIFICATE.** Tenant agrees that at any time and from time to time upon not less than five (5) days prior written notice by Landlord, to execute, acknowledge and deliver to Landlord a statement in writing:
- A. Certifying that this Lease is unmodified and in full force and effect if there have been modifications, that this Lease is in full force and effect as modified and stating the modifications.
 - B. Stating the dates to which the rent and other charges hereunder have been paid by Tenant.
 - C. Stating whether or not, to the best knowledge of Tenant, Landlord is in default in the performance of any covenants, agreements or conditions contained in this Lease and if so, specifying each such default of which Tenant may have knowledge.
 - D. Responding to such other matters as Landlord reasonably requests. Any such statement delivered pursuant hereto may be relied upon by any owner or prospective purchaser of the Property, any prospective mortgagee of the Property or Landlord's interest therein or any prospective assignee of any such mortgagee.
32. **TENANT TO SURRENDER PREMISES IN GOOD CONDITION.** Upon the expiration or termination of the Lease Term, Tenant shall at its expense:
- A. remove Tenant's goods and effects and those of all persons claiming through Tenant; and
 - B. quit and deliver up the Premises to Landlord peaceably and quietly in as good order and condition as the same were on the date the Lease Term commenced or were thereafter in place by Landlord, reasonable wear and tear accepted; and
 - C. any property left in the Premises after the expiration or termination of the Lease Term shall be deemed to have been abandoned and shall be deemed the property of Landlord to be disposed of as Landlord sees fit.
33. **DEFAULT.** The occurrence of any of the following events shall constitute a default by Tenant under this Lease:
- A. If Tenant shall fail to pay any amounts to be paid by it hereunder, including but not limited to Base Rent, Additional Rent and late charges, and such default shall continue for a period of three (3) business days after Landlord has given Tenant written notice of such failure to pay; or
 - B. If Tenant fails to perform or observe any of Tenant's other material obligations, covenants or agreements herein or hereunder, and such failure shall continue for a period of twenty (20) days after Landlord has given Tenant written notice thereof, provided however, if the default cannot be reasonably cured within twenty (20) days, Tenant shall have such additional time as is reasonably necessary to cure said default, provided Tenant acts diligently towards curing the default; or
 - C. If Tenant makes a general assignment for the benefits of creditors, or, subject to the rights of a Trustee in Bankruptcy files, or has filed against it (and Tenant does not have the petition dismissed within thirty (30) days), a petition in bankruptcy under the Bankruptcy Code or under any other applicable law of the United States of America or any state thereof, consents to the appointment of a trustee or receiver for Tenant or for its property, or if Tenant takes any action

for the purpose of effecting or consenting to any of the foregoing; or

- D. Abandonment or vacating of the Premises by Tenant. Should the Premises be abandoned or vacated by the Tenant, Landlord shall give five (5) days' written notice to Tenant of Landlord's intention to re-enter the Premises due to Tenant abandonment.

Upon the occurrence of any of the foregoing defaults, Landlord may, but with no obligation to do so, immediately re-enter the Premises and remove all persons and property therefrom. Landlord shall have the right to keep the Lease in full force and effect, or, at its option, terminate this Lease as to all future rights of Tenant. Except as required by paragraph 33 A. through D, or as otherwise required by the terms of this Agreement, Landlord is relieved from serving written notice of Landlord's intent to re-enter the Premises. Except as otherwise agreed to by Landlord, Tenant shall be liable to Landlord against all loss of rents and other damages which it may incur by reason of such default, including all attorney's fees and expenses incurred in enforcing any of the terms of this Lease. In the event of Tenant's default and Landlord's re-entry, whether this Lease is terminated by Landlord, Tenant shall pay Landlord, as additional damage, interest at the rate of ten percent (10%) per annum on (i) all unpaid Rent and late charges accrued from date of default until paid and (ii) all of Landlord's other reasonable expenses, including attorneys' fees, from the date of re-entry until paid. If Tenant defaults before expiration or termination of the term of this Lease, and Landlord elects to terminate this Lease, Landlord may accelerate Tenant's financial obligation hereunder; upon such acceleration, the entire Rent and additional other costs as reasonably determined by the Landlord due for the balance of the term hereof shall be immediately due and payable discounted to present value using a six percent (6%) discount rate. In the event Landlord re-enters the Premises as set forth herein, and, whether it elects to keep this Lease in effect or terminate it, Landlord may re-let the Premises for such rent and upon such terms as are not unreasonable under the circumstances. In such event, Tenant also shall be liable for all costs, expenses and damages incurred or sustained by Landlord in re-letting the Premises including, without limitation, deficiency in rent, attorney's fees, expenses for repairing damage done by Tenant, tenant allowances, improvements made by Landlord and brokerage fees. Landlord shall have the right to commence one or more actions to enforce the terms hereof and the commencement and prosecution of one action shall not be deemed a waiver or an estoppel from commencing one or more actions from time to time in the future. Provisions contained in this section shall be in addition to and shall not prevent the enforcement of any claim Landlord may have against Tenant for anticipatory breach of the unexpired Lease Term. All rights and remedies of Landlord under this Lease shall be cumulative and shall not be exclusive of any other rights and remedies provided to Landlord under applicable law.

34. **RIGHT TO CURE DEFAULTS.** If a party defaults in the observance or performance of any of the party's covenants, agreements or obligations hereunder wherein the default can be cured by the expenditure of money, the non-defaulting party may, but without obligation, and without limiting any other remedies which it may have by reason of such default, cure the default, charge the cost thereof to the defaulting party and the defaulting party shall pay the same forthwith upon demand. If either party is required to commence a legal action to recover such sums, either party shall also have the right to recover all interest costs and attorney's fees in connection with such litigation.
35. **USE OF THE TERMS "LANDLORD" AND "TENANT".** The terms "Landlord" and "Tenant" wherever used in this Lease, shall be construed to mean plural in all cases where there is more than one Landlord or Tenant and the necessary grammatical changes required to make the provisions hereof apply to corporations, partnerships or individuals, men or women, shall in all cases be assumed as though in each case fully expressed. In addition, where relevant in this Lease and especially in connection with the provisions of this Lease relating to personal injury, limitation of liability, indemnification, property damage and insurance, "Landlord" shall mean Landlord, its respective

employees, agents, invitees, licensees, customers, clients, partners and shareholders and "Tenant" shall mean its employees, agents, business invitees, licensees, customers and clients.

36. **LANDLORD'S CONSENT.** Where Landlord's consent is required herein, it shall not be unreasonably withheld, or delayed.
37. **EXECUTION BY LANDLORD.** Submission of this instrument to Tenant, or Tenant's agents or attorneys, for examination or signature does not constitute or imply an offer to Lease, reservation of space, or option to Lease, and this Lease shall have no binding effect until execution hereof by both Landlord and Tenant.
38. **CONTINUANCE OF AGREEMENT.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and subject to the restrictions and limitations herein contained, their respective heirs, successors and assigns.
39. **PROTECTION OF LANDLORD IN THE EVENT OF SALE OF THE BUILDING OR PROPERTY.** "Landlord", as that term is used in this Lease, means only the owner or the mortgagee in possession or grantee in possession under a deed of trust, or the owner of Landlord's interest in this Lease, or in the event of any sale or sales of the Premises, or this Lease, the Landlord shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord hereunder, and it shall be deemed and construed without further agreement between the parties or their successors-in-interest that the purchaser or the tenant or assignee of the land and/or building has assumed and agreed to carry out any and all covenants and obligations of the Landlord hereunder.
40. **SEVERABILITY.** The provisions of this Lease are expressly severable, and the unenforceability of any provision or provisions hereof shall not affect or impair the enforceability of any other provision or provisions.
41. **MEMORANDUM OF LEASE.** Tenant and Landlord shall, upon the written request of the other, execute a memorandum or short form Lease, in a form suitable for recording. Said Memorandum Lease shall be dated on the date and year of the execution of this Lease and shall disclose the parties, the terms of the Lease, the legal description of the Premises and may contain, in addition to the foregoing, such other terms and conditions as Landlord or Tenant, as the case may be, may require.
42. **WAIVER OF COVENANTS.** Failure of Landlord to insist, in any one or more instances, upon strict performance of any term, covenant or condition of this Lease, or to exercise any option herein contained, shall not be construed as a waiver, or a relinquishment for the future of such term, covenant, condition or option, but the same shall continue and remain in full force and effect. The receipt by Landlord of rents with knowledge of a breach in any of the terms, covenants and conditions of this Lease to be kept or performed by Tenant shall not be deemed a waiver of such breach, and Landlord shall not be deemed to have waived any provision of this Lease unless expressed in writing and signed by Landlord.
43. **NOTICES.** Any notice or demand which, under the terms of this Lease or under any statute must or may be given or made by the parties hereto, shall be in writing, and may be given or made by personal delivery or mailing the same by registered mail, addressed to the other party at the address mentioned below. Either party, however, may designate in writing such new or other address to which such notice or demand shall hereafter be so given, made or mailed. Any notice given hereunder by mail shall be deemed delivered when deposited in the United States mails, certified mail, return receipt requested, postage prepaid, and addressed as herein provided:

Landlord: Larry Rieder c/o
Guardian Airport Parking, LLC
2505 Anthem Village Drive, Suite E-390
Las Vegas, NV 89052

Tenant: Mission Achievement And Success Charter School
(After July 1, 2012)
1718 Yale Boulevard SE
Albuquerque, NM 87106
Attention: Principal

Rent payments shall be submitted as follows:

Larry Rieder c/o
Guardian Airport Parking, LLC
2505 Anthem Village Drive, Suite E-390
Henderson, NV 89052

44. **AMENDMENTS.** This Lease may be amended only by a writing executed by both parties hereto.
45. **MISCELLANEOUS.** This Lease shall be construed according to the laws of the State of New Mexico. The captions in this Lease are for convenience only and are not part of this Lease.
46. **REPRESENTATIONS.** This Lease constitutes the final agreement of the parties hereto and supersedes all negotiations, representations or agreements, whether written or oral, made prior to the execution hereof. Landlord makes no representations or warranties regarding the Premises or of Landlord's or Tenant's rights, obligations, or duties with respect thereto other than those expressly set forth in this Lease. By execution of this Lease, Tenant acknowledges that no representations or warranties have been made by Landlord (or Landlord's agents, representatives, or employees, or by anyone acting on behalf of Landlord or under contract with Landlord) upon which Tenant has relied in executing this Lease other than such representations or warranties that are expressly set forth herein.
47. **ATTORNEY'S FEES.** If the Tenant defaults in the performance of any of the covenants of this Lease and by reason thereof the Landlord employs the services of an attorney to enforce performance of the covenants by the Tenant, to evict the Tenant, to collect moneys due from the Tenant, or to perform any service based upon said default, then in any of said events the Tenant does agree to pay a reasonable attorney's fee and all expenses and costs incurred by the Landlord pertaining thereto and in enforcement of any remedy available to the Landlord. In any proceeding brought by either Landlord or Tenant against the other relating to this Lease, a reasonable attorney's fee, costs and expenses shall be recovered in such proceeding by the successful party therein.
48. **TIME.** It is understood and agreed between the parties hereto that time is of the essence in all of the terms and provisions of this Lease.
49. **FINANCIAL STATEMENTS.** Tenant (and any assignee or subtenant) shall provide Landlord with complete and accurate financial statements of Tenant (assignee or subtenant as the case may be) promptly upon Landlord's request at anytime during the Lease Term, but no more than two times in any twelve (12) month period.

- 50. FORCE MAJEURE.** If Landlord or Tenant cannot perform any of their respective obligations under the terms of this Lease due to event(s) beyond their control, the time provided for performance of such obligations shall be extended by a period of time equal to the duration of such event(s). If either party to the Lease desires to invoke the provisions of this Paragraph, it shall provide written notice to the other party of the reasons for the delay and the invoking party shall use best reasonable efforts to mitigate the effects of such occurrence. Event(s) beyond Landlord's or Tenant's control include, but are not limited to, acts of God, war, civil commotion, labor disputes, strikes, fire, flood, or other casualty, shortages of labor and materials, government regulation or restriction and weather conditions, but shall in no event include defaults due to Landlord's or Tenant's failure to meet their respective monetary obligations hereunder.
- 51. SECURITY DEPOSIT.** Tenant shall deliver to Landlord the security deposit specified as security for the faithful performance of all terms, covenants and conditions of this Lease. Tenant agrees that Landlord may, without waiving any of Landlord's other rights and remedies under this Lease upon the occurrence of any of the events of default described in Article 33 hereof, apply the security deposit to remedy any failure by Tenant to pay Rent or Additional Rent, to repair or maintain the Premises, or to perform any other terms, covenants or conditions contained herein. If Tenant is not in default under this Lease, Landlord will within thirty (30) days following the termination hereof return said sum to Tenant or the last permitted assignee of Tenant's interest hereunder at the expiration of the Term. Should Landlord use any portion of the security deposit to cure any default by Tenant hereunder, Tenant shall within 30 days following Landlord's demand replenish the security deposit to the original amount. Landlord shall not be required to keep the security deposit separate from its general funds, and Tenant shall not be entitled to interest on any such security deposit.
- 52. BROKERAGE.** Tenant and Landlord respectively represent and warrant to the other that no brokers were retained, used or referred to with respect to this Lease and/or leasing other than CB Richard Ellis and Grubb & Ellis, and no other claims for commissions or fees are valid or warranted with respect to our connection with this Lease, and that each shall defend, indemnify and hold the other harmless from any and all costs, claims or causes of action for such commissions or fees resulting from its own acts.
- 53. NO INDIVIDUAL LIABILITY.** All covenants, stipulations, promises, agreements and obligations of the Tenant contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the charter school, and not of any member, director, officer, employee, servant or other agent of the School in his or her individual capacity, and no recourse shall be had on account of any such covenant, stipulation, promise, agreement or obligation, or for any claim based thereon or hereunder, against any member, director, officer, employee, servant or other agent of the School or any natural person executing this Lease Agreement or any related document or instrument.

Notwithstanding any other provision of this Lease Agreement, Tenant's obligations under this Lease Agreement are expressly contingent upon Tenant receiving permission from its authorizer to open and commence operations, and upon continuation of Tenant's charter.

IN WITNESS WHEREOF, Landlord and Tenant respectfully have duly signed and sealed these presents the day and year first above written.

LANDLORD

**GUARDIAN AIRPORT PARKING, LLC,
A New Mexico Limited Liability Company**

Date: 5/31/12

By: [Signature]
Larry Rieder, Managing Member

TENANT

**MISSION ACHIEVEMENT AND SUCCESS,
A New Mexico Public Charter School**

Date: _____

By: [Signature]
Its: President MMS Charter

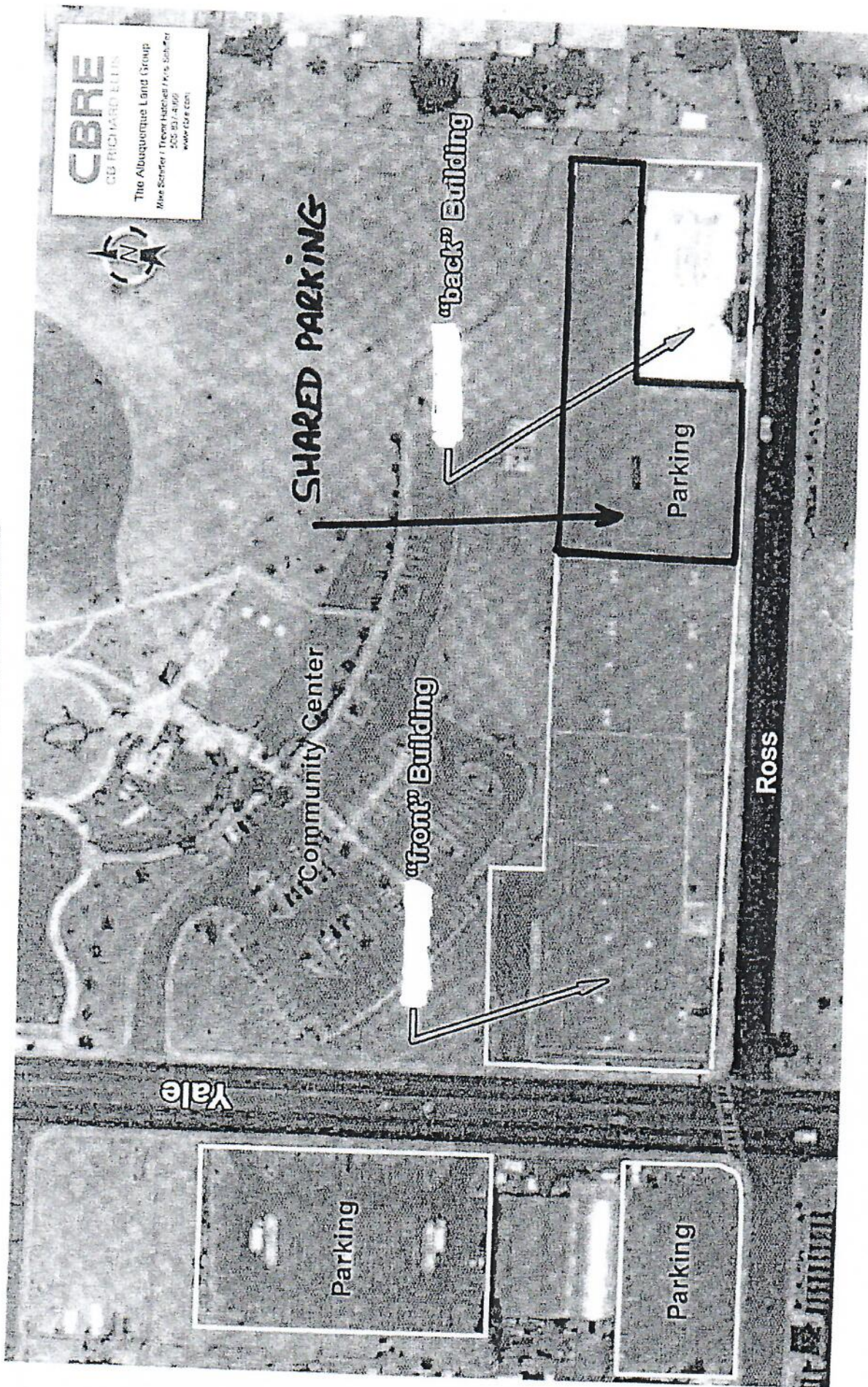
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Flower Fish - Grades 6 / 7	Date	10-7-13
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Entry Continued
 3615 11

- * Proposed/ Leasable Area Denoted as Unhatched.
- * Hatched Areas Denote Space not Proposed to be Utilized

EXHIBIT A



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EXHIBIT A - ADDITIONAL LEASED SPACE

Additional Leased Space is denoted in Blue on the Floor Plan and is the former Cesar Chavez Community School space.

EXHIBIT A - 1718 YALE PREMISES

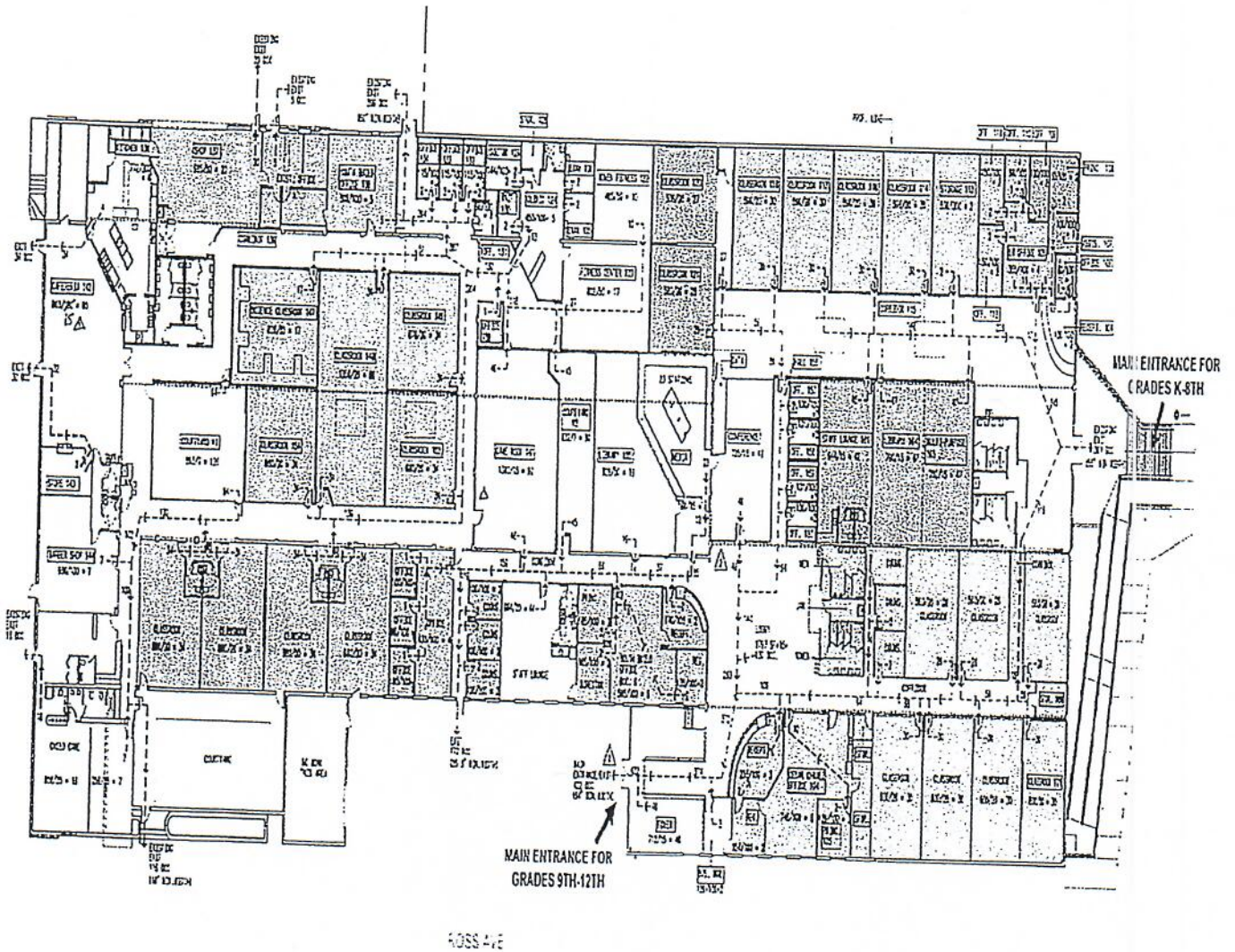


EXHIBIT B – ADDITONAL LEASED SPACE

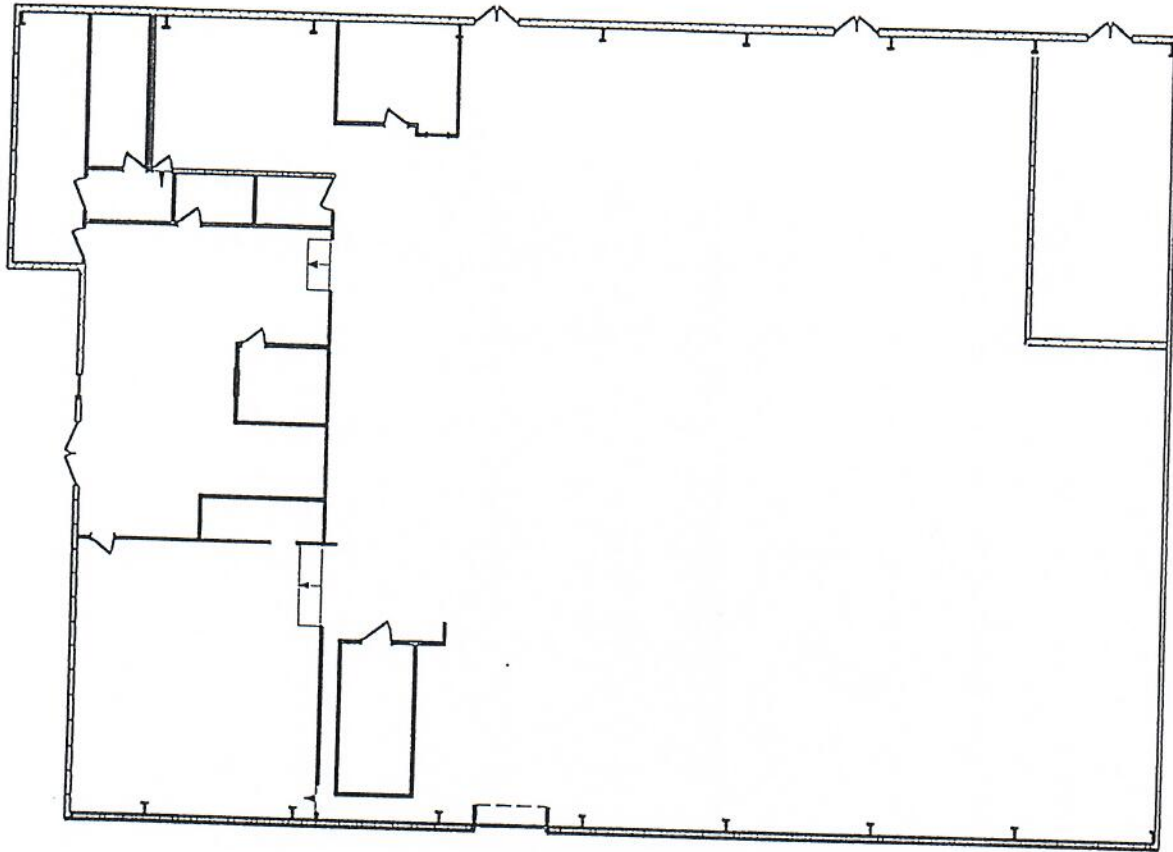
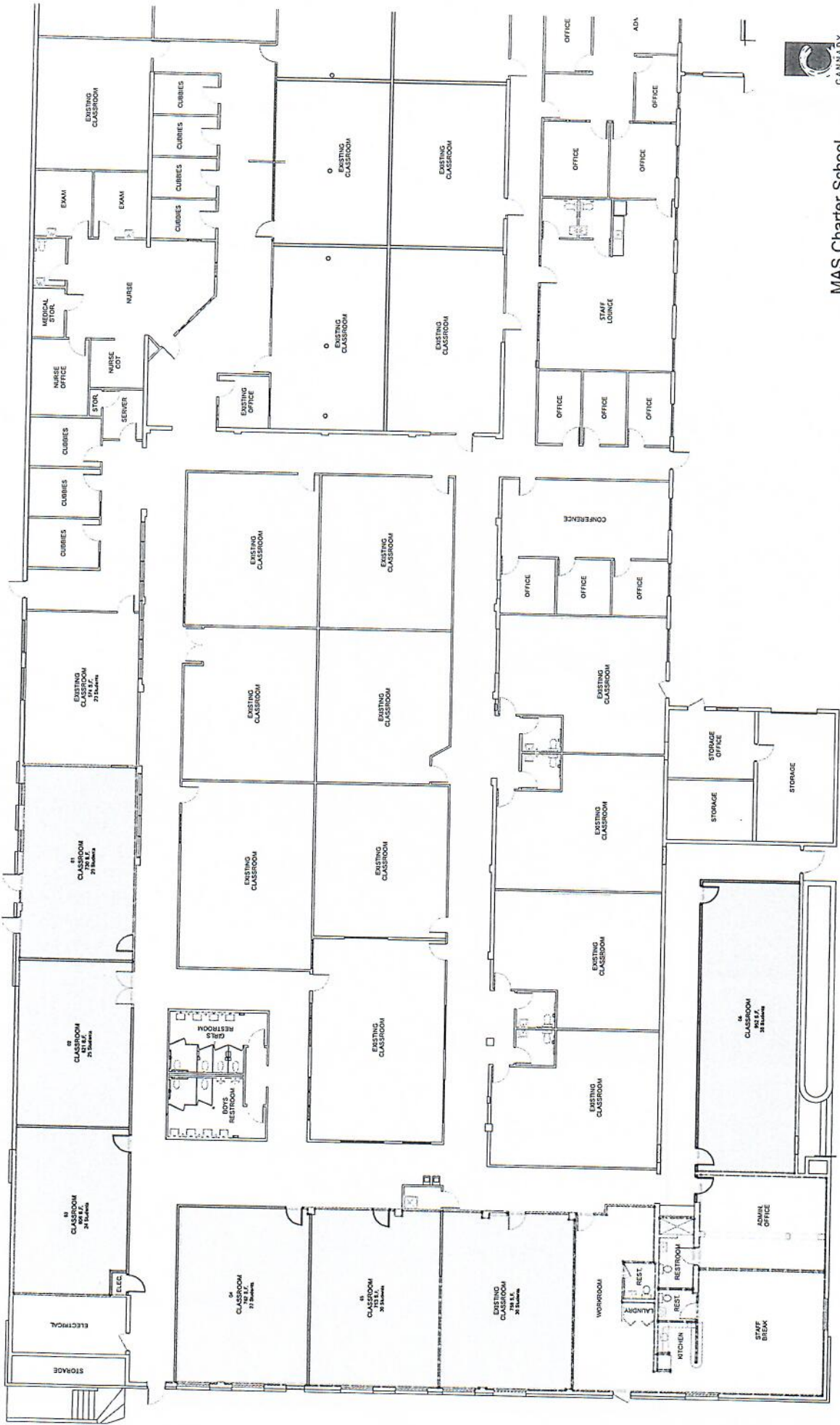


EXHIBIT A
THAMES ENGINEERING STRUCTURAL
DRAWINGS DATED APRIL 18, 2016

EXHIBIT A

Proposed Floor Plan Alt. 02 dated 2.19.18





CHARTER SCHOOL OVERVIEW

Mission Achievement and Success (MAS) Charter School's Governing Board, for each school within the district, shall cooperate with leaser of the property in the development of a five-year Facilities and Structure Plan, beginning July 1, 2018. This plan shall be reviewed and updated annually or as needed. An executive summary of the plan shall be completed as part of the overall plan to ensure that the intent and other considerations addressed during the drafting of the plan remain current to the situation as presented at the commencement date of any remodeling, replacement, new construction, renovations, repairs, or entrance into a new lease agreement.

The intent of the plan is to be an aid in preserving assets of the school; maintaining clear responsibilities of the leaser versus leasee in respect to facilities and structures; to be a useful resource for the Board in forecasting school needs; assisting the Board with establishing priorities connected with the changing conditions and infrastructure needs; identifying health and safety needs; and to strategically plan for growth.

The health and safety of students at Mission Achievement and Success Charter School is one of the Board's highest priorities. This Plan is to provide a systematic approach in establishing the infrastructure needs, and prioritizing those needs in the form of a five-year Building and Structures Facilities Plan. When completed, the plan will be an aid in preserving assets of the school, and will become a guide to the Board when determining where dollars should be spent, requests for updates or modifications to the landlord, as well as a tool to help educate the public about the needs of the school.

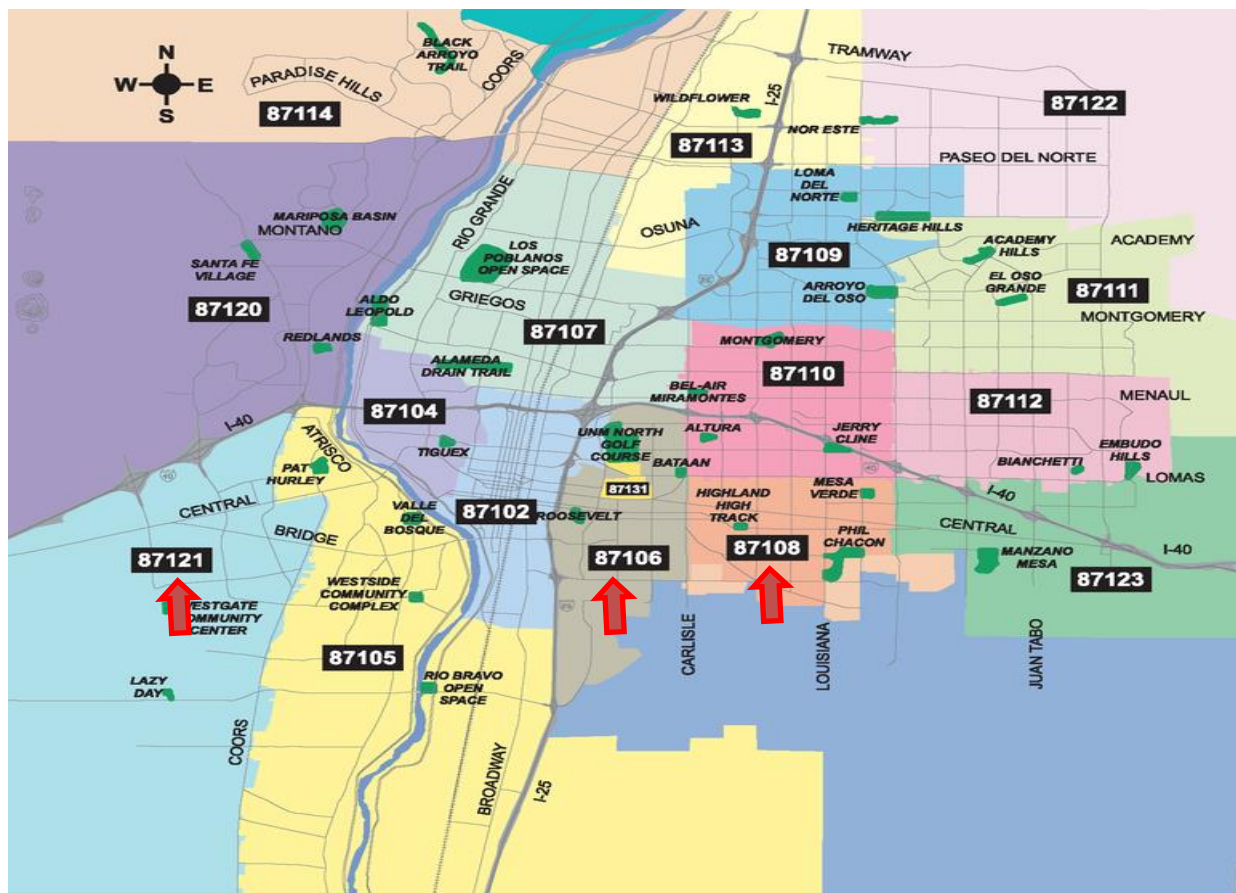
Mission Achievement and Success Charter School was approved by the New Mexico Public Education Commission for operation to commence in the 2012-2013 school year under a five-year charter agreement. MAS was also approved to replicate and open a second location. Our second location is at 1255 Old Coors Drive in Albuquerque and the commence date for our new location will be for the 2018-2019 school year. The current charter cap is 1140 students per site and enrollment for the 2018-2019 school year is estimated at 1040 students for the 1718 Yale location and 120 students for the 1255 Old Coors Drive location.

As specified in lease agreements, and as agreed upon by the landlords prior to lease operational periods, all properties must meet the statewide Adequacy Standards as expressed NMAC 6.27.30.

Mission Achievement and Success Charter School was reviewed by the Public Schools Facility Authority in 2018 as assurance to these standards.

SUMMARY

Mission Achievement and Success Charter School was originally granted charter for the 2012-2013 school year. The School's charter was recently renewed for an additional term of five years beginning for the 2017-2018 school year through the conclusion of the 2021-2022 school year. MAS Charter School serves students from grades K-12 at our Yale location and will eventually serve the same grade range at our Old Coors Drive location. With that said, for the 2018-2019 school year, Old Coors Drive location will serve students in grades K-1 with a scale up plan to add on average one to two grade levels per year until we serve the full spectrum of grades K-12 at that location as well. The enrollment cap is 1140. The school has an associated not-for-profit foundation which is designated as a component unit of the school. Mission Achievement and Success Charter School serves primarily the Albuquerque Metropolitan area and is located on the Southeast quadrant of Albuquerque, New Mexico. It is within the Albuquerque Public School District with an address of 1718 Yale Blvd. SE 87106 and our new location is at 1255 Old Coors Rd. SW 87121. While students in and out of the APS District may attend MAS, most of MAS students reside in the neighborhoods surrounding the school. Approximately 80% of MAS students reside in the 87108, 87106, and 87121 zip code areas of Albuquerque. The remaining reside in the zip codes near the school as shown on the map below.



1. GOALS/MISSION

1.1 Goals

1.1.1 Mission

The mission of MAS is to prepare students to be successful in college and the competitive world by providing a rigorous college preparatory program in a safe and effective learning environment. Our primary objective is to instill in our students a commitment to high academic achievement, continual goal setting, and principles of personal success.

Describe the desired state of school's educational programs

Component 1: Laser like focus on academic achievement using data to drive instructional decisions

Component 2: Clear curriculum alignment with common core and state standards

Component 3: Frequent assessment of student progress with multiple opportunities for improvement

Component 4: Emphasis on non-fiction writing

Component 5: Collaborative scoring of student work

Component 6: High expectations

Component 7: Positive school culture with proactive approach to student discipline

Component 8: Inclusive education

Component 9: Ongoing professional development and collaboration

Component 10: Parental and Community Involvement

Component 11: Development of Success Principles Action Plans

1.1.2 Briefly describe the general educational philosophy

MAS believes that all children, regardless of race, economic status, or past educational experiences can succeed if they have access to a great education. Providing a great education means surrounding students with a team of dedicated, passionate, and highly effective educators who embrace a "no excuses, whatever it takes" attitude to ensure that our students not only earn a high school diploma, but possess the skills to experience success in college and the competitive world.

1.2 Process

1.2.1 Describe process for data gathering and analysis

At MAS, our instruction is driven by one primary goal—outstanding student achievement, and this can only become a reality through intensive, day-to-day monitoring of student progress data. At MAS, teachers assess student learning informally and/or formally on a daily basis and modify their instructional plan accordingly. In each classroom you will find data walls that track classroom progress toward the learning standards and hold us accountable, in part through awareness and transparency. How is our approach different in regard to using student data? What

makes us different is that while we hold high standards for our students, we, meaning the adults, ultimately take full responsibility for the achievement of our students, and daily monitoring of student progress data is one way we maintain responsibility for our students' outcomes.

Identify individual representing the school authorized as contact on issues and questions related to this submission

Bruce E. Langston, Board Chairman
JoAnn Mitchell, Principal/Superintendent
Kathy McClendon, Assistant Principal

Identify process for capital planning and decision-making

In completion of the plan, it should be noted that charter schools have limited access to local school district tax and bond revenues used for school facilities. Instead, they must rely on alternative sources of public and private funds to pay for their facilities. In addition, charter schools that are on lease agreements are prohibited through statute to use public funding to provide improvements to privately owned lease building or property. With this information noted, this five-year plan is a collaboration between the leaser and leasee to forge a mutually satisfying relationship designed to maintain the physical plant and infrastructure of the building, plan for growth, and provide the environment conducive to the learning environment.

Identify how community input is considered

Mission Achievement and Success holds open board meetings in compliance with the Open Meetings Act of New Mexico and accepts public comment to be read during meetings.

List members that attended planning meetings and their affiliation (i.e. maintenance staff, students, and faculty).

Facility meetings occur in two formants. General staff meeting that are steered by the principal and includes staff member from the various disciplines including executive, administrative, physical plant, and auxiliary as needed. In addition, as referenced above opened meeting are held by the governing board, which includes board members and allows for public comment and committee reports. There is also a facility's committee of the Governing Board.

Describe the nature of Steering committee involvement and identify members of the steering committee

The steering committee is called the Buildings and Structures Committee and includes the governing board president, vice-chair of the board, principal/superintendent of the school, and facility physical plant personnel.

2. PROJECTED CONDITIONS

2.1 Programs and Delivery Methods

MAS Charter school operates a traditional classroom environment augmented by computer automation. The traditional school day is expanded from 8:20 am until 4:20 pm to assist in block style instructional programming.

2.1.1 Programs overview

Establishing the appropriate educational setting for today's students is becoming increasingly competitive for both students and schools. Students must learn as much and as effectively as they can, and schools must present the best avenues for this learning. The environment, or more correctly stated, the learning environment being a chief component or avenue. It is a school's job to give information to students in the most effective way possible. Building access, classroom conduciveness, available desks, climatic controls, lighting, access to automation, open space and safety all lend to providing maximum comfort, thus and augment learning.

Currently, Mission Achievement and Success Charter School resides at 1718 Yale Blvd. SE. Albuquerque, New Mexico 87106. It is a single structure constructed in 1970s as Guardian Parking. The building went through its first renovation and transformation in the 1980s and was re-designed for manufacturing. In the 1990's it was renovated a second time for its current use as e-occupancy or charter school use.

The building is approximately 65,000 sq. ft., separated into four designated use sections. These include an elementary section, middle school section, high school section and administrative/auxiliary section. As a support to the main building, an additional approximate 12,000 sq. ft. has been opened and utilized as cafeteria, gymnasium, physical education, and athletic space.

Mission Achievement and Success Charter School is phasing in a replicated site for the 2018-2019 school year at 1255 Old Coors Rd. Albuquerque, New Mexico. At current, that site is a vacant lot located in the Southwest quadrant of Bernalillo County's metropolitan area. The lot is approximately 16 acres, and this plan will be updated annually to reflect the growth and transition into this building/space.

List anticipated special curricular and extracurricular activities to be accommodated in the facility, if any

MAS Charter school operates a before and after-school program designed to assist and augment student achievement, participates in the New Mexico Activities Associations, and hosts a variety of school clubs and councils accommodated by the facility space.

2.2 Proposed Enrollment

There are no additional plans for phased enrollment at 1718 Yale Boulevard as expressed in the charter agreement. There is a phase in plan over the next five years for phased or incremental growth at 1255 Old Coors Road. This phased growth includes a growth plan of 60 students per year for grades K-5 and 120 students per year in grades 6-12, beginning in year 2019-2020 academic year. This phased approach allows MAS charter school to remain with a standard class size of 30 students and in many cases; there are two teachers in each class of 30 students.

Please see below for the first 5 years of operation for 1255 Old Coors. Approximately 40, 000 square feet to include restroom, cafeteria, egress, recreational, and activity space.

Year, Grades, Enrollment, and Classrooms

Year 1: Grades K-1, 120 Students Total, 6 Classrooms

Year 2: Grades K-2, 180 Students Total, 7 Classrooms

Year 3: Grades K-3, 240 Students Total, 10 Classrooms

Year 4: Grades K-6, 480 Students Total, 21 Classrooms

Year 5: Grades K-7, 600 Students Total, 27 Classrooms

2.3 Site and Facilities (if applicable)

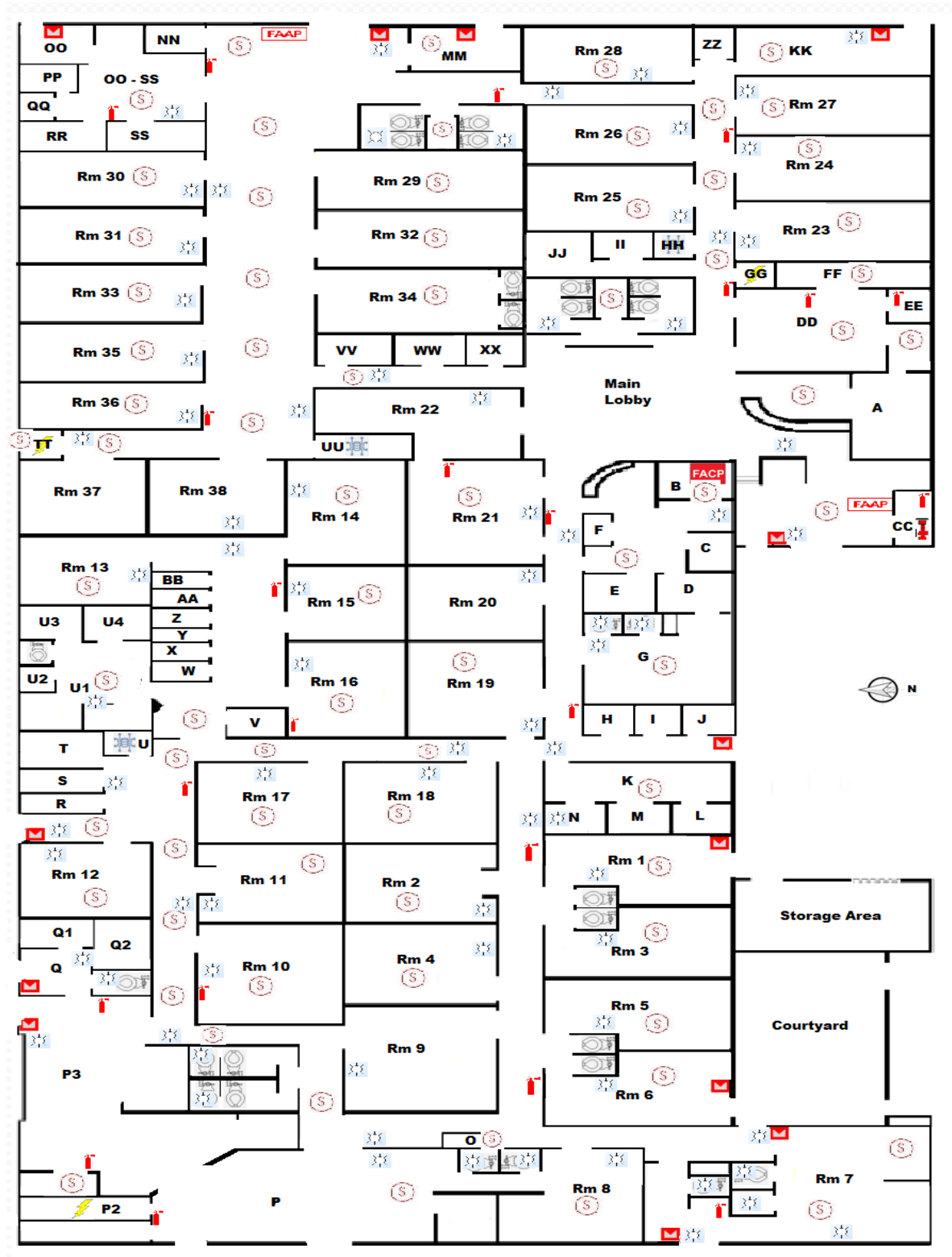
542-001 Overhead View 1718 Yale Blvd. SE



542-001 Overhead View 12 55 Old Coors Rd SW (proposed)



542-001 Floor Plan View 1718 Yale Blvd. SE



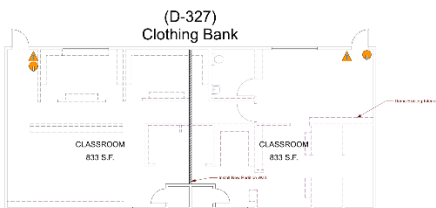
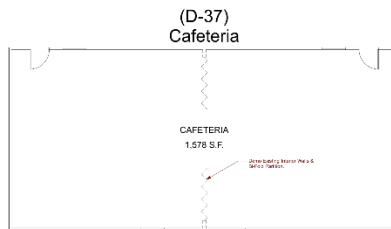
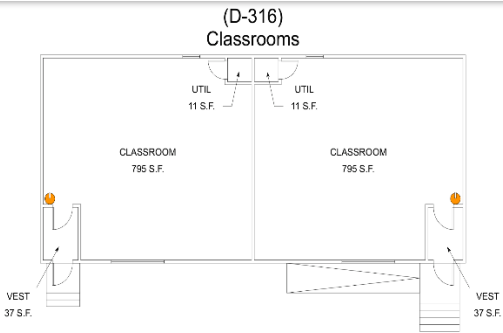
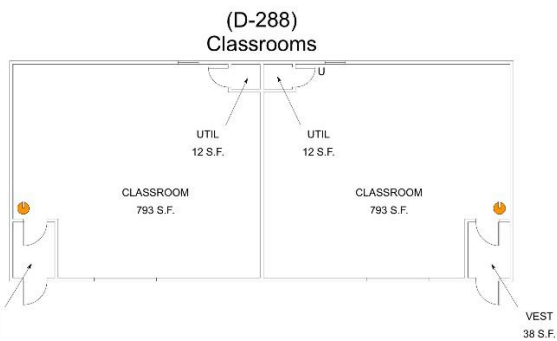
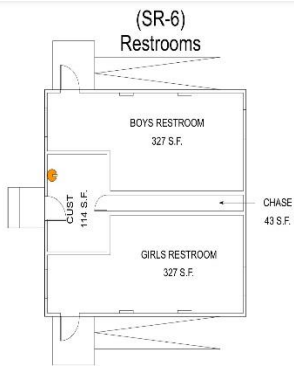
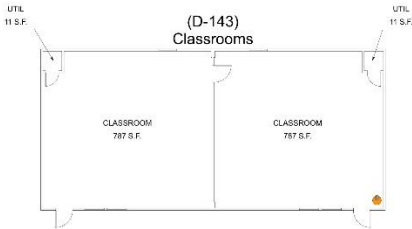
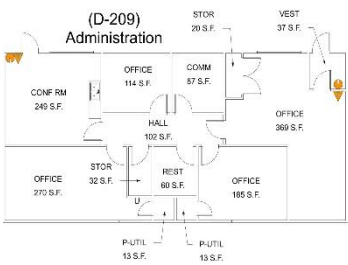
542-001 Current Building Structures EXTERIOR Assessment 2018-2023 **2018**

CURRENT CONDITON 1718 YALE BLVD. EXTERIOR	GOOD	FAIR	POOR	REPLACE	NOTES
Check walkway surfaces, patch and repair.			X		Landlord Improvement - Scheduled 2018
Remove and dispose of all fallen tree limbs, dead shrubs, etc.	X				
Replace broken window glass as needed.	X				
Remove any blockage of walk ways and keep fire exits clear.	X				
Remove any materials against wall that are an eye sore.	X				
Paths of exit			X		Landlord Improvement - Scheduled 2018
Doorways	X				
Stairs and Hand Railing	X				
Under stairs	X				
Outdoor Storage Containers	X				
Garbage and Debris Disposal	X				
Gutter and Drains	X				
Utilities Coming in and Out	X				
Parking Surfaces			X		Landlord Improvement - Scheduled 2018
Exterior Lighting	X				
Signing and Directional Cues	X				
Exterior Walls	X				
Emergency Egress	X				

542-001 Current Building Structures INTERIOR Assessment 2018-2023 **2018**

CURRENT CONDITON 1718 YALE BLVD SE INTERIOR	GOOD	FAIR	POOR	REPLACE	NOTES
Check floors for broken tiles or torn carpet.			X		Landlord Improvement - Scheduled 2018
Lighting Fixtures are operations and appropriate foot candles throughout building.	X				
Replace broken tiles, carpets or other trip hazards.	X				
Clutter and debris in walkways, exits etc.	X				
Wall penetrations, marks, scuffs, painting and presentable.	X				
Door handles, keys and locks are operational	X				
Ventilation and Air Flow is appropriate	X				
Heating and Cooling systems are being maintained	X				
Caustic or hazardous materials are absent or controlled.	X				
Broken Ceiling tiles are being replaced.		X			On-Going
Broken outlet covers, Extension cords, frayed wires are addressed.	X				
Leaking sinks, toilets, water heaters and plumbing issues are addressed.	X				
Restrooms are accessible and functioning	X				
Desk surfaces, work areas and stations are sanitary	X				
Pest Control	X				
Storage is appropriate and not cluttered.	X				

542-002 (temporary) Floor Plan View 1255 Old Coors NW



542-001 Current Building Structures EXTERIOR Assessment 2018-2023
2018

CURRENT CONDITON 1255 Old Coors Rd EXTERIOR	GOOD	FAIR	POOR	REPLACE	NOTES
Check walkway surfaces, patch and repair.	X				New or Refurbished
Remove and dispose of all fallen tree limbs, dead shrubs, etc.	X				
Replace broken window glass as needed.	X				
Remove any blockage of walk ways and keep fire exits clear.	X				
Remove any materials against wall that are an eye sore.	X				
Paths of exit	X				
Doorways	X				
Stairs and Hand Railing	X				
Under stairs	X				
Outdoor Storage Containers	X				
Garbage and Debris Disposal	X				
Gutter and Drains	X				
Utilities Coming in and Out	X				
Parking Surfaces	X				
Exterior Lighting	X				
Signing and Directional Cues	X				
Exterior Walls	X				
Emergency Egress	X				

542-001 Current Building Structures INTERIOR Assessment 2018-2023 **2018**

CURRENT CONDITON 1255 Old Coors Rd INTERIOR	GOOD	FAIR	POOR	REPLACE	NOTES
Check floors for broken tiles or torn carpet.	X				New or Refurbished
Lighting Fixtures are operations and appropriate foot candles throughout building.	X				
Replace broken tiles, carpets or other trip hazards.	X				
Clutter and debris in walkways, exits etc.	X				
Wall penetrations, marks, scuffs, painting and presentable.	X				
Door handles, keys and locks are operational	X				
Ventilation and Air Flow is appropriate	X				
Heating and Cooling systems are being maintained	X				
Caustic or hazardous materials are absent or controlled.	X				
Broken Ceiling tiles are being replaced.	X				
Broken outlet covers, Extension cords, frayed wires are addressed.	X				
Leaking sinks, toilets, water heaters and plumbing issues are addressed.	X				
Restrooms are accessible and functioning	X				
Desk surfaces, work areas and stations are sanitary	X				
Pest Control	X				
Storage is appropriate and not cluttered.	X				

Has PSFA evaluated the proposed facility for code and adequacy? If so, summarize PSFA/Code analysis of any existing facilities that are proposed for future use and include in this section.

The existing facility at 1718 Yale Blvd. SE has been reviewed for code and accuracy by PSFA, the proposed site is pending.

2.4 Utilization Analysis (if applicable)

As expressed above, the first five years of operation for 1255 Old Coors includes approximately 40,000 square feet to include restroom, cafeteria, egress, recreational, and activity space. The space will eventually gravitate to 100,000 square feet during the next five year facility strategic planning plan. At current planning, MAS charter School sees a phased in approach to meeting the code requirements as specified in the New Mexico Administrative Code under the following phase in plan. Note that MAS Charter School plans to lease the space, and has already searched through the Albuquerque Public Schools for available “like” space and has found no publically owned building available or suitable for this purpose. In addition, all lease information and contractual obligations reference and state a requirement of the lease agreement is compliance with Adequacy Standards as expressed NMAC 6.27.30.

2.4.1 Identify special factors (i.e. lower than state required PRTS, special programs) that influence facility use and Itemize how each room in the facility is used

There are no special factors to report in this section. Please note, and as stated above, MAS Charter School is in leased buildings and structures, because no publically owned property was found to be suitable to purpose, or was made available.

2.5 Facility Maintenance (if applicable)

Attachment A.1

2.5.1 Identify maintenance projects in the facility that may turn into capital projects, the estimated time frame and anticipated financial resources available

3. PROPOSED FACILITY REQUIREMENTS (Ed Spec)

3.1 Facility Goals and Concepts

3.1.1 What are the goals to be met by your school facility?

1255 Old Coors Road is proposed to provide a safe and effective environment for all learners through a site that is welcoming and secure with adequate outdoor areas. In addition, to provide in an educational program using Best Practice Learning Skills which includes the following concepts: collaboration, active learning, enhanced communication, connection with one's surroundings and the innovated use of technology.

3.1.2 Concepts

The health and safety of student at Mission Achievement and Success Charter School is one of the Board's highest priorities. This Plan is to provide a systematic approach in establishing the infrastructure needs, and prioritizing those needs in the form of a five-year Building and Structures Facilities Plan. When completed, the plan will be an aid in preserving assets of the school, and will become a guide to the Board when determining where dollars should be spent, requests for updates or modifications to the landlord, as well as a tool to help educate the public about the needs of the school.

Safety and Security are a high priority for MAS. Each campus will be closed with a perimeter fence around the entire property and entrance gates. One main entrance will control visitor routing into the school. The facilities shall be augmented with electronic remote control, 360 degree camera coverage, keyless entry systems, and student controlled movement.

4. CAPITAL PLAN (if applicable - a short range plan which identifies maintenance, capital projects, broadband, systems, or equipment purchases and includes financing options)

Mission Achievement and Success Charter School's building and structures and other space utilization is funded through the recognized formulas as expressed by the New Mexico State

Public Education Department. All funding for maintaining normal wear and tear, or expansion renovation or alteration of space are handled by the landlord through a mutually agreed upon lease statement. Any maintenance or repair not included in normal wear and tear is corrected through the operational budget under the appropriate line item.

Mission and Achievement and Success Charter School uses capital funding along with E-rate funding and other established revenue strings to meet its technology and communication needs.

Attachment A summarizes MAS Charter School's total anticipated preventative maintenance needs and supporting resources not included as part of the lease agreement

MASTER PLAN SUPPORT MATERIAL

Mission Achievement and Success Charter School 1.0

542-001

1718 Yale Blvd. SE

Albuquerque, New Mexico 87106

Opened: 2012-2013

Renovations: 2016-2017 Additional Classroom Space

Renovations: 2016-2017 Gymnasium and Classroom Space

Property: Leased

FCI: 68

Total Square Footage: 75,000

Per Student: 86 sq. ft.

Classrooms: 50

Serving: K-12

Portable Classrooms: 0 **Percentage of Portables:** 0

Total enrollment 40th day: 876 (as of 2017-2018 school year, projected for the 2018-2019 school year is 1040)

Fixed Assets: Controlled through a tagged identification, description and lifecycle system

Mission Achievement and Success Charter School 2.0

542-002

1255 Old Coors Rd. NW

Albuquerque, New Mexico 87121

Opened: 2018-2019

Renovations: N/A

Property: Leased

FCI: N/A

Total Square Footage: TBD (to be determined) Temporary -10,783

Per Student: TBD (to be determined) Temporary 89 sq. ft.

Classrooms: 8 (Portable)

Serving: K-1

Portable Classrooms: 8 **Percentage of Portables:** 100 (temporary)

Total enrollment 40th day: TBD (to be determined)

Fixed Assets: Controlled through a tagged identification, description and lifecycle system

MAS

Preventive Maintenance

Guidelines

OVERVIEW

NEW MEXICO STATUTES

DEVELOPING A PREVENTIVE MAINTENANCE PROGRAM

Introduction

Identification of Facilities, Systems and Components

Determining Present Conditions

Establishing Levels of Maintenance

Preparing the PM Work Items

IMPLEMENTING A PREVENTIVE MAINTENANCE PROGRAM

Introduction

Determining Necessary Resources

Determining Organizational Structure

Scheduling and Assigning Work

Overview

The goal of preventive maintenance is as a component of a facilities maintenance system, is to maximize the useful life of all building systems. Just as maintenance is an aspect of facility management that impacts most other areas of the total facility operation, so to preventive maintenance, as a philosophy, has a broad influence on the total maintenance effort. At its heart, preventive maintenance one shall ask, what can I do to make this item— be it a building, or piece of equipment— remain as good as new for as long as practicable?

Many discussions of maintenance relegate preventive maintenance to a small role, for example:

Preventive maintenance (PM) is defined in the maintenance management audit as periodically scheduled work on selected equipment, usually dynamic, to provide for required inspection, lubrication and adjustment.

However, a broader application of the term ‘preventive maintenance’ should be desirable to avoid fragmentation of the maintenance system into multiple subcomponents where routine, preventive, regular, scheduled, recurring and other variations of maintenance each have their own definition. For the purposes of meeting the requirements and intent of NM State Statutes, we at Mission Achievement and Success School (MAS) encourages a vision of preventive maintenance as all activities that can be regularly scheduled to prevent premature failure or to maximize the useful life of our facility. Preventive maintenance applies to all building systems and components. Scheduled activities will include items such as roof inspections, repainting, and door hardware adjustments, as well as more traditional items such as bearing lubrication and belt replacements on HVAC equipment.

It is essential that MAS school board, building owner and school administrators and staff demonstrate a commitment to this vision— scheduled maintenance on the full range of building systems— when acting on their responsibility to manage facility assets. To meet the duties of school boards specified in state statute, preventive maintenance should be a key element of a school board’s mission statement.

New Mexico Statutes

TITLE 6 PRIMARY AND SECONDARY EDUCATION

CHAPTER 27 PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL

PART 3 APPLICATION AND GRANT ASSISTANCE PROCEDURES AND
 REQUIREMENTS RELATING TO PREVENTIVE MAINTENANCE
 PLANS

Developing a Preventive Maintenance Program

Program Introduction

By law, school districts have two main responsibilities regarding preventive maintenance. The first of these responsibilities is to develop a preventive maintenance program; the second is to implement the program.

Preventive maintenance programs begin with the acceptance of a need and the development of a considered, planned program for addressing the individual and different needs of each specific unit or system in a project.

Identification of Systems and Components

The MAS has established a baseline for a comprehensive preventive maintenance program by identifying systems and components that should be included in such a program. A list of the components can be found in Appendix A. While through, the list is not intended to be an exhaustive list of every component. From the list, select those systems and components that apply to our MAS facility. MAS Board may add items if necessary to create a complete plan. Many buildings will have multiple system types within a category (roofing, package unit heaters, etc.) as well as multiple components of the same type (circulating pumps, water closets, toilet partitions, etc.). For each item, a specific preventive maintenance plan shall be developed. The greater the number of differing systems and components, the greater effort will be necessary in both developing and implementing the preventive maintenance plan. Standardizing systems and components within MAS offers measurable benefits to our preventive maintenance plan. These benefits include reductions in inventory, reductions in preventive maintenance training and increases in productivity and quality of work.

Determining Present Conditions

Following the identification of systems and components in our facility, a detailed inventory is needed to quantify the building components and to establish their current condition. This step includes both an objective process of fact-gathering and a subjective assessment of the current condition. Information such as quantity, type, size, manufacturer, model, material specification, location, key parts, part numbers, and other item-specific data will be documented. A qualified person will need to make the assessment of current condition. The condition assessment is used to determine both the immediate and future levels of preventive maintenance for the system or component and its end-of-service-life replacement date.

Establishing Levels of Maintenance

Preventive maintenance efforts range from visual inspections only to performance testing and analysis; from minor adjustment, cleaning and/or lubrication to complete overhauls; from reconditioning to components replacement.

In establishing levels of maintenance, two determinations are needed. The first is to establish a basic life-span for the system or component (asphalt, roofing - 20yrs, water heater (boiler), 15yrs, drive belt – 3yrs, etc.). The second determination is, “What maintenance activities are needed to ensure that this particular system/component meets or exceeds its life expectancy?”

Manufacturer’s literature, experience, test results, and industry averages are some ways to determine both acceptable life-cycles and what preventive maintenance work would result in achieving those life expectancies in the most efficient manner (i.e. the lowest life-cycle cost).

Preparing the Work Items Plan

Once MAS levels of maintenance have been established, setting the tasks into a work plan is the next step.

Implementing MAS Preventive Maintenance Program

First MAS Board responsibility is to develop a preventive maintenance program; the second responsibility is to implement a preventive maintenance program. This section offers guidance on carrying out the developed preventive maintenance work plan and establishes the importance of having management reports and a system of feedback from the field to implement an effective program

The basic task of preventive maintenance implementation is to match needs with resources. However, both needs, and resources are variables in the facility management effort. As a result, implementation efforts may occur once to initiate a preventive maintenance program but will also require continuous monitoring of needs and resources to accommodate changes in these variables. For example, the work items assessment of a circulating pump may have indicated an anticipated failure in three years. At the three-year point, a stress test of the pump may indicate no appreciable degradation has occurred. This information may necessitate a revision to the preventive maintenance plan initially implemented. Other examples include the impact of new technologies, improvements to building systems or new tools that reduce repair times. These examples of variables in needs and resources all support the conclusion that implementation requires both an initial and an on-going effort.

Moving from the planning and development phase to implementation and operation almost always involves funding, regardless of the endeavor. Preventive maintenance is no exception. As evidence of the importance of funding in this transition, MAS and building owner shall be devoted to implementation of a preventive maintenance program that is largely a discussion of funding.

Determining Organizational Structure

The structure and organization of the preventive maintenance program must be in place before effective scheduling of work can occur. Some operations and maintenance organizations establish a cross-disciplined preventive maintenance work center whose main task is to inspect various systems and components (usually dynamic equipment) and write a maintenance work

order. Following the inspection, more traditional work centers such as plumbing, fire alarm, fire sprinkler systems etc. are assigned the actual work tasks. Other organizations are oriented almost completely too preventive maintenance tasks with major crafts taking responsibility for components and systems within their respective areas. In this model, a small multi-disciplined work center handles routine maintenance and emergency repairs and, in some cases, minor improvement work

Scheduling and Assigning Work

Preventive maintenance program is scheduling and assigning specific preventive maintenance tasks. This is almost always done on a work order system. This element of the preventive maintenance program takes the work items developed for each component and assigns them to the appropriate maintenance craftsperson or team according to the established structure and schedule.

Simple preventive maintenance programs can be executed using a manual system of scheduling and work tracking.

Reporting Systems and Feedback

Effective preventive maintenance programs depend on feedback from maintenance personnel and a reporting/tracking system of costs associated with the preventive maintenance effort. This information is used to maintain the proper balance between preventive maintenance and renewal and replacement efforts (i.e., determining when costs have increased to the extent that preventive maintenance on a system is no longer effective on life-cycle basis).

- Productivity - the portion of a worker's time that is directly productive.
- Performance - how well the individual is working, is work being completed as planned?
- Work Quality - are they producing a satisfactory work product?
- Priority - effective allocation of available time to the most important tasks.

Maintenance management audits may look at symptoms of ineffective maintenance at the worker/task level (i.e. number of callbacks, work completed on schedule, etc.), a management audit focus, as the name implies, is on improvements through better management.

It is imperative that MAS School perform preventive maintenance on their facility. Inadequate preventive maintenance not only hastens the deterioration of MAS and the building owner's assets, it jeopardizes MAS School ability to qualify for state aid for school capital projects

Facility Physical Plant Duties

Responsibilities Daily

1. Sweep sidewalks and entryways. Pick up trash & cigarette butts.
2. Remove trash from lawn shrubs, bushes, sidewalks, stairway and parking lots.
3. Review custodial nightly reports and respond appropriately.
4. Review Work Orders.
5. Replace damaged and soiled ceiling tiles.
6. Replace electrical lamps, breakers, fuses and ballasts as needed.
7. Check boiler, mechanical, electrical and telephone rooms; listen for unusual noises; check for excessive heat and equipment vibrations.
8. Ensure doors, windows and roof accesses are secured.

Weekly

1. Inspect and re-lamp exterior building lighting.
2. Inspect and re-lamp parking lot and site lighting.
3. Building exterior to include: entrances, landscaping, outside storage area, parking lot, roof, sidewalk, and utility enclosures.
4. Building interior to include: classrooms, common areas, computer rooms, conference rooms, corridors/hallways, gymnasium, custodial closets, offices, and restrooms.

Periodic/Monthly

1. Inspect and repair curbs, walks, and paving.
2. Inspect and restore signage.
3. Inspect roof conditions; remove debris.
4. Reset time clocks. (April and October), replace batteries.
5. Restore cracks and blemishes on building interior.
6. Verify that there is adequate supply of filters, lamps, etc.
7. Sweep parking lots.
8. Inspect and restore pavement markings.
9. Inspect all restroom, shower rooms, and water closets.
10. Supervise any outside fire safety or maintenance service.
11. Check all door operations and adjust hardware including overhead doors and operators.
12. Inspect and repair all finished surfaces.
13. Replace burned out and flickering lamps (light bulbs).
14. Check for tripped circuit breakers.
15. Inspect and test fire alarm system.
16. Perform monthly fire extinguisher inspect.
17. Supervise annual fire extinguisher testing.
18. Inspect and test smoke detectors.
19. Supervise annual fire protection test.
20. Supervise annual fire sprinkler system test.
21. Supervise annual backflow protection valve test.

22. Rotate fire line valves off and on.
23. Rotate all plumbing fixture shut off valves.
24. Rotate all water valves serving floor drains.
25. Rotate all bib valves.
26. Supervise heating, venting, and air conditions preventive maintenance service (April and October).
27. Inspect, test, and service all exit lights.
28. Inspect, test, and service all emergency lights.
29. Inspect and test all lighting fixtures.
30. Inspection and maintenance on all heating, venting, and air conditioning equipment.
31. Inspect site to include: fence, grounds, pavement, and storm drainage system.

Quarterly

1. Visual inspection of all fire sprinkler devices connected to the alarm. This includes water flow switches and valve tamper switches.
2. Test of fire pump monitored points (loss of phase, phase reversal, pump running etc...)

Semi-annual

1. Test of sprinkler water flow switches (flow water or manually trip flapper)
2. Test of sprinkler valve tamper switches (operate valves)
3. Visual inspection lead-acid battery (swelling or loose connections)
4. Test batteries - load voltage

Annual

1. Test & visual inspection of panel functionality, LED's, fuses, etc....
2. Test panel battery charger
3. Battery discharge test
4. Test and visual inspection of horns, strobes, chimes, & bells etc....
5. Test and visual inspection of smoke detectors
6. Test and visual inspection of heat detectors
7. Test and visual inspection of duct smoke detectors
8. Test and visual inspection of electromechanical releasing devices
9. Fire extinguisher annual inspection

School Facilities and Equipment

MAS School has two campuses.

- MAS 1.0
- MAS 2.0

Planned Major Maintenance and Repair Projects

The MAS School Facility Master Plan has identified the following major projects for accomplishment during the 2018-2019 school year and beyond:

2018 – Replace roof over main building

2019 - Fire alarm system upgrade

2020 – To be determined

2021- To be determined

2022 – To be determined

CERTIFICATION B
No Public Facility Available

The undersigned hereby certify under penalty of perjury that (name of charter school)
Mission Achievement and Success Charter School 1.0 has diligently sought space in public buildings and that such public buildings are not available or have been determined not to be adequate for the education program of (name of charter school) Mission Achievement and Success Charter.

Charter School Governing Board President

By: [Signature]
Print Name: Bruce E. Langston
Print Title: Governance Board President
Date: 4/21/21

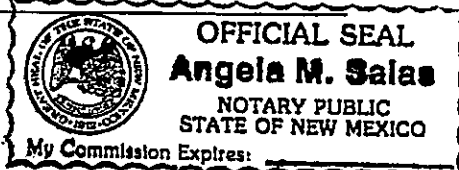
STATE OF NEW MEXICO)
) ss.
COUNTY OF Bernalillo)

On this 21 day of April, 2021, before me, the undersigned officer, personally appeared Angela M. Salas, known to me to be the person whose name is subscribed to the within instrument, and acknowledged executing the same for the purpose therein contained.

[Signature]
Notary Public

My Commission Expires:

5/10/23



Charter School Principal / Administrator

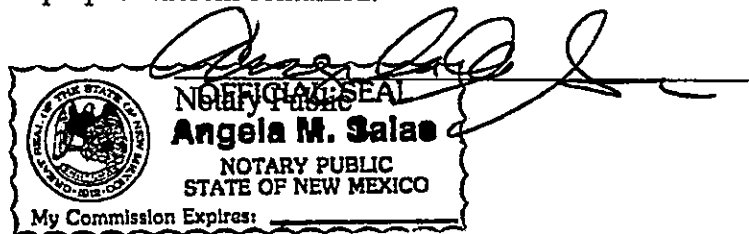
By: [Signature]
Print Name: JoAnn E. Mitchell
Print Title: Principal Superintendent
Date: 4/21/21

STATE OF NEW MEXICO)
) ss.
COUNTY OF Bernalillo)

On this 21 day of April, 2021, before me, the undersigned officer, personally appeared Angela M. Salas, known to me to be the person whose name is subscribed to the within instrument, and acknowledged executing the same for the purpose therein contained.

My Commission Expires:

5/10/23



Use note:

This certification is intended for use by charter schools not housed in a building that is owned by the charter school, a nonprofit entity specifically organized for the purpose of providing the facility to this charter school, a school district, the state, an institution of the state, another political subdivision of the state, the federal government or one of its agencies or a tribal government or subject to a lease-purchase arrangement that has been entered into and approved pursuant to the Public School Lease Purchase Act.

CERTIFICATION B
No Public Facility Available

The undersigned hereby certify under penalty of perjury that (name of charter school)
Mission Achievement and Success Charter School 2.0 has diligently sought space in public
buildings and that such public buildings are not available or have been determined not to be
adequate for the education program of (name of charter school) Mission Achievement and Success Charter.

Charter School Governing Board President

By: [Signature]
Print Name: Bruce E. Langston
Print Title: Governance Board President
Date: 4/21/21

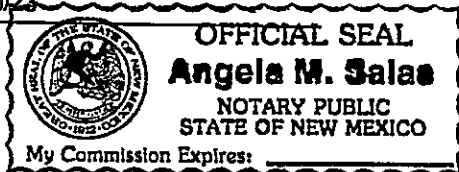
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[Signature]
Notary Public

My Commission Expires:

5/10/23



Charter School Principal / Administrator

By: [Signature]
Print Name: JoAnn E. Mitchell
Print Title: Principal Superintendent
Date: 4/21/21

STATE OF NEW MEXICO)
) ss.
COUNTY OF Bernalillo)

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