

# CHARTER AGREEMENT AMENDMENT APPLICATION

Submitted By: Mary Wells, Digital Pioneers Academy

# **Charter Amendment Request for:**

Submission Date: 3/24/2021

# SCHOOL BACKGROUND

Please address the following questions in their entirety. This information provides helpful background to the DC PCSB Board as it reviews these requests.

Provide the following information about your Local Education Agency (LEA) by campus:

- a) Campus name(s) and location(s): Digital Pioneers Academy 709 12th St SE Washington, DC 20003 202-677-3522
- b) Year opened: 2018
- c) Grade levels served (Currently and at maturation of charter agreement, if applicable): Currently 6-8, eventually 6-12 by 2025
- d) Date that charter will be eligible for possible renewal: 2022-23

# ADDITIONAL FACILITY OR NEW LOCATION

1. List all the facilities and addresses the school currently operates, along with the new facility the LEA plans to operate. Include the campus located in each facility, highlighting any changes from what is currently written in the school's charter agreement.

# 2020-21:

Digital Pioneers Academy 709 12th St SE, Washington, DC 20003 - Grades 6-8

2021-22:

- 1) Digital Pioneers Academy -- Capitol Hill Campus 709 12th St SE, Washington, DC 20003 - Grades 7-9
- 2) Digital Pioneers Academy -- Johenning Campus 4025 9th St SE, Washington, DC 20032 - Grade 6

2022-23:

- Digital Pioneers Academy -- Capitol Hill Campus
   709 12th St SE, Washington, DC 20003 Grades 8-10
- Digital Pioneers Academy -- Johenning Campus
   4025 9th St SE, Washington, DC 20032 Grades 6-7

# 2023-24:

- Digital Pioneers Academy -- Capitol Hill Campus 709 12th St SE, Washington, DC 20003 - Grades 9-11
- 4) Digital Pioneers Academy -- Johenning Campus 4025 9th St SE, Washington, DC 20032 - Grades 6-8
- 2. Please check the reason below that best describes your proposed change.
  - □ Entire campus or school is relocating from current location to a new location.
  - A single campus is both staying in its current location AND expanding into a second location (e.g., some grades in one facility and some in a second facility to allow more space, or until a permanent larger facility is found).
  - $\boxtimes\$  School is creating a new campus being housed in a new facility
- 3. Is the proposed new facility a property you plan to purchase or lease? How many square feet is this space? Which grade level(s) will be at this location? If you have already purchased or leased the property, provide the dates the property was acquired.

# We will lease the property at 4025 9th St SE. The space is 15,834 square feet. 6th grade will be at this location. The property was leased on February 2, 2021.

4. What is the occupancy maximum at the new location? If the maximum occupancy load for staff and students is less than the total number of staff and

students who will occupy the facility at any point in the future, please explain how you will address this issue.

The occupancy load at 4025 9th Street is 178. The two story education facility is 15,834 sq. ft with dedicated parking. The educational facility is situated on a 42,900 sq. ft parcel with potential for additional school development. We are exploring adding modulars to the existing plot of land that could occupy up to 420 scholars and staff as DPA grows.

**5.** DC PCSB will review the school's Financial Audit Reviews (FAR) and current financials to determine the fiscal health of the organization. If applicable, describe how the proposed amendment will impact the school's finances. Explain any anticipated expenses for the proposed changes and how the school will finance them.

The proposed amendment will not negatively impact the school's finances. Our cash rent expense is linked to the per-pupil facilities revenue. Whatever our final enrollment is at this facility next year, we will pay the equivalent facilities revenue and our Landlord will cover the Operating Expenses. There may be costs the school needs to incur (leasehold improvements, portables, etc.), but DPA will use loaned funds and existing reserves to fund these one-time expenses.

- **6.** In addition to providing a <u>5-year Operating Budget</u>, answer the following questions regarding the financial impact of the proposed new location:
  - a. How much does the proposed new facility cost, and how many students will be served at the new site?

In Y1, the new facility will cost about \$378K - the equivalent of 110 students worth of per-pupil facilities revenue. If enrollment changes, the rent costs will move accordingly. The \$378K figure quoted is inclusive of operating expenses but does not account for investments in leasehold improvements or furniture purchases that would be needed to maximize use of the space.

b. What is the school's per-pupil cost, and how does this compare with its per-pupil allowance?

In Y1, the per-pupil cost across both campuses is \$24,635. This is greater than our per-pupil revenue (facilities + general allocation) for an average student, but because of federal and private revenue, we can supplement local revenue to spend on students.

	Year 1	Year 2
Per-Pupil Revenue (state/local)	21,126.57	21,387.92
Per-Pupil Revenue (federal)	4,528.82	3,618.53

Per-Pupil Revenue (private)	1,283.74	108.42
Per-Pupil Expenditures	24,635.34	24,503.97
Total Enrollment	440	550

c. If you plan to operate multiple facilities, in addition to the proposed new location, what is the LEA's total facilities cost (e.g., lease, plus mortgage)? How does this expense compare with your per-pupil allowance?

# In Y1, our total occupancy expenses will be about \$1.91M (for 440 students). We expect to receive \$1.51M in facilities revenue for the same number of students. The \$400K difference is "covered" by other funds.

d. What additional sources of funding do you plan to use to pay for this new facility.

The facilities expenses in excess of DPA's facilities revenue are covered through its other revenue sources - including the per-pupil allocation, federal grants, and private fundraising. Given the fungibility of the money, no one funding source is predetermined to "cover" the loss in facilities.

e. If applicable, what contingencies do you have in place in case the new location enrolls fewer students than anticipated?

There are three contingencies in place. In the budget, there is a 3% revenue contingency (equivalent to about \$355K in Y1), and there's also a 1% enrollment contingency. The enrollment contingency means that we're effectively budgeting for four fewer students than our target enrollment (440). The final contingency is built into the lease agreement itself. Our annual facility cost is determined by our final certified enrollment.

7. How has the school informed its external stakeholders (e.g., local ANC commissioners, neighbors) and internal stakeholders (e.g., staff, parents) of the proposed amendment? Please attach any written communication (e.g., meeting minutes). Describe any notable support for or opposition to the proposed amendment. How do you plan to address stakeholders' concerns?

Digital Pioneers Academy has partnered with the Baptist Convention's facility located at the Johenning Community Center. This facility has served as a hub since 1959 for friendship and community in the Anacostia neighborhood. The facility previously served at Early Childhood Learning Academy public charter school and has served as a community center for games, crafts, and cookouts over the years. Digital Pioneers Academy has conducted a range of internal and external engagement activities related to the new location, despite challenges caused by the Covid-19 pandemic. We have continued to survey current parents, hosted several information sessions with prospective 6th grade parents, reached out to all elementary feeder schools with information on the new location, and organized existing parents to support outreach activities. We have notified Advisory Neighborhood Commissioners and invited them to "have a conversation with DPA about programming." We have reached out to several charter schools in the area as well to gauge any potential challenges and concerns. We have not received any concerns, however we will continue to engage key stakeholders this Spring.

**8.** When did your school's board approve the proposed amendment? Please attach minutes from the meeting and vote results.

The board approved the amendment on February 1, 2021. The vote was 10-0. The minutes are attached.

# CAMPUS RECONFIGURATION

A school should apply for a campus reconfiguration if it combines or divides grade levels into separate "schools" or campuses. Each campus should have one principal who has the direct authority over just those grade levels, and who reports to the head-of-school or executive director. The school should apply for this change when it wants one accountability system per campus. For example, a PK – 8 school that is one campus, will have one PMF score and will report in its annual report once on its progress towards meeting its goals, whereas a PK-8 that has three campuses (e.g., PK - K, 1 - 5, and 6 - 8) will receive three <u>separate</u> PMF scores and report three times on its goals, one per campus. A charter school will generally be approved to change the configuration of their campuses if they provide a clear rationale for the proposed change and provide evidence that it will strengthen the overall school program and meet the conditions set forth in the School, Facility, Campus <u>policy</u>.

1. Describe the current campus configuration of the LEA and how it will change. How will the proposed change directly impact student performance and school culture?

We are adding a second campus at 4025 9th St SE, Washington, DC 20032 called Digital Pioneers Academy -- Johenning Campus. This campus will serve 6th graders. It will change the current configuration because the 6th graders are now housed with the other middle schoolers at 709 12th St SE, Washington, DC 20003. They will be the sole grade level at the 9th St SE campus in 2021-22. Culture and academic performance will not be vastly affected as the same approach to instruction at DPA will be implemented. If anything, the additional space will allow us additional opportunities to innovate to ensure our sixth grade orientation and culture is strong for our new scholars.

2. Each campus will be held accountable to meet or exceed the goals and student academic achievement expectations as set forth in your charter. How will you assure that the school will continue to meet the goals after the reconfiguration? (Note: If you need to change any goals, please complete <u>Section B1: Goals and Achievement Expectations</u>).

We have adopted the PMF as goals. DPA chose to adopt the PMF because our core instructional model includes a rigorous focus on core academic subjects; early and consistent exposure to world-class Computer Science content; and personalized project-based learning that draws explicit connections between a student's academic experience and real-world problem solving. The PMF's alignment with PARCC's college and career standards is directly aligned with DPA's mission. Since the same instructional approach (curriculum implementation, lesson planning, data analysis, coaching, professional development...etc) will be the same, we do not foresee major differences with this configuration.

- **3.** What effect will the campus reconfiguration have on the school's program, including:
  - a. Staffing,
  - b. Budget,
  - c. Facilities, and
  - d. Other aspects of the school program, including transportation, before or aftercare, etc.?

There is a net positive budgetary impact from the facilities expansion. By expanding to a second facility to serve more students, DPA's financial bedrock continues to strengthen. As DPA continues its growth and hones its work, it has also improved on its ability to build up its cash balance each year. The costs from facilities expansion are outweighed by the ability to educate more students and the additional revenue from D.C. per pupil funding. Any unforeseen shortfalls could be met by the cash of hand that DPA has saved to date.



- ACADEMY

# Minutes from February 1, 2021

# Called Meeting of the Board of Directors Board Meeting (via Conference call) 8:00 am - 8:30 am

# Attendance

Present: Board - Mary Wells (Chair), Sara Batterton (Treasurer), Mashea Ashton (CEO), Kevjorik Jones (Board Member), Henry Hipps (Board Member), Paul O'Neill (Board Member), Chase Glass (Board Member), Johnny Taylor (Board Member), Orlena Nwokah Blanchard (Vice Chair)

Also present: Jerry Levin (DPA lawyer), Alex Shaw (Levelfield), and Jimmy Henderson (Levelfield)

# **CEO Update**

Ms. Ashton first updated the board on the final terms of the facilities lease with the Baptist Convention. Jerry Levin, legal council for DPA, provided an update on the potential risks of the lease. Lastly, DPA's facilities partners Alex Shawe and Jimmy Henderson, provided an update on the sixty day review period, the short term, and long term options for the lease. The board discussed the conditions of the lease, as well as their questions and concerns.

# Action items

• Unanimous approval of the lease proposal for 4025 9th St. SE, Washington, DC to locate DPA's rising sixth grade scholars.

# LEASE AGREEMENT

# BY AND BETWEEN

District of Columbia Baptist Convention, a District of Columbia non-profit corporation

AS LANDLORD

AND

Digital Pioneers Academy Public Charter School, a District of Columbia non-profit corporation

AS TENANT

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# SCHEDULE OF EXHIBITS:

EXHIBIT A – Plan Showing Premises

#### LEASE AGREEMENT

#### February

THIS LEASE AGREEMENT (this "Lease") is entered into this <u>1</u> day of January, 2021, by and between District of Columbia Baptist Convention, a District of Columbia non-profit corporation ("Landlord"), and Digital Pioneers Academy Public Charter School, a District of Columbia non-profit corporation ("Tenant").

#### ARTICLE I DEFINITIONS

Section 1.1 The following terms shall have the meanings set forth below for all purposes in this Lease:

(a) **Property:** Consists of the Land (approximately 42,900 square feet) and Building located at 4025 9<sup>th</sup> Street, SE, Washington, DC, commonly known as "Johenning Baptist Community Center".

(b) **Premises:** Approximately 15,546 square feet of leasable area shown on "Exhibit A" and more particularly described in Article II below. The Premises consists of the entire Building (15,834 square feet) less the office (288 square feet) to be utilized by the Landlord.

(c) **Lease Term:** Twelve (12) full calendar months following the Lease Commencement Date, plus the period of time between the Delivery Date and the Lease Commencement Date.

(d) **Delivery Date:** The date on which Landlord delivers possession of the Premises to Tenant, which date is anticipated to be within two (2) days following the full execution of this Lease by Landlord and Tenant.

(e) Lease Commencement Date: July 1, 2021.

(f) **Rent Commencement Date:** The Lease Commencement Date.

(g) **Minimum Rent:** Three Hundred Thirty-Three Thousand Five Hundred and 00/100 Dollars (\$333,500.00) for the first Lease Year, payable in equal installments of Twenty-Seven Thousand Seven Hundred Ninety-One and 67/100 Dollars (\$27,791.67) per month. The Minimum Rent shall be adjusted pursuant to <u>Section 4</u> of this Lease.

(h) Tenant's Share of Operating Costs: 100%.

(i) Tenant's Share of Real Estate Taxes: 100%.

(j) **Security Deposit Amount:** Twenty-Seven Thousand Seven Hundred Ninety-One and 67/100 Dollars (\$27,791.67).

(k) **Permitted Use of Premises:** Tenant will utilize the Premises for a public charter school and for administrative offices and related school facility use spaces to the extent such uses are permitted by the laws and other governmental regulations applicable to the Premises, and for no other purpose whatsoever.

(1) Tenant's Advertised Name:	Digital Pioneers Academy PCS
(m) Address for Notices to Tenant:	Digital Pioneers Academy PCS c/o Mashea M. Ashton CEO and Principal 709 12 <sup>th</sup> Street, SE
	Washington, DC 20003
	Email: mashea@digitalpioneersacademy.org
(n) Address for Notices to Landlord:	DC Baptist Convention Attention: Chief Operations Officer
	1628 16 <sup>th</sup> Street, NW
	Washington DC 20009
	Facsimile: 202-667-8258
	Email: lashanor.doolittle@dcbaptist.org

Section 1.2 Simultaneously with Tenant's execution of this Lease, Tenant shall pay to Landlord the Security Deposit Amount, as set forth in Section 1.1(j) above and at the end of the Due Diligence Period as provided in Section 1.4 below, if Tenant does not terminate this Lease, Tenant shall also pay to Landlord prepaid rent in an amount equal to Twenty-Seven Thousand Seven Hundred Ninety-One and 67/100 Dollars (\$27,791.67) ("Prepaid Rent"), which Prepaid Rent shall be credited toward the first installment of Minimum Rent payable hereunder.

Section 1.3 Triple Net Lease. Landlord and Tenant agree that this is a Triple Net Lease. Accordingly, in addition to Tenant's Share of Real Estate Taxes for the Premises, Tenant shall be responsible for paying all costs related to its occupancy of the Premises, and the Property including, the costs of utilities serving the Premises (including, but not limited to, electricity, water, gas and sewer charges), the costs of providing janitorial services to the Premises, the costs of maintaining the parking areas and playground, and the costs of repairing and maintaining the Premises (except as expressly provided in Section 10.1 of this Lease).

**Section 1.4** Due Diligence Period. Notwithstanding any provision of the Lease to the contrary, the Tenant shall have a period of sixty (60) days following the Delivery Date in order to conduct, at its sole cost and expense, a

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due diligence investigation of the Property in order to determine if the Property is satisfactory for Tenant's intended uses ("Due Diligence Period"). Tenant will share such due diligence studies with Landlord. The Tenant shall have the right in its sole discretion to terminate this Lease, by sending written notice to the Landlord, prior to the end of the Due Diligence Period. If Tenant timely sends written notice to the Landlord of its intent to terminate this Lease, then this Lease will terminate for all purposes and Landlord shall be entitled to keep the Security Deposit as liquidated damages. Tenant shall immediately return possession of the Premises to the Landlord and the parties shall have no further obligations under the Lease. If the Tenant does not give the Landlord written notice of its intent to terminate this Lease shall become void, and this Lease shall continue to bind the parties.

Section 1.5 Early Occupancy. Any time after the Delivery Date and prior to the Lease Commencement Date, the Tenant may elect to occupy the Premises for the Permitted Uses. If Tenant so occupies the Premises prior to the Lease Commencement Date, then all of the terms and conditions of the Lease shall apply to such occupancy and the following will apply: (i) Tenant will pay \$7,000.00 per month (or on a pro rata basis for any period less than a full month) in Minimum Rent until the Lease Commencement Date, except for and not for periods of time during which Tenant enters the Property and Building for the purpose of undertaking improvements or alterations to the Premises and Building, and (ii) upon early occupancy, Tenant shall pay all utilities, Real Estate Taxes, and all other operating costs and expenses relating to the Property.

# ARTICLE II

## PREMISES

2.1 Landlord leases the Premises to Tenant, and Tenant rents the Premises from Landlord, for the Lease Term herein provided. The Premises will consist of the First Floor and Lower Level of the Building, the parking lot and the playground. Notwithstanding the foregoing, the Landlord will retain the use of one (1) office throughout the Lease Term. The Landlord will utilize this office for Chaplin Services to be offered as a resource to the Tenant's clients and employees. The one (1) office will be located on the First Floor where the current Building Coordinator's office is located and will consist of 288 square feet.

# ARTICLE III

# LEASE TERM

3.1 This Lease shall be effective and binding when fully executed by both parties. The Lease Term shall be the period set forth in Section 1.1(c) above. If the Lease Commencement Date is not the first day of a month, then the Lease Term shall be the period set forth in Section 1.1(c) above plus the partial month in which the Lease Commencement Date occurs. The Lease Term shall include any and all renewals and extensions of the Lease Term.

3.2 It is presently anticipated that the Delivery Date will occur within two (2) days following the date that this Lease is fully executed by Landlord and Tenant; provided, however, that if Landlord does not deliver possession of the Premises by such date, then (a) Landlord shall not have any liability whatsoever to Tenant on account of such failure, (b) this Lease shall not be rendered void or voidable as a result thereof, and (c) the Delivery Date shall be the date that Landlord delivers possession of the Premises to Tenant. Upon Landlord's request, Landlord and Tenant shall execute a certificate confirming the Delivery Date, Lease Commencement Date and Rent Commencement Date.

3.3 All of the provisions of this Lease shall also apply during the period commencing on the Delivery Date and prior to the Lease Commencement Date, except that Tenant shall have no obligation to pay rent, except as specifically stated herein, with respect to any period prior to the Lease Commencement Date or Rent Commencement Date, as applicable. After Landlord delivers the Premises to Tenant, Tenant shall proceed with due dispatch and diligence to open the Premises for business by the Lease Commencement Date.

3.4 (a) Subject to the terms of this paragraph, Tenant shall have a right of first refusal (the "Right of First Refusal") to lease the Premises ("Right of First Refusal Space"). The Tenant's Right of First Refusal shall be triggered during the Term when and if the Landlord receives a bona fide proposal from a prospective tenant to lease the Premises.

(b) Landlord will notify Tenant if and when it receives a bona fide offer to lease the Premises ("Right of First Refusal Notice"). Tenant will have ten (10) days following delivery of such Right of First Refusal Notice during which to notify Landlord in writing of Tenant's intent to lease all and not a portion of the Premises on the terms outlined in the Landlord's Right of First Refusal Notice or to reject leasing the same. Tenant's failure to timely exercise its Right of First Refusal within said ten (10)-day period shall be deemed an absolute waiver by Tenant of its right to lease said Right of First Refusal Space and this paragraph shall thereafter be of no further force and effect. Upon Tenant's rejection (or deemed rejection) of the Right of First Refusal Space to any other person or entity on any terms.

(c) Tenant's Right of First Refusal shall be subject to the following conditions:

(i) at the time of the exercise of such right and throughout the period prior to the beginning of the term of the Right of the First Refusal Space, there is no existing outstanding default by Tenant which has not been remedied within the applicable cure period.

(d) If Tenant timely and properly exercises the Right of First Refusal granted hereby, Tenant and Landlord

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shall execute an amendment to the Lease memorializing said extension of the Term of the Premises and the terms applicable thereto. If Tenant fails to timely notify Landlord of its desire to exercise the Right of First Refusal granted hereby, then Tenant shall be deemed to have conclusively waived its Right of First Refusal.

## ARTICLE IV

## MINIMUM RENT

4.1 (a) The initial Minimum Rent shall be Three Hundred Thirty-Three Thousand Five Hundred and 00/100 Dollars (\$333,500.00) for the first (1<sup>st</sup>) Lease Year, payable in equal monthly installments of Twenty-Seven Thousand Seven Hundred Ninety-One and 67/100 Dollars (\$27,791.67) per month. The Minimum Rent shall be due on the first (1<sup>st</sup>) day of each month, beginning on the Rent Commencement Date. Any payments of Minimum Rent which are not timely made will be subject to a late fee pursuant to <u>Section 19.6</u>. The initial Minimum Rent is based on the Tenant educating one hundred (100) students during the Term (\$3,335.00 per student per year). If the Tenant educates more than one hundred (100) students during the Term, then the initial Minimum Rent shall be increased by \$3,335.00 per student per year. For example, if Tenant has one hundred ten (110) students, then the Minimum Annual Rent would be \$366,850.00 and the Monthly Minimum Rent would be \$30,570.83. The Tenant will be required to report to the Landlord the number of students located at the Property.

(b) The Tenant may make certain reductions to the Monthly Minimum Rent payments as specified in this <u>Section 4.1(b)</u>. The total reductions to the Monthly Minimum Rent shall not exceed \$8,750.00 per month (based on estimated annual operating expenses of \$105,000.00 divided by twelve (12) months). The Tenant may deduct in any one month during the Term (up to \$8,750.00), its actual expenses for utilities, Real Estate Taxes, maintenance, operating the Property, and the amortized portions of any repairs that need to be made in order to bring the Property up to code ("Operating Costs"). Such repair costs will be amortized over the twelve (12) month Term of the Lease. The Tenant will provide a breakdown of its Operating Costs to the Landlord when the Tenant makes its Monthly Minimum Rent payments.

4.2 All sums payable by Tenant under this Lease, whether or not stated to be Minimum Rent or additional rent, shall be paid to Landlord in legal tender of the United States, without set off, deduction or demand, at the following Address: DC Baptist Convention 1628 16th Street, NW, Washington DC 20009. All amounts payable by Tenant to Landlord hereunder for any reason shall constitute "additional rent," and Minimum Rent and additional rent are sometimes collectively referred to herein as "rent." If Landlord shall at any time accept rent after it shall have become due and payable, such acceptance shall not excuse a delay upon subsequent occasions or constitute a waiver of any of Landlord's rights hereunder.

## ARTICLE V

#### UTILITIES AND SERVICES

5.1 Tenant, at its own expense, shall arrange directly with the appropriate utility companies for the provision of heat, water, electricity, gas, sewer, and telephone service to the Premises from and after the Lease Commencement Date, including all meter and connection charges. Tenant shall pay to the appropriate utility companies all charges for such utilities consumed in the Premises as and when such charges become due and payable. Any payments for utilities made by Landlord on behalf of Tenant shall be reimbursed by Tenant to Landlord and shall constitute additional rent due hereunder.

5.2 Tenant's use of electricity in the Premises may not at any time exceed the capacity of the electrical conductors and equipment serving the Premises. Without Landlord's prior written consent, Tenant shall not: (i) connect equipment in the Premises that consumes more electricity than permitted by the building standard specifications or (ii) make any alteration or addition to the electric system of the Premises.

5.3 From and after the Delivery Date, Tenant will be responsible, at its sole cost, for maintaining the HVAC system and the HVAC service to the Premises.

5.4 From and after the Delivery Date, Tenant shall be solely responsible for cleaning the Premises and for trash removal from the Property. Tenant shall perform such cleaning and trash removal, at its sole cost and expense, on a regular basis using reputable contractors. Landlord shall not be obligated to provide any cleaning, janitorial or trash removal services to the Premises or the Property.

#### **ARTICLE VI**

## **OPERATING COSTS AND REAL ESTATE TAXES**

6.1 <u>Operating Costs</u>. Commencing on the Delivery Date, Tenant shall be responsible for all operating costs incurred in operating the Building and the Property. Tenant shall be responsible for paying all costs associated with property management and Tenant's maintenance of the Building and the Property. The Landlord and Tenant agree that the Tenant shall consult with the existing property manager for the Property in order to provide property management services throughout the Lease Term.

6.2 <u>Real Estate Taxes</u>. (a) Beginning on the Lease Commencement Date, Tenant shall pay to Landlord, as additional rent, Tenant's Share of the Real Estate Taxes (hereinafter defined) assessed against the Property, the Premises, and the Land and/or payable by Landlord during any tax fiscal year falling partly or entirely within the

Lease Term. For the purposes hereof, the term "Real Estate Taxes" shall include all taxes attributable to land or improvements now or hereafter included within or made to the Property or attributable to the present or future installation thereon or therein of fixtures, machinery or equipment, and all real estate taxes, assessments, and other governmental impositions and charges of every kind and nature whatsoever, non-recurring as well as recurring, special or extraordinary as well as ordinary, foreseen and unforeseen, and each and every installment thereof, which shall or may during the Lease Term be levied, assessed or imposed, or become due and payable or become liens upon, or arise in connection with, the use, occupancy, or possession of, or any interest in, the Property or any part thereof, or any Land, buildings, or other improvements thereof. Furthermore, any actual out-of-pocket reasonable costs and reasonable expenses incurred by Landlord to third parties (including, without limitation, reasonable attorneys' fees, expert fees and appraisal costs) in contesting the amount of any taxes or tax assessment or in otherwise attempting to lower or eliminate any taxes, tax assessment, or tax rate shall, in the year incurred, be included within the definition of Real Estate Taxes for such year. Tenant shall not be liable for any taxes on Landlord's income, Landlord's franchise taxes, Landlord's capital stock taxes, Landlord's estate taxes, Landlord's neutron of the rents from the Property.

(b) Landlord shall, in the first instance, pay, or cause to be paid, all Real Estate Taxes and Tenant shall be obligated to reimburse Landlord, as additional rent and in the manner hereinafter provided, Tenant's Share of such Real Estate Taxes. A tax bill or true copy thereof, together with any explanatory or detailed statement of the area or property covered thereby, submitted by Landlord to Tenant shall be conclusive evidence of the amount of Real Estate Taxes assessed or levied, as well as of the items taxed. If any real property tax or assessment levied against the Land, Property, or improvements covered thereby or the rents reserved therefrom shall be evidenced by improvement or other bonds, or in the form, which may be paid in annual installments, only the amount paid or payable in any tax fiscal year shall be included as Real Estate Taxes for that year for purposes of this Section 6.2.

(c) Tenant covenants and agrees to deposit monthly, in advance, with Landlord on the first day of each calendar month throughout the Lease Term an amount equal to one-twelfth (1/12<sup>th</sup>) of the actual or Landlord's most recent estimate of Tenant's Share of the annual Real Estate Taxes for the next succeeding tax fiscal year or calendar year (as determined by Landlord). The first installment for the calendar month in which the Lease Commencement Date occurs shall be due and payable by Tenant on the Lease Commencement Date, without proration, and the next installment shall be paid on the first day of the next ensuing calendar month. Any underpayment of Tenant's Share not covered by the accumulation of monthly deposits shall be paid by Tenant immediately after Landlord's demand and any overpayment shall be credited against Real Estate Tax installment(s) next coming due. Landlord shall, without a reasonable time after expiration of the Lease Term, refund to Tenant's Share of Real Estate Taxes shall be equitably adjusted for and with respect to the first and last partial tax years (if any) of the Lease Term, and a tentative computation shall be made on the basis of the previous year's taxes payable by the Tenant, with a final adjustment to be made between the Landlord and the Tenant promptly after all bills and computations are available for such period in a manner similar to that set forth in Section 6.1(c) above.

(d) Tenant shall pay Landlord, in addition to and along with the rental otherwise payable hereunder, a sum equal to the aggregate of any municipal, city, county, state, or federal excise, sales, use or privilege taxes levied or imposed, or hereafter levied or imposed, during the Lease Term or any extension or renewal hereof, against or on account of the amounts payable hereunder or the receipts thereof by Landlord (except state, federal or any other income or franchise taxes imposed or levied against Landlord or on rents from the Property), which shall be paid monthly with the installments of fixed monthly rent as hereinabove provided.

(e) Tenant shall pay, prior to delinquency, all taxes levied upon fixtures, furnishings, equipment and all other personal property belonging to Tenant and placed on the Premises by the Tenant. In the event any or all of the Tenant's fixtures, furnishings, equipment, and other personal property shall be assessed and taxed with the Landlord's real property, Tenant shall pay to Landlord its share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property.

(f) Landlord and Tenant acknowledge that the Landlord is part of the DC PACE Program and that the Landlord has made certain improvements to the Property under such program. Notwithstanding anything herein to the contrary, the Landlord shall be solely responsible for those real estate taxes which are directly attributed to the DC PACE program and the improvements to the Property made by the Landlord under such program.

(g) The Tenant is a non-profit and should be entitled to certain Real Estate Tax exemptions. Landlord shall cooperate with Tenant in applying for any necessary Real Estate Tax exemption from the District of Columbia's tax office.

# ARTICLE VII

# INTENTIONALLY OMITTED

## **ARTICLE VIII**

#### **USE OF PREMISES**

8.1 Tenant shall use and occupy the Premises solely for the Permitted Use of the Premises and for no other use or purpose without the prior written consent of Landlord, which consent may be withheld or granted in Landlord's sole and absolute discretion. Tenant shall not use or occupy the Premises for any unlawful purpose or in any manner that will violate Tenant's certificate of occupancy or that will constitute waste, nuisance or annoyance to Landlord. Tenant shall comply with all present and future laws, ordinances (including zoning ordinances and land use

requirements), regulations and orders concerning the use, occupancy and condition of the Premises and all machinery, equipment and furnishings therein, including, without limitation, any requirement to install fire protection systems and any engineering recommendations required by Landlord's insurance carrier, all of which shall be complied with in a timely manner at Tenant's sole cost and expense, with the exception of any of such recommendations resulting from Landlord's own gross negligence or misconduct, or that of Landlord's agents or representatives. It is expressly understood that if any present or future law, ordinance, regulation or order requires an occupancy or use permit or license for the Premises or the operation of any business conducted therein, Tenant shall obtain and keep current such permit or license at Tenant's own expense and shall promptly deliver a copy thereof to Landlord. Use of the Premises is subject to all covenants, conditions and restrictions of record. Prior to commencing business operations from or at the Premises, Tenant shall, at its sole cost and expense, obtain a Use and Occupancy permit Tenant's use of the Premises.

8.2 Subject to applicable laws and regulations, Tenant may operate in the Premises for its Permitted Use twentyfour (24) hours a day, seven (7) days a week, fifty-two (52) weeks a year. The Landlord will, at Landlord's expense, provide a monitoring card or key access system to the Building. Landlord, at Landlord's expense, shall supply Tenant with cards and/or keys for the Building in a reasonable quantity.

8.3 Tenant shall pay or contest by appropriate proceedings before delinquency any business, rent or other taxes that are now or hereafter levied, assessed or imposed upon Tenant's use or occupancy of the Premises, the conduct of Tenant's business at the Premises, or Tenant's equipment, fixtures, furnishings, inventory or personal property. If any such taxes are enacted, changed or altered so that any of such taxes are levied against Landlord, or the mode of collection of such taxes is changed so that Landlord is responsible for collection or payment of such taxes, then Tenant shall pay as additional rent due hereunder the amount of any and all such taxes.

8.4 Tenant shall not cause any Hazardous Materials to be generated, used, stored or disposed of in or about the Property. Hazardous Materials shall mean (a) "hazardous wastes", as defined by the Resource Conservation and Recovery Act of 1976, as amended from time to time, (b) "hazardous substances", as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, (c) "toxic substances", as defined by the Toxic Substances Control Act, as amended from time to time, (d) "hazardous materials", as defined by the Hazardous Materials Transportation Act, as amended from time to time, (e) oil or other petroleum products, and (f) any substance whose presence could be detrimental to the Property or hazardous to health or the environment. Notwithstanding the termination of this Lease, Tenant shall indemnify and hold Landlord harmless from and against any damage, injury, loss, liability, charge, demand or claim based on or arising out of the presence or removal of, or failure to remove, Hazardous Materials generated, used, stored or disposed of by Tenant, Tenant's agents, employees, contractors, or any Invitee in or about the Property, whether before or after the Lease Commencement Date. Landlord represents that, as of the Delivery Date, Landlord has no actual knowledge of any hazardous substances on the Property in violation of environmental laws.

8.5 Tenant shall, at Tenant's sole cost and expense, obtain and maintain in full force and effect all required governmental licenses, permits and approvals (including, without limitation, an occupancy permit, health permits, other permits and approvals) necessary to enable Tenant to legally operate the Premises for the Permitted Use. Tenant shall deliver to Landlord reasonable evidence of such valid permits and licenses prior to Tenant's commencement of business on the Premises and thereafter from time to time upon Landlord's request therefor. Landlord represents and warrants, to the best of its knowledge, that Landlord's current certificate of occupancy permits the Building and Property to be operated as a school facility use. Landlord is not aware of any matters that would prevent the Tenant from either assigning or obtaining a new certificate of occupancy for the Building or Premises for the Tenant's intended use. If the Tenant is unable, after utilizing commercial due diligence, to obtain a use and occupancy permit for the Premises and Building and the Tenant terminates this Lease during the Due Diligence Period because of its inability to obtain a use and occupancy permit, then the Tenant will be entitled to be refunded twenty-five percent (25%) of the Security Deposit Amount.

8.6 Nothing contained in this Lease is intended to prevent or prohibit compliance by either party with the Americans With Disabilities Act of 1990, as amended ("ADA"), nor is any provision of this Lease intended to violate ADA, and any provision that does so is hereby modified to allow compliance or deleted as necessary. From and after the Delivery Date, Tenant shall be responsible for ensuring that the Premises and the Property comply with ADA throughout the Lease Term. Tenant indemnifies the Landlord, its Agents, its affiliates, agents, officers, employees and contractors, for all costs, liabilities and causes of action occurring or arising as a result of the failure to comply with ADA or as a result of any violation of ADA by Tenant or their agents, employees, contractors, subtenants or assignees, and, Tenant will defend the Landlord, its Agents, its affiliates, agents, officers, employees and contractors, against all such costs, liabilities and causes of action. Breach of this Section 8.6 is a Default under this Lease.

8.7 The Landlord reserves the right to install at its own cost and expense solar panels on the roof the Building during the Lease Term. Tenant consents to such installation and Tenant will reasonably cooperate with Landlord's installation efforts. Landlord shall notify Tenant in advance of its decision to install such solar panels and shall schedule the installation thereof so as not to interfere with Tenant's normal school operations and programs at the Building and Premises.

8.8 The Landlord and Tenant wish to engage in community engagements. Throughout the Lease Term, Landlord and Tenant shall reasonably cooperate and coordinate, at the convenience of Tenant's schedule, for various community engagement programs at the sole cost and expense of the Landlord. These programs shall not unreasonably interfere with Tenant's normal business operations.

## ARTICLE IX

#### ASSIGNMENT AND SUBLETTING

9.1 Tenant shall not assign, transfer, mortgage or otherwise encumber this Lease or all or any of Tenant's rights hereunder or interest herein or sublet all of the Premises, without obtaining the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, delayed or charge made therefor. Tenant shall not sublet, rent or permit any concessionaire, licensee or anyone else to occupy or use part of the Premises, without obtaining the prior written consent of Landlord, which consent shall not be unreasonably withheld, subject to Landlord's rights pursuant to this Article IX, and provided Tenant is not in continuing, uncured default under this Lease. No assignment or transfer of this Lease or the right of occupancy hereunder may be effectuated by operation of law or otherwise without the prior written consent of Landlord. The consent by Landlord to any assignment, subletting or occupancy shall not be construed as a waiver or release of Tenant from liability for the performance of any covenant or obligation to be performed by Tenant under this Lease, nor shall the collection or acceptance of rent from any assignee, subtenant or occupant constitute a waiver or release of Tenant from any of its liabilities or obligations under this Lease. Landlord's consent to any assignment, subletting or occupancy shall not be construed as relieving Tenant or any assignee, subtenant or occupant from the obligation of obtaining Landlord's prior written consent to any subsequent assignment, subletting or occupancy. If Tenant assigns or otherwise transfers this Lease, or sublets all or any portion of the Premises, with or without Landlord's consent, then Landlord shall have the right, at its sole option, to thereafter terminate all renewal and expansion options granted to Tenant pursuant to this Lease. For any period during which Tenant is in default hereunder, Tenant hereby assigns to Landlord the rent due from any assignee, subtenant, licensee, concessionaire or occupant of Tenant and hereby authorizes each such assignee, subtenant or occupant to pay said rent directly to Landlord. In connection with Tenant's request for Landlord to give its consent to any assignment, mortgage or other transfer, or sublease or other occupancy, Tenant shall pay to Landlord, as additional rent hereunder, the fixed amount of One Thousand Dollars (\$1,000,00) in connection with Landlord's review of such request.

9.2 If Tenant is a partnership or limited liability company, then any dissolution of Tenant or a withdrawal or change, whether voluntary, involuntary or by operation of law, of partners owning a controlling interest in Tenant shall be deemed a voluntary assignment of this Lease and subject to the provisions of Section 9.1. If Tenant is a corporation, then any dissolution, merger, consolidation or other reorganization of Tenant, or the sale or transfer of a controlling interest of the capital stock of Tenant, shall be deemed a voluntary assignment of this Lease.

9.3 If any sublease, assignment or other transfer (whether by operation of law or otherwise) provides that the subtenant, assignee or other transferee thereunder is to pay any amount in excess of the rental and other charges due under this Lease, whether such excess be in the form of an increased monthly or annual rental, a lump sum payment, payment for the sale, transfer or lease of Tenant's fixtures, leasehold improvements, furniture and other personal property, or any other form (and if the subleased or assigned space does not constitute the entire Premises, the existence of such excess shall be determined on a pro-rata basis), Landlord shall be paid fifty percent (50%) of any such excess or other premium applicable to the sublease, assignment or other transfer; it is understood and agreed, however, that acceptance of any payments by Landlord hereunder shall not be deemed to constitute approval by Landlord of any sublease, assignment or other transfer, nor shall such acceptance waive any rights of Landlord hereunder. Any such premium shall be paid by Tenant to Landlord as additional rent upon such terms as shall be specified by Landlord and in no event later than ten (10) days after any receipt thereof by Tenant. Landlord shall have the right to inspect and audit Tenant's books and records relating to any sublease, assignment or other transfer. Any sublease, assignment or other transfer shall, at Landlord's option, be effected on forms supplied or approved by Landlord.

#### ARTICLE X

# MAINTENANCE AND REPAIRS

10.1 Landlord shall, at its sole cost and expense, repair, maintain and replace the roof, floor slab, exterior foundations, and structural components of the Premises. Landlord warrants and represents that, as of the Delivery Date, the roof, HVAC, electrical, mechanical, and plumbing, serving the Premises shall be in good working order.

10.2 Tenant shall, at its sole cost and expense, repair, maintain, replace, clean, protect, equip, and light the Premises, and Property. Tenant, at Tenant's sole cost and expense, shall promptly make all repairs, perform all maintenance, and make all replacements in and to the Premises that are necessary or desirable to keep the Premises and Property in first class condition and repair, in a safe and tenantable condition, and otherwise in accordance with the requirements of this Lease. Tenant shall maintain all fixtures, furnishings and equipment located in, or serving, the Premises in a clean, safe and sanitary condition, shall take good care thereof and make all required repairs and replacements thereto. Tenant shall suffer no waste or injury to any part of the Premises, and shall, at the expiration or earlier termination of the Lease Term, surrender the Premises in substantially the same order and condition as the their order and condition on the Delivery Date, ordinary wear and tear excepted. Without limitation of the generality of the foregoing, Tenant's responsibilities shall include, without limitation: (1) maintaining, repairing and replacing all service pipes, all electric, gas, and water lines, the sewer mains on the Property, and all other pipes, lines, ducts, wires and conduits contained within the Property; (2) painting (interior and exterior), gardening, landscaping, grounds maintenance, and traffic control; (3) parking lot, sidewalk, and street repair, maintenance and replacement, and parking lot line painting and striping; (4) sign repair, maintenance and replacement; (5) HVAC, mechanical, plumbing, and electrical repairs, maintenance and replacement; (6) exterior and interior lighting; (7) pest, sanitary and draining control; (8) repair, maintenance, installation and replacement of any public address system or security systems; (9) cleaning, janitorial, trash and rubbish removal; (10) removal of snow and ice; (11) costs of personnel, if any, to provide security for the Property; (12) maintaining the public areas of the Property in a safe manner; (13) all glass, windows and doors; (14) install and maintain a security system in the Premises.

10.3 Tenant shall be responsible, at Tenant's sole expense, for providing all janitorial and cleaning and pest and termite control services for the Premises. All such services shall be provided in accordance with standards customarily

maintained for similar first class properties, and Tenant shall maintain, at Tenant's sole cost and expense, service contracts therefor. Tenant shall assume the existing or maintain, at Tenant's sole cost and expense, a quarterly maintenance contract ("Service Contract") on the heating, ventilation and air conditioning ("HVAC") equipment and systems in or serving the Premises. Such Service Contract shall be with a contractor licensed to do business in the jurisdiction in which the Property is located and approved by Landlord, and shall cover all parts and labor. From time to time, at Landlord's request, Tenant shall provide copies of all maintenance and service contracts (including the Service Contract for the HVAC system) to Landlord. In addition, Landlord reserves the right to establish a regular inspection and maintenance program for all equipment maintained by Tenant and to provide all necessary or appropriate maintenance and repairs at Tenant's expense.

10.4 Except for routine maintenance, Tenant shall obtain Landlord's prior written reasonable consent with respect to all repairs performed pursuant to the terms of Sections 10.2 and 10.3 above, it being agreed that such replacements and repairs (excluding routine maintenance) shall be treated as Alterations and governed by the terms of Article XI below.

10.5 Notwithstanding the foregoing or any other provision of this Lease to the contrary, as long as the Tenant properly maintains the mechanical, electrical, plumbing and HVAC systems (collectively the "Systems"), if, in the Landlord's reasonable judgment, any component of the Systems need to replaced, then the Landlord will, at its sale cost, replace such components of the Systems.

# ARTICLE XI

#### ALTERATIONS

11.1 On the Delivery Date, Tenant agrees to accept the Premises in its "AS IS" condition, and Landlord shall have no obligation to make any alterations, decorations, additions or improvements in or to the Premises or the Property whatsoever. Following the Delivery Date, Tenant will make all improvements and repairs necessary to promptly open Tenant's business.

11.2 Tenant will not make or permit anyone to make any alterations, additions, improvements or other changes (hereinafter referred to collectively as "Alterations"), structural or otherwise, in or to the Premises or the Property, whether before or after the Delivery Date, without the prior written consent of Landlord, not to be unreasonably withheld, conditioned, delayed or charge made therefor. All Alterations shall be made: (a) in a good, workmanlike, first-class and prompt manner; (b) by a contractor and in accordance with plans and specifications approved in writing by Landlord; (c) in accordance with all applicable legal requirements and the requirements of any insurance company insuring the Property or portion thereof; (d) after Tenant has obtained and caused its contractors to obtain (i) broad form comprehensive general liability insurance, and (ii) worker's compensation insurance complying with the laws of the jurisdiction in which the Property is located (as the same may be amended from time to time), which insurance policies (and certificates evidencing such policies) shall contain an endorsement prohibiting cancellation, failure to renew, reduction of amount of insurance or change in coverage without the insurer first giving Landlord or its managing agent at least thirty (30) days' prior written notice (by certified or registered mail, return receipt requested) of such proposed action, shall cover every person who will perform any work with respect to such Alteration and shall otherwise be acceptable to Landlord in its sole discretion; and (e) after Tenant has obtained and delivered to Landlord written, unconditional waivers of mechanics' and materialmen's liens against the Premises and the Property from all proposed contractors, subcontractors, laborers and material suppliers for all work, labor and services to be performed and materials to be furnished in connection with Alterations. If, notwithstanding the foregoing, any mechanics' or materialmen's lien (or a petition to establish such lien) is filed against the Premises, any equipment within the Premises, and/or the Property, for work claimed to have been done for, or materials claimed to have been furnished to, the Premises, such lien shall be discharged by Tenant within ten (10) days thereafter, at Tenant's sole cost and expense, by the payment thereof or by the filing of a bond acceptable to Landlord. If Landlord gives its written consent to the making of any Alteration, such written consent shall not be deemed to be an agreement or consent by Landlord to subject its interest in the Premises or the Property to any mechanics' or materialmen's liens which may be filed in connection therewith.

11.3 If any Alterations are made without the prior written consent of Landlord, Landlord shall have the right at Tenant's expense to remove and correct such Alterations and restore the Premises and the Property to their condition immediately prior thereto, or to require Tenant to do the same. All Alterations to the Premises or the Property made by either party shall immediately become the property of Landlord and shall remain upon and be surrendered with the Premises as a part thereof at the expiration or earlier termination of the Lease Term; provided, however, that if Tenant is not in continuing, uncured default under this Lease, then Tenant shall have the right to remove, prior to the expiration or earlier termination of the Lease Term, all movable furniture, furnishings and equipment installed in the Premises solely at the expense of Tenant, and Tenant shall remove all Alterations in the Premises or the Property which Landlord designates in writing for removal. Tenant shall be responsible for all damage and injury to the Premises or the Property caused by such removal and Landlord shall have the right at Tenant's expense to repair such damage or injury or to require Tenant to do the same. If such furniture, furnishings and equipment are not removed by Tenant prior to the expiration or earlier termination of the Lease Term, the same shall become the property of Landlord and shall be surrendered with the Premises as a part thereof; provided, however, that Landlord shall have the right at Tenant's expense to remove from the Premises such furniture, furnishings and equipment and any Alteration which Landlord designates in writing for removal or to require Tenant to do the same. Tenant will not be required to remove any wiring, cabling or conduits.

## ARTICLE XII

# SIGNS AND FURNISHINGS

12.1 No sign shall be inscribed, painted, affixed or otherwise displayed on any part of the exterior of the Premises without the prior written reasonable approval of Landlord. If any sign, advertisement or notice that has not been approved by Landlord is exhibited or installed by Tenant, Landlord shall have the right to remove the same at Tenant's expense. Subject to the foregoing requirements of this Section 12.1, Tenant shall have the right, at Tenant's sole cost and expense, to install exterior signage on the Premises, subject to Landlord's prior written approval as to the location, size, manner of installation, type of composition or material and lighting thereof, and further subject to compliance with all applicable city and local governmental rules and regulations. Upon the expiration or earlier termination of this Lease, Tenant shall remove any signage installed by or on behalf of Tenant and shall repair any damage caused by the installation or removal of the same (including, but not limited to, restoring the façade of the building on which such signage was located). All initial signage requests and plans shall be delivered to Landlord not later than the sixtieth (60<sup>th</sup>) day after the date Tenant executes this Lease, and all initial signage which has been approved by Landlord shall be installed not later than the day that Tenant opens for business at the Premises. All of Tenant's signs shall be: (a) installed after Tenant has obtained, at Tenant's sole cost and expense, all permits and licenses required therefor, and delivered copies thereof to Landlord; and (b) at Tenant's sole cost and expense, installed, maintained, repaired and replaced in a first class manner. Landlord reserves the right to affix, install and display signs, advertisements and notices on any part of the exterior of the Property, including without limitation the right, during the twelve (12) month period immediately prior to the expiration or earlier termination of the Lease Term, to display a "For Lease" or similar sign on the exterior of the Premises. Tenant's signage must comply with reasonable signage criteria for the Property, if any, established by Landlord from time to time.

# ARTICLE XIII

#### **INSPECTION BY LANDLORD**

13.1 At any reasonable time during the Lease Term, Tenant shall permit Landlord, its agents and representatives, and the holder of any Mortgage, to enter the Premises, without charge therefor and without diminution of the rent payable by Tenant, to examine, inspect and protect the Premises and the Property, to make such alterations and/or repairs as in the sole judgment of Landlord may be deemed necessary, or to exhibit the same to prospective tenants during the last twelve (12) months of the Lease Term. In connection with any such entry, Landlord shall provide Tenant with prior notice thereof and endeavor to the fullest extent possible to minimize the disruption to Tenant's use of the Premises and not to interfere with usual school operations and programs.

## ARTICLE XIV

## **INSURANCE**

14.1 Tenant shall not conduct or permit to be conducted any activity, or place or permit to be placed any equipment or other item in or about the Premises or the Property, which will in any way increase the rate of fire insurance or other insurance on the Property. If any increase in the rate of fire insurance or other insurance is due to any activity, equipment or other item of Tenant, then (whether or not Landlord has consented to such activity, equipment or other item) Tenant shall pay as additional rent due hereunder the amount of such increase. The statement of any applicable insurance company or insurance rating organization (or other organization exercising similar functions in connection with the prevention of fire or the correction of hazardous conditions) that an increase is due to any such activity, equipment or other item shall be conclusive evidence thereof.

14.2 (a) Throughout the Lease Term, commencing on the Delivery Date, Tenant shall obtain and maintain a policy of:

(1) Broad form commercial general liability insurance (written on an occurrence basis and including an endorsement for personal injury), products liability insurance, comprehensive automobile liability insurance (covering automobiles owned, leased or operated by Tenant). Such commercial general liability insurance policy shall protect its insured against any liability which arises from any occurrence on or about the Premises or which arises from any matter against which Tenant is required to indemnify Landlord pursuant to Section 15.2 below. Such policies shall be in minimum amounts approved by Landlord from time to time, and shall name Landlord, its managing agent and the holder of each Mortgage, as additional named insureds thereunder. As of the date hereof, such insurance shall be in the minimum amount of Three Million and 00/100 Dollars (\$3,000,000.00) combined single limit per occurrence.

(2) All risk property insurance insuring one hundred percent (100%) of the full replacement cost of all Alterations, inventory, fixtures, equipment, personal property, floor coverings and furnishings installed in and located on the Premises. Such policy shall name Landlord and the holder of each Mortgage as additional named insureds and loss payees. So long as this Lease shall remain in effect, any and all proceeds of such insurance shall be used only to repair or replace the insured items.

(3) Worker's compensation insurance, with a minimum limit as defined by the laws of the jurisdiction in which the Property is located (as the same may be amended from time to time), and employer's liability insurance, with a minimum limit satisfactory to Landlord.

(b) Each such policy shall: (i) be issued by a company which is licensed to do business in the jurisdiction in which the Property is located and which shall otherwise be acceptable to Landlord in its reasonable discretion; (ii) contain an endorsement that such policy shall remain in full force and effect notwithstanding that the insured may have waived its right of action against any party prior to the occurrence of a loss, and shall provide that the insurer

thereunder waives all right of recovery by way of subrogation against Landlord, its partners, agents, employees, and representatives, in connection with any loss or damage covered by such policy; (iii) shall be acceptable in form and content to Landlord; (iv) shall be primary and non-contributory; and (v) contain an endorsement prohibiting cancellation, failure to renew, reduction of amount of insurance or change in coverage without the insurer's first giving Landlord at least thirty (30) days' prior written notice (by certified or registered mail, return receipt requested) of such proposed action. No such policy shall contain any deductible provision except as otherwise approved in writing by Landlord. Tenant shall deliver a certificate of such insurance (and, upon request, copies of all required insurance policies, including endorsements and declarations) to Landlord on or before the Lease Commencement Date and at least annually thereafter.

(c) Each party hereby waives every right or cause of action for the events which occur or accrue during the Term for any and all loss of, or damage to, any of its property (whether or not such loss or damage is caused by the fault or negligence of the other party or anyone for whom said other party may be responsible), which loss or damage is covered (or would have been covered if such party had maintained the coverage required under this Lease) by valid and collectible commercial property insurance or similar policies covering real property, personal property or business interruption insurance policies, to the extent that such loss or damage is recovered (or would have been recovered if such coverage were in effect as required hereunder) under said insurance policies. Said waivers are in addition to, and not in limitation or derogation of, any other waiver or release contained in this Lease with respect to any loss or damage to property of the parties hereto. Each party will give its insurance carrier written notice of the terms of such mutual waiver, and the insurance policies will be properly endorsed, if necessary, to prevent the invalidation of coverage by reason of said waiver.

## ARTICLE XV LIABILITY OF LANDLORD

15.1 Landlord, its employees and agents shall not be liable to Tenant, Tenant's employees, agents, invitees, assignees, subtenants, contractors, licensees, concessionaires (collectively, "Invitees"), or to any other person or entity for any damage (including indirect and consequential damage), injury, loss, or claim (including claims for the interruption of or loss to the business being conducted in the Premises) based on or arising out of any cause whatsoever (except as otherwise provided in this Section), including but not limited to the following: repair to any portion of the Premises or the Property; interruption in the use of the Premises or any equipment therein; any accident or damage resulting from the use or operation (by Landlord, Tenant or any other person or entity) of the heating, cooling, electrical, sewerage, or plumbing equipment or apparatus; termination of this Lease by reason of the destruction of the Premises or the Property; any fire, robbery, theft, vandalism, mysterious disappearance and/or any other casualty; actions of any other person or entity; and leakage in any part of the Premises or the Property from water, rain, ice or snow that may leak into, or flow from, any part of the Premises or the Property, or from drains, pipes or plumbing fixtures in the Premises or the Property. Any failure or inability to furnish any service required hereunder shall not be considered an eviction, actual or constructive, of Tenant from the Premises and shall not entitle Tenant to terminate this Lease or to an abatement of any rent payable hereunder. If any condition exists which may be the basis of a claim of constructive eviction, then Tenant shall give Landlord written notice thereof and a reasonable opportunity to correct such condition prior to any claim by Tenant that it has been constructively evicted. Any property placed by Tenant or any Invitee in or about the Premises or the Property shall be at the sole risk of Tenant, and Landlord shall not in any manner be held responsible therefor. Notwithstanding the foregoing provisions of this Section, Landlord shall not be released from liability to Tenant for any physical injury to any natural person or damage to personal property caused by the gross negligence or willful misconduct of Landlord or its employees; provided, however, that Landlord shall never have any liability with respect to claims for the interruption of or loss to the business being conducted in the Premises.

15.2 Tenant shall reimburse Landlord for, and shall indemnify, defend upon request and hold Landlord, its employees and agents harmless from and against all costs, damages, claims, liabilities and expenses (including reasonable attorneys' fees), losses and court costs suffered by or claimed against Landlord, directly or indirectly, based on or arising out of, in whole or in part, (i) any unauthorized use and occupancy of the Premises by Tenant or the business conducted by Tenant therein, (ii) any negligent act or omission or willful misconduct by Tenant or any Invitee, or (iii) any uncured breach or default by Tenant in the performance or observance in all material respects of Tenant's covenants or obligations under this Lease.

15.3 If any Landlord hereunder transfers the Property or such Landlord's interest therein, said Landlord shall not be liable to Tenant for any obligations or liabilities based on or arising out of events or conditions occurring on or after the date of such transfer. Within five (5) days after request, Tenant shall attorn to such transferee and execute, acknowledge and deliver any document submitted to Tenant confirming such attornment.

15.4 Tenant shall not have the right to set off or deduct any amount allegedly owed to Tenant pursuant to any claim against Landlord from any rent or other sums payable to Landlord. Tenant's sole remedy for recovering upon such claim shall be to institute an independent action against Landlord. If Tenant or any Invitee is awarded a money judgment against Landlord, then recourse for satisfaction of such judgment shall be limited to execution against the estate and interest of Landlord in the Property. No other asset of Landlord, any partner, director or officer of Landlord (collectively, "officer") or any other person or entity shall be available to satisfy or subject to such judgment. No officer or any other person or entity of either Landlord or Tenant shall have personal liability for satisfaction of any claim or judgment against the other party or any officer hereunder.

## ARTICLE XVI

#### **INTENTIONALLY OMITTED**

## ARTICLE XVII

# DAMAGE OR DESTRUCTION

17.1 If the Premises or the Property are totally or partially damaged or destroyed thereby rendering the Premises totally or partially inaccessible or unusable, Landlord shall diligently restore and repair the Premises and the Property to substantially the same condition they were in prior to such damage; provided, however, that if in Landlord's sole judgment such repairs and restoration cannot be completed within ninety (90) days after the occurrence of such damage or destruction (taking into account the time needed for effecting a satisfactory settlement with any insurance company involved, removal of debris, preparation of plans and issuance of all required governmental permits), or if such damage or destruction occurred within thirty-six (36) months prior to the expiration of the Lease Term, then Landlord shall have the right, at its sole option, to terminate this Lease by giving written notice of termination to Tenant within forty-five (45) days after the occurrence of such damage or destruction. If this Lease is terminated pursuant to the preceding sentence, then Minimum Rent and additional rent payable pursuant to Article VI shall be apportioned and paid to the date of termination. If this Lease is not terminated as a result of such damage or destruction, then until such repair and restoration of the Premises are substantially complete, Tenant shall be required to pay Minimum Rent and additional rent pursuant to Article VI only for those portions of the Premises that Tenant is able to use while such repair and restoration are being made; provided, however, that if such damage or destruction was caused by the act or omission of Tenant or any Invitee, then Tenant shall not be entitled to any such reduction of Minimum Rent and additional rent. If this Lease is not terminated as a result of such damage or destruction, then except as otherwise specified in Section 17.2, Landlord shall bear the costs and expenses of such repair and restoration of the Premises and the Property; provided, however, that if such damage or destruction was caused by the negligent act or omission or willful misconduct of Tenant or any Invitee, then Tenant shall pay to Landlord the amount by which such costs and expenses exceed the insurance proceeds, if any, actually received by Landlord on account of such damage or destruction. Notwithstanding anything above to the contrary, Landlord shall have the right to terminate this Lease in the event (a) Landlord's insurance is insufficient to pay the full cost of such repair and restoration, (b) the holder of any Mortgage fails or refuses to make such insurance proceeds available for such repair and restoration, or (c) zoning or other applicable laws or regulations do not permit such repair and restoration.

17.2 Notwithstanding anything above to the contrary, if Landlord repairs and restores the Premises as provided in Section 17.1, Landlord shall not be required to repair, restore or replace any decorations, alterations or improvements to the Premises previously made by Tenant or any trade fixtures, furnishings, equipment or personal property belonging to Tenant. It shall be Tenant's sole responsibility to repair, restore or replace all such items to substantially their same condition prior to such damage or destruction.

17.3 Notwithstanding anything to the contrary contained herein, if there is damage to or a destruction of the Property or the building in which the Premises is located that exceeds twenty-five percent (25%) of the replacement value of the Property or such building, then, whether or not the Premises are damaged or destroyed, Landlord shall have the right to terminate this Lease by written notice to Tenant within forty-five (45) days after the occurrence of such damage or destruction.

17.4 If at any time after the date hereof, Landlord, in its sole discretion, shall elect to demolish or replace all or any portion of the Property, Landlord shall have the right to terminate this Lease by sending written notice of such termination to Tenant. Such notice shall specify a termination date not less than ninety (90) days after the date of such notice.

### ARTICLE XVIII

#### **CONDEMNATION**

18.1 If the whole or a substantial part (as hereinafter defined) of the Premises, or the use or occupancy of the Premises, shall be taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including a sale thereof under threat of such a taking), then this Lease shall terminate on the date title thereto vests in such governmental or quasi-governmental authority, and all rent payable hereunder shall be apportioned as of such date. If less than a substantial part of the Premises, or if the use or occupancy of less than a substantial part of the Premises, is taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including a sale thereof under threat of such a taking), then this Lease shall continue in full force and effect as to the portion of the Premises not so taken or condemned, except that as of the date title vests in the governmental or quasi-governmental authority Tenant shall not be required to pay Minimum Rent and additional rent with respect to the portion of the Premises taken or condemned. For purposes of this Section, a substantial part of the Premises shall be considered to have been taken if more than one-third (1/3) of the rentable area of the Premises is rendered unusable as a result of such condemnation.

18.2 All awards, damages and other compensation paid by the condemning authority on account of such taking or condemnation (or sale under threat of such a taking) shall belong to Landlord, and Tenant hereby assigns to Landlord all rights to such awards, damages and compensation. Tenant agrees not to make any claim against Landlord or the condemning authority for any portion of such award or compensation attributable to damages to the Premises, the value of the unexpired Lease Term, the loss of profits or goodwill, leasehold improvements or severance damages. Nothing contained herein, however, shall prevent Tenant from pursuing a separate claim against the condemning authority for relocation expenses and the value of furnishings, equipment and trade fixtures installed in the Premises at Tenant's expense and which Tenant is entitled pursuant to Section 11.3 to remove at the expiration or earlier termination of the Lease Term, provided that such claim shall in no way diminish the award or compensation payable to or recoverable by Landlord in connection with such taking or condemnation.

18.3 Notwithstanding anything to the contrary contained herein, if twenty-five percent (25%) or more of the Property or the building in which the Premises is located is taken, condemned, or sold under threat of such a taking, then, whether or not any portion of the Premises is condemned, Landlord shall have the right, in Landlord's sole discretion, to terminate this Lease as of the date title vests in the governmental or quasi-governmental authority.

# ARTICLE XIX

## DEFAULT

19.1 An Event of Default is: (a) Tenant's failure to make when due any payment of Minimum Rent or additional rent or other sum, which failure continues for a period of five (5) business days after written notice from Landlord; (b) Tenant's failure to perform or observe in all material respects any other covenant or condition, which failure continues for a period of ten (10) business days after written notice thereof to Tenant; provided however that in the event of such covenant default by Tenant hereunder, if Tenant initiates to undertake a cure of such Event of Default within such ten (10) day period after notice and continues in good faith to pursue such cure, but is unable to complete the cure withing such period, Tenant shall be afforded an additional twenty (20) business days in which to complete the cure of such Event of Default; (c) Tenant's failure to continuously occupy the Premises or diligently operate its business at the Premises; (d) an Event of Bankruptcy as specified in Article XX; or (e) a dissolution or liquidation of Tenant.

19.2 If there shall be an Event of Default that is continuing and remaining uncured, including without limitation an Event of Default prior to the Lease Commencement Date, then the provisions of this Section shall apply, and Landlord shall have the right, at its sole option, to terminate this Lease. In addition, with or without terminating this Lease, Landlord may re-enter, terminate Tenant's right of possession and take possession of the Premises. The provisions of this Article shall operate as a notice to quit, any other notice to quit or of Landlord's intention to re-enter the Premises being hereby expressly waived. If necessary, Landlord may proceed to recover possession of the Premises under applicable District of Columbia laws, or by such other proceedings, including re-entry and possession, as may be applicable. If Landlord does not elect to terminate this Lease, Landlord also shall have the right, at its sole option, at any time following an Event of Default, to terminate all renewal and expansion options granted to Tenant pursuant to this Lease. If Landlord elects to terminate this Lease and/or elects to terminate Tenant's right of possession, everything in this Lease to be done and performed by Landlord shall cease without prejudice, and Tenant shall remain liable for all rent and other sums accrued through the later of termination of this Lease or Landlord's recovery of possession. Landlord may relet the Premises or any part thereof, alone or together with other premises, for such term(s) (which may extend beyond the date on which the Lease Term would have expired but for Tenant's default) and on such terms and conditions (which may include concessions or free rent and alterations of the Premises) as Landlord, in its sole discretion, may determine, but Landlord shall not be liable for, nor shall Tenant's obligations hereunder be diminished by reason of, any failure by Landlord to relet all or any portion of the Premises or any failure by Landlord to collect any rent due upon such reletting. Whether or not this Lease is terminated, Tenant nevertheless shall remain liable for any Minimum Rent, additional rent or damages which may be due or sustained prior to such default, all actual third-party out-of-pocket costs, fees and expenses (including, but not limited to, reasonable attorneys' fees, brokerage fees, expenses incurred in placing the Premises in first-class rentable condition, advertising expenses, and any concessions given to any successor tenant such as a rental abatement or an improvements allowance) incurred by Landlord in pursuit of its remedies hereunder and in renting the Premises to others from time to time. Tenant also shall be liable for additional damages which shall be an amount equal to Minimum Rent and additional rent which would have become due during the remainder of the Lease Term, less the amount of rental and other revenues, if any, which Landlord receives during such period from others to whom the Premises may be rented (other than any additional rent received by Landlord as a result of any failure of such other person to perform any of its obligations to Landlord) which shall be computed and payable in monthly installments, in advance, on the first day of each calendar month following Tenant's default and continuing until the date on which the Lease Term would have expired but for Tenant's default; provided, however, if at the time of any reletting of the Premises there exists other space in the Property available for leasing, the Premises shall be deemed the last space rented, even though the Premises may be relet prior to the date such other space is leased. Separate suits may be brought to collect any such damages for any month(s), and such separate suits shall not in any manner prejudice the right of Landlord to collect any damages for any subsequent month(s), or Landlord may: (i) defer any suits until after the expiration of the Lease Term, in which event Tenant hereby agrees that suits shall be deemed not to have accrued until the expiration of the Lease Term; or (ii) Landlord may declare immediately due and payable an amount equal to the present value (as of the date of Tenant's default) of the Minimum Rent, Percentage Rent (if applicable), additional rent and other sums which would have become due under this Lease through the end of the scheduled Lease Term, which amount shall be payable to Landlord in a lump sum on demand. For purposes of this Section, present value shall be computed by discounting at a rate equal to two (2) whole percentage points below the prime rate published in The Wall Street Journal. Tenant shall pay all expenses (including reasonable attorneys' fees) incurred by Landlord in connection with any Event of Default whether or not a suit is instituted. The 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 this Lease. Nothing herein shall be construed to affect or prejudice Landlord's right to prove, and claim in full, unpaid rent accrued prior to any termination of this Lease.

19.3 All rights and remedies of Landlord set forth in this Lease are cumulative and in addition to all other rights and remedies available to Landlord at law or in equity (including, without limitation, specific performance of Tenant's obligations hereunder). The exercise by Landlord of any such right or remedy shall not prevent the concurrent or subsequent exercise of any other right or remedy. No delay or failure by Landlord to exercise or enforce any of Landlord's rights or remedies or Tenant's obligations shall constitute a waiver of any such rights, remedies or obligations. Landlord shall not be deemed to have waived any default by Tenant unless such waiver expressly is set forth in a written instrument signed by Landlord. If Landlord waives in writing any default by Tenant, such waiver shall not be construed as a waiver of any covenant, condition or agreement set forth in this Lease except as to the specific circumstances described in such written waiver.

19.4 If Landlord shall institute proceedings against Tenant and a compromise or settlement thereof shall be made, then the same shall not constitute a waiver of the same or of any other covenant, condition or agreement set forth herein, nor of any of Landlord's rights hereunder. Neither the payment by Tenant of a lesser amount than the monthly installment of Minimum Rent, additional rent or of any sums due hereunder nor any endorsement or statement on any check or letter accompanying a check for payment of rent or other sums payable hereunder shall be deemed an accord and satisfaction. Landlord may accept the same without prejudice to Landlord's right to recover the balance of such rent or other sums or to pursue any other remedy. Notwithstanding any request or designation by Tenant, Landlord may apply any payment received from Tenant to any payment then due. No re-entry by Landlord, and no acceptance by Landlord of keys from Tenant, shall be considered an acceptance of a surrender of this Lease.

19.5 If Tenant fails to make any payment to any third party or to do any act herein required to be made or done by Tenant, then Landlord may, but shall not be required to, make such payment or do such act. The taking of such action by Landlord shall not be considered a cure an Event of Default by Tenant or prevent Landlord from pursuing any remedy it is otherwise entitled to in connection with such Event of Default. If Landlord elects to make such payment or do such act, then all actual third-party expenses incurred by Landlord, plus interest thereon at a rate (the "Default Rate") equal to two percent (2%) higher than the prime rate published in <u>The Wall Street Journal</u>, from the date incurred by Landlord to the date of payment thereof by Tenant, shall constitute additional rent due hereunder; provided, however, that nothing contained herein shall be construed as permitting Landlord to charge or receive interest in excess of the maximum rate then allowed by District of Columbia law and regulations.

19.6 If Tenant fails to make any payment of Minimum Rent, Percentage Rent (if applicable), additional rent or any other sum on or before the date such payment is due and payable (without regard to any grace period specified in Section 19.1), then Tenant shall pay to Landlord a late charge of five percent (5%) of the amount of such failed payment. In addition, such payment and such late fee shall bear interest at the Default Rate from the date such payment or late fee, respectively, became due to the date of payment thereof by Tenant; provided, however, that nothing contained herein shall be construed as permitting Landlord to charge or receive interest in excess of the maximum rate then allowed by District of Columbia law and regulations. Such late charge and interest shall constitute additional rent due hereunder.

19.7 Tenant hereby expressly waives, for itself and all persons claiming by, through, or under it, any right of redemption or for the restoration of the operation of this Lease under any present or future law, including without limitation any such right which Tenant would otherwise have in case Tenant shall be dispossessed for any cause, or in case Landlord shall obtain possession of the Premises as herein provided.

## ARTICLE XX

# BANKRUPTCY

20.1 An Event of Bankruptcy is: (a) Tenant, a Guarantor or any general partner (a "General Partner") of Tenant becoming insolvent, as that term is defined in Title 11 of the United States Code (the "Bankruptcy Code"), or under the insolvency laws of any state (the "Insolvency Laws"); (b) appointment of a receiver or custodian for any property of Tenant, a Guarantor or a General Partner, or the institution of a foreclosure or attachment action upon any property of Tenant, a Guarantor or a General Partner; (c) filing of a voluntary petition by Tenant, a Guarantor or a General Partner; (c) filing of a voluntary petition by Tenant, a Guarantor or a General Partner st the subject debtor under the Bankruptcy Code or Insolvency Laws; (d) filing of an involuntary petition against Tenant, a Guarantor or a General Partner as the subject debtor under the Bankruptcy Code or Insolvency Laws, which either (1) is not dismissed within thirty (30) days after filing, or (2) results in the issuance of an order for relief against the debtor; or (e) Tenant's, a Guarantor's or a General Partner's making or consenting to an assignment for the benefit of creditors or a composition of creditors.

20.2 Upon occurrence of an Event of Bankruptcy, Landlord shall have all rights and remedies available pursuant to Article XIX; provided, however, that while a case (the "Case") in which Tenant is the subject debtor under the Bankruptcy Code is pending, Landlord's right to terminate this Lease shall be subject, to the extent required by the Bankruptcy Code, to any rights of Tenant or its trustee in bankruptcy (collectively, "Trustee") to assume or assign this Lease pursuant to the Bankruptcy Code. Trustee shall not have the right to assume or assign this Lease unless Trustee promptly (a) cures all defaults under this Lease, (b) compensates Landlord for damages incurred as a result of such defaults, (c) provides adequate assurance of future performance on the part of Tenant as debtor in possession or Tenant's assignee, and (d) complies with all other requirements of the Bankruptcy Code. If Trustee fails to assume or assign this Lease in accordance with the requirements of the Bankruptcy Code within sixty (60) days after the initiation of the Case, then Trustee shall be deemed to have rejected this Lease. Adequate assurance of future performance shall require that the following minimum criteria be met: (1) Tenant's Gross Receipts during the thirty (30) days preceding the Case must be greater than the next monthly installment of Minimum Rent due; (2) both the average and median of Tenant's Gross Receipts (calculated on a monthly basis) during the seven (7) months preceding the Case must be greater than the next monthly installment of Minimum Rent due; (3) Trustee must pay its estimated pro-rata share of the cost of all services performed or provided by Landlord (whether directly or through agents or contractors and whether or not previously included as part of Minimum Rent) in advance of the performance or provision of such services; (4) Trustee must agree that Tenant's business shall be conducted in a first-class manner, and that no liquidating sale, auction or other non-first-class business operation shall be conducted in the Premises; (5) Trustee must agree that the use of the Premises as stated in this Lease shall remain unchanged and that no prohibited use shall be permitted; (6) Trustee must pay at the time the next monthly installment of Minimum Rent is due, in addition to such installment, an amount equal to the monthly installments of Minimum Rent and additional rent due for the next six (6) months thereafter, such amount to be held as a security deposit; (7) Trustee must agree to pay, at any time Landlord draws on such security deposit, the amount necessary to restore such security deposit to its original amount; and (8) all assurances of future performance specified in the Bankruptcy Code must be provided.

#### ARTICLE XXI

## **SUBORDINATION**

21.1 This Lease is subject and subordinate to the lien, provisions, operation and effect of all mortgages, deeds of trust, ground leases or other security instruments which may now or hereafter encumber the Property (collectively, "Mortgages"), to all funds and all indebtedness intended to be secured by such Mortgages, and to all and any renewals, extensions, modifications, recastings or refinancings thereof. The holder of any Mortgage to which this Lease is subordinate shall have the right (subject to any required consents or approvals of the holders of superior Mortgages, if any) at any time to declare this Lease to be superior to the lien, provisions, operation and effect of such Mortgage and Tenant agrees to execute all documents required by such holder in confirmation thereof.

21.2 In confirmation of the foregoing subordination, Tenant shall, at Landlord's request, promptly execute any requisite or appropriate certificate or other document. Tenant hereby constitutes and appoints Landlord as Tenant's attorney-in-fact to execute any such certificate or other document for or on behalf of Tenant. If the Property or Landlord's interest therein is sold at a foreclosure sale or by deed in lieu of foreclosure, and this Lease is not extinguished upon such sale or by the purchaser following such sale, then, at the request of such purchaser, Tenant shall attorn to such purchaser and shall recognize such purchaser as the Landlord under this Lease, and Tenant waives the provisions of any statute or rule of law, now or hereafter in effect, which may give or purport to give Tenant any right to terminate or otherwise adversely affect this Lease and the obligations of Tenant hereunder in the event any such foreclosure proceeding is prosecuted or completed or in the event of any such sale. Tenant agrees that upon such attornment, such purchaser shall not be (a) bound by any payment of Minimum Rent or additional rent for more than one (1) month in advance, except prepayments in the nature of security for the performance by Tenant of its obligations under this Lease but only to the extent such prepayments have been delivered to such purchaser, (b) bound by any amendment of this Lease made without the consent of the holder of each Mortgage existing as of the date of such amendment, (c) liable for damages for any breach, act or omission of any prior Landlord, or (d) subject to any offsets or defenses which Tenant might have against any prior Landlord; provided, however, that after succeeding to Landlord's interest under this Lease, such purchaser shall perform in accordance with the terms of this Lease all obligations of Landlord arising after the date such purchaser acquires title to the Property or Landlord's interest therein. Within five (5) days after request by such purchaser, Tenant shall execute and deliver an instrument or instruments confirming its attornment.

#### ARTICLE XXII

#### HOLDING OVER

22.1 If Tenant or any assignee, subtenant or licensee of Tenant shall not immediately surrender the Premises (or any portion thereof) on the date of the expiration or earlier termination of the Lease Term, then Tenant shall automatically forfeit all rights to the security deposit held by Landlord pursuant to Article XXIV of this Lease and the rent payable by Tenant hereunder, shall remain the same for sixty (60) days. The rent shall be increased for any holdover after sixty (60) days to 150% of the amount of the Minimum Rent, additional rent and other sums that were payable pursuant to the terms of this Lease during the last twelve (12) months prior to such holdover period. Such rent shall be computed by Landlord on a monthly basis and shall be payable by Tenant on the first day of such holdover period and the first day of each calendar month thereafter during such holdover period until the Premises have been vacated by Tenant. Landlord's acceptance of such rent from Tenant shall not in any manner impair or adversely affect Landlord's other rights and remedies hereunder, including, but not limited to, (i) Landlord's right to evict Tenant from the Premises, and (ii) Landlord's right to recover damages pursuant to this Lease and such other damages as are available to Landlord at law or in equity.

#### ARTICLE XXIII

#### **COVENANTS OF LANDLORD**

23.1 Landlord covenants that it has the full right and authority to enter into and perform this Lease for the Lease Term, and that if Tenant shall pay all rent when due and punctually perform all the covenants, terms, conditions and agreements of this Lease to be performed by Tenant, Tenant shall, during the Lease Term, freely, peaceably and quietly occupy and enjoy the full possession of the Premises without hindrance by Landlord or any party claiming through or under Landlord, subject, however, to the provisions of this Lease and District of Columbia law and regulations.

23.2 Landlord hereby reserves to itself and its successors and assigns the following rights (all of which are hereby consented to by Tenant): (i) to change the street address and/or name of the Property; (ii) to erect, use and maintain pipes, wires, ducts and conduits in and through the Premises; (iii) to make changes and modifications to the site plan, the plans and specifications for the Property and to the configuration of the Premises; and (iv) to resubdivide the Property or to combine the Property with other lands, and to sell all or any portion of the Property. Landlord may exercise any or all of the foregoing rights without being deemed to be guilty of an eviction, actual or constructive, or a disturbance or interruption of the business of Tenant or of Tenant's use or occupancy of the Premises. Furthermore, nothing described in <u>EXHIBIT A</u> hereto shall limit or prevent Landlord from effecting any change or alteration to the Property as described in this Section or Section 7.1.

## ARTICLE XXIV

# SECURITY DEPOSIT

24.1 Simultaneously with Tenant's execution of this Lease, Tenant shall deposit with Landlord the Security Deposit Amount as a security deposit. Landlord shall not be required to maintain such deposit in a separate account. Except as may be required by District of Columbia law and regulations, Tenant shall not be entitled to interest on such security deposit. Such security deposit shall be security for the performance by Tenant of all of Tenant's obligations, covenants, conditions and agreements under this Lease. Within approximately thirty (30) days after the later of (a) the expiration or earlier termination of the Lease Term, or (b) Tenant's vacating the Premises, Landlord shall return such security deposit to Tenant, less such portion thereof as Landlord shall have appropriated to satisfy any uncured Event of Default under this Lease by Tenant. If there shall be any such Event of Default under this Lease by Tenant, then Landlord shall have the right, but shall not be obligated, to use, apply or retain all or any portion of the security deposit for the payment of any (i) Minimum Rent, additional rent or any other sum as to which Tenant is in default, or (ii) amount Landlord may spend or become obligated to spend, or for the compensation of Landlord for any losses incurred, by reason of Tenant's uncured Event of Default, including, but not limited to, any damage or deficiency arising in connection with the reletting of the Premises that is not the result of Landlord's or its Agents own gross negligence or willful misconduct. If any portion of the security deposit is so used or applied, then within three (3) business days after written notice to Tenant of such use or application, Tenant shall deposit with Landlord cash in an amount sufficient to restore the security deposit to its original amount, and Tenant's failure to do so shall constitute a default under this Lease.

24.2 If Landlord transfers the security deposit to any purchaser or transferee of Landlord's interest in the Property, then Tenant shall look only to such purchaser or transferee for the return of the security deposit, and Landlord shall be released from all liability to Tenant for the return of such security deposit.

24.3 Tenant acknowledges that the holder of any Mortgage shall not be liable for the return of any security deposit made by Tenant hereunder unless such holder actually receives such security deposit.

#### ARTICLE XXV

### PARKING

25.1 Tenant shall have the right to utilize the parking facilities serving the Property, free of charge, subject to and in accordance with the rules and regulations reasonably established by Landlord. All vehicles of Tenant, its employees, agents, contractors, and invitees parked in the Property's parking facilities shall be at the sole risk of such parties. Landlord shall have no obligation to supervise, manage, or provide any security with respect to the parking facilities. Tenant will maintain the parking areas.

## ARTICLE XXVI

#### **GENERAL PROVISIONS**

26.1 Tenant acknowledges that neither Landlord nor any broker, agent or employee of Landlord has made any representations or promises with respect to the Premises or the Property except as herein expressly set forth, and no rights, privileges, easements or licenses are being acquired by Tenant except as herein expressly set forth.

26.2 Nothing contained in this Lease shall be construed as creating any relationship between Landlord and Tenant other than that of Landlord and Tenant.

26.3 Landlord and Tenant each warrants to the other that it has not employed or dealt with any broker, agent or finder, other than Civitas Commercial Real Estate Services, LLC (the "Broker"), in connection with this Lease. Landlord agrees to compensate the Broker pursuant to a separate agreement. Each of Landlord and Tenant shall indemnify and hold the other party harmless from and against any claim or claims for brokerage or other commissions asserted by any broker, agent or finder employed by such indemnifying party or with whom such indemnifying party has dealt, other than the Brokers.

26.4 From time to time but not more than once in each calendar quarter, upon not less than five (5) business days' prior written notice, Tenant and each subtenant, assignee, licensee, concessionaire or occupant of Tenant shall execute, acknowledge before a notary public, and deliver to Landlord and/or any other person or entity designated by Landlord, a written statement certifying: (i) that this Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease is in full force and effect as modified and stating the modifications); (ii) the dates to which the rent and any other charges hereunder have been paid by Tenant; (iii) whether or not, to the best knowledge of Tenant, Landlord is in default in the performance of any covenant, agreement or condition contained in this Lease, and if so, specifying the nature of such default; (iv) the address to which notices to Tenant are to be sent; (v) that this Lease is subject and subordinate to all Mortgages encumbering the Property; (vi) that Tenant has accepted the Premises and that all work therein has been completed by Landlord (or if such work has not been completed, specifying the incomplete work); (vii) the Lease Commencement Date and the date the initial Lease Term will expire; (viii) that, in the event of any default by Landlord under this Lease, Tenant shall give any holder or prospective holder of any Mortgage written notice of such fact and at least thirty (30) days after receipt of such notice in which to cure such default; and (ix) such other matters as Landlord may request. Any such statement delivered by Tenant may be relied upon by any owner of the Property, any prospective purchaser of the Property, any holder or prospective holder of a Mortgage, any prospective assignee of such holder or any other person or entity. Tenant acknowledges that time is of the essence to the delivery of such statements and Tenant's failure to deliver timely such statements may cause substantial damages resulting from, for example, delays in obtaining financing secured by the Property. Accordingly,

failure to timely provide Landlord with such statements shall constitute an Event of Default, and Landlord shall be entitled to all rights and remedies available pursuant to Article XIX.

26.5 (a) <u>WAIVER</u>. TENANT AND GUARANTORS EACH WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM BROUGHT BY EITHER PARTY IN CONNECTION WITH ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT HEREUNDER, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM OF INJURY OR DAMAGE. THIS WAIVER IS KNOWINGLY, INTENTIONALLY AND VOLUNTARILY MADE, AND TENANT AND GUARANTORS EACH ACKNOWLEDGE (i) THAT NEITHER LANDLORD, NOR ANY PERSON ACTING ON BEHALF OF LANDLORD, HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OR IN ANY WAY MODIFY ITS EFFECT, AND (ii) THAT EACH HAS READ AND UNDERSTANDS THE MEANING AND RAMIFICATIONS OF THIS WAIVER PROVISION.

(b) Tenant hereby consents to service of process and any pleading relating to any such action, proceeding, claim or counterclaim at the Premises; provided, however, that nothing herein shall be construed as requiring such service at the Premises except as may be required by District of Columbia law. Landlord, Tenant and Guarantors each waive any objection to the venue of any action filed by either party in any court within the District of Columbia, and each party further waives any right, claim or power, under the doctrine of forum non conveniens or otherwise, to transfer any such action filed by any party in any such court to any other court.

26.6 All notices or other communications required hereunder shall be in writing and shall be deemed duly given when delivered in person (with receipt therefor), or when sent by certified or registered mail, return receipt requested, postage prepaid, or by overnight courier, or by email with confirmation of receipt thereof, to the addresses set forth in Sections 1.1(m) and (n), provided that after the Lease Commencement Date, all notices to Tenant may, at Landlord's option, be sent to the Premises. All notices from Landlord may be given by Landlord or any authorized agent of Landlord. Either party may change its address for the giving of notices by notice given in accordance with this Section. If Landlord or the holder of any Mortgage notifies Tenant that a copy of each notice to Landlord shall be sent to such holder at a specified address, then no notice to Landlord shall be considered duly given unless such copy is simultaneously given in accordance with this Section to such holder.

26.7 Each provision of this Lease shall be valid and enforced to the fullest extent permitted by law. If any provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, then such provision shall be deemed to be replaced by the valid and enforceable provision most substantively similar to such invalid or unenforceable provision, and the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby.

26.8 Feminine, masculine or neuter pronouns shall be substituted for those of another form, and the plural shall be substituted for another number, in any place in which the context may require.

26.9 The provisions of this Lease shall be binding upon, and shall inure to the benefit of, the parties hereto and each of their respective representatives, successors and assigns, subject to the provisions hereof restricting assignment or subletting by Tenant.

26.10 This Lease contains and embodies the entire agreement of the parties hereto and supersedes all prior agreements, negotiations, letters of intent, proposals, representations, warranties, understandings and discussions between the parties hereto. Any representation, inducement, warranty, understanding or agreement that is not contained in this Lease shall not be of any force or effect. This Lease may not be modified or changed in whole or in part in any manner other than by an instrument in writing duly signed by both parties hereto. Tenant hereby authorizes Landlord to obtain, from time to time during the Lease Term, credit reports on Tenant.

26.11 This Lease shall be governed by, enforced by, and construed in accordance with, the laws of the District of Columbia.

26.12 Headings are used herein for convenience and shall not be considered when construing this Lease.

26.13 The submission of an unsigned copy of this document to Tenant shall not constitute an offer or option to lease the Premises. This Lease shall become effective and binding only upon execution by both Landlord and Tenant.

26.14 Time is of the essence with respect to each of Tenant's obligations under this Lease.

26.15 This Lease may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document.

26.16 This Lease shall not be recorded except that upon the request of Landlord, Tenant shall execute, in recordable form, a short-form memorandum of this Lease. Such memorandum may be recorded at Landlord's expense in the land records of the jurisdiction in which the Property is located.

26.17 The deletion of any printed, typed or other portion of this Lease shall not evidence an intention to contradict such deleted portion. Such deleted portion shall be deemed not to have been inserted in this Lease.

26.18 Except as otherwise provided in this Lease, any additional rent or other sum owed by Tenant to Landlord, and any actual cost, expense (including reasonable attorneys' fees), damage or liability incurred by Landlord for which Tenant is liable, shall be considered additional rent payable pursuant to this Lease to be paid by Tenant no later than

the later of (a) ten (10) business days after the date Landlord notifies Tenant of the amount of such additional rent, sum, cost, expense, damage or liability, or (b) the first day of the first calendar month following the date Landlord so notifies Tenant. Landlord also shall be entitled to any and all reasonable attorneys' fees awarded by any court of competent jurisdiction from which Landlord obtains a judgment against Tenant.

26.19 Any liability of either party to the other hereunder as of the expiration or earlier termination of the Lease Term shall survive such expiration or earlier termination for a period of one (1) year thereafter.

26.20 If either party is in any way delayed, interrupted or prevented from performing any of its obligations under this Lease, and such delay, interruption or prevention is due to fire, act of God, governmental act or failure to act, strike, labor dispute, inability to procure materials, or any cause beyond such party's reasonable control (whether similar or dissimilar), then the time for performance of the affected obligation(s) by such party shall be excused for the period of the delay and extended for a period equivalent to the period of such delay, interruption or prevention. Tenant's payment of Rent and Additional Rent hereunder will not be affected by or excused by any force majeure event.

26.21 At the expiration or earlier termination of the Lease Term, Tenant shall deliver to Landlord all keys to the Property or the Premises, whether such keys were furnished by Landlord or otherwise procured by Tenant, and shall inform Landlord of the combination of each lock, safe and vault, if any, in the Premises.

26.22 Except as may be required by the DC Public Charter School Board, Office of State Superintendent of Education or other applicable regulatory authority, Tenant shall not disclose the terms of this Lease to any third person without Landlord's prior written consent, not to be unreasonably withheld.

26.23 The person executing and delivering this Lease on behalf of each party warrants that such person is duly authorized to so act.

[Signature Page Follows]

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

**ATTEST OR WITNESS:** 

Name: Lashanor Doolittle

# **ATTEST OR WITNESS:**

Name:

# LANDLORD:

District of Columbia Baptist Convention, a District of Columbia non-profit corporation

~  $\sim 0$ (SEAL) By: Name: Trisha Miller Manarin Title: Executive Director Minister Date:  $2 | \cdot | 2 0 2 |$ 

# **TENANT:**

**Digital Pioneers Academy Public Charter School** a District of Columbia non-profit corporation

By:	SEAL)
•	

Name:

Title:

Date:

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

ATTEST OR WITNESS:

Name: Lashanor Douatle

## LANDLORD:

District of Columbia Baptist Convention, a District of Columbia non-profit corporation

(SEAL) By SHILL Name: M 5. C+ P ( Topl Title: Date: 21 12021

# TENANT:

Digital Pioneers Academy Public Charter School a District of Columbia non-profit corporation

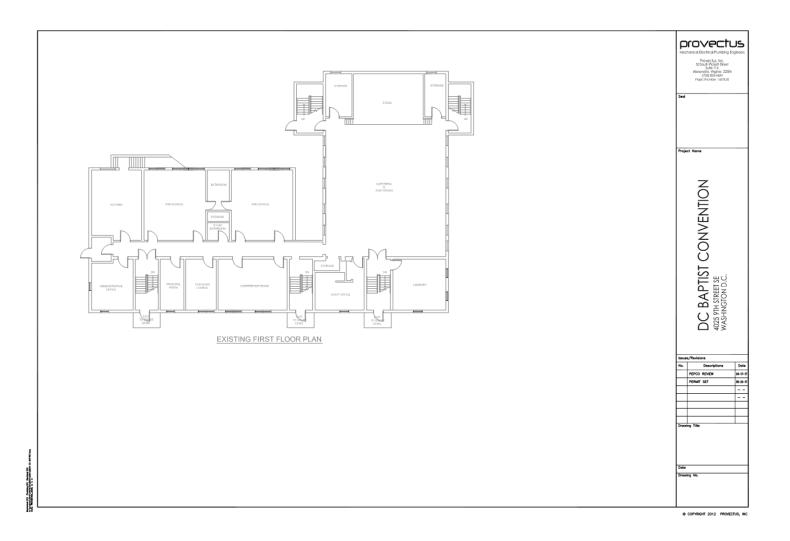
1. an ashoa n By: 1 (SEAL) Name: Mashea M. Ashton Title: CEO/ Principal Date: 2/1/2021

ATTEST OR WITNESS:

Williams 55 Name:

# EXHIBIT A

# PLAN SHOWING PREMISES



Charter Application Planning Year and First Year Financial Proje	D G	Digi	tal Pioneers Acade			l de la constante d
	Year 1	Year 2	Year 3	Year 4	Year 5	Assumptions
1 Per Pupil Charter Payments - General Educ	5,565,764	7,233,152	8,963,245	10,759,725	10,975,193	Each year includes an enrollment contingency of 1%
2 Per Pupil Charter Payments - Categorical B	2,215,410	2,618,127	3,220,034	3,844,924	3,921,695	70% At-Risk; 20% SpEd population
3 Per Pupil Facilities Allowance	1,514,515	1,912,075	2,317,435	2,730,711	2,758,019	
4 Federal Funding 5 Other Government Funding/Grants	1,992,681 14,630	1,990,191 18.562	1,613,565	1,906,109 26,772	1,930,081 27,173	Y1 includes charter school expansion, CARES, and ESSER funds
6 Private Grants and Donations	535,850	20,110	24,494	29,005	29,440	no significant fundraising after Y1
7 Activity Fees	-	-	-	-	-	
8 In-kind revenue 9 Other Income	14.365	20.962	25.531	30.233	30.687	
10 TOTAL REVENUES	11,853,215	13.813.179	16,186,913	19.327.480	19.672.289	
	11,033,215	15,015,175	10,100,515	19,927,400	15,072,205	
UNCTIONAL EXPENSES ersonnel Salaries and Benefits						
10 Principal/Executive Salary	345,000	466,900	476,238	485,763	493,049	Principals and Assistant Principals
						Adding core subject teachers, aides, and elective teachers each year a grade is
11 Teachers Salaries 12 Special Education Salaries	3,078,800 681,380	3,739,483 695,008	4,472,189 962,765	5,184,962 982.021	5,342,303	added
13 Other Education Professionals Salaries	674,110	693,778	707,653	721,807	736,243	
14 Business/Operations Salaries	453,930	524,209	534,693	545,387	556,294	
15 Administrative/Other Staff Salaries	235,000	235,000	235,000	235,000	235,000	
16 Employee Benefits and Payroll Taxes 17 Subtotal: Personnel Expense	1,074,007 6,542,227	1,449,476 7,803,853	1,735,495 9,124,033	1,961,456 10,116,395	2,057,151 10,421,701	Staff recruiting costs reduced to \$500 /FTE
	-//	-,,	-,,	,,	,	
In Educational Supplies and Textbooks	136,433	173,100	210,835	249,664	253,409	roughly half for supplies and half for textbooks
19 Student Assessment Materials/Program Ev	44,429	56,370	68,658	81,303	82,523	
20 Contracted Student Services 21 Food Service	382,116	525,689	642,674	763,050	774,495	nearly half of the costs are for SpEd services
21 Food Service 22 Other Direct Student Expense	306,060 118,440	388,314 150,271	472,966 183.030	560,071 216,738	568,472 219,989	estimated based on costs in SY19-20 includes costs for uniforms, fields trips, and recruiting
23 Subtotal: Direct Student Expense	987,479	1,293,743	1,578,164	1,870,826	1,898,888	
ccupancy Expenses						
24 Rent Cash expense (9th St)	273.629	822.297	1,216,185	1.560.407	1,576,011	Cash rent assumes 100% of high school facilities allotment, less annual operating expenses
Cash expense (901 St) Cash expense (12th St)	840,000	863,100	886,835	911,223	936,282	
Deferred rent expense (12th						In the final year of expansion, cash rent expense exceeds 15-year straight line
St)	85,108	62,008	38,272	13,884	(11,174)	rent cost
Supplemental rent 28 Depreciation (facilities only)	4,400	5,583 49,186	6,799	8,052	8,172	
28 Depreciation (facilities only) 29 Interest (facilities only)	48,336 8,621	49,186	48,494 14,981	43,716	40,494	Loan refinancing to 1% has been approved.
30 Building Maintenance and Repairs	51.659	64,878	65,851	66,839	67,842	counternationing to 1% has been approved.
31 Contracted Building Services	265,416	333,337	338,337	343,412	348,563	
32 Other Occupancy Expenses 33 Subtotal: Occupancy Expenses	333,364 1,910,532	418,672 2,634,478	424,953	431,327 3,381,316	437,797 3,403,986	
	_,,	_, ,	-//	-,,	-,,	
eneral and Administrative Expenses 34 Office Supplies and Materials	65,830	83,522	101,730	120,466	122,273	
35 Office Equipment Rental and Maintenance	10,645	13,506	16,450	19,480	19,772	
36 Telephone/Telecommunications	47,362	60,091	73,190	86,670	87,970	
37 Legal, Accounting and Payroll Services 38 Insurance	210,256	266,762	324,916	384,755	390,526	
38 Insurance 39 Transportation	41,371	52,490	63,933	75,707	76,842	
40 Professional Development	114,455	133,441	157,751	174,673	178,935	PD costs estimated at \$1000/ FTE
				100.005		
41 PCSB Administrative Fee 42 Management Fee	101,856	137,931	161,624	192,985	196,428	Authorizer fee assumed to return to 1% of non-philanthropic revenue after FY22
43 Interest Expense (non-facility)						
44 Depreciation and Amortization (non-facility	230,630	302,186	382,868	474,631	533,111	
45 Other General Expense	221,308	280,784	341,995	404,980	411,054	
contingency	355,596	414,395	485,607	579.824	590,169	contingency set to 3% of revenue
47 Subtotal: General Expenses	1,399,311	1,745,107	2,110,065	2,514,169	2,607,080	conungency set to 3% or revenue
18 TOTAL EXPENSES	10,839,549	13,477,182	15,852,969	17,882,706	18,331,655	-
perating Revenue/Expense	1,013,666	335,997	333,944	1,444,774	1,340,633	-
ASH FLOWS perating Activities						
49 Change in Net Assets	1,013,666	335,997	333,944	1,444,774	1,340,633	
50 Adjustments to reconcile change in net						
assets to change in net cash	271,124	342,680	423,362	515, 125	573,605	adding back depreciation
51 (Increase)/Decrease in Current Assets						
52 Increase/(Decrease) in Current Liabilities 53 Cash Flows from Operations	77,306	54,483 733.160	35,679 792,986	25,059	25,748	mostly deferred rent liability
	-,,50	,		-,,30	-,,- 50	
<b>ivesting Activities</b> 54 Purchase of property, plant and equipment	(352,000)	(446,600)	(543,959)	(644,138)	(653,800)	
55 Purchase of investment securities	(,			. ,,	, , ,,	
56 Other investing activities 57 Cash Flows from Investing	(352,000)	(446,600)	(543,959)	(644,138)	(653,800)	
	(332,000)	(+0,000)	(242,223)	(044,130)	(000,000)	
inancing Activities 58 Proceeds from loans						
58 Proceeds from loans 59 Repayment of loans	(20,700)	(171,488)	(22,305)	(721.855)		Y2: \$150K repayment, Y4: ~\$700K repayment
			8,000	3,222	-	
60 Other financing activities	7,842	8,692		(718,633)	-	
60 Other financing activities	(20,700) 7,842 (12,858)	8,692 (162,796)	(14,305)	(/16,033)		
60 Other financing activities 61 Cash Flows from Investing	7,842	8,692 (162,796) 123,764		622,187	1,286,186	-
60 Other financing activities 61 Cash Flows from Investing IET CHANGE IN CASH	7,842 (12,858) 997,238	(162,796) 123,764	(14,305) 234,722	622,187		-
60 Other financing activities 61 Cash Flows from Investing IET CHANGE IN CASH ash, Beginning Balance	7,842 (12,858) 997,238 1,920,568	(162,796) 123,764 2,917,806	(14,305) 234,722 3,041,570	622,187 3,276,293	3,898,480	- 
60 Other financing activities 61 Cash Flows from Investing IET CHANGE IN CASH ash, Beginning Balance	7,842 (12,858) 997,238 1,920,568 2,917,806	(162,796) 123,764 2,917,806 3,041,570	(14,305) 234,722 3,041,570 3,276,293	622,187 3,276,293 3,898,480	3,898,480 5,184,666	- - -
60 Other financing activities 61 Cash Flows from Investing IET CHANGE IN CASH ash, Beginning Balance ash, Ending Balance	7,842 (12,858) 997,238 1,920,568 2,917,806 Year 1	(162,796) 123,764 2,917,806 3,041,570 Year 2	(14,305) 234,722 3,041,570 3,276,293 Year 3	622, 187 3,276, 293 3,898, 480 Year 4	3,898,480 5,184,666 Year 5	
60 Other financing activities [ 61 Cash Flows from Investing   HET CHANGE IN CASH ash, Beginning Balance [ ash, Ending Balance ] er-Pupil Revenue (state/local) -	7,842 (12,858) 997,238 1,920,568 2,917,806 Year 1 21,126.57	(162,796) 123,764 2,917,806 3,041,570 Year 2 21,387.92	(14,305) 234,722 3,041,570 3,276,293 Year 3 21,970.78	622,187 3,276,293 3,898,480 Year 4 22,513.45	3,898,480 5,184,666 Year 5 22,928.45	- 
60 Other Innancing activities 6 61 Cash Flows from Investing ET CHANGE IN CASH ash, Beginning Balance [ ash, Ending Balance [ er-Pupil Revenue (state/local) er-Pupil Revenue (fderal)	7,842 (12,858) 997,238 1,920,568 2,917,806 Year 1	(162,796) 123,764 2,917,806 3,041,570 Year 2	(14,305) 234,722 3,041,570 3,276,293 Year 3	622, 187 3,276, 293 3,898, 480 Year 4	3,898,480 5,184,666 Year 5	
60 Other Innancing activities 6 61 Cash Flows from Investing IET CHANGE IN CASH Iash, Beginning Balance [ er-Pupil Revenue (state/local) er-Pupil Revenue (federal) er-Pupil Revenue (private)	7,842           (12,858)           997,238           1,920,568           2,917,806           Year 1           21,126,57           4,528,82           1,283,74	(162,796) 123,764 2,917,806 3,041,570 Year 2 21,387.92 3,618.53 108.42	(14,305) 234,722 3,041,570 3,276,293 Year 3 21,970.78 2,444.79 110.05	622,187 3,276,293 3,898,480 Year 4 22,513.45 2,475.47 111.70	3,898,480 5,184,666 Year 5 22,928.45 2,506.60 113.38	- - -
60 Other Innancing activities 6 61 Cash Flows from Investing IET CHANGE IN CASH Iash, Beginning Balance [ er-Pupil Revenue (state/local) er-Pupil Revenue (federal) er-Pupil Revenue (private)	7,842 (12,858) 997,238 1,920,568 2,917,806 2,917,806 21,126.57 4,528.82	(162,796) 123,764 2,917,806 3,041,570 Year 2 21,387.92 3,618.53	(14,305) 234,722 3,041,570 3,276,293 Year 3 21,970.78 2,444.79	622,187 3,276,293 3,898,480 Year 4 22,513.45 2,475,47	3,898,480 5,184,666 Year 5 22,928.45 2,506.60	
ob depayment of loans bold repayment of loans 61 Cash Flows from Investing 61 Cash Flows from Investing 61 Cash Flows from Investing Cash, Eding Balance 61 Cash Flowence (Edical) 62 Cash Flowence (from 10 61 Cash Flowence (from 10 61 Frontieres 61 Evolutionest	7,842           (12,858)           997,238           1,920,568           2,917,806           Year 1           21,126,57           4,528,82           1,283,74	(162,796) 123,764 2,917,806 3,041,570 Year 2 21,387.92 3,618.53 108.42	(14,305) 234,722 3,041,570 3,276,293 Year 3 21,970.78 2,444.79 110.05	622,187 3,276,293 3,898,480 Year 4 22,513.45 2,475.47 111.70	3,898,480 5,184,666 Year 5 22,928.45 2,506.60 113.38	