

**LEASE**

**THIS LEASE AGREEMENT**, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2017, between MCTR PROPERTIES, LTD., an Ohio Limited Liability Company (hereinafter called "Lessor"), and OLENTANGY LOCAL SCHOOL DISTRICT BOARD OF EDUCATION (hereinafter called "Lessee").

**PREMISES:** Lessor, in consideration of the rents and the performance of the covenants and agreements hereinafter provided for, to be paid and performed by Lessee, hereby leases to Lessee the following described premises, being situated in the State of Ohio, County of Delaware, and more particularly described as follows:

Being approximately 39,529 square feet, more or less, of office area commonly known as 7840 Graphics Way Drive, Lewis Center, Ohio 43035.

**TERM:** The term for this Lease Agreement shall be Five (5) years and one month commencing on April 1, 2017 and terminating on April 30, 2022.

**RENT:** Lessee agrees to pay to the Lessor as rent for the premises for and during the term of this Lease, in accordance with the following schedule:

<u>Months</u>	<u>Per Square Foot</u>	<u>Monthly Rent Payments</u>
1	N/A	N/A
2 – 31	\$12.13	\$39,957.23
32 – 61	\$12.75	\$41,999.56

Rent is waived for the first month of the Lease, but Lessee shall be responsible for all operating expenses for said month. Said rent shall be paid on the first day of each and every month by electronic deposit to Lessor’s WesBanco account # \_\_\_\_\_. Any rental payment received after the 10<sup>th</sup> day of the month will be subject to a Five (5%) percent late charge. If rental payments are mailed, the date of receipt by Lessor will determine the date of payment. If any check for rent is returned to Lessor for insufficient funds or other reasons, the Five percent (5%) late charge will be added to that payment as well as any additional charges that Lessor incurs as a result of said check.

Unless specifically defined herein as a responsibility of Lessee, Lessor shall be responsible for all expenses associated with the Leased Premises, including but not limited to any real estate taxes.

**NO LESSOR’S WORK.** Lessee accepts the Leased Premises ‘AS IS’, ‘WHERE IS’ and ‘WITH ALL FAULTS’, and Lessor shall not have any obligation to construct any improvements, alterations or additions to the Leased Premises, except that the parking lot is scheduled to be sealed in the Spring of 2017 at Lessor’s expense.

**LESSEE’S WORK.** All work to make the Leased Premises ready for Lessee’s use on or after the Term Commencement Date is to be performed by Lessee at its expense (hereinafter

referred to as "Lessee's Work"). All entry into the Leased Premises and work done by Lessee shall be at the Lessee's risk. All Lessee's Work shall be subject to Lessor's prior written approval, which shall not be unreasonably withheld, and shall be in accordance with good construction practices, applicable laws and all applicable regulations.

**OPTION TO EXTEND:** Lessee shall have the right to extend this Lease for Three (3) additional terms of Five (5) years each commencing at the expiration of the prior term, under and upon the same terms, covenants and provisions of this Lease; provided, however the yearly rent shall increase by 1.75% per year for each year of any extended term. Said option shall be exercised by the Lessee serving written notice thereof, at least 180 days before the expiration of the prior term, on the Lessor personally or by mailing said notice to him by certified mail; provided further that said options may be exercised if, and only if the Lessee is not in default in payment of rent or in any other of the terms, covenants and provisions of this Lease.

**PURCHASE OPTION:** In consideration of the rents to be paid and the obligations contained in this Lease, Lessor hereby grants to Lessee the exclusive option to purchase the rented premises at any time after the expiration of the third (3<sup>rd</sup>) lease year. Lessor shall not sell the rented premises to anyone other than Lessee during any term or extension of this lease. Lessee may exercise the right to purchase only if Lessee occupies the premises at the time the option is exercised and the sale is closed. Lessee shall provide written notice to Lessor of its intent to exercise this purchase option any time after the 28<sup>th</sup> month of the Lease. No lease payments shall be credited to the Lessee.

The purchase price shall be determined by averaging Two (2) appraisals conducted by appraisers qualified to appraise commercial buildings. Lessor and Lessee shall each select an appraiser and shall be responsible for the cost of the appraiser they selected. If the appraisals vary in value by more than Ten (10%) percent, Lessor and Lessee shall mutually select a third appraiser. The cost of the third appraiser shall be shared equally between Lessor and Lessee. The purchase price shall be the average of the three (3) appraisals. If the purchase price as determined by either Two (2) or Three (3) appraisers is less than \$4,500,000.00, Lessor has the absolute right in Lessor's discretion, to reject the sale to Lessee. If the purchase price as determined by either Two (2) or Three (3) appraisers is four million five hundred thousand and 00/100 Dollars (\$4,500,000.00) or higher, Lessor shall be obligated to sell the property to Lessee.

Lessor agrees to make a good faith effort to negotiate a price with Lessee prior to rejecting the sale based on the purchase price being less than \$4,500,000.00; however, Lessor is not legally obligated to agree to any price proposed by Lessee.

If the Lessee exercises its option to purchase and a price is determined in accordance with the provisions stated herein, the parties shall close within ninety (90) days after the purchase price is determined. Lessor/Seller shall be responsible for all title charges and conveyance fees all escrow closing fees, real estate tax proration and other customary seller's expenses due, payable or incurred in connection with the transaction, if any. Lessee/Buyer shall be responsible for all recording fees for the deed. Except as otherwise provided herein, each party shall pay its share of all other closing costs as would normally be paid by Seller or Buyer in a transaction of

this character in Delaware County. Buyer and Seller shall each pay the fees and expenses of their respective legal counsel incurred in connection with the transaction.

**SECURITY DEPOSIT:** A security deposit in the amount of Forty Thousand Four Hundred Thirty-Three and 33/100 Dollars (\$40,433.33) shall be paid by Lessee to Lessor prior to Lessee taking possession. This security deposit shall be paid to Lessor and held by Lessor in trust as security for the term of this Lease. No part of this deposit shall be applied to the payment of Lessee's rent. If, after inspection of the leased premises, the Lessor is satisfied that no damage has been caused by the Lessee, the Lessor shall return said deposit to Lessee upon termination of this Lease. If such inspection reveals any damage caused by Lessee, ordinary wear and tear excepted, the Lessor shall subtract a sum required for the repair of said damage from the security deposit. In the event Lessor subtracts any sum from Lessee's security deposit for the repair of damage, Lessor shall supply Lessee with receipts, evidencing the sum of any amount deducted from Lessee's security deposit. The remainder of the security deposit shall be refunded to Lessee.

**USAGE:** The leased premises shall be used only as administrative offices for Lessee. Lessee shall not use or occupy any of the said premises for any purpose contrary to law or the rules or regulations of any public authority, including zoning restrictions, or in any manner so as to increase the cost of hazard insurance or maintenance.

**SECURITY SYSTEM:** Lessor is not responsible for providing any security system or fire alarms which shall be the sole responsibility of Lessee as to installation, maintenance and all costs incurred for installation and maintenance.

**PARKING AREA:** During the term of this Lease and any renewal thereof, Lessee and Lessee's customers, employees, and invitees, shall have the exclusive right and license to use of the parking areas, driveways, service driveways, and sidewalks which shall be provided by the Lessor and shall remain under Lessor's control. School bus parking is prohibited.

**UTILITIES:** Lessee will be responsible for all utilities which are furnished to the premises.

**GLASS:** Lessee, at Lessee's cost, agrees to maintain and replace all glass which is part of the premises and shall promptly replace any such glass which is damaged or broken, except any damage due to the negligence of Lessor.

**PERSONAL PROPERTY:** Lessee assumes all risk of damage to or destruction, loss, or pilferage of personal property, including without limitation, vandalism, within the premises or loss suffered by Lessee's business resulting from any cause whatsoever, except Lessor's negligence.

**LESSEE'S REPAIRS:** Lessee acknowledges that premises, including heating

system, electrical system, plumbing, air conditioning, hot water tank, floor covering, doors, door hardware, windows and the interior of premises, will be, as of the date rent commences to accrue hereunder, under the possession and control of Lessee and Lessee agrees to regularly service and keep the same in good order, repair, maintenance and operation and agrees to promptly pay up to the first \$15,000 per year, cumulative total per year, required to replace any major mechanical systems, including the HVAC system, plumbing or electrical. Should Lessor and Lessee disagree as to whether repair or replacement of a major mechanical system should be performed, Lessor and Lessee will mutually select a licensed commercial contractor with at least 10 years of experience regarding the repair/replacement of the mechanical system at issue, who will provide an opinion as to repair or replacement which Lessor and Lessee will follow.

Lessee also agrees to keep premises, sidewalks and areas adjoining the leased premises in a clean, safe and sanitary condition, including removal of trash and the removal of snow, ice and debris from the doorways and sidewalks, but no chemical or salt shall be used on the sidewalks which shall damage the concrete. Lessee is also responsible for maintaining the lawn and landscaping.

Lessee is to be responsible to Lessor for any and all damages or destruction to property, inside the Leased Premises, due to any burglary, vandalism, excluding acts of God, which may occur. It is also understood that Lessee will have ample burglary and liability insurance to cover any such incidents. In the event of such occurrence, said property is to be restored to original condition by Lessee.

Lessee shall be responsible to contract for and pay for all janitorial services for the premises. Lessor has no responsibility or liability for janitorial services.

**LESSOR'S REPAIRS:** Lessor shall maintain the parking lot and the exterior portion of the building of which the premises are a part, including the roof, foundation and structural portions thereof, exclusive of doors and door hardware, in good repair, except for reasonable wear and tear and except such repairs as may be required thereto by reason of the acts of Lessee, its employees, agents, invitees, licensees or contractors. In such event, Lessee agrees to promptly and properly repair the same at Lessee's expense. Lessor shall make all necessary repairs and replacements to the parking lot asphalt, at Lessor's expense, during the term of this lease and any extension thereof.

Lessor shall be responsible for all costs exceeding \$15,000.00 per year required for the replacement of any of the major mechanical systems, including the HVAC system.

**INSURANCE:** Lessee shall maintain during the term of this Lease or any extension thereof, in full force and effect, public liability insurance for its own protection and for the protection of Lessor against injuries, accidents or causes of action of every nature and kind whatsoever which are normally covered by "owner-lessee" liability insurance that may arise from the use and occupation of, in and about the premises, by Lessee. Insurance shall be with limits of not less than \$2,000,000.00 for each injury to one person, \$2,000,000.00 for each injury to more than one person, and \$5,000,000.00 for property damage. Lessor and Lessee shall be named as insured in the policies or certificates of such coverage. Such policy or policies shall bear an endorsement to the effect that the insurer shall not cancel or modify the same without at least fifteen (15) days prior written notice to the Lessor.

**ALTERATIONS:** Lessee will not make alterations or additions to any part of the premises without prior written consent of Lessor, which shall not be unreasonably withheld. All such alterations and additions shall be made in accordance with all applicable laws and regulations, and permits therefor from all public authorities, as required, will be obtained and paid for by Lessee. All such changes shall remain for the benefit of the Lessor unless otherwise provided in the written consent. Lessee further agrees to pay for all alterations and/or additions.

**FIXTURES:** At the time Lessee takes possession, Lessor shall donate to Lessee all furniture, fixtures, furnishings and personal property in the Leased Premises at the time of Lessee's possession.

**FIRE INSURANCE:** Lessor agrees to carry on and maintain fire and extended coverage insurance, on the buildings of which the premises are a part, in an amount of at least 80% of their insurable value. Should the premises be damaged or destroyed by fire or other casualty, Lessor agrees to repair, restore, or replace same to a condition as good or better than before, as soon as reasonably possible after insurance adjustments have been made, but, in any event, within six (6) months after such damage or destruction. Should the premises be rendered wholly untenable, all rent for this period shall completely abate until the repair, restoration or replacement has been completed. Should the premises be rendered untenable in part only and the remaining part is suitable for the conduct of Lessee's business, then the rental shall abate proportionately based upon the USABLE space available to Lessee for the conduct of business, until repair, restoration or replacement is completed. If the premises are rendered untenable, in excess of fifty (50%) percent, Lessee, at the end of ninety (90) days, shall have the option to cancel this Lease. Rent abatement and early termination are not available to Lessee if the damage is the result of the acts of Lessee, its employees, agents, invitees, licensees or contractors.

**DEFAULT:** Should Lessee fail to pay the rent or other payments required of Lessee hereunder or any part thereof, for a period of ten (10) days after payment shall be due, or should Lessee fail to perform or observe any other agreements, covenant or condition on Lessee's part to be performed or observed and fail to cure such failure within fifteen (15) days after notice from Lessor specifying the failure, or should this leasehold become subject to execution, attachment or other process of law, or should premises be vacated, abandoned or business operations of Lessee cease for a period exceeding seven (7) days (excluding holiday breaks), or should Lessee fail to move into or take possession of premises and open for business within thirty (30) days after Lessor shall deliver possession thereof to Lessee, or should Lessee make an assignment for benefit of creditors, file a voluntary petition in bankruptcy or for an Arrangement or Reorganization or suffer an involuntary petition to be filed against Lessee or suffer a receiver or trustee to be appointed for Lessee, or permit Lessee's fixtures or other legal process, in all or either of such events a breach of this lease shall have occurred, and should such breach be other than for payment of money and continue for thirty (30) days thereafter, then Lessor, in addition to any other remedies available, shall have the immediate right to enter and repossess the premises by force, summary or dispossession proceedings, or otherwise, and remove therefrom all occupants

and take and store any property at the cost of and for the account of Lessee, without becoming liable to prosecution or damages therefor, may seize and hold Lessee's fixtures as its own property, and thereupon all rights of Lessee and obligations of Lessor to Lessee hereunder shall cease but Lessee shall remain liable for the rent, less any net amount realized by Lessor from re-renting the premises, and such liability for rent shall continue each month for the remainder of the term. At any time thereafter, Lessor may terminate this lease by a declaration to that effect.

**SIGNAGE:** All Lessee's signage is subject to Lessor's written approval, which shall not be unreasonably withheld. Prior to installation or modification of any and all signage, Lessee shall submit all sign graphics and specifications to Lessor for Lessor's approval. Lessee shall maintain all approved signage in good condition and repair at all times. Lessee, in addition to obtaining Lessor's approval, shall insure that all signage conforms to all applicable governmental ordinances and regulations relating to signage. If Lessee chooses to remove Lessor's interior and/or exterior signage/logos for "Modern Medical" said signage/logos shall be returned to Lessor.

**HAZARDOUS MATERIAL:** Lessor confirms that Lessor has no knowledge of any hazardous materials on the site of the Leased Premises or used in the construction of the Leased Premises.

**COMMISSIONS:** Lessor shall pay any real estate commissions associated with this Lease, any extension of this Lease, and/or any sale of the Leased Premises to Lessee. Lessor agrees to indemnify and save, protect and keep harmless the Lessee from any and all costs, losses, damages, liability and expenses whatsoever associated with any real estate commission or asserted by any individual in connection with this Lease, any extension of this Lease, and/or any sale of the Leased Premises to Lessee.

**QUIET ENJOYMENT:** Lessor agrees that if Lessee shall pay the rent herein reserved and shall perform and observe all the covenants and conditions of this Lease or any extension thereof, Lessee shall have the peaceable and quiet enjoyment and possession of the premises without hindrance by Lessor, except for matters herein specifically provided.

**SURRENDER:** When the tenancy herein created terminates, Lessee agrees to surrender the premises to Lessor in the same or better condition than existed when Lessee entered possession, wear and tear excepted. Lessee also agrees to forward all keys for the premises to Lessor.

**ASSIGNMENT/SUBLET:** Lessee shall not sublet or assign this Lease without Lessor's prior written consent, which consent shall not be unreasonably withheld. The assignee/sublessee shall agree in writing to keep and perform all of the obligations of Lessee arising under the Lease. Such assignment or sublease shall not relieve Lessee from Lessee's liability and obligation under this Lease.

**ACCESS TO PREMISES:** During the last six (6) months of the term or at any time

that said lease is being terminated for any reason, the Lessor or its agents may have free access to the premises at all reasonable times for the purpose of exhibiting the premises. Lessor shall provide Lessee with at least twenty-four (24) hours' notice prior to such exhibition.

Sixty (60) days prior to the termination of the lease term, Lessor may exhibit a sign in window for re-renting purposes.

**HOLDING OVER:** Any holding over by the Lessee or any assignee or sublessee beyond the expiration of the specified term shall give rise to tenancy from month-to-month. Rent for any holdover period shall be 125% of the rent due for the last month of the expired term.

**NON-WAIVER:** Any payment of rent and receipt by Lessor shall only be construed as being on account of the earliest stipulated unpaid rent irrespective of endorsements or statements on or accompanying the same. The waiver of any covenant or condition or the acquiesced breach thereof shall not be taken to constitute a waiver of any subsequent breach of such covenant or condition nor to justify or authorize the non-observance of the same or of any other covenant or condition hereof. The acceptance of rent by the Lessor at any time when the Lessee is in default under any covenant or condition hereof shall not be construed as a waiver of such default.

**NOTICES:** Whenever notice, consent or a demand is required or desired to be given, the same shall be given in writing, sent by registered or certified mail (return receipt requested) addressed to the other party at the address first hereinabove specified or at such other address as may be specified from time to time in writing and mailed in like manner by either party to the other.

**ESTOPPEL CERTIFICATES:** Lessee shall, within ten (10) days after delivery of the Premises to Lessee and after the written request of Lessor, execute, acknowledge and deliver to Lessor or to Lessor's mortgagee, proposed mortgagee, land lessor or any part thereof or interest therein, any estoppel certificates requested by Lessor from time to time, which estoppel certificates shall show whether the Lease is in full force and effect and whether any changes may have been made to the original Lease; whether the Term of the Lease has commenced and full rental is accruing; whether there are any defaults by Lessor and, if so, the nature of such defaults; whether possession has assumed and all improvements to be provided by Lessor have been completed; and whether Rent has been paid more than thirty (30) days in advance; that there are no liens, charges or offsets against rental due or to become due; that the address shown on such estoppel certificate is accurate; and such other matters pertaining to the status of this Lease as Lessor may reasonably request.

**BINDING EFFECT:** This lease and all rights hereunder shall inure to the benefit of and be binding upon their heirs, legal representatives, successors and assigns.

**ENTIRE AGREEMENT:** This lease, exhibits and riders, if any, attached hereto, sets forth all the covenants, promises, agreements, conditions and understandings between Lessor and Lessee concerning the premises. No subsequent alteration, amendment, change or addition to

the lease shall be binding upon Lessor or Lessee unless reduced to writing and signed by both parties.

IN TESTIMONY WHEREOF, the parties have executed the foregoing Lease on the date specified above.

LESSOR:

LESSEE:

MCTR PROPERTIES, LTD.

OLENTANGY LOCAL SCHOOLS

By: \_\_\_\_\_  
\_\_\_\_\_, Member

By: \_\_\_\_\_  
\_\_\_\_\_

STATE OF OHIO  
COUNTY OF \_\_\_\_\_, SS:

Before me, a Notary Public, in and for said County, personally appeared the above-named Lessor, MCTR PROPERTIES, LTD., an Ohio LLC, by \_\_\_\_\_, Member, who acknowledged that he did sign the foregoing instrument and that the same is his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Westerville, Ohio, this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Notary Public

STATE OF OHIO  
COUNTY OF \_\_\_\_\_, SS:



Before me, a Notary Public, in and for said County, personally appeared the above-named Lessee, OLENTANGY LOCAL SCHOOL DISTRICT BOARD OF EDUCATION, by \_\_\_\_\_ who acknowledged that they did sign the foregoing instrument and that the same is their free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Westerville, Ohio this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Notary Public

**SECTION 5705.412**  
**CERTIFICATE OF ADEQUATE REVENUES**  
**Qualifying Contract**

The undersigned, Treasurer, Superintendent, and President of the Board of Education of the Olentangy Local School District, Delaware and Franklin Counties, Ohio (the "Lessee"), hereby certify, based on current estimates of Lessee revenue and expense made in conformity with regulations of the Auditor of State and the Ohio Department of Education, that with respect to the attached Lease Agreement, dated March \_\_, 2017 between MCTR Properties, LTD. and the Lessee:

The Lessee has in effect for the term of the contract the authorization to levy taxes including the renewal or replacement of existing levies which, when combined with the estimated revenue from all other sources available to the Lessee at the time of this certification, are sufficient to provide the operating revenues necessary to enable the Lessee to maintain all personnel and programs for all the days set forth in its adopted school calendar for the current fiscal year and for a number of days in succeeding fiscal years equal to the number of days instruction was held or is scheduled for each succeeding fiscal year covered by the contract.

IN WITNESS WHEREOF, we have hereunto set our hands on March \_\_, 2017.

OLENTANGY LOCAL SCHOOL DISTRICT  
DELAWARE AND FRANKLIN COUNTIES, OHIO

By: \_\_\_\_\_

Title: President, Board of Education

By: \_\_\_\_\_

Title: Superintendent

By: \_\_\_\_\_

Title: Treasurer