



**VALLEY FORGE**  
**PUBLIC SERVICE ACADEMY**  
**CHARTER SCHOOL**

**EXHIBIT 24 – Draft LOI with Valley Forge Military Academy  
Foundation**

## LETTER OF INTENT: LEASE

### Shannon Hall

**RE: Property and Facilities Located at 3J48+37J, Eagle Road, Wayne PA 19087 (the “Property”).**

To Whom It May Concern:

Valley Forge Public Service Academy Charter School (“**Lessee**”) intends to lease the Property from Valley Forge Military Academy and College Foundation (“**Lessor**”) (collectively, the “Parties”) under the terms and conditions set forth below, which terms are subject to negotiation and approval through a legally binding lease agreement:

1. **Lease of Property.** The Parties intend that Lessor will lease the entire Property to Lessee for the operation and development of facilities suitable for Lessee’s operation of a public charter school<sup>1</sup> The Property to be leased is fully described in the Site Plan for Leased Premise, attached to this Letter of Intent as **Exhibit A**.
2. **Lease Term.** The Parties intend that the period of said lease of the Property will be as follows:
  - a. **Ground Lease Term.** Forty-Five (45) Years, effective February 1, 2026.
  - b. **Building Lease Term.** Ten (10) Years, effective February 1, 2026 (the “Effective Date”). Lessee shall have an option to purchase the property as more fully described in Paragraph 6, *infra*.
3. **Rent.** The Lease Rent set forth herein shall be computed as follows:
  - a. Schedule of Base Rent

| Lease Year | Amount   |
|------------|--|
| Y1         | 3% of Lessee’s Budgeted Gross Income, not to exceed \$20/RSF                   |
| Y2         | 4.5% of Lessee’s Budgeted Gross Income, not to exceed \$20/RSF                 |
| Y3         | 6% of Lessee’s Gross Income from its prior fiscal year, not to exceed \$20/RSF |
| Y4         | 7% of Lessee’s Gross Income from its prior fiscal year, not to exceed \$20/RSF |

<sup>1</sup> **Lessee (Valley Forge Public Service Academy Charter School)** is a Pennsylvania non-profit corporation exempt from federal income tax under 26 U.S. Code § 501(c)(3) as an organization described in 26 U.S. Code § 509(a)(1).

|     |   |
|-----|---|
| Y5  | 8% of Lessee's Gross Income from its prior fiscal year, not to exceed \$20/RSF    |
| Y6  | 8.25% of Lessee's Gross Income from its prior fiscal year, not to exceed \$20/RSF |
| Y7  | 8.5% of Lessee's Gross Income from its prior fiscal year, not to exceed \$20/RSF  |
| Y8  | 8.75% of Lessee's Gross Income from its prior fiscal year, not to exceed \$20/RSF |
| Y9  | 9% of Lessee's Gross Income from its prior fiscal year, not to exceed \$20/RSF    |
| Y10 | 9% of Lessee's Gross Income from its prior fiscal year, not to exceed \$20/RSF    |

**b. Triple-Net.** The Parties acknowledge and agree that this Lease is intended to be a “triple-net” lease, such that, except as expressly provided to the contrary herein, Lessee shall be responsible for paying its Proportionate Share (as defined below) of all Operating Expenses of the Building and the Land.

- i. Proportionate Share. “Proportionate Share” means a fraction, the numerator of which is the rentable square footage of the Premises and the denominator of which is the total rentable square footage of the Building, as reasonably determined by Lessor and confirmed by Lessee. For purposes of this Letter of Intent, the Parties anticipate that Lessee will lease approximately 100% of the Building.
- ii. Estimate Based on Prior Year. For each calendar year (or other “Lease Year” as defined in the Lease), Lessor shall, prior to the start of such year (or as soon thereafter as reasonably practicable), provide Lessee with a written estimate of Operating Expenses for such year. Lessor’s estimate shall be based primarily on the actual Operating Expenses for the immediately preceding calendar year, adjusted as reasonably necessary for known or anticipated changes (including changes in tax assessments, insurance premiums, utilities, and service contracts).
- iii. Pro-Rata Addition to Base Rent. Lessee shall pay to Lessor, as Additional Rent, one-twelfth (1/12) of Lessee’s Proportionate Share of the estimated Operating Expenses each month in advance, together with Lessee’s monthly payment of Base Rent.
- iv. Annual Reconciliation. Within ninety (90) days after the end of each calendar year (or such other “Lease Year” as specified in the Lease), Lessor shall furnish Lessee with a reasonably detailed statement of the actual Operating Expenses for such year and Lessee’s Proportionate Share thereof. If Lessee’s Proportionate Share of actual Operating Expenses exceeds the total amount paid by Lessee on account of Operating Expenses for such year, Lessee shall

pay the deficiency to Lessor within thirty (30) days after receipt of such statement. If Lessee's Proportionate Share of actual Operating Expenses is less than the total amount previously paid by Lessee for such year, the excess shall, at Lessee's election, be refunded to Lessee or credited against the next installments of Additional Rent thereafter due.

- v. Survival and Recurring Process. The estimation and reconciliation process described in this Section 3(b) shall repeat for each Lease Year during the Term. Any errors in a given Lease Year's reconciliation shall be corrected promptly upon discovery but no later than six (6) months after delivery of the applicable reconciliation statement, except in the case of fraud or intentional misconduct by the Lessor.

#### 4. **Lessor Improvement Allowance; Amortization as Additional Rent.**

- a. Allowance. Lessor shall provide Lessee with an improvement allowance in an amount not to exceed Two Million Eight Hundred Thousand and 00/100 Dollars (\$2,800,000.00) (the "Allowance"), to be used solely for design, permitting, and construction of improvements to the Premises in accordance with the plans and specifications attached to the Lease as the BSI Exhibit (the "Improvements"), **Exhibit B** to this Letter of Intent. Lessor shall fund the Allowance directly to any contractors, subcontractors, and other vendors as costs are incurred and invoices are properly submitted and approved in accordance with the Lease.
- b. Characterization as Additional Rent. All amounts of the Allowance actually disbursed by Lessor for the benefit of Lessee (collectively, the "Funded Allowance") shall be deemed and treated as Additional Rent, and not as a loan, and shall be recoverable by Lessor only through the amortized Additional Rent payments described below.
  - i. Interest and Amortization Period. The Funded Allowance shall bear interest at the rate of five percent (5%) per annum, simple interest, from the date each disbursement is made by Lessor. The then-aggregate Funded Allowance (including accrued interest as provided herein) shall be amortized on a straight-line basis over the then-remaining initial Term of the Lease; such amortization shall commence no later than eighteen (18) months after the Lease Commencement Date.
  - ii. Monthly Amortization Payment. Commencing on the earlier of (1) the date Lessor reasonably determines that the Improvements are substantially complete and the full Funded Allowance has been disbursed, or (2) the date that is eighteen (18) months after the Lease Commencement Date, Lessee shall pay to Lessor, together with each installment of Base Rent, a fixed monthly amount equal to the amortization of the Funded Allowance over the remaining

months of the initial Term (including interest at the rate stated above). Such monthly payments shall constitute Additional Rent under the Lease.

- c. Excess Costs. Any costs of the Improvements in excess of the Allowance shall be borne by Lessee and shall not be subject to amortization or interest under this Section, except as otherwise expressly agreed in the Lease.
- d. Ownership of Improvements. All Improvements funded in whole or in part with the Allowance shall be and remain the property of the Lessor (subject to any removal/restoration obligations expressly set forth in the Lease).

**5. Charter Approval Required; Final, Unappealable Denial in Lessee’s Discretion.**

- a. Condition Precedent. All terms and conditions of this Letter of Intent, and Lessee’s obligation to enter into and perform under the Lease, are expressly conditioned upon Lessee’s obtaining approval to operate a charter school pursuant to a five (5) year charter issued by the Radnor Township School District (or such successor authorizing entity as may then be applicable) (the “Charter Approval Condition”).

- i. Final, Unappealable Denial Defined. For purposes of this Letter of Intent, Lessee shall be deemed to have “failed to obtain said charter” only if and when:

1. Lessee has received a written decision denying its charter application;
2. Lessee has exhausted such administrative and judicial review or appeal rights as Lessee, in Lessee’s sole and absolute discretion, elects to pursue (including any reapplications or resubmissions Lessee chooses to make); and
3. Lessee, in Lessee’s sole and absolute discretion, determines that such adverse decision (or any subsequent adverse decision on reapplication) is a final, non-appealable ruling and that further pursuit of the charter is not in Lessee’s best interest.
4. Effect of Failure of Condition. If, after satisfaction of clauses (1)–(3) above, Lessee determines that the Charter Approval Condition has failed, Lessee may, by written notice to Lessor, declare this Letter of Intent and any related agreements void, in which event neither party shall have any further obligation to the other hereunder except as expressly stated to survive.

- b. Lessee Waiver. Lessee shall have the right, in Lessee’s sole and absolute discretion, to waive the Charter Approval Condition, in whole or in part, by written notice to Lessor, in which case this Letter of Intent and the Lease shall remain in full force and effect notwithstanding the status of Lessee’s charter applications or appeals.

- 6. Option to Purchase.** So long as Lessee is not then in default, Lessee shall have an option to purchase the Property (land and improvements subject to this Lease), from Lessor, at any time from Lease Year Three (3) through the end of Lease Year Ten (10). If Lessee elects to exercise this option, Lessee shall deliver written notice to the Lessor and the parties shall negotiate in good faith a mutually acceptable purchase and sale agreement on then-current market terms for comparable properties in the Radnor area, but in no event shall the purchase price exceed Two Million and 00/100 Dollars (\$2,000,000.00) (the "Purchase Price"). In addition to the negotiated Purchase Price, if Lessee elects to exercise this option, Lessee shall pay an amount equal to any remaining monthly payments of the Funded Allowance, as calculated by the amortization schedule, as more fully described in Section 4(b)(ii).

  - a. Lapse of Option.** If the parties are unable to agree on such terms and execute a purchase and sale agreement within 90 days following Lessee's notice, the option exercise shall lapse and the Lease shall continue in full force and effect. The option shall automatically expire at the end of Lease Year Ten (10).
- 7. Right of First Refusal.** From and after the Lease Commencement Date and continuing for the full Term (including any renewal terms), Lessee shall have a right of first refusal to purchase the Property. If, during such period, Lessor desires to sell the Property to a third party and receives a bona fide written offer that Lessor is prepared to accept, Lessor shall first provide Lessee with written notice of the principal terms of such proposed sale. Lessee shall have 45 days after receipt of such notice to elect, by written notice to the Lessor, to purchase the Property on substantially the same economic terms. If Lessee does not timely elect to do so, Lessor may proceed to sell the Property to such third party on those terms within 45 days, after which Lessee's right of first refusal shall continue to apply to any later proposed sale.
- 8. Letter of Intent:** This Letter of Intent is subject to a fully executed lease agreement acceptable to both Lessor and Lessee's legal counsel, and nothing other than a fully executed lease agreement shall constitute an agreement between the Lessor and Lessee.
- 9. Nonbinding.** This is a letter of intent only, and the provisions hereto shall not legally bind the parties hereof unless and until the same are incorporated into a definitive lease agreement that has been approved and signed by the Lessor and by the Lessee.
- 10. Confidentiality.** The contents of this Letter of Intent are not to be disclosed to third parties without the consent of Lessor and Lessee.

VALLEY FORGE MILITARY ACADEMY  
AND COLLEGE FOUNDATION

VALLEY FORGE PUBLIC SERVICE  
ACADEMY CHARTER SCHOOL

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

By: /s/ Stephen J. Flavell\_\_\_\_\_

Name:

Name: Stephen J. Flavell

Title:

Title: Chief Executive Officer

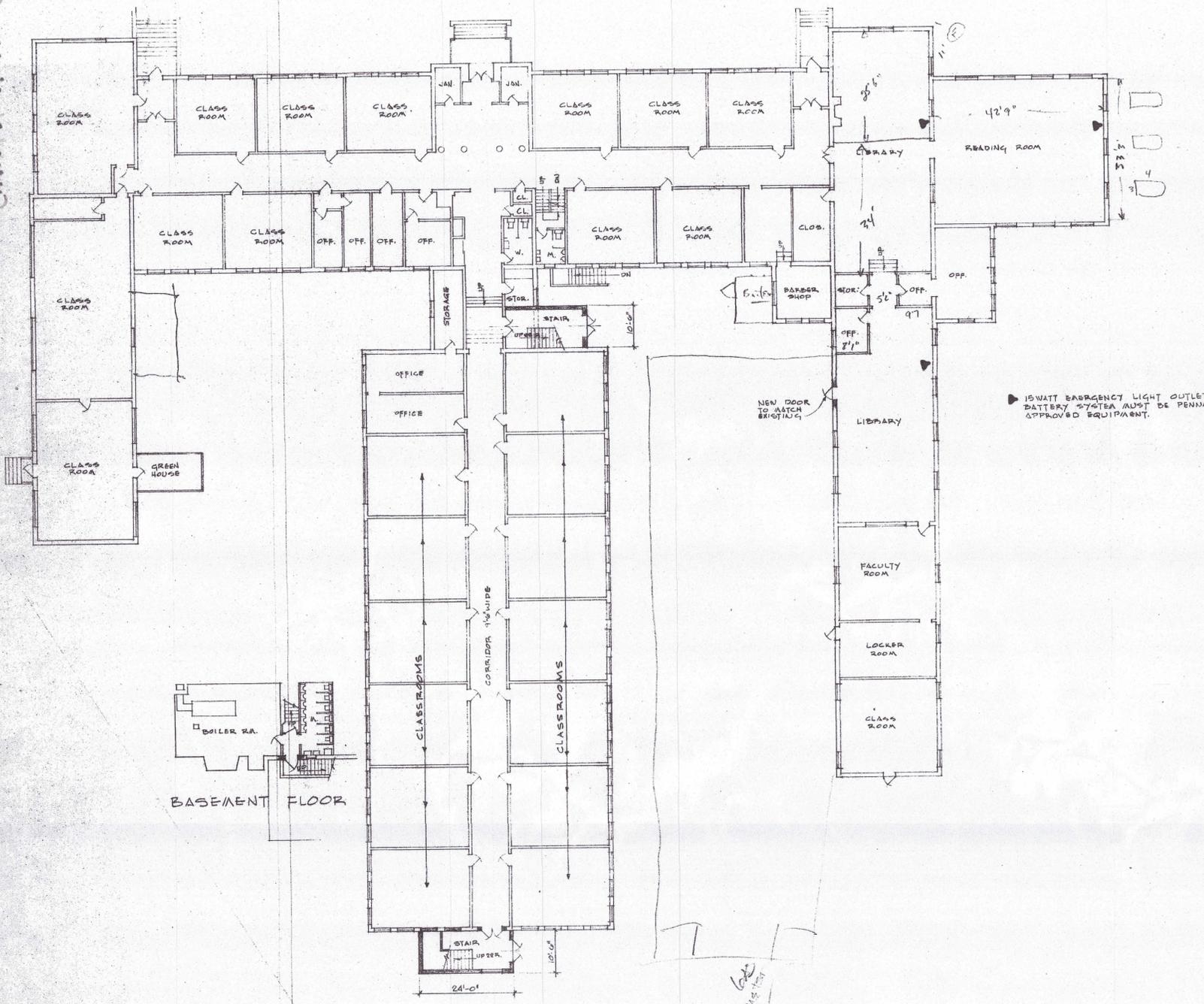
**AGREED AND ACCEPTED**

**AGREED AND ACCEPTED**

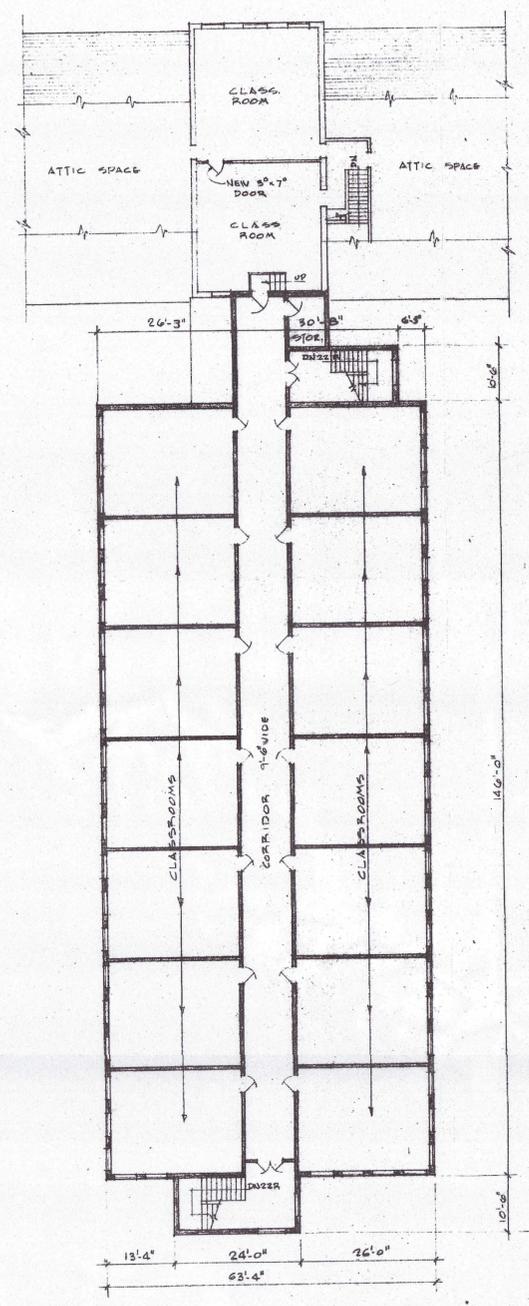
this \_\_\_\_ day of November, 2025

this 13th day of November, 2025

1001  
 2010 1001 1111 1001



FIRST FLOOR PLAN



SECOND FLOOR PLAN

|  |              |   |
|--|--------------|---|
| COMPLETE FIRST & SECOND FL. PLANS  |              |   |
|  | D. R. NUMBER | 406250  |
|  | DRAWN BY     | TRZ   |
|  | CHECKED BY   |   |
|  | APPROVED BY  |   |
| ALTERATIONS & ADDITIONS<br>SHANNON HALL<br>VALLEY FORGE<br>MILITARY ACADEMY<br>WAYNE, PENNSYLVANIA |              | DATE ISSUED<br>5-12-64<br>SCALE<br>1/8" = 1'-0" |
| GILLES J. HUGHES A.I.A.<br>ARCHITECT<br>16 E. LANCASTER AVE. ARDMORE, PA.                          |              | DRAWING NUMBER<br><b>6410-4</b>                 |



|                        |   |
|------------------------|---|
| <b>PROJECT NAME:</b>   | <u>VFMAC - Shannon Hall Renovations</u> |
| <b>PREPARED FOR:</b>   | <u>Alan Wohlstetter</u>                 |
| <b>DATE:</b>           | <u>10/30/2025</u>                       |
| <b>REVISION:</b>       | <u>1</u>                                |
| <b>REFERENCE DOCS:</b> | <u>N/A</u>                              |



BSI Construction, LLC.  
735 Birch Ave.  
Andalusia, PA 19020  
(215) 447-3140

### EXECUTIVE COST SUMMARY

| CSI                  | DESCRIPTION                                       | TOTAL              |
|----------------------|---|--------------------|
| Division 01          | General Requirements                              | \$134,876          |
| Division 02          | Existing Conditions                               | \$59,000           |
| Division 31          | Earthwork   | \$0                |
| Division 32          | Exterior Improvements                             | \$183,800          |
| Division 33          | Utilities   | \$0                |
| Division 34          | Transportation                                    | \$0                |
| Division 03          | Concrete  | \$54,463           |
| Division 04          | Masonry   | \$52,200           |
| Division 05          | Metals  | \$13,300           |
| Division 06          | Wood, Plastics, and Composites                    | \$32,050           |
| Division 07          | Thermal and Moisture Protection                   | \$785,300          |
| Division 08          | Openings  | \$82,500           |
| Division 09          | Finishes  | \$359,354          |
| Division 10          | Specialties                                       | \$17,900           |
| Division 11          | Equipment   | \$0                |
| Division 12          | Furnishings                                       | \$1,400            |
| Division 13          | Special Construction                              | \$0                |
| Division 14          | Conveying Equipment                               | \$115,000          |
| Division 21          | Fire Suppression                                  | \$0                |
| Division 22          | Plumbing  | \$98,100           |
| Division 23          | Heating, Ventilation, and Air Conditioning (HVAC) | \$34,200           |
| Division 25          | Integrated Automation                             | \$0                |
| Division 26          | Electrical  | \$28,770           |
| Division 27          | Communications                                    | \$0                |
| Division 28          | Electronic Safety and Security                    | \$12,500           |
|                      | Subtotal  | \$2,064,713        |
|                      | Insurance   | \$21,886           |
|                      | Estimating Contingency and Escalation             | \$103,236          |
|                      | Construction Contingency                          | \$103,236          |
|                      | Bond  | \$0                |
|                      | Local Taxes                                       | \$2,922            |
|                      | Subtotal  | \$2,295,992        |
|                      | Fee   | \$114,800          |
| <b>PROJECT TOTAL</b> |   | <b>\$2,410,791</b> |



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### BSI CONSTRUCTION - DETAILED COST SUMMARY

| CSI      | DESCRIPTION                                     | TOTAL     |
|----------|---|-----------|
| 01 00 00 | General Requirements                            | \$38,550  |
| 01 10 00 | Professional Services (Design & Engineering)    | \$0       |
| 01 30 00 | General Conditions                              | \$96,326  |
| 01 41 26 | Permit Fees                                     | \$0       |
| 02 41 00 | Demolition                                      | \$59,000  |
| 02 60 00 | Contaminated Site Material Removal              | EXCLUDED  |
| 02 80 00 | Facility Remediation                            | EXCLUDED  |
| 31 00 00 | Earthwork                                       | \$0       |
| 31 11 00 | Site Clearing                                   | \$0       |
| 31 32 00 | Ground Improvements                             | \$0       |
| 31 40 00 | Shoring & Underpinning                          | \$0       |
| 31 60 00 | Deep Foundations                                | \$0       |
| 32 12 00 | Paving  | \$0       |
| 32 30 00 | Site Improvements, Site Concrete, & Hardscaping | \$183,800 |
| 32 90 00 | Landscaping                                     | \$0       |
| 33 10 00 | Water Utilities                                 | \$0       |
| 33 30 00 | Sanitary Utilities                              | \$0       |
| 33 40 00 | Stormwater Utilities                            | \$0       |
| 33 70 00 | Electrical Utilities                            | \$0       |
| 33 80 00 | Communication Utilities                         | \$0       |
| 34 41 00 | Traffic Signaling                               | \$0       |
| 03 30 00 | Cast-In-Place Concrete                          | \$28,963  |
| 03 40 00 | Precast Concrete                                | \$0       |
| 03 80 00 | Concrete Cutting, Boring, and Trenching         | \$25,500  |
| 04 20 00 | Unit Masonry                                    | \$52,200  |
| 04 40 00 | Stone Assemblies                                | \$0       |
| 05 10 00 | Structural Steel                                | \$0       |
| 05 50 00 | Miscellaneous Metals                            | \$13,300  |
| 06 10 00 | Rough Carpentry                                 | \$23,250  |
| 06 20 00 | Millwork & Finish Carpentry                     | \$8,800   |
| 07 10 00 | Waterproofing                                   | \$5,000   |
| 07 42 00 | Metal Panels                                    | \$0       |
| 07 50 00 | Roofing   | \$774,800 |
| 07 60 00 | Flashing and Sheet Metal                        | \$0       |
| 07 90 00 | Caulking & Joint Sealants                       | \$5,500   |
| 08 10 00 | Doors, Frames, and Hardware                     | \$82,500  |
| 08 30 00 | Overhead Doors                                  | \$0       |
| 08 40 00 | Exterior Glass & Glazing                        | \$0       |
| 08 80 00 | Interior Glass & Glazing                        | \$0       |
| 08 90 00 | Louvers & Vents                                 | \$0       |
| 09 20 00 | Drywall Partitions - Framing & Finishing        | \$88,000  |
| 09 30 00 | Tiling  | \$26,554  |
| 09 51 00 | Acoustic Ceiling Tile                           | \$12,000  |
| 09 54 00 | Specialty Ceilings                              | \$0       |
| 09 60 00 | Flooring  | \$153,600 |
| 09 62 00 | Specialty Flooring                              | \$0       |



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|          |  |       |                    |
|----------|--|-------|--------------------|
| 09 66 00 | Terrazzo                                 |       | \$0                |
| 09 70 00 | Wall Coverings                           |       | \$0                |
| 09 80 00 | Acoustic Treatment                       |       | \$0                |
| 09 90 00 | Painting & Coatings                      |       | \$79,200           |
| 10 10 00 | Signage                                  |       | \$500              |
| 10 20 00 | Specialties                              |       | \$0                |
| 10 28 00 | Toilet Accessories                       |       | \$17,400           |
| 11 12 00 | Parking Control Equipment                |       | \$0                |
| 11 13 00 | Loading Dock Equipment                   |       | \$0                |
| 11 40 00 | Food Service Equipment                   |       | \$0                |
| 12 20 00 | Window Treatments                        |       | \$1,400            |
| 12 30 00 | Casework                                 |       | \$0                |
| 12 60 00 | Audience Seating                         |       | \$0                |
| 12 93 00 | Interior Plantings & Green Walls         |       | \$0                |
| 13 00 00 | Special Construction                     |       | \$0                |
| 13 12 00 | Water Features                           |       | \$0                |
| 14 20 00 | Elevators / Vertical Transportation      |       | \$115,000          |
| 14 42 00 | Man & Material Hoists                    |       | \$0                |
| 21 00 00 | Fire Suppression                         |       | \$0                |
| 21 20 00 | Fire-Extinguishing Systems               |       | \$0                |
| 22 00 00 | Plumbing                                 |       | \$98,100           |
| 23 00 00 | Heating, Ventilation, & Air Conditioning |       | \$34,200           |
| 25 00 00 | Building Automation Systems              |       | \$0                |
| 26 00 00 | Electrical Equipment & Distribution      |       | \$21,000           |
| 26 51 00 | Lighting                                 |       | \$7,770            |
| 26 56 00 | Site Lighting                            |       | \$0                |
| 27 20 00 | Low Voltage Data Wiring                  |       | \$0                |
| 27 21 00 | Data Infrastructure                      |       | \$0                |
| 27 40 00 | Audio/Visual Systems                     |       | \$0                |
| 28 10 00 | Access Control                           |       | \$0                |
| 28 20 00 | Video Surveillance                       |       | \$0                |
| 28 30 00 | Alarm Systems                            |       | \$0                |
| 28 40 00 | Life Safety Systems                      |       | \$12,500           |
|          | Subtotal                                 |       | \$2,064,713        |
|          | General Liability Insurance              | 1.00% | \$20,647           |
|          | Builder's Risk Insurance                 | 0.06% | \$1,239            |
|          | Subcontractor Default Insurance (SDI)    | 0.00% | \$0                |
|          | Worker's Compensation                    | 0.00% | \$0                |
|          | Estimating Contingency and Escalation    | 5.00% | \$103,236          |
|          | Construction Contingency                 | 5.00% | \$103,236          |
|          | Bond                                     | 0.00% | \$0                |
|          | Local Taxes                              | 0.14% | \$2,922            |
|          | Subtotal                                 |       | \$2,295,992        |
|          | Fee                                      | 5.00% | \$114,800          |
|          | <b>PROJECT TOTAL</b>                     |       | <b>\$2,410,791</b> |



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## EXCLUSIONS & CLARIFICATIONS

### Exclusions

- 1 Contaminated Soils Removal
- 2 Asbestos Remediation
- 3 Lead Remediation
- 4 Mold Remediation
- 5 Bonds
- 6 Worker's Compensation
- 7 Sprinklers
- 8 New Ceilings Throughout
- 9 Reconfiguration of Any Space Outside the Restroom/Elevator Shaft Areas
- 10 Paving / Site Concrete for Bus Lane & Parking
- 11 Brick Repointing
- 12 Landscaping

BSI's main concern with regards to this project, given observable conditions and the age of the building, is the extent to which abatement is likely required prior to reopening the building for charter school use. We recommend that VFMAC performs asbestos/lead/mold testing throughout the building ASAP in order to identify potential hazardous materials. At this time, we include no provisions for abatement in our budget. Abatement will likely have a significant impact on schedule and cost.

### Clarifications

- 1 Union Labor Included
- 2 Normal Working Hours Included, Mon-Fri 7AM-3PM
- 3 We assume the building will remain unsprinklered and will be grandfathered in by the township
- 4 Demolition of Lafayette Hall & Infill to Grade is included in Line Item 02 41 00
- 5 The work associated with exterior sidewalks, stairs, and ADA ramps is included in Line Item 32 30 00
- 6 We assume that the most cost-effective and schedule conscious way to reconfigure the restrooms to the degree required will be to remove the existing slab, install new sanitary piping, and pour a new slab in its place. We include these costs in our estimate.
- 7 We assume a new matt slab will be poured for the elevator shaft at 12" thickness
- 8 A structural CMU wall is included for the elevator shaft
- 9 We include replacement of 2,500 SF of wood subfloor in Line Item 06 10 00
- 10 The roof replacement scope of work is as follows:
  - Removal of Existing Materials
  - Dumpsters for All Roofing Demo & Install
  - Replacement of Wood Deck Throughout
  - New Underlayment
  - Aluminum Flashing at Drip Edges and Step Flashing
  - Copper Flashing at Chimneys, Valleys, and Ridge Caps
  - New GAF HDC 40 Year Shingles
  - New GAF Rubber Roof Membrane on Flat Roofs
  - New Gutters & Downspouts for Entire Roof System
  - Penetration for Exhaust Fans
- 11 Please see attached sketch for intent with restroom and elevator shaft reconfigurations
- 12 We include a \$1.50 / SF allowance for floor leveling and \$2/SF for new VCT tile throughout the full 39,000 SF of the building



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- 13 We include an allowance to paint the entire building interior
- 14 Elevator assumed to be Machine Room-Less to Avoid Overrun & Significant Pit Requirements. Closet Included for Control Panel.
- 14 Capacity roughly 2500-3000 lbs.