

**NOTICE OF HEARING ON PROPOSED LEASE  
NEW PALESTINE COMMUNITY SCHOOLS**

You are hereby notified that a public hearing will be held before the Board of Trustees (the "Board") on October 5, 2026 at the hour of 6:30 p.m. (Local Time) at 4711 South 500 West, New Palestine, Indiana, upon, a proposed lease agreement (the "Lease") to be entered into between New Palestine Multi-School Building Corporation (the "Building Corporation"), as lessor, and New Palestine Community Schools (the "School Corporation"), as lessee. The meeting will also be available to stream live from <https://www.youtube.com/@NewPalCS/streams>.

The proposed Lease upon which hearing will be held is for a term of thirty (30) years, commencing: (i) with regard to Tract I, on the date of closing on the Building Corporation's Ad Valorem Property Tax First Mortgage Bonds, Series 2026 and (ii) with regard to Tract II, with the completion of the building addition to be constructed on Tract II by the Building Corporation. The Lease provides for rental during renovation in the amount of up to \$7,500,000 per payment payable on June 30 and December 31 beginning on June 30, 2027 until completion of the addition on Tract II of the Leased Premises. Thereafter, the Lease provides for a maximum annual rental of \$15,000,000, payable on June 30 and December 31 of each year during the term of the Lease, commencing with the completion of the addition on Tract II or June 30, 2029, whichever is later. As additional rental, the School Corporation shall maintain insurance on the buildings as required in the Lease, shall pay all taxes and assessments against such property, as well as the cost of alterations and repairs, and shall pay rebate amounts to the United States Treasury, as necessary. After the sale by the Building Corporation of its ad valorem property tax first mortgage bonds to pay for the cost of the buildings, including the acquisition of the sites thereof and other expenses incidental thereto, the annual rental shall be

reduced to an amount equal to the multiple of \$1,000 next higher than the sum of principal and interest due on such bonds in each twelve-month period ending on January 15 plus \$5,000, payable in equal semiannual installments.

The Lease gives an option to the School Corporation to purchase the property on any rental payment date.

The building to be renovated will be Sugar Creek Elementary School located at 2337 South 600 West, New Palestine, Indiana and the real estate on which the addition to Sugar Creek Elementary School also located at 2337 South 600 West, New Palestine, Indiana. Both being located in the School Corporation.

The drawings, plans and estimates for the cost of said renovation as well as a copy of the proposed Lease, are available for inspection by the public on all business days, during business hours, at the Administration Building of the School Corporation, 4711 South 500 West, New Palestine, Indiana.

At such hearing all persons interested shall have a right to be heard upon the necessity for the execution of the Lease, and upon whether the Lease rental provided for therein to be paid to the Building Corporation is a fair and reasonable rental for the proposed buildings. Such hearing may be adjourned to a later date or dates, and following such hearing the Board of the School Corporation may either authorize the execution of the Lease as originally agreed upon or may make modifications therein as may be agreed upon with the Building Corporation.

Dated this 2<sup>nd</sup> day of September, 2026.

/s/ Secretary, Board of Trustees

Secretary, Board of Trustees  
New Palestine Community Schools