

RAVENSWOOD CITY SCHOOL DISTRICT

LEASE AGREEMENT

Brentwood School Site

2086 Clarke Street

East Palo Alto, California 94303

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EXHIBIT A-1 MAP AND DESCRIPTION OF PROPERTY

EXHIBIT A-2 COLLABORATION OPPORTUNITIES

EXHIBIT A-3 LETTER FROM CITY OF EAST PALO ALTO

LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter referred to as "**Lease**") is made on this _____ day of _____, 2020 ("**Effective Date**"), by and between **Ravenswood City School District**, a subdivision of the State of California, (hereinafter referred to as "**Landlord**"); and **The Primary School – East Palo Alto (TPS)**, a California non-profit public benefit corporation (hereinafter referred to as "**Tenant**").

RECITALS:

1. Landlord owns the real property located at 2086 Clarke St, East Palo Alto, County of San Mateo, State of California 94303, which is described on **Exhibit A-1** (the "**Brentwood Site**").
2. Tenant desires to lease from Landlord the Brentwood Site which is defined herein as the "Property" and depicted as the area within the bold line on the map on **Exhibit A-1**.
3. The Brentwood Site was declared surplus property pursuant to Board Resolution No. 2019/2020-11 and will not be used as a school site by Landlord for the foreseeable future.

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

1. DESCRIPTION

A. Property. Landlord does hereby lease to Tenant and Tenant does hereby lease from Landlord the Property. The Property is defined to include: (i) all of the existing buildings, including all classrooms, administrative buildings, library, gym, multi-purpose room, and portable and modular buildings, (collectively "**Buildings**") and adjacent outdoor areas, (ii) the parking lot and driveway (the "**Parking Lot**"), and (iii) the blacktop area immediately adjacent to the Buildings within the fenced school site (the "**Blacktop**"), as depicted within the dashed line on the map on **Exhibit A-1**. The Property does **not** include areas outside the fenced school site, as depicted by the dashed line on the map on **Exhibit A-1**, specifically all sports fields and recreation areas (the "**Sports Fields**").

B. License to Use Sports Field. Landlord hereby grants to Tenant and its employees, agents, officers, contractors, subtenants, licensees and invitees (collectively, "**Tenant's Agents**") an irrevocable license to use the Sports Field during School Hours, which use during School Hours shall be shared with Los Robles-McNair School. The Parties agree that Los Robles-McNair School shall reasonably coordinate with Tenant for the use of Sports Field during School Hours and that no other users besides Tenant and Los Robles-McNair School shall be permitted during School Hours. "**School Hours**" shall mean from the hours of 7:00am through 3:00pm Monday through Friday excepting public school holidays. Tenant shall comply with requirement to submit Facilities Use Requests Forms for uses that are not during School Hours

2. TERM

A. Initial Term. The term (“**Term**”) of this Lease shall be for ten (10) years, commencing on August 1, 2020 (the “**Commencement Date**”) and expiring on July 31, 2030 (the “**Expiration Date**”), or such earlier date on which this Lease terminates pursuant to its terms, unless extended pursuant to subsection B below. The date upon which this Lease actually terminates, whether by expiration or earlier termination pursuant to the terms of this Lease, is sometimes referred to in this Lease as the “**Termination Date**”.

B. Term Extension. This Lease will terminate on the Termination Date. If Tenant wishes to extend the term of this agreement, Tenant must submit written request to Landlord at any time during the sixth year of the current Term (“**Extension Request**”). Any request to extend the original term of the Lease must be considered and approved by the Board of Trustees. If Tenant submits a written request for a term extension, Landlord shall deliver a written notice to Tenant approving or disapproving Tenant’s Extension Request no later than October 1 of the eighth year of the Lease. The Landlord shall grant the Tenant first consideration for an extension before seeking out any other potential tenants.

If the Board of Trustees denies the Extension Request on or before October 1st during the seventh year of the initial Term, the Expiration Date shall remain unchanged (i.e., July 31, 2030). If, however, the Board of Trustees denies the Extension Request after October 1st during the seventh year of the Lease Term, but on or before October 1st during the 8th year of the Lease Term, then the Expiration Date shall be extended to July 31, 2031. If the Board of Trustees approves the Extension Request, the parties shall execute a written amendment to this Lease extending the Expiration Date and fix the Rent for the Extension Term accordingly within 30 days of Landlord’s approval of such extension. Any agreement for an extension will include a re-benching of the base rate reflective of projected year ten (10) property valuation projections for a school use. From and after the date of Landlord’s written notice approving Tenant’s Extension Request, all references to “Expiration Date” shall be deemed to refer to the last day of the Extended Term, and all references to “Term” shall be deemed to include the Extended Term(s).

In addition, Landlord may elect at any time during the Term to offer to extend the Term for an additional ten (10) years, to July 31, 2040 by providing Tenant with a written notice (“**Landlord Extension**”). Tenant shall either accept or decline the Landlord Extension within ninety (90) days after receiving written notice of the Landlord Extension. If the Landlord Extension is granted and accepted before the first day of October of the seventh year of the Lease, the Monthly Rent for the Term shall prospectively be increased as identified below. The Rent increase shall go into effect two (2) months after the Parties execute an amendment to this Lease to memorialize the Landlord Extension, Monthly Rent increase and Rent for the Extension Term, and shall not be retroactive. The Parties shall reasonably cooperate to expeditiously prepare and execute an amendment to this Lease to memorialize the Landlord Extension. The Annual Rent for years 8-10 shall be adjusted annually as set forth in Section 3.B:

- Year 1: \$115,517/month
- Year 2: \$117,828/month
- Year 3: \$120,184/month
- Year 4: \$122,588/month
- Year 5: \$125,040/month

- Year 6: \$127,540/month
- Year 7: \$130,091 /month

If the Landlord Extension is offered by Landlord and accepted by Tenant prior to the first day of the fifth year, in addition to the Rent increase set forth above, Tenant shall pay to Landlord an additional amount of Two Hundred and Fifty Thousand Dollars (\$250,000) within thirty (30) days after the Parties execute an amendment to this Lease to memorialize the Landlord Extension and Monthly Rent increase.

3. RENT

A. Rent. Commencing upon the Commencement Date, and thereafter during the Term subject to the Rent Adjustment set forth below, Tenant shall pay to Landlord the annual rent in the amount of One Million Three Hundred Seven, Seven Hundred Forty-Three Dollars (\$1,307,743) ("**Annual Rent**") in twelve (12) monthly installments of One Hundred Eight Thousand Nine Hundred Seventy Eight Dollars and Fifty Eight Cents (\$108,978.58) on or before the first day of each month, except as otherwise set forth herein, such payments shall be made by Tenant, in advance, without deduction, setoff, prior notice or demand ("**Monthly Rent**"). If the Commencement Date occurs on a day other than the first day of a calendar month, or the Termination Date occurs on a day other than the last day of a calendar month, then the Monthly Rent for such fractional month will be prorated on the basis of the actual number of days in such month.

B. Rent Adjustment. The Annual Rent shall remain fixed at One Million Three Hundred Seven, Seven Hundred Forty-Three Dollars (\$1,307,743) for the first year of the Lease. Thereafter, the Annual Rent will increase annually, effective on July 1 for each succeeding year of the Lease (each, an "**Adjustment Date**"), beginning on August 1, 2021, by an amount of two percent (2%). In no event shall the Annual Rent payable as of any such Adjustment Date be less than that applicable to the 12-month period immediately preceding such Adjustment Date.

C. Late Payment. Tenant acknowledges that late payment by Tenant to Landlord of the Monthly Rent and other sums due (including, but not limited to, Sublet Rent and Additional Rent, as such terms are hereinafter defined) hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges. Accordingly, if any installment of rent or any other sum due from Tenant shall not be received by Landlord by 4:00 p.m. within ten (10) calendar days after such amount shall be due, Tenant shall pay to Landlord, as Additional Rent, a late charge of five hundred dollars (\$500). The parties hereby agree that such late charges represent a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of its other rights and remedies granted hereunder.

D. Additional Rent. Except as otherwise set forth herein, taxes, late charges, costs and expenses which Tenant is required to pay hereunder, together with all interest and penalties that may accrue thereon in the event of Tenant's failure to pay such amounts, and all reasonable

damages, costs, and attorneys' fees and expenses which Landlord may incur by reason of any default of Tenant or failure on Tenant's part to comply with the terms of this Lease, shall be deemed to be additional rent ("**Additional Rent**"). Landlord will provide Tenant with copies of all invoices and documentation of Additional Rent to be paid at least thirty (30) days prior to their due date. In the event of nonpayment by Tenant after thirty (30) days' written notice to Tenant and a failure to cure, Landlord shall have all of the rights and remedies with respect thereto as Landlord has for the nonpayment of the monthly rent.

E. Additional Contribution to Landlord by Tenant. In addition to the rent payments detailed above, Tenant agrees and promises to provide an unrestricted contribution of One Million Dollars (\$1,000,000) over the initial three-year period of the lease (\$333,333 annually) that Landlord may use in any manner that supports the Landlord's strategic plan. This unrestricted contribution is not and shall not be considered rent or additional rent for any purpose. The intent of this contribution is to support the Ravenswood City School District in its strategic plan priorities, as an investment in positive change and outcomes with children and families across the community. This payment shall be made by October 1 each year during the three year period, conditioned upon Tenant occupying the Premises at the time of the payment.

4. SECURITY DEPOSIT

A. Security Deposit. Upon execution of this Lease, Tenant shall have deposited with Landlord the sum of **\$108,979**. This **\$108,979** shall constitute the security deposit for the Lease (the "**Security Deposit**").

B. Use of Security Deposit. Said security deposits shall secure the timely, full and faithful performance by Tenant of each term, covenant and condition of this Lease. If, at any time, Tenant shall fail to make any payment or fail to keep or perform any term, covenant or condition on its part to be made or performed or kept under this Lease, Landlord may, but shall not be obligated to and without waiving or releasing Tenant from any obligation under this Lease, use, apply or retain the whole or any part of the Security Deposit: (a) to the extent of any sum due to Landlord; (b) to make any required payment on Tenant's behalf; or, (c) to compensate Landlord for any loss, damage, attorneys' fees or expense sustained by Landlord due to Tenant's default. In such event, Tenant shall, within ten (10) business days of written demand by Landlord, remit to Landlord sufficient funds to restore the Security Deposit to its amount prior to such deduction. No interest shall accrue on the Security Deposit. Landlord shall not be deemed a trustee of the Security Deposit, and may commingle the Security Deposit with its other funds. Said Security Deposit, less any sums owing to Landlord pursuant to this Lease, shall be returned to Tenant within thirty (30) days after the Termination Date and vacancy of the Property by Tenant, provided that the Property is returned to the District in the condition required by this Lease, excepting normal wear and tear.

5. DELIVERY

A. Landlord shall deliver possession to Tenant broom clean and, except as otherwise agreed to in writing by Landlord and Tenant, empty of personal property that is not affixed to the Property on August 1, 2020 and Tenant shall continue to have possession of the Property until the Termination Date. Notwithstanding the foregoing, Tenant shall cooperate with the District in

allowing furniture and other District personal property to remain on the Property after August 1, 2020 while the District uses reasonable efforts to remove from the Property such furniture and personal property.

B. Landlord shall not be required to make or construct any alterations including structural changes, additions or improvements to the Property. Except as otherwise set forth herein, by accepting possession of the Property on the Commencement Date pursuant to this Lease, Tenant accepts the Property in its "as-is" condition and repair existing as of the Commencement Date. Except as otherwise set forth herein, Tenant acknowledges that neither Landlord nor Landlord's agents have made any representation or warranty as to the suitability of the Property to the conduct of Tenant's business. Any agreements, warranties or representations not expressly contained herein shall in no way bind either Landlord or Tenant, and Landlord and Tenant expressly waive all claims for damages by reason of any statement, representation, warranty, promise or agreement, if any, not contained in this Lease.

6. USE OF PROPERTY, SPORTS FIELDS, USE PERMIT & ADDITIONAL TERMS

A. Use of Property. The Property shall be used by Tenant as a pre-school through eighth grade school, and may include day care, after school programs, parent education and coaching, early childhood support program, community and wrap-around services, athletic activities, and associated office and administrative uses. Tenant shall not use the Property for any use other than that specified in this subsection without the prior written consent of Landlord. Tenant shall require all subtenants, licensees, and invitees, to use the Property only in conformance with this use, and subject to all requirements of all federal, state, county and municipal governments, agencies, courts, commissions, boards, or any other body exercising functions similar to those of any of the foregoing, foreseen or unforeseen, ordinary as well as extraordinary, which may be applicable to the Property ("**Applicable Laws**"). Tenant shall not commit or permit to be committed any waste upon the Property, or allow any sale by auction upon the Property, or allow the Property to be used for any unlawful purpose, or place any loads upon the floors, walls or ceilings which endanger the structure, or place any harmful liquids in the drainage system of the building. No waste materials or refuse shall be dumped upon or permitted to remain upon any part of the Property except in containers designed and designated for that purpose. Any uses which involve the serving and/or sale of alcoholic beverages and the conducting of games of chance are prohibited on the Property. Tenant shall comply with Landlord's written policy prohibiting the use of tobacco products on the Property at all times, which shall be made available to Tenant upon Tenant's request. Tenant shall not use or permit the use of the Property or any part thereof for any purposes which are unsuitable for a public educational facility. Tenant agrees to respond within one business day or as soon as reasonably possible to any concerns expressed by neighbors or Landlord relating to the operation of the Property.

B. Zoning. Landlord specifically does not warrant, represent or guarantee any particular zoning or particular use of the Property. Landlord and Tenant shall cooperate reasonably and in good faith throughout the Term of the Agreement on appropriate actions to maintain Tenant's legal ability to use the Property in the manner authorized by this Agreement. If a court of competent jurisdiction issues an order that is final or that becomes final that prohibits Tenant from continuing to engage on the Property in the activities permitted under this

Agreement, absent an amendment to the City's general plan, or the City directs Tenant to vacate the Property, Tenant shall have the right, thereafter, to terminate this Lease on thirty (30) days prior written notice. An operational letter from the City of East Palo Alto addressing the Tenant's occupancy of the Brentwood site is included as **Exhibit A-3**.

C. Use of Sports Field. The Sports Field shall be used cooperatively by Landlord, Tenant, the general public and other user groups ("User Groups") during the Term during after School Hours, provided that Tenant and Los Robles-McNair School may use the Sports Field exclusively during School Hours pursuant to Section 1B. Landlord shall maintain the Sports Field in accordance with Section 10B. Tenant shall use the Facilities Use Request Form process to request use of Sports Field during after School Hours.

D. Parking and Traffic. Tenant shall have the exclusive use of the Parking Lot during School Hours, and shared use on a first-come first-served basis outside of School Hours. Tenant shall not abandon any inoperative vehicles or equipment on any portion of the Property. Tenant agrees to keep the Parking Lot free and clear of debris.

E. Tenant Student Enrollment Caps. Tenant agrees that Kindergarten through eighth grad enrollment at the Property will not exceed 468 students and pre-K enrollment will not exceed 96 students at any time during the Lease term.

F. Collaboration Opportunities. Landlord and Tenant shall make a good faith effort to convene within ninety (90) days of the Commencement Date to explore collaboration opportunities and work towards a Memorandum of Understanding ("MOU") outlining mutually agreed upon collaboration efforts and goals. Based on this MOU, the Tenant would be prepared to dedicate the equivalent of a new, full time staff or contractor position to manage and implement collaboration opportunities between TPS and the District, including in the areas of socio-emotional learning, parent program, health integration, birth to three services, and/or mental health. These possible areas of collaboration are more fully described in Exhibit A-2.

G. Installation of Portable Classrooms if Remaining District K-5 and 6-8 Enrollment Capacity Is Exceeded During Term. Landlord took action to close the Property due to continued declining enrollment and took action to declare the site surplus in March 2020. Beginning in the 2020-21 school year Landlord's students will be housed on three elementary campuses and one middle school campus. The school closure action was predicated on the expectation that Landlord will continue to experience a district wide declining enrollment at least for an additional 2-3 years.

Below are the Fall 2020 enrollment projections and enrollment capacity for each of the four sites.

School	Fall 2020 Projections	Capacity
Belle Haven	482	574
Costano	497	533
Los Robles	209	382
CCRMS	629	750

At the K-5 level, Landlord would need to increase enrollment by 301 students to reach capacity and at the middle school level enrollment would have to increase by 121 students in order to reach capacity.

In consideration for the lease of the Property, Tenant agrees that if at any time during the term of this lease Landlord's K-5 enrollment grows to exceed 1489 students or if the 6-8 enrollment grows to exceed 750 students, Tenant agrees to pay the full cost of installation and purchase or lease of portable classrooms at a ratio of 25 students to one portable in order to house the excess students at a campus of Landlord's choice. One portable will be required for the first 25 students beyond district wide capacity at either the K-5 level or 6-8 level. A second portable will be required for the 26th student at either level, and a third portable for the 51st student at either level, etc.

If one of the K-5 campuses exceeds its capacity, Landlord will assign additional students to another K-5 campus until all three sites have reached their respective capacities. The obligation of Tenant to cover the cost of portables would only occur if district wide capacity is exceeded at either the K-5 or 6-8 level.

The financial obligation of Tenant to reimburse Landlord for costs associated with excess capacity portables described above shall not exceed \$500,000 during the Term of the lease. Tenant will reimburse Landlord for the first \$500,000 of portable purchase or lease, as determined by the District in its sole discretion, and installation expenses (including contractors and associated soft costs such as design, engineering, inspection, and DSA plan approval). Any costs in excess of the \$500,000 shall be the financial responsibility of Landlord. Tenant shall not be responsible for any ongoing maintenance or lease costs of the portables once installed.

7. TAXES AND ASSESSMENTS

A. Tenant represents that it is a not-for-profit corporation and, at this time, is not by law assessed possessory interest or property taxes. Tenant is hereby further notified that private use of the public property may result in the assessment of a possessory-interest or similar tax, and Tenant shall be solely responsible for the payment of any such tax pursuant to this Lease. Unless Tenant is exempt pursuant to Applicable Laws, Tenant shall pay before delinquency any and all taxes, assessments, levies, possessory interest taxes, and other charges and governmental fees imposed on the Property including any non-use fees paid by the Landlord ("**Taxes and Assessments**") in excess of \$5,000 per year, general and special, ordinary and extraordinary, unforeseen, as well as foreseen, of any kind or nature whatsoever, including, but not limited to assessments for public improvements or benefits, which prior to or during the Term of this Lease are laid, assessed, levied, or imposed upon or become due and payable and a lien upon or represent an escape assessment from (i) the Property and/or any Tenant Improvements situated thereon or any part thereof or any personal property, equipment or other facility used by Tenant in the operation thereof; or (ii) the rent or income received by Tenant from subtenants or licensees; or (iii) any use or occupancy of the Property by Tenant and of any rights, obligations, easements and franchises of Tenant as may now or hereafter be appurtenant, or appertain to the use thereof. Notwithstanding the foregoing, in the case of any special assessment levied upon

the Property or any part thereof during the Term of this Lease, Tenant shall, unless the Property is exempt pursuant to Applicable Laws, be obligated to pay in full at the inception (or provide Landlord sufficient funds which, together with the accrual of investment yield thereon, shall be sufficient to pay to maturity all installments under) the amount of any such special assessment. Notwithstanding the foregoing, Tenant may contest the amount of Taxes and Assessments or seek a reduction in such amount. Landlord shall reasonably cooperate with any proceedings if necessary and allow Tenant to receive any refund in Taxes and Assessments by reason of such contest. If Landlord incurs attorneys' fees in connection with such cooperation, Tenant shall reimburse Landlord for those fees. Nothing in this Section shall limit Landlord's right to recover, as Additional Rent, Taxes and Assessments payable after the Termination Date. The provisions of this Section 7 shall survive the expiration or earlier termination of this Lease; provided, however, that nothing herein shall obligate Tenant to pay Taxes and Assessments which are both (i) imposed upon the Property subsequent to the termination of this Lease and (ii) applicable to a period or periods subsequent to the termination of this Lease.

B. Landlord shall promptly disclose to Tenant any and all applicable or pending taxes and assessments on the Property as of the date of this Lease, and shall, within thirty (30) days following receipt by Landlord of a notice with respect to any new levy, tax or assessment contemplated by Subsection 7A above, notify Tenant in writing of the same. In the event that any levy, tax or assessment for which Tenant may become liable under Subsection 7A above other than possessory interest taxes or taxes assessed on Tenant's tangible or personal property, trade fixtures, and any Tenant Improvements made by Tenant, which shall at any time exceed the sum of **\$200,000** in anyone calendar year or **\$2,000,000** in total over the term of this Lease, Tenant shall have the right to terminate this Lease by giving Landlord eighteen (18) months' written notice of such termination; provided, that Landlord may, within thirty (30) days after receipt of such notice of termination from Tenant, elect to pay the amount in excess of **\$200,000** in any one calendar year or **\$2,000,000** in total over the Term of this Lease of any such levy, tax or assessment, in which event this Lease shall remain in full force and effect.

C. In the event that the law is changed such that Tenant is assessed for possessory interest or property taxes which shall at any time exceed the sum of **\$200,000** in anyone calendar year or **\$2,000,000** in total over the term of this Lease and Tenant remains a not-for-profit corporation, then Tenant shall have the right to terminate this Lease by giving Landlord eighteen (18) months' written notice of such termination; provided, that Landlord may, within thirty (30) days after receipt of such notice of termination from Tenant, elect to pay the amount in excess of **\$200,000** in any one calendar year or **\$2,000,000** in total over the Term of this Lease of any assessment for possessory interest or property taxes, in which event this Lease shall remain in full force and effect.

D. In the event that Tenant or any sub-tenant operates as or becomes a for-profit corporation, Tenant or any sub-tenant shall be liable for all taxes and assessments assessed on the Property throughout the term of the Lease and Tenant shall not have the right to terminate this Lease in accordance with this Section. Tenant shall be obligated to pay all taxes and assessments in accordance with Section 7A above.

8. INDEMNIFICATION AND INSURANCE

A. Tenant's Indemnification. From and after the Commencement Date, Tenant shall indemnify, reimburse, hold harmless, and defend Landlord, its officers, directors, members, employees, agents, invitees and contractors ("**Landlord Parties**") from and against any and all claims, causes of action, judgments, obligations or liabilities, and all reasonable expenses incurred in investigating or resisting the same (including reasonable attorneys' fees) ("**Claims**"), on account of, or arising out of, the operation, condition, use or occupancy of the Property and all areas appurtenant thereto by Tenant or its officers, directors, members, employees, agents, invitees and contractors (except for Landlord's gross negligence or willful misconduct). Tenant further agrees to indemnify, defend, and hold Landlord harmless against any loss, expense, damage, attorneys' fees or liability arising out of failure of Tenant to comply with any Applicable Law. This Lease is made on the express condition that Landlord shall not be liable for, or suffer loss by reason of, injury to person or property, from whatever cause (except for Landlord's gross negligence or willful misconduct), in any way connected with the condition, use or occupancy of the Property or Sports Fields by Tenant or its officers, directors, members, employees, agents, invitees and contractors, specifically including, without limitation, any liability for injury to the person or property of the Tenant and Tenant's Agents.

B. Landlord's Indemnification. Except where caused by Tenant's gross negligence or willful misconduct, from and after the Commencement Date, Landlord shall indemnify, reimburse, hold harmless, and defend Tenant, its officers, directors, members, employees, agents, invitees and contractors ("**Tenant Parties**") from and against any and all claims, causes of action, judgments, obligations or liabilities, and all reasonable expenses incurred in investigating or resisting the same (including reasonable attorneys' fees) ("**Claims**"), on account of, or arising out of, the operation, licensing or granting use of the Sports Fields to third parties other than Tenant or the maintenance of the Sports Fields. Landlord further agrees to indemnify, defend, and hold Tenant harmless against any loss, expense, damage, attorneys' fees or liability arising out of failure of Landlord to comply with any Applicable Law or its obligations under this Lease.

C. Comprehensive General Liability Insurance. Tenant shall, at Tenant's expense, obtain and keep in force during the Term of this Lease a policy of comprehensive general liability insurance on an occurrence basis insuring Landlord and Tenant against claims and liabilities arising out of the operation, condition, use, or occupancy of the Property, including but not limited to the Blacktop, Sports Fields and the Parking Lot. Such insurance shall be in an amount of not less than **five million dollars (\$5,000,000)** per occurrence for bodily injury or death and property damage and a **ten million dollar (\$10,000,000)** general aggregate limit. The policy shall include a products/completed operations aggregate limit in an amount not less than of **two million dollars (\$2,000,000)** and a personal and advertising injury limit in an amount of not less than **one million dollars (\$1,000,000)**. The insurance shall be with a carrier approved by Landlord, which approval shall not be unreasonably withheld. Prior to possession, Tenant shall deliver to Landlord a certificate of insurance evidencing the existence of the policy required hereunder and stating that such policy shall:

- (1) not be canceled or altered without thirty (30) days prior written notice to Tenant, which shall immediately be transmitted by Tenant to Landlord;
- (2) insure performance of the indemnity set forth in Subsection 8A above;

- thereto;
- (3) state the coverage is primary and any coverage by Landlord is in excess
 - (4) contain a cross liability endorsement;
 - (5) include a separate endorsement naming Landlord as an additional insured;
- and
- (6) waive all rights of subrogation against the Landlord.

At least thirty (30) days prior to the expiration of such certificate, and every such subsequent certificate, Tenant shall deliver to Landlord a new certificate of insurance consistent with all of the terms and conditions required in connection with the original certificate of insurance as described in this Section 8C.

D. Fire and Casualty Insurance.

(1) Landlord's Fire Insurance.

During the Term of this Lease, Landlord shall maintain at its cost a policy of standard fire and casualty insurance for the full replacement cost of the Buildings and improvements located on the Property. In the event of loss or damage to the Buildings or the Property, each of the parties hereto, and all persons claiming under each of the parties, shall look first to any insurance in its favor before making any claim against the other party, and to the extent possible without adding additional costs, each party shall obtain for each policy of such insurance provisions permitting waiver of any claim against the other party for loss or damage within the scope of the insurance and each party, to such extent permitted, for itself and its insurers, waives all such insurance claims against the other party. Any insurance carried by Landlord against such risks shall be primary insurance with respect to any insurance carried by Tenant. Landlord shall not insure against the loss of Tenant's Personalty. Landlord may, at its option, insure Tenant Improvements.

E. Workers Compensation Insurance. During the Term of this Lease, Tenant shall comply with all provisions of law applicable to Tenant with respect to obtaining and maintaining workers compensation insurance. The policy shall be endorsed to waive all rights of subrogation against Landlord. Tenant shall provide Landlord with certificate of insurance.

F. Subtenant Insurance. During the Term of this Lease, Tenant shall require any subtenant of all or any portion of the Property to maintain in effect during the term of such sublease, insurance coverage equivalent to that required to be maintained by Tenant, however, Tenant and Landlord may, upon mutual agreement, reduce such insurance requirements depending upon subtenant's use.

G. Tenant's Property Insurance. Tenant acknowledges that any insurance to be maintained by Landlord on the Property pursuant to this Section 8 will not insure any of Tenant's fixtures, equipment, improvements, and personal property. Accordingly, Tenant shall at its own

expense, maintain in full force and effect an insurance policy on all of its fixtures, equipment, improvements and personal property in, about, or on the Property. Said policy shall be for "All Risk" coverage insurance to the extent of at least ninety percent (90%) of the insurable value of Tenant's property.

H. Insurance Limits. It is the intent of the parties that policy limits set herein shall be reasonably raised from time to time during the Term of this Lease to account for (i) increases in rent for the Property, (ii) increases in the estimated full replacement cost of the Property, and (iii) increases in the general marketplace insurance limits for tenancies including, but not limited to, liability insurance coverage as defined herein or subtenancies consistent with the provisions of this lease.

I. Insurance Requirements. Unless otherwise agreed by the parties, all policies of insurance required under this Lease shall be issued by insurance companies admitted to do business in California with a general policy holder's rating of not less than "A" and a financial rating of not less than Class "VII", as rated in the most current available "Best's Key Rating guide".

J. Mutual Release. Each party hereby releases the other party, and its partners, officers, agents, employees, and servants, from any and all claims, demands, loss, expense or injury to the Premises or to the furnishings, fixtures, equipment, inventory or other personal property of either party in, about, or upon the Premises, which is caused by perils, events or happenings which are covered by the insurance required by this Lease or which are the subject of insurance carried by either party and in force at the time of such loss. Each party shall procure an appropriate clause in, or an endorsement to, all policies required by this Lease or any other insurance policy maintained by Tenant or Landlord, pursuant to which the insurance company or companies waive subrogation or consent to a waiver of a right of recovery against the other party.

9. UTILITIES

Landlord shall transfer to Tenant and Tenant shall accept and be solely responsible for directly paying (to each applicable utility) in Tenant's name, all water, gas, light, heat, power, electricity, telephone, security service, trash pick-up, sewage fees and all other services supplied to or consumed on the Property and all taxes and surcharges thereon.

10. MAINTENANCE, REPAIRS, PROPERTY LEASED "AS IS"

A. The Property shall be leased on an "as is" and "with all faults" basis, with no express or implied warranties whatsoever. The Tenant shall be solely responsible for any and all planning, design, permits, approvals, construction, utilities, taxes, costs and other things of any nature required or convenient to permit the use of the Property contemplated by the Tenant, including, in connection therewith, compliance with the California Environmental Quality Act. Tenant, at its cost, shall maintain the Property in a good condition consistent with the condition of the Property existing at the time of delivery. Tenant acknowledges and accepts that the Property in "as is" condition. Tenant shall be responsible for performing all maintenance and repairs including those pertaining to all the

structural elements of the buildings. Throughout the Term of this Lease Landlord shall have no maintenance or repair responsibilities for the Property.

B. If Landlord elects to perform any maintenance as a result of Tenant's default under the terms of this Lease, even though Landlord has no maintenance or repair obligations, Tenant shall reimburse Landlord, as Additional Rent, within fifteen (15) days after receipt of billing, for the cost of such maintenance and repairs.

C. Except as expressly provided in Subsections A & B above, Tenant shall, at its cost, maintain and repair all parts of the Property including but not limited to structural walls, footings, floor slabs, foundations, roof, windows, skylights, doors and all door hardware, the walls and partitions, all surfaces including ceilings and the roof, the electrical, plumbing, lighting, heating and ventilating systems in a condition similar to that which exists at the Commencement Date, reasonable wear and tear excepted. The term "maintain and repair" shall be defined as all maintenance and repairs required for Tenant to operate its program and any repair or improvement required by Applicable Laws or any governmental authority for Tenant to operate its program.

D. Landlord shall have no maintenance or repair obligations with respect to the Property, other than Landlord shall, at its cost, maintain the Sports Fields in a condition at least the same as that existing as of the Commencement Date, and in a safe condition, and free from any visible hazards, for Tenant's students to use it for physical education and other outdoor activities. Tenant hereby expressly waives the provisions of Subsection 1 of Section 1932 and Sections 1941 and 1942 of the Civil Code of California and all rights to make repairs at the expense of Landlord as provided in Section 1942 of said Civil Code. Landlord shall, at its cost, maintain and repair all parts of the Play Areas.

11. ALTERATIONS AND IMPROVEMENTS

A. Exempt Alterations. Provided such changes do not (1) exceed a total project cost of \$10,000 and (2) affect the structure or exterior appearance of the Property and all such work is done in compliance with Applicable Laws, Tenant from time to time at its expense and without Landlord's consent may maintain or repair the Buildings or Tenant Improvements, or install in or remove from the Buildings or Tenant Improvements fixtures, furniture, furnishings, equipment, supplies and other articles of movable personal property ("**Personalty**") as Tenant may consider beneficial to the operation of its business.

B. Tenant Improvements. Tenant may, at its sole cost and expense, construct or cause to be constructed on the Property or remove or cause to be removed from the Property those improvements including buildings, roadways, sidewalks, fences, playgrounds, parking areas, utilities, signs, monuments and landscaping Tenant deems beneficial to the operation of its business (collectively, "**Tenant Improvements**") subject to Applicable Laws and provided that Tenant has received Landlord approval (which shall not be unreasonably withheld, conditioned or delayed), in writing, for all such Tenant Improvements.

C. Landlord Approval.

(1) For Tenant Improvements, Tenant shall submit to Landlord for its written approval such architectural plans and drawings for the proposed Tenant Improvements along with a schedule of completion (“**Tenant’s Plans**”), which approval shall not be unreasonably withheld, conditioned or delayed. Landlord shall evidence its approval by signing or initialing two (2) sets of Tenant’s Plans. As a condition of approval, Landlord may require in writing at the time of approval (but not thereafter) that Tenant agree to remove certain Tenant Improvements and restore the Property to its original condition existing as of the Commencement Date, reasonable wear and tear excepted, upon the Termination Date, and/or provide Landlord with adequate security for such removal. If Landlord disapproves any aspect of the proposed Tenant’s Plans, the disapproval and the reasons for the disapproval, including a statement of changes Landlord requires to grant approval, shall be delivered to Tenant. If Landlord fails to approve or disapprove the initial submission of Tenant’s Plans (or any portion thereof) within ten (10) business days after receipt, Landlord shall be deemed to have approved the Tenant’s Plans (or any portion thereof), as submitted or resubmitted, as applicable. If Landlord fails to approve or disapprove any revised submission of Tenant’s Plans (or any portion thereof) within five (5) business days or a reasonable timeline after receipt, but in no case longer than eight (8) business days, Landlord shall be deemed to have approved the revised Tenant’s Plans (or any portion thereof), as resubmitted, as applicable. Provided that, for Tenant’s Plans (whether an initial submission or a revision) delivered to Landlord between May 15 and June 30 of any year, Landlord shall have twenty (20) days after receipt to provide its approval or disapproval of Tenant’s Plans.

(2) After receiving Landlord’s approval of the Tenant’s Plans, Tenant shall obtain any and all required approvals for the Tenant Plan’s from the City of East Palo Alto, the Department of the State Architect (“**DSA**”), other governmental agencies including the City of East Palo Alto and Menlo Park Fire Department, if either is applicable, prior to the commencement of any work and deliver copies of such approvals to Landlord within 10 business days after Tenant’s receipt of such approvals. Any changes required to be made to the Tenant’s Plans as a condition of granting any required approval from the City of East Palo Alto, the DSA or any other governmental agency shall not be deemed approved by Landlord and Tenant’s Plans must be submitted for approval pursuant to C(1) of this Section.

(3) Not less than thirty (30) calendar days prior to commencing any Tenant Improvements on the Property, Tenant shall:

(a) Provide Landlord with information regarding the contractor's financial condition and evidence to Landlord's reasonable satisfaction that adequate funds to complete the Tenant Improvements are committed and available or that completion has been otherwise adequately assured. Such assurances may include, in Landlord's discretion, a completion bond or guarantee. No construction shall commence until Landlord has given Tenant written acceptance of such assurances.

(b) Provide Landlord written notice of the date the Tenant Improvements will commence so that Landlord may post such notices of non-responsibility with respect thereto as Landlord may deem appropriate.

(c) Provide Landlord with sufficient evidence that it has obtained all required approvals and permits for the Tenant Improvements and that Tenant or Tenant's contractor(s) has in effect, with premiums paid, commercially reasonable casualty and liability insurance (including builder's risk) coverage and workers compensation.

(4) Upon commencement of construction of any Tenant Improvements, Tenant shall cause the work to be diligently pursued to completion in accordance with the schedule for completion approved by Landlord.

(5) Within ninety (90) days after completion of construction of Tenant Improvements on the Property, Tenant shall deliver to Landlord two (2) full and complete sets of as-built plans for the work so completed.

D. Construction of Tenant Improvements

(1) All work on Tenant Improvements shall be performed in a sound and workmanlike manner, in compliance with the Applicable Laws, in conformance with the Tenant's Plans, or any modifications thereto which have been approved in writing by Landlord if required pursuant to subsection C and, if required, approved by the City of East Palo Alto and the DSA. If a Tenant Improvement requires the use of DSA approved Inspector services, Tenant shall pay directly for the costs related to said services.

(2) Landlord or Landlord's agent shall have a right during the period that Tenant Improvements are being constructed on the Property to enter the Property, with twenty four (24) hour prior notice (unless the District reasonably determines that it is not feasible to provide such notice), to inspect the work provided that such entries and inspections do not unreasonably interfere with the progress of the construction or Tenant's business. Tenant shall require its contractors who construct Tenant Improvements on the Property to reasonably cooperate with Landlord or its agent in such inspections. In connection with any entry by Landlord or Landlord's agent pursuant to this subsection, Landlord covenants and agrees to defend (by counsel reasonably acceptable to Tenant), indemnify, and hold harmless Tenant and its officers, directors, and employees, from and against any and all damage, loss, liability or expense, including, without limitation, reasonable attorneys' fees and costs, which arises as a result of damage to property or injury to persons as a result of Landlord or Landlord's agents entry onto the Property or caused by the negligence or willful misconduct of Landlord or its agent.

(3) Landlord shall cooperate with Tenant by executing and recording all such applications, including building, zoning and use permit applications, necessary for the operation of Tenant's business on the Property as may be reasonably required to complete Tenant Improvements, however, no costs shall accrue to or be borne by Landlord.

(4) Upon completion, all Tenant Improvements shall become part of the Property and shall, upon the Termination Date, become Landlord's property unless otherwise required in writing by Landlord as a condition of approval at the time of Landlord's approval pursuant to subsection C above.

E. Landlord will reasonably cooperate with Tenant in governmental agency approvals, consents and permits for Tenant Improvements approved by the Landlord, and will execute all papers and documents proper or reasonably necessary in connection with governmental agency approvals, consents and permits provided Tenant reimburses Landlord for any documented cost in connection therewith.

12. CASUALTY DAMAGE

A. In the event that a material portion of the Property is destroyed by an uninsured peril or significantly damaged by an uninsured peril, Landlord or Tenant may, upon written notice to the other, given within sixty (60) days after the occurrence of such damage or destruction, elect to terminate this Lease; provided, however, that either party may, within sixty (60) days after receipt of such notice, elect to make the required repairs and/or restoration at such party's sole cost and expense, in which event this Lease shall remain in full force and effect, and the party having made such election to restore or repair shall thereafter diligently proceed with such repairs and/or restoration. In the event this Lease is terminated pursuant to the terms of this Subsection, the surrender of the Property shall be in accordance with Section 29.

B. In the event the Property is damaged by any insured peril or destroyed by any insured peril, the following provisions shall apply:

(1) Insured Peril Other Than Earthquake: Unless prohibited by state or local regulatory authorities, in the event the Property is damaged or destroyed from any insured peril other than earthquake, Landlord may, in its sole discretion, promptly rebuild or restore, at Landlord's expense, the Property to its condition prior to the damage or destruction, in which event this Lease shall remain in full force and effect in accordance with Subsection C. If Landlord elects not to rebuild or restore the Property, Landlord may grant permission to Tenant to rebuild or restore the Property, subject to Landlord's oversight and approval as set forth in Section 11. During the restoration period:

(a) Tenant shall have the right to occupy that portion of the Property not affected by the insured peril;

(b) Tenant may, with Landlord's reasonable approval as to placement locations, procure and install temporary portable classrooms on the Property, at Tenant's sole cost, in order to minimize disruption to Tenant's educational programs, subject to Tenant obtaining approval from the City of East Palo Alto for such portable classrooms. Landlord shall cooperate with and reasonably assist Tenant in obtaining such approval, if necessary, with Tenant paying all out of pocket expenses, including attorneys' fees, of Landlord associated with such cooperation and assistance. Tenant agrees to remove such portable classrooms within sixty (60) days after completion of the restoration work, unless otherwise agreed to between the parties and the City of East Palo Alto.

(c) Rent payable by Tenant to Landlord hereunder shall be abated in accordance with Subsection E.

(2) Insured Peril – Earthquake: Unless prohibited by state or local regulatory authorities, in the event the Property is damaged or destroyed from an earthquake, Landlord may,

in its sole discretion, promptly rebuild or restore the Property to its condition prior to the damage or destruction, in which event this Lease shall remain in full force and effect in accordance with Subsection E, subject to the following provisions:

(a) Landlord's obligation to rebuild or restore shall be limited to the amount of earthquake insurance proceeds and applicable deductible amount designated for reconstruction excepting that portion of the insurance proceeds applicable to Landlord for rent recovery resulting from the rental income loss provisions applicable under the earthquake insurance policy. If Landlord elects to rebuild or restore the Property, Tenant shall pay to Landlord all insurance proceeds received in connection with the insurance obtained pursuant to 8-D. Landlord shall be responsible for the payment of any deductible under the applicable earthquake insurance policy, up to an amount not to exceed the sum of \$200,000. Tenant shall be responsible for the payment of deductible amounts over \$200,000 under the applicable earthquake insurance policy.

(b) Tenant shall have the right to make claims for extraordinary expenses, if any, which are available under the earthquake insurance policy; provided, that Tenant shall not recover under this provision unless Landlord has fully recovered its rent losses and replacement costs of the Property (other than deductible amounts).

(c) During the restoration period:

i. Tenant shall have the right to occupy that portion of the Property not affected by the insured peril;

ii. Tenant may, with Landlord's reasonable approval as to placement locations, procure and install temporary portable classrooms on the Property, at Tenant's sole cost, in order to minimize disruption to Tenant's educational programs, subject to Tenant obtaining all necessary approvals, including but not limited to approvals from the City of East Palo Alto and/or DSA for such portable classrooms. Landlord shall cooperate with Tenant in obtaining such approvals, if necessary, with Tenant paying all out of pocket expenses, including attorneys' fees, of Landlord associated with such cooperation and assistance. Tenant agrees to remove such portable classrooms within sixty (60) days after completion of the restoration work, unless otherwise agreed.

iii. Rent payable by Tenant to Landlord hereunder shall be abated in the same manner as the pro rata equitable reduction set forth in 13 (Condemnation) B. Landlord shall be entitled to recover rent losses incurred as a result from the rental income loss provisions applicable under the earthquake insurance policy.

C. In the event that, pursuant to the foregoing provisions, Landlord is to rebuild or restore the Property, Landlord shall, within sixty (60) days after the occurrence of such damage

or destruction, provide Tenant with written notice of the time required for such repair or restoration. The period of time for Landlord to complete the repair or restoration shall be extended for delays caused by the fault or neglect of Tenant or because of acts of God, labor disputes, strikes, fires, freight embargoes, rainy or stormy weather, inability to obtain materials, suppliers or fuels, acts of contractors or subcontractors beyond the reasonable control of Landlord, or delays of contractors or subcontractors due to such causes or other contingencies beyond the control of Landlord. Landlord's obligation to repair or restore the Property shall not include restoration of Tenant's trade fixtures, equipment, merchandise, or any improvements, alterations, or additions made by Tenant to the Property unless Tenant has received insurance proceeds for the full replacement or rebuilding cost of same and turns over those proceeds to Landlord.

D. If Landlord does not exercise its right to rebuild or restore the Property and Tenant does not rebuild or restore the Property pursuant to this Section, Tenant may terminate the Lease and surrender the Property in accordance with Section 29, and each party shall retain its own insurance proceeds.

E. Unless this Lease is terminated pursuant to this Section, this Lease shall remain in full force and effect; provided, however, that during any period of repairs or restoration, rent and all other amounts to be paid by Tenant shall be abated in the same manner as the pro rata equitable reduction set forth in 13 (Condemnation) B.

F. Landlord shall not be obligated to provide alternative space or pay for the renting of any alternative space for Tenant in the event the Property becomes uninhabitable.

13. CONDEMNATION

A. In the event greater than 30% of the useable space in the Buildings shall be taken under any condemnation or eminent domain proceedings, or all reasonable access to the Buildings shall be prevented for a period of time exceeding 90 days by such proceedings, at any time after the Commencement Date and continuing during the Term or are purchased in lieu thereof (collectively a "Taking"), Tenant may, in Tenant's sole discretion, terminate this Lease. Tenant may terminate this Lease by giving Landlord sixty (60) days written notice to such effect, and this Lease shall terminate and be of no further force and effect upon said date. The notice that may be given by Tenant herein to cancel and terminate this Lease shall be given no later than thirty (30) days after the vesting of title in the applicable governmental body, or if immediate possession has been granted to such governmental body, no later than thirty (30) days after actual possession has been taken by such governmental body.

B. Unless Tenant makes the election to terminate the Lease as provided in 13A above, this Lease shall remain in full force and effect as to such remaining portion, except that from and after the date upon which Tenant shall be required to surrender possession of the portion of the Property lost to a Taking, Tenant shall be entitled to a pro rata equitable reduction in the Annual Rent and Additional Rent to be paid hereunder based upon the number of square feet of useable space in the Buildings taken to the total number of square feet in the Buildings prior to the Taking.

C. All compensation or damages awarded or paid for any Taking hereunder shall belong to and be the sole property of Landlord whether such compensation or damages are awarded or paid as compensation for diminution in value of the leasehold, the fee or otherwise. Tenant may make a separate claim against the condemning authority (but not against Landlord) for Tenant's moving and relocation costs, the interruption of or damage to Tenant's business, and Tenant's improvements pertaining to the Property or damage to Tenant's Personalty.

D. Anything in this Lease to the contrary notwithstanding, Landlord and Tenant shall assist and cooperate with each other in such condemnation or eminent domain proceedings. Neither Landlord nor Tenant will be responsible for the litigation costs or the attorneys' fees of the other in connection with any such proceeding.

E. Notwithstanding anything to the contrary in this Section, if a Taking occurs with respect to the Property for a period of time not in excess of 90 consecutive days, this Lease shall remain in full force and effect, and Tenant shall continue to pay the Monthly Rent. In the event of such a temporary Taking, Tenant shall be entitled to receive that portion of any compensation for the use or occupancy of the Property during the Term up to the total Rent owed by the Tenant for the period of the temporary Taking.

F. Except as provided above, the Lease will not terminate as a result of a Taking and the parties.

G. Tenant and Landlord intend that the provisions of this Section govern fully in the event of a taking and accordingly the Tenant and Landlord hereby waive any right to terminate this Lease in whole or in part under Sections 1265.010 through 1265.160 of the California Code of Civil Procedure or under any similar law now or hereafter in effect.

14. DEFAULT

A. Events of Default. A breach of this Lease shall exist if any of the following events (hereinafter referred to as "Event of Default") shall occur:

(1) Default in the payment when due of any installment of Monthly Rent or other payment required to be made by Tenant hereunder, and such default shall not have been cured within ten (10) business days after written notice from Landlord;

(2) Tenant's failure to perform any other term, covenant or condition contained in this Lease and such failure shall have continued for thirty (30) days after written notice of such failure is given to Tenant unless such default is of such a nature that it cannot be cured within such thirty (30) day period, Tenant shall have a reasonable time beyond such thirty day period, not to exceed ninety (90) days, except that, in the event that Tenant informs the Landlord that more than ninety (90) days are required to cure the default (e.g., owing to need for regulatory approvals that require significant time to secure), Landlord shall give reasonable consideration to requests for more than ninety (90), to cure such default;

(3) The sequestration of, attachment of, or levy on, any substantial part of the property of Tenant or on any property essential to the conduct of Tenant's business, shall have occurred and Tenant shall have failed to obtain a return or release of such property within thirty

(30) days thereafter, or prior to sale pursuant to such sequestration, attachment or levy, whichever is earlier;

(4) Tenant or any guarantor of Tenant's obligations hereunder shall generally not pay its debts as they become due or Tenant admits in writing its inability to pay its debts, or Tenant or any such guarantor shall take any corporate action to authorize any of the actions set forth in this paragraph;

(5) A court of competent jurisdiction enters an order, judgment or decree appointing a receiver of Tenant or of the whole or any substantial part of the Property and such order, judgment or decree shall not be vacated, set aside or stayed within thirty (30) days after the date of entry of such order, judgment, or decree, or a stay thereof shall be thereafter set aside.

(6) A court of competent jurisdiction enters an order, judgment or decree approving a petition filed against Tenant under any bankruptcy, insolvency, reorganization, dissolution or liquidation law or statute of the federal or state government and such order, judgment or decree (i) shall not be vacated, set aside or stayed within thirty (30) business days after the date of entry of such order, judgment, or decree, or a stay thereof shall be thereafter set aside.

B. Landlord's Remedies. Upon any Event of Default, Landlord shall have the following remedies, in addition to all other rights and remedies provided by law, to which Landlord may resort cumulatively, or in the alternative:

(1) Termination. The right to terminate this Lease at Landlord's option by giving Tenant written notice of termination in which event Tenant shall immediately surrender possession of the Property in accordance with Section 29 and Landlord may re-enter and take possession of the Property and all the remaining Tenant Improvements or property and eject Tenant or any of Tenant's subtenants, assignees or other person or persons claiming any right under or through Tenant or eject some and not others or eject none. This Lease may also be terminated by a judgment specifically providing for termination. Any termination under this subsection shall not release Tenant from the payment of any sum then due Landlord or from any claim for damages or rent previously accrued or then accruing against Tenant. In no event shall any one or more of the following actions by Landlord constitute a termination of this Lease:

- a) maintenance and preservation of the Property;
- b) efforts to relet the Property;
- c) appointment of a receiver in order to protect Landlord's interest hereunder;
- d) consent to any subletting of the Property or assignment of this Lease by Tenant, whether pursuant to provisions hereof concerning subletting and assignment or otherwise; or,

- e) any other action by Landlord or Landlord's agents intended to mitigate the adverse effects from any breach of this Lease by Tenant.

(2) Recovery of Rent. Subject to any legal obligation on the part of Landlord to mitigate damages, in the Event of a Default in the payment of money Landlord shall be entitled to keep the Lease in full force and effect (whether or not Tenant shall have abandoned the Property) as allowed by applicable law and to enforce all of its rights and remedies under this Lease, including the right to recover rent and other sums as they become due, plus interest at Bank of America's reference rate plus three (3) percent per annum from the due date of each installment of rent or other sum until paid.

(3) Damages. In the event this Lease is terminated as a result of an Event of Default, Landlord shall be entitled to damages in the following sums:

- a) the worth at the time of award of the unpaid rent which has been earned at the time of termination; plus,
- b) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus,
- c) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; and,
- d) any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform Tenant's obligation under this Lease, or which in the ordinary course of things would be likely to result there from including, without limitation, the following: (i) expenses for cleaning, repairing or restoring the Property except for Tenant Improvements that Landlord indicated would not need to be removed at the time of approval pursuant to Section 11.C; (ii) reasonable advertising costs and other expenses of reletting the Property; (iii) costs of carrying the Property and insurance premiums thereon, utilities and security precautions; (iv) expenses in retaking possession of the Property; (v) reasonable attorneys' fees and court costs.
- e) the "worth at the time of award" of the amounts referred to in subsections (a) and (b) above, is computed by allowing interest at Bank of America's reference rate plus three (3) percent per annum. The "worth at the time of award" of the amounts referred to in subsection (c) above is computed by discounting such amount at the discount rate of the Federal Reserve Board of San Francisco at

the time of award plus one percent (1%). The term "rent" as used in this Section shall include all sums required to be paid by Tenant to Landlord pursuant to the terms of this Lease.

15. DISPUTE RESOLUTION

The parties hereto expressly agree that, with regard to any unresolved dispute arising hereunder or having to do with the performance of either party hereto, including any and all alleged events of default (whether or not defined herein), such dispute shall be resolved as follows:

(a) Written notice of the dispute shall be given by the party claiming to be harmed by such dispute to the party alleged to be at fault.

(b) Both parties, either personally or through representatives, shall then attempt to agree upon a professional mediator to be retained to conduct a mediation conference. If the parties cannot agree on the retention of a specific mediator within 30 days of the receipt of written notice of the dispute, then the Parties shall request the Superior Court of the County of San Mateo to appoint a mediator with experience in real estate.

(c) In the event that a settlement is not effected through the mediation process within 90 days after the appointment of, or agreement to, a mediator then either party can initiate a judicial action in the Superior Court of San Mateo County:

(d) The dispute resolution process, or processes, established herein, shall, unless the Parties agree otherwise, shall take place in San Mateo County, California.

(e) This Section shall not prohibit the Parties from filing a judicial action to enable the recording of a notice of pending action for order of attachment, receivership, injunction, or other provisional remedy.

16. MECHANICS LIEN

Tenant shall: (i) pay for all labor and services performed for, materials used by or furnished to Tenant of any contractor employed by Tenant with respect to the Property; and, (ii) indemnify, defend and hold Landlord and the Property harmless and free from the perfection of any liens, claims, demands, encumbrances or judgments created or suffered by reason of any labor or services performed for, materials, used by or furnished to Tenant or any contractor employed by Tenant with respect to the Property; and, (iii) give notice to Landlord in writing fifteen (15) days prior to employing any laborer or contractor to perform services related to, or receiving materials for the use upon the Property; and, (iv) permit Landlord to post a notice of nonresponsibility in accordance with the statutory requirements of California Civil Code Section 3094 or any amendment thereof. In the event Tenant is required to post an improvement bond with a public agency in connection with the above, Tenant agrees to include Landlord as an additional obligee. In the event that any mechanic's or materialman's lien is recorded against the Property, Tenant shall, within ten (10) business days after written demand by Landlord, cause

such lien to be released or post a sufficient bond to cause the release of such lien in accordance with Applicable Laws.

17. INSPECTION OF PROPERTY

Tenant agrees to provide Landlord with a set of keys and access codes to be used in the event of an emergency. Landlord and its agents can enter the Property, with forty eight (48) hours prior notice if during School Hours, or twenty four (24) hours prior notice if during after School Hours, with the exception of emergencies, for the purpose of inspecting the Property or posting a notice of nonresponsibility for alterations, additions, or repairs provided that Landlord shall not have the right to access confidential student and employee records. In addition to the right granted to Landlord under Section 11 to inspect Tenant Improvements under construction on the Property, Landlord and its authorized agents and representatives shall have the right throughout the Term of this Lease, and any extensions thereof, to enter the Property, with forty eight (48) hours prior notice if during School Hours, or twenty four (24) hours prior notice if during after School Hours, with the exception of emergencies, for the purpose of inspecting the same or of exhibiting the same to prospective tenants, purchasers or mortgagees, within three (3) years prior to the expiration of the Term of this Lease, for the purpose of showing the same to prospective tenants, purchasers, bidders or mortgagees and to place upon the Property, ordinary "For Lease" or "For Sale" signs, provided said signs shall not suggest the Tenant's business is for sale.

18. HOLDING OVER

Should Tenant hold over in possession after the expiration of the original Term or any extended term of this Lease (if any), such holding over shall not be deemed to extend the Term or renew the Lease, but the tenancy thereafter shall continue upon the covenants and conditions herein set forth at 150% (one hundred fifty percent) of the monthly rental (Holding Over Rent) of the last expiring term unless a different rental amount is mutually agreed to by the Tenant and Landlord.

19. NOTICES

Any notices which either of the parties hereto is required or may desire to send or deliver to give to the other party, shall be mailed, certified mail, return receipt requested, postage prepaid, or delivered, with all charges prepaid, to such other party at the address listed below, or to such address as either party may designate to the other from time to time in writing.

Landlord: Chief Business Official
Ravenswood City School District
2160 Euclid Avenue
East Palo Alto, CA 94303

Tenant: Chief Executive Officer
The Primary School
2086 Clarke Street

East Palo Alto, CA 94303

The date of service of any such notice mailed as aforesaid, shall be deemed to be five (5) days after the date of placing said notice in the United States Mail or delivery to a courier or other mail delivery service, and the date of service of any such notice hand delivered, as aforesaid, shall be deemed to be one (1) day after delivery thereof to the delivery service office. Landlord may provide notice via electronic mail to the Chief Executive Officer of Tenant for the purposes of the notice required by Section 11 and Section 17.

20. ATTORNEYS' FEES

In the event either party shall bring any action or legal proceeding for damages for any alleged breach of any provision of this Lease, to recover rent or possession of the Property, to terminate this Lease, or to enforce, protect or establish any term or covenant of this Lease or right or remedy of either party, each party shall be responsible for its own attorneys' fees and court costs, including attorneys' fees and costs for appeal.

21. ASSIGNMENT

The Tenant may not assign this Lease without Landlord's written consent.

LANDLORD TRANSFERS

Tenant agrees that the Landlord may assign any interest in this Lease, as required or desired at any time at the Landlord's sole discretion. If Landlord's interest in the Property is sold or conveyed, other than pursuant to a mortgage or transfer for security purposes only, Landlord will be relieved of all obligations and liabilities accruing on the part of Landlord after the date the sale is consummated if the following conditions are satisfied at the date the sale is consummated: (1) all obligations of Landlord under the Lease must be expressly assumed in writing by Landlord's successor in interest; and (2) any funds in the hands of Landlord at the time of transfer in which Tenant has an interest must be delivered to the successor of Landlord. Tenant agrees to attorn to the purchaser or assignee, if all of Landlord's obligations under this Lease arising after the effective date of the transfer are assumed in writing by the transferee. Notwithstanding the above, no change in ownership of the Property or assignment of this Lease by Landlord or of the rental provided for herein shall be binding upon Tenant for any purpose whatever until, Tenant has been furnished with written notice thereof by Landlord.

22. SUCCESSORS

This Lease contains all of the covenants, agreements, representations and provisions thereof and shall inure to the benefit of and be binding upon the respective heirs, legal representatives, executors, administrators, successors and assigns of the parties hereto, except as otherwise set forth in this Lease.

23. SURRENDER OF LEASE NOT MERGER

The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Landlord, terminate all or any existing subleases or subtenants, or operate as an assignment to Landlord of any or all such subleases or subtenants.

24. WAIVER

The waiver of Landlord or Tenant of any breach of any term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained.

25. GENERAL

A. The captions and section headings used in this Lease are for the purposes of convenience only. They shall not be construed to limit or extend the meaning of any part of this Lease.

B. Time is of the essence for the performance of each term, covenant and condition of this Lease.

C. In case any one or more of the provisions contained herein, except for the payment of rent, shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Lease, but this Lease shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein. This Lease shall be construed and enforced in accordance with the laws of the State of California.

D. If Tenant is more than one person or entity, each such person or entity shall be jointly and severally liable for the obligations of Tenant hereunder.

26. SIGNS

Subject to Tenant receiving all required government permits and approvals and complying with all Applicable Laws, Tenant shall at Tenant's cost have the right and entitlement to place Tenant's signs on the exterior walls of the Buildings as well as other interior and exterior signage as Tenant may desire on the Property, and otherwise to advertise its services, provided Tenant obtains the approval and consent of Landlord, such approval and consent not to be unreasonably withheld. In connection with the placement of such signs, Landlord agrees to cooperate with Tenant in obtaining any governmental permits which may be necessary. Throughout the Term of this Lease Tenant shall, at its sole cost and expense, maintain the signage and all appurtenances in good condition and repair. At the termination of this Lease, Tenant shall remove any sign which it has placed on the Buildings, Tenant Improvements or Property, and shall repair any damage caused by the installation or removal of such sign.

27. INTEREST ON PAST DUE OBLIGATIONS

Except as otherwise provided herein, any amount due to Landlord not paid when due shall bear interest at the Bank of America reference rate plus three percent (3%) per annum commencing thirty (30) days after the due date, but not to exceed the maximum rate permitted by law. Payment of such interest shall be in addition to any late charges owing pursuant to Section 3C and shall not excuse or cure any default by Tenant under this Lease.

28. SURRENDER OF THE PROPERTY

On the Termination Date, Tenant shall surrender to Landlord the Property and any then existing Tenant Improvements not otherwise required by Landlord to be removed in accordance with Section 11C, in good order, condition and repair, reasonable wear and tear, casualty and condemnation excepted, free and clear of all liens, claims and encumbrances not in existence as of the Commencement Date. Said condition shall be similar to that existing as of the Commencement Date excepting normal ordinary wear and tear and damage by casualty or condemnation. This Lease shall operate as a conveyance and assignment thereof. Tenant shall remove from the Property all of Tenant's Personalty and any Tenant Improvements made by Tenant which Tenant and Landlord previously agreed, pursuant to Section 11C, would be removed by Tenant. All property not so removed shall be deemed abandoned by Tenant. If the Property is not so surrendered at the termination of this Lease, Tenant shall indemnify Landlord against loss or liability resulting from delay by Tenant in so surrendering the Property including without limitation, any claims made by any succeeding Tenant or losses to Landlord due to lost opportunities to Lease to succeeding Tenants.

29. LANDLORD'S COVENANTS

The Landlord covenants, warrants and represents that it has full right and power to execute and perform this Lease and to grant the estate demised herein and covenants that Tenant on paying rent as herein provided and performing the covenants hereof shall peacefully and quietly have, hold and enjoy the demised Property and all right, easements, appurtenances and privileges belonging or in any way appertaining thereto, during the Term of this Lease and any extension or renewal thereof. Landlord further covenants, warrants and represents that (i) Landlord has a fee simple estate in the Property, subject to the interest held by the State of California; (ii) each individual executing this Lease is duly authorized to execute and deliver this Lease on behalf of Landlord and bind Landlord to the terms of this Lease; (iii) this Lease is binding on Landlord in accordance with its terms; and (iv) Landlord has no actual knowledge of (a) enacted, pending or proposed condemnation proceedings or other governmental action with respect to the Property or (b) pending or threatened litigation concerning the Property. Landlord further covenants, warrants and represents that no additional liens, conditions, covenants, restrictions, rights of way, regulations or other title exceptions other than those that appear and are specified in **Exhibit C** hereto ("**Permitted Exceptions**") shall be recorded against the Property by Landlord prior to the Commencement Date absent the consent of Tenant not to be unreasonably withheld.

30. HAZARDOUS SUBSTANCES

Landlord and Tenant agree as follows with respect to the existence or use of Hazardous Materials on the Property including any Tenant Improvements made by Tenant.

A. Definition. As used herein, the term "**Hazardous Materials**" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government and includes, without limitation, petroleum products, asbestos, PCB's, and any material or substance which is

(i) listed under Article 9 or defined as hazardous or extremely hazardous pursuant to Article 1 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (ii) defined as a "hazardous waste" pursuant to Section (14) of the federal Resource Conservation and Recovery Act, 42 U.S.C. 6901 et. seq. (42 U.S.C. 6903), or (iii) defined as a "hazardous substance" pursuant to Section 10 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et. seq. (42 U.S.C. 9601). As used herein, the term "**Hazardous Materials Laws**" shall mean any statute, law, ordinance, or regulation of any governmental body or agency (including the U.S. Environmental Protection Agency, the California Regional Water Quality Control Board, and the California Department of Health Services) which regulates the use, storage, release or disposal of any Hazardous Material. Landlord has no actual knowledge of Hazardous Materials located in, on or under the Property, except as referenced in Section 31.

B. **Hazardous Materials; Compliance with Laws.** Tenant acknowledges that with respect to environmental matters, Tenant is accepting the Property on an "as is" basis, and with respect to such matters Tenant agrees that Tenant has concluded that the Property is satisfactory for Tenant's use. Tenant shall not cause or permit any Hazardous Material to be generated, brought onto, used, stored, or disposed of in or about the Property and any Tenant Improvements by Tenant or Tenant's Agents except for common household or office substances such as adhesives, lubricants, and cleaning fluids and other common science classroom substances in order to conduct their business on the Property and any Tenant Improvements, provided such chemicals are properly disposed of in accordance Hazardous Materials Laws. It shall be the duty of Tenant to insure that the Property and any Tenant Improvements are at all times in strict compliance with all Hazardous Materials Laws and that all activities conducted in or about the Property and Tenant Improvements comply in every respect with all applicable Hazardous Materials Laws including, but not limited to, all notification, record keeping, and maintenance requirements of such Laws. During the Term of the Lease, any handling, transportation, storage, treatment, disposal or use of Hazardous Materials in or about the Property and any Tenant Improvements by any person or entity, other than Landlord or any party under Landlord's control, shall be the responsibility of Tenant during the Term and shall strictly comply with all applicable Hazardous Materials Laws and the provisions of this Lease.

C. **Remediation.** If the presence of Hazardous Materials on the Property and any Tenant Improvements results in contamination or deterioration of water or soil resulting in a level of contamination greater than the levels established as acceptable by any governmental agency having jurisdiction over such contamination, then Tenant shall, at its sole cost and expense, promptly take any and all action necessary to investigate and remediate such contamination if required by Applicable Laws or as a condition to the issuance or continuing effectiveness of any governmental approval which relates to the use of the Property and any Tenant Improvements or any part thereof. Notwithstanding the foregoing Tenant shall not be responsible for remediating any Hazardous Materials that were carried onto the Property or otherwise disposed of on or under the Property by any party other than Tenant, Tenant's Agents or a party under Tenant's control. In the event any Hazardous Materials are placed in, on or under the Property by Landlord or any party under Landlord's control, Landlord will be solely responsible for remediating said Hazardous Materials in accordance with Hazardous Materials Laws.

D. Cooperation. Tenant's obligation to investigate or remediate any Hazardous Materials on or under the Property shall be conditioned on Landlord reasonably cooperating with Tenant to allow such to occur, including without limitation, Landlord's executing any documents, applications, or instruments that need to be signed by the owner of the Property to allow Tenant to so remediate, and allowing Tenant to file suit, including, if necessary, in Landlord's name, to recover such remediation and/or clean up costs from the party or parties responsible for any such contamination. Landlord hereby assigns to Tenant any and all causes of actions, claims, and/or rights to recover damages which may arise as a result of the existence of any Hazardous Materials on or under the Property for which Tenant is required to remediate hereunder, except to the extent that the same was caused by Tenant, Tenant's Agents or any party under Tenant's control.

E. Indemnification. Tenant shall indemnify, defend upon demand with counsel reasonably acceptable to Landlord, and hold harmless Landlord from and against any liabilities, losses, claims, damages, lost profits, consequential damages, interest, penalties, fines, monetary sanctions, reasonable attorneys' fees, experts fees, court costs, remediation costs, investigation costs, and other expenses which result from or arise in any manner whatsoever out of Tenant's use, storage, treatment, remediation, transportation, release, or disposal of Hazardous Materials carried onto the Property by Tenant, Tenant's Agents or parties under Tenant's control.

F. Notice. Landlord and Tenant shall each give written notice to the other as soon as reasonably practicable of (i) any communication received from any governmental authority concerning Hazardous Materials which relates to the Property and any Tenant Improvements, and (ii) any contamination of the Property and any Tenant Improvements by Hazardous Materials which constitutes a violation of any Hazardous Materials Law. Tenant and subtenants may use of common household chemicals such as adhesives, lubricants, and cleaning fluids and other common science classroom chemicals in order to conduct their business on the Property and any Tenant Improvements, provided such chemicals are properly disposed of in accordance Hazardous Materials Laws. Tenant and subtenants may also use other Hazardous Materials as are necessary for the operation of their respective business of which Landlord receives prior notice and to which Landlord consents in writing may be brought onto the Property and any Tenant Improvements. As a condition to its consent, Landlord may require from Tenant or any subtenant additional security and/or indemnification against potential claims or losses resulting from the presence or use of such Hazardous Materials at or on the Property and any Tenant Improvements. At any time during the Term, Tenant shall, within thirty (30) days after written request therefore received from Landlord, disclose in writing all Hazardous Materials that are being used by Tenant or subtenants on the Property and any Tenant Improvements, the nature of such use, and the manner of storage and disposal.

G. Monitoring Wells. In the event that a governmental agency or Landlord has reason to believe that Hazardous Materials may be present on the Property and any Tenant Improvements, Landlord may require that, at Tenant's expense, testing wells be installed on the Property and any Tenant Improvements, at locations determined by Landlord and Tenant, and may cause the ground water to be tested to detect the presence of Hazardous Materials by the use of such tests as are then customarily used for such purposes. Tenant shall comply promptly with any such request.

H. Survival. The obligations of Tenant under this Section shall survive the expiration or earlier termination of this Lease. The rights and obligations of Landlord and Tenant with respect to issues relating to Hazardous Materials are exclusively established by this Section. In the event of any inconsistency between any part of this Lease and this Section, the terms of this Section shall control.

31. CODE COMPLIANCE

During the Term of this Lease, Tenant, at its sole cost and expense, shall promptly comply with all Applicable Laws. In the event the County, or any other public agency with jurisdiction over the health and safety of the Property, requires testing of the Property, the Tenant shall reasonably cooperate to permit such testing to take place.

32. SUBLEASING

A. Tenant may not sublet this Lease or any rights, benefits, liabilities and obligations hereunder, to any person or business entity without Landlord's express written consent, which consent shall not be unreasonably withheld. Landlord shall have approval rights on the term of the sub-lease if longer than one year, and on any potential renewal of such sub-lease.

33. NO SUBORDINATION; ATTORNMENT

A. No provision of this Lease shall be construed as an agreement by Landlord to subordinate its fee interest in the Property to any leasehold mortgage or other lien or right. No leasehold mortgage shall impair Landlord from enforcing its rights and remedies herein or by law. Tenant agrees that Landlord's fee interest in the Land shall at all times be and remain unsubordinated to any leasehold mortgage which may be imposed upon Tenant's leasehold interest hereunder or upon Tenant Improvements, and that nothing contained in this Lease shall be construed as an agreement by Landlord to subject its fee interest in the Land or its buildings to any such lien.

B. Landlord agrees at any time and from time to time upon not less than fifteen (15) business days' prior notice by Tenant to execute, acknowledge and deliver to Tenant or such to such other person designated by Tenant, as the case may be, a statement or estoppel certificate in writing certifying that this Lease is unmodified and in full force and effect (or if there have been modifications or supplemental or contemporaneous agreements that the same is in full force and effect, as modified and stating the modifications and supplemental and contemporaneous agreements) and the dates to which the Rent payable by Tenant hereunder has been paid, and stating (a) whether or not to the best knowledge of the signer of such certificate Tenant is in default in the performance of any covenant, agreement or condition contained in this Lease, and, if so, specifying each such default of which the signer may have knowledge and (b) any other reasonable requests of Tenant. Tenant shall pay all of Landlord's out of pocket costs, including attorney's fees, in connection with the preparation of such statement or estoppel certificate.

C. In the event that Tenant mortgages its leasehold estate and Tenant or the mortgagee or the holders of indebtedness secured by the leasehold mortgage notifies Landlord of the execution of such mortgage or deed of trust and names the place for service of notice upon

such mortgagee or holder of indebtedness, Landlord agrees for the benefit of such mortgagees or holders of indebtedness from time to time:

(1) That such mortgagee or holder of indebtedness shall have the privilege of performing any of Tenant's covenants under this Lease, of curing any default of Tenant or of exercising any election, option or privilege conferred upon Tenant by the terms of this Lease.

(2) That no liability for the payment of rental or the performance of any of Tenant's covenants and agreements shall attach to or be imposed upon any mortgagee, trustee under any trust deed or holder of any indebtedness secured by any mortgage or trust deed upon the leasehold estate, unless such mortgagee, trustee or holder of indebtedness forecloses its interest and becomes the Tenant under this Lease.

D. Landlord agrees to review and discuss with Tenant and any prospective leasehold mortgagee, any amendment to this Lease, or any supplemental agreement or written acknowledgment, reasonably requested by any proposed leasehold mortgagee, for the purposes of (i) including mortgagee protection provisions to comply with prevailing standards, (ii) otherwise providing such prospective leasehold mortgagee with additional reasonable means of protecting and preserving the existence of this Lease and the lien of the leasehold mortgage as an encumbrance on the Tenant's leasehold estate, so long as Landlord continues to be paid Rent owing under this Lease, and (iii) acknowledging that such prospective leasehold mortgagee is recognized by Landlord as a leasehold mortgagee under this Lease and entitled to all of the rights and privileges afforded to leasehold mortgagees under this Lease; provided, however, that no such amendment, agreement or acknowledgment shall contain provisions that would adversely change the Term or Rent under the Lease or materially adversely change the obligations of Landlord or Tenant under this Lease. Tenant agrees to reimburse Landlord for reasonable attorney and consultant fees incurred by Landlord in connection with Tenant obtaining a leasehold mortgage.

34. GOVERNING LAW; VENUE

Any dispute arising out of or related to this Lease shall be governed by the laws of the State of California. Any court actions arising out of this Lease shall be venued in the Superior Court of California for the County of San Mateo.

35. ENTIRE AGREEMENT

This Lease constitutes the entire understanding between the parties hereto and no addition to, or modification of, any term or provision of this Lease shall be effective until set forth in writing signed by both Landlord and Tenant.

36. UNAVOIDABLE DELAY.

If either party shall be prevented or delayed from punctually performing any obligations or satisfying any condition under this Lease by any strike, lockout, labor dispute, unavailability of services (including without limitation from any applicable public utility provider), labor or materials, acts of God, unusually inclement weather, unusual governmental restriction, regulation or control, enemy or hostile governmental action, civil commotion, insurrection, sabotage, fire or

other casualty, health and safety emergency, including but not limited to a pandemic, or any condition caused by the other party (except as otherwise permitted hereunder) (“**Unavoidable Delay**”), then the time to perform such obligation or to satisfy such condition shall be extended on a day-for-day basis for the period of the delay caused by such event; provided, however, that the party claiming the benefit of this Section shall, as a condition thereto, give notice to the other party in writing within ten (10) days of the incident specifying with particularity the nature thereof, the reason therefor, the date and time such incident occurred and a reasonable estimate of the period that such incident will delay the fulfillment of obligations contained herein. Failure to give such notice within the specified time shall render such delay invalid in extending the time for performing the obligations hereunder, but only to the extent that the other party suffers actual prejudice as a result thereof. This Section and the term Unavoidable Delay as used herein shall not apply to the inability to pay any sum of money due hereunder except where said delay caused by a health and safety emergency, including but not limited to a pandemic, or the failure to perform any other obligation due to the lack of money or inability to raise capital or borrow for any purpose.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease, through their respective officers or representatives, duly authorized, as of the day and year shown below.

RAVENSWOOD CITY SCHOOL DISTRICT,
a subdivision of the State of California

By: _____

Name: _____

Title: _____

Date: _____

**THE PRIMARY SCHOOL –
EAST PALO ALTO,**
a California non-profit public
benefit corporation

By: Courtney Garcia

Name: Courtney Garcia

Title: CEO

Date: 7/15/20

Approved as to Form: _____
Legal Counsel to Landlord

Approved as to Form: _____
Legal Counsel to Tenant

EXHIBIT A-1

MAP AND DESCRIPTION OF PROPERTY

Brentwood Academy is part of a 17.5 acre property that also includes other programs. The area that defines the Brentwood campus (5.38 acres or 234,177 square feet) is outlined in black and represents the area and facilities that are available for lease. The leasee will have non-exclusive access to the field during school hours. There is a total of 36,570 square feet of buildings (inclusive of main buildings and portables) on the Brentwood campus. There are 25 classrooms within the buildings and an additional 15 portables located in the rear of the campus. The current square footage for office/administration is 2250 square feet. The fenced in Kinder play area is 13,607 square feet.



EXHIBIT A-2

COLLABORATION OPPORTUNITIES

TPS and RCSD Partnership Opportunities

July 2020

TPS Mission and Program Model

The Primary School was founded in East Palo Alto in collaboration with parents in the community, Ravenswood City School District, and many local community partners including Ravenswood Family Health Center. Our mission is to foster each child's well-being as a foundation for academic and life success by drawing on the strengths of the child's entire community including family, educators, and medical and mental health providers. The core principles of The Primary School are:

1. Start Early: We provide parent-child supports starting at ~18 months. Through our toddler program, we conduct home visits, play groups, and developmental screenings. We then provide targeted child supports prior to preschool, while supporting parents in accessing services. We start preschool at age 3 through the California State Preschool Program (CSPP).

Partner with Parents: Each family is paired with a Parent Wellness Coach who supports a cohort of families in a continuous relationship year to year. This program includes group-based and one-on-one coaching focused on both parent well-being and child development. Coaches also serve a critical "navigator" role, connecting families to community resources throughout East Palo Alto.

Integrate Services: We bring together parents, coaches, medical and mental health providers, speech and other specialists, and educators to collaborate in addressing the academic, social-emotional, and health needs of each child. Some health services are provided at school, such as vision and dental screenings in partnership with Ravenswood Family Health Center.

Parent Resources

We deeply believe that when parents are well, children can thrive. Through an ongoing relationship with parents, we support each family in accessing community resources. We work actively with a range of partners in East Palo Alto and San Mateo County to help parents navigate to resources that can support them in their family's healthy development and in providing a safe and stable home. These valuable community resources include:

- Children's Health Council
- Community Legal Services of East Palo Alto
- Community Overcoming Relationship Abuse (CORA)
- East Palo Alto Career Center
- East Palo Alto YMCA
- Ecumenical Hunger Program
- El Concilio
- Family Connections
- JobTrain
- San Mateo County Library System
- LIBRE - Legal Aid Society of San Mateo County
- Nuestra Casa
- One East Palo Alto
- Project WeHOPE
- Samaritan House-South
- San Mateo County Family Health Services
- StarVista
- Ravenswood Family Health Center

Intended Outcomes

Our expectation is that by starting early, partnering with parents, and integrating services, we will see the following types of outcomes from our program:

- Increased preschool and kindergarten readiness in the early years, and high levels of academic proficiency throughout grade levels
- Early detection and intervention related to speech, behavioral, and special education needs
- Stronger care coordination and decrease in health-related barriers to learning through school-pediatric link (e.g., asthma, vision, dental care)
- Higher levels of social-emotional skills based on school program design (e.g., self-regulation)

We are beginning to see early indicators of impact in parent engagement, parent self-efficacy and resilience, student attendance, preschool and kindergarten readiness, and social-emotional development. We have also seen examples of where earlier detection or improved care coordination have helped to better address medical, mental health, and developmental needs.

Community Impact

From the founding of our organization, we have been committed to impact beyond those families directly enrolled in The Primary School. We care deeply about the communities of East Palo Alto and Belle Haven, and we actively seek opportunities to be a part of driving broader positive change.

We see a range of ways to collaborate with Ravenswood City School District to support positive outcomes for children and families across our community. We look forward to meeting with stakeholders within the school district to explore these opportunities more concretely in a truly collaborative and listening stance. At this stage, from what we understand of our shared goals, we see several promising opportunities:

1. **Social-Emotional Learning:** Our model aims to serve whole children who are part of whole families. We believe that this approach will lead to fundamentally stronger academic, health, and social-emotional outcomes. We know that social-emotional learning, or what we call

“Soul,” needs to be explicitly embedded in every moment of learning and practice, and needs to be led by educators who are explicitly trained and coached in a trauma-informed approach. We also see it as critical to tie this work to how we teach and work in ways that are anti-racist and anti-discriminatory, and that support identity development with students. As one strategy, we have fully adopted the Conscious Discipline framework as our school-wide approach. We have begun a level of collaboration around this with the professional learning cohort of early learning classrooms across East Palo Alto and Menlo Park. **We envision working more deeply with RCSD to explore shared professional development opportunities on social-emotional learning, race and equity, and trauma-informed instruction in early childhood and elementary.**

. **Parent Program:** Our parent program is a unique example of our model, which we approach very differently than a traditional parent education program. Instead, it is a space shaped by parents themselves and facilitated by Parent Wellness Coaches. In this program, parents come together in continuous cohorts to address their own goals, hopes, and stressors. We’ve grown from seeing consistently high levels of engagement in monthly parent circles and coaching calls to emerging, promising data on self-efficacy and resilience levels among parents. **We envision working with RCSD to co-design a pilot program that draws on the unique context and learning around parent engagement within RCSD, as well as the unique approach and learnings of the TPS parent program.**

. **Health Integration:** As a school deeply focused on addressing health barriers to learning, we recognize the disproportionate presence of conditions such as asthma in our community and the impact poorly controlled asthma can have on school attendance, engagement, and learning. We have seen success at our site in developing asthma protocols that help to improve asthma management and reduce asthma-related absences. In partnership with Ravenswood Family Health Center, we developed asthma protocols to be used not just at TPS but by school staff more broadly throughout the County called “asthma ready schools.” After sharing this work with the San Mateo County Asthma Coalition, we have supported a task force to support local schools in becoming “asthma ready”. **We envision deeper collaboration with RCSD to adopt these protocols and engage in ongoing collaboration with Ravenswood Family Health Center to better support students’ asthma needs as well address other health barriers to learning across our community.**

. **Birth-to-Three Services:** We recognize the importance of strong starts with infants and toddlers in the form of early screening and connection to resources. We know this kind of early support can make a major difference, not just for families who are a part of TPS, but for many families in our community. Last summer, we partnered with Gatepath, StarVista, Baby Basics, Speech Goals, and SMCL to establish a community “hub,” called The Little Blue House. In this East Palo Alto facility, we facilitate the provision of direct services and resources to families who are not part of The Primary School. **We envision collaborating on outreach to RCSD families who are parents of infants and toddlers, raising awareness of this resource and helping interested families access services and increase school readiness.**

. **Mental Health:** Mental health is a major focus at TPS, starting when children are very young and addressed through support for Tier 1, 2, and 3 needs. We’ve worked with partners to design our approach as well as to provide therapeutic services. We very much recognize the

striking gaps in mental health services available in our community, which are deeply mismatched with the disproportionate levels of chronic stress and trauma our community faces. As one example of early collaboration, we recently supported Children's Health Council (CHC) in a year-long needs assessment to better identify the gaps, and then worked with CHC to access a new physical space in which mental health services can now be locally available. We continue to support CHC in the work as members of their Ravenswood Wellness Partnership. **We envision establishing a structured collaboration with RCSD staff to study needs, opportunities, promising practices, and ways to support and accelerate each other's learning in addressing these critical needs.**

EXHIBIT A-3

LETTER FROM CITY OF EAST PALO ALTO



CITY OF EAST PALO ALTO

Community & Economic Development Department

July 14, 2020

Gina Sudaria, Superintendent
Ravenswood City School District
2120 Euclid Avenue
East Palo Alto, California 94303

Re: Operational Letter for the Use of Property Located at 2086 Clarke St.

Dear Ms. Sudaria,

We received your letter dated July 6, 2020 expressing the District's desire and intent to lease the District's Brentwood Academy campus ("Brentwood Campus"), located at 2086 Clarke Street, in East Palo Alto, to The Primary School ("TPS"). Based on the description of the proposed future use of the campus by TPS described in the letter, the city does not need to get involved in any entitlements or permit processes required by the State architect. Though, as a courtesy, the City of East Palo Alto would appreciate any entitlements that the school district may pursue through the State architect to be forwarded to the EPA Planning team so that we are kept apprised of the operational use of the Brentwood Campus.

We value the city's relationship with the district and look forward to staying in correspondence about the site.

Thank you,

Amy Chen
Director of Community and Economic Development
City of East Palo Alto