

## LEASE

**THIS LEASE**, made and entered this 1st day of July 2017 by and between the **NORTHWEST TRI-COUNTY INTERMEDIATE UNIT 5**, with business offices located at 252 Waterford Street, Edinboro, Pennsylvania 16412 (hereinafter the "Tenant") and **Wattsburg Area School District**, with its principal office at 10782 Wattsburg Road, Erie PA 16509, (hereinafter the "Landlord")

**WITNESSETH**, that for and in consideration of the rent hereinafter reserved and to be paid by Tenant to Landlord, and the performance by both parties hereto of all duties and obligations hereinafter set forth, and intending to be legally bound hereby, the parties hereto agree as follows:

1. **LEASEHOLD PREMISES.** Landlord, warranting that it has title, interest, and authority to do so, does hereby rent, lease and demise unto Tenant, a non-exclusive right to use of the hereinafter described premises (hereinafter the "Leased Premises"), including, in common with Landlord, the right to the use of all parking areas, sidewalks, and other common facilities, and any and all easements or rights-of-way thereto appurtenant, to be used for and/or the provision of educational services provided by the Tenant. The Leased Premises specifically are described as 1125 square footage at Wattsburg Area Elementary Center, 10780 Wattsburg Road, Erie PA 16509.

2. **TERM.** The term of this Lease shall commence on the 1<sup>st</sup> day of July 2017, and shall continue, except as hereinafter provided, for a term of one (1) year from and after such date of commencement.

3. **RENEWAL.** Upon the expiration of this Lease, the Tenant shall have the option to renew this Lease for an additional one (1) year term. Said option shall be exercised by Tenant giving notice of said election to the Landlord no less than sixty (60) days prior to the expiration of the original term. In all other respects said renewal term shall be on the same terms and conditions as set forth herein.

4. **RENT.** The Landlord reserves and Tenant agree to pay to Landlord as rent for the leased premises the base sum of **Eleven Thousand, Two Hundred and Fifty Dollars and no Cents (\$ 11,250.00)** per year, payable in equal monthly installments of **Nine Hundred Thirty-Seven Dollars and Fifty Cents (\$ 937.50)** in advance on or before the first day of each and every calendar month during the term of this Lease. Each July, said base rent shall be adjusted, if any, as negotiated between parties. All rental payments shall be paid by Tenant's check or draft payable to the order of Landlord and mailed by first class mail to such payee at the address hereinafter set forth in the paragraph captioned "Notices."

5. **REPAIRS AND MAINTENANCE.** At its own cost and expense, the Landlord agrees to make all necessary repairs during the term of the Lease, and any extension or renewal thereof to the roof, gutters and downspouts of said the building located upon or containing the leased premises, and all necessary structural repairs to the exterior walls, foundations, inside and outside plumbing, and to make all repairs and replacements of heating and cooling equipment as required, and repairs and maintenance of common areas, and all sidewalks and parking areas, including snow removal from such parking areas.

6. ALTERATIONS, ADDITIONS, AND IMPROVEMENTS. Tenant shall not create any openings in the roof or exterior walls, nor make any alterations, additions, or improvements to the Leased Premises without the prior written consent of Lessor. Consent for nonstructural alterations, additions, or improvements shall not be unreasonably withheld by Landlord. Tenant shall have the right at all times to erect or install equipment, lighting, shelves, bins, and trade fixtures, provided that Tenant complies with all applicable laws, ordinances, and governmental regulations. Tenant shall have the right to remove at the termination of this lease such items so installed, provided Tenant is not in default; however, Tenant shall, prior to the termination of this lease, repair any damage caused by such removal. All alterations, additions, or improvements made by Tenant shall become the property of Tenant at the termination of this lease; however, the Tenant may remove, if Tenant so elects, all alterations, additions, and improvements on or before the last day of the lease term, and Tenant shall repair any damage caused by such removal.

7. TAXES AND UTILITIES. The Landlord shall pay all real estate taxes, all municipal assessments thereafter assessed, and all expenses, except as hereinafter set forth, necessary for the maintenance of the Leased Premises during the term of the lease and any and all renewals thereof. Landlord shall pay all utilities, including water and sewer rental charges commencing with the commencement date of the Lease term and all utility and telephone charges for the Leased Premises.

8. INSURANCE. During the term hereof, and all renewals or extensions hereof, Tenant, at its own cost and expense, shall provide and pay for public liability insurance, naming the Landlord and Tenant as insureds therein, as their interest may appear. The minimum limits of said policy shall be One Million Dollars (\$1,000,000.00) as to any one occurrence, One Million Dollars (\$1,000,000.00) as to injuries to any one person, and Two Million Dollars (\$2,000,000.00) in the aggregate.

9. FIRE AND CASUALTY DAMAGE. If the building or other improvements housing the Leased Premises should be damaged or destroyed by fire, flood, or other casualty, Tenant shall give immediate written notice thereof to Landlord.

a. If the building housing the Leased Premises is totally destroyed by fire, flood, or other casualty, or if it should be so damaged that rebuilding or repairs cannot reasonably be completed within forty-five (45) working days from the date of written notification by Tenant to Landlord of the occurrence of the damage, this Lease shall terminate and rent shall be abated for the unexpired portion of this Lease, effective as of the date of said written notification.

b. If the building or other improvements housing the leased premises are damaged by fire, flood, or other casualty, but not to such an extent that rebuilding or repairs cannot reasonably be completed within forty-five (45) working days from the date of written notification by Tenant to Landlord of the occurrence of the damage, this Lease shall not terminate but Tenant shall, if the casualty has occurred prior to the final three (3) months of the lease term, at Landlord's sole cost and risk proceed forthwith to rebuild or repair such building and other improvements to substantially the condition in which they existed prior to such damage. If the casualty occurs during the final three (3) months of the lease term, Landlord shall not be required to rebuild or repair such damage. If the building and other improvements are to be rebuilt or repaired and are untenable in whole or in part following such damage, the rent payable hereunder during the period in which

they are untenable shall be adjusted equitably. In the event that Landlord should fail to complete such rebuilding or repairs within forty-five (45) working days from the date of written notification by Tenant to Landlord of the occurrence of the damage, Tenant may, at Tenant's option, terminate this Lease by written notification at such time to Landlord, whereon all rights and obligations hereunder shall cease.

10. QUIET ENJOYMENT. The Landlord covenants that Tenant shall have a right of possession and enjoyment of the Leased Premises, during the term of the lease. Tenant warrants that it will comply with all applicable rules and regulations with respect to use of said Leased Premises, and no unlawful activities will be conducted thereon in conjunction with its use of the Leased Premises.

11. INDEMNIFICATION.

a. Tenant will defend and, except to the extent caused by the negligence of Landlord, its agents, servants, and employees, will indemnify Landlord and hold it harmless from and against any and all claims, actions, damages, liability, and expense (including, but not limited to, attorney's fees and disbursements) in connection with the loss of life, personal injury, or damage to property or business arising from, related to, or in connection with the occupancy or use by Tenant of the Leased Premises or any part of Landlord's property or occasioned wholly or in part by act or omission of Tenant, its agents, servants, or employees. Tenant shall pay all costs, expenses and reasonable attorney's fees that may be expended or incurred by Landlord in successfully enforcing the covenants and agreements of this Lease.

b. Landlord will defend and, except to the extent caused by the negligence of Tenant, its agents, servants, and employees, will indemnify Tenant and hold it harmless from and against any and all claims, actions, damages, liability, and expense (including, but not limited to, attorney's fees and disbursements) in connection with the loss of life, personal injury, or damage to property or business arising from, related to, or in connection with the occupancy or use by Tenant of the Leased Premises or any part of Landlord's property or occasioned wholly or in part by act or omission of Landlord, its agents, servants, or employees. Landlord shall pay all costs, expenses and reasonable attorney's fees that may be expended or incurred by Tenant in successfully enforcing the covenants and agreements of this Lease.

12. HOLD-OVER. If Tenant shall remain in possession of the Leased Premises after the expiration of the term of this Lease without agreement in writing between the Landlord and the Tenant, such tenancy shall be from month-to-month only, upon all the terms and conditions of this Lease which are not inconsistent with such tenancy.

13. WAIVER OF SUBROGATION. Landlord and Tenant hereby release each other from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for any loss or damage to property caused by fire or any of the extended coverage or supplementary contract casualties, even if such fire or other casualty shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible, provided, however, that this release shall be applicable and in force and effect only with respect to loss or damage occurring during such time as the releasor's policies of insurance shall contain a clause or endorsement to the effect that such release shall not adversely affect or

impair such policies or prejudice the right of the releasor to recover thereunder. Landlord and Tenant each agrees that it will request its insurance carriers to include in its policies such a clause or endorsement. If extra cost shall be charged therefor, each party shall advise the other thereof and of the amount of the extra cost, and the other party, at its election, may pay the same, but shall not be obligated to do so.

14. SIGNS. Tenant, at Tenant's own cost and expense, shall be permitted to erect signs advertising on in the leased premises, said sign to be of a size and kind acceptable to the Landlord. Tenant shall remove such signs upon the expiration of the Lease term.

15. BINDING EFFECT. This Lease shall extend to and be binding upon the parties hereto, their heirs, successors and assigns.

16. NOTICES. Any notice from one party to the other hereunder shall be in writing and shall be deemed to have been fully given if delivered personally or mailed enclosed in a certified post paid envelope addressed to the respective addresses stated below:

To the Landlord at:

Wattsburg Area School District  
Business Office  
10782 Wattsburg Road  
Erie PA 16509

To the Tenant at:

Northwest Tri County Intermediate Unit 5  
Dr. Dean Maynard  
252 Waterford Street  
Edinboro, PA 16412

17. ENTIRE CONTRACT. This Lease Agreement constitutes the entire contract between the parties hereto and there are no other understandings, promises, representations or warranties, oral or written, relating to the subject matter of this Lease Agreement, which shall be deemed to exist or to bind any of the parties hereto, their respective heirs, executors, administrators, successors or assigns, except as set forth herein. No amendment, change or addition to this Lease Agreement shall be binding upon Landlord or Tenant unless reduced to writing and signed by both parties.

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IN WITNESS WHEREOF, the parties hereto have executed this Lease on the day and year first above written, pursuant to duly authorized Resolution of the Board of Directors.

ATTEST:


LANDLORD


\_\_\_\_\_  
Board Secretary

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

ATTEST:

**NORTHWEST TRI COUNTY  
INTERMEDIATE UNIT 5**

  
Board Secretary

By:   
Board President

Document #579463, v11

Exhibit 1

**Exhibit J**