

LEASE AGREEMENT

THIS LEASE, made as of July 1, 2014, between the Board of Education of Millburn Community Consolidated School District No. 24, Lake County, Illinois (herein referred to as "Lessor"), and Mariana Bibian, (herein referred to as "Lessee") (collectively, the "Parties"),

WITNESSETH:

WHEREAS, Lessor holds title to the parcel of real estate located at 18620 Millburn Road, Wadsworth, Illinois, consisting of approximately seven (7) acres ("Property"); and

WHEREAS, pursuant to Section 10-22.11(c) of the *School Code*, 105 ILCS 5/10-22.11(c), the Board may lease school buildings or land to suitable lessees for any purpose which serves the interests of the community when such buildings or land is declared to be unnecessary or unsuitable or inconvenient for the uses of the Board during the term of the lease; and

WHEREAS, pursuant to Section 10-22.13 of the *School Code*, 105 ILCS 5/10-22.13, the Board has the power and authority to determine when a building or site has become unnecessary or unsuitable or inconvenient for a school; and

WHEREAS, the Board, by leasing the Property to Lessee, hereby declares that the Property is unnecessary, unsuitable and inconvenient for the uses of the Board during the term of this Lease; and

WHEREAS, the Board hereby declares that it is in the best interests of the residents of the School District to enter into this Lease.

NOW, THEREFORE, in consideration of the terms and conditions contained in this Lease and other good and valuable consideration, the parties agree as follows:

1. **Premises**. Lessor leases to Lessee that portion of the Property, which is the residence and attached garage located at 18620 Millburn Road, Wadsworth, Lake County, Illinois ("Premises"). The Premises is defined in more detail on Exhibit A hereto, which is incorporated herein. Lessor shall maintain possession of and use of the remainder of the Property, including the detached garage.
 - 1.1 **Condition of Premises**. Lessee acknowledges that she is taking the Premises in an "AS-IS" "WHERE-IS" condition and that Lessor makes no representations or warranties whatsoever as to the condition of any building on the Premises or the Premises itself. Lessee has inspected the Premises and accepts the same in the current condition. To the fullest extent permitted by law, Lessee waives any and all rights, claims or causes of action she or any of her heirs, successors, guests and invitees may have arising out of or relating to the condition of the Premises.

- 1.2 **Warranties.** Lessee agrees that no representations, warranties (expressed or implied) or covenants with respect to the condition, maintenance or improvements of the building or other areas have been made to Lessee except those contained expressly in this Lease. By accepting the Premises in an “AS-IS” “WHERE-IS” condition, Lessee acknowledges and agrees that the Premises is not subject to the warranty of habitability.
2. **Term.** Lessor agrees to lease the Premises to Lessee from July 1, 2014, until June 30, 2015. Upon any termination of this Lease, by expiration or otherwise, or upon any termination of Lessee's right to possession without termination of the Lease, Lessee shall immediately surrender possession of and vacate the Premises, return the Premises, equipment and furniture to Lessor in as good condition as existed when this Lease commenced, except for reasonable wear and tear, and grant to Lessor full license to enter the Premises in the event of any such termination.
3. **Rent.** In exchange for Lessor granting Lessee the right to use the Premises during the term of this Lease, Lessee shall perform building inspections and maintain the Premises as specifically set forth in Sections 3.1, 3.2 and 6, respectively.
 - 3.1 **Building Inspections.** Lessee shall perform two (2) building inspections at Millburn Elementary School and two (2) building inspections at Millburn Middle School on every Saturday and Sunday, and certain holidays as designated by Lessor, during the term of this Lease, or any extension thereof. Lessor shall provide Lessee with a schedule of holidays on which the building inspections shall be performed. The building inspections shall consist of one morning inspection (“Morning Inspection”) and one afternoon inspection (“Afternoon Inspection”) (collectively the “Building Inspections”) at each school. The first Morning Inspection shall be completed in such a manner that the alarms are deactivated by 8:00 a.m. at each school. The second Morning Inspection shall commence immediately after the completion of the first Morning Inspection. The first Afternoon Inspection shall commence at 5:00 p.m. The second Afternoon Inspection shall commence immediately after the completion of the first Afternoon Inspection. During the Building Inspections, Lessee shall check all doors providing egress and ingress in and out of the buildings to ensure that they are locked, and lock any unsecured door(s). Lessee shall also check all of the windows in the buildings to ensure they are properly locked, and lock any unsecured window(s). Lessee shall also inspect the buildings to ascertain if there is any vandalism or other damage to the building. Lessee shall also inspect the mechanical systems of the building, including, but not limited to, the heating system, the ventilating system, the air conditioning system, and the plumbing system, to ensure that they are functioning properly. Before entering any building, the Lessee shall disarm the building alarm system, and, upon exiting any building, the Lessee shall arm the building alarm system. In the event Lessee discovers any property damage at a building or that any mechanical system is not

operating correctly, Lessee shall immediately contact the appropriate building administrator as designated by Lessor. If Lessee is unable to contact the appropriate administrator and the situation is an emergency, the Lessee shall take such actions as are reasonably necessary to remediate the emergency.

- 3.2 **Inability to Perform Inspections.** In the event that Lessee is unable to perform either a Morning Inspection or an Afternoon Inspection as set forth in Section 3.1 above, Lessee shall contact and confirm that another authorized employee will perform that Building Inspection. Lessee shall choose this authorized employee from a list of employees provided by Lessor. Lessor shall provide Lessee with the list of authorized employees upon execution of this Lease and shall provide Lessee with an updated list on an annual basis thereafter. Lessee shall provide the Superintendent with at least two (2) days prior written notice of Lessee's inability to perform a Building Inspection and the name of the authorized employee who will perform said Building Inspection. Lessee shall pay One Hundred Eight Dollars and No Cents (\$108.00) to Lessor for each missed Building Inspection.
4. **Use.** The Premises shall be used solely for residential purposes. Lessee shall not perform or permit any practice that may damage the reputation of or otherwise be injurious to the Premises or neighborhood, or be disturbing to neighbors, be illegal, or increase the rate of insurance on the Premises. Lessor shall at all times retain the right to inspect the Premises upon reasonable notice to the Lessee.
5. **Sublet and Assignment.** Lessee shall not sublet the Premises or any part thereof, nor assign this Lease without prior written consent of Lessor, which may be withheld in its sole discretion.
6. **Utilities and Maintenance.**
 - 6.1 **Utilities.** Lessee shall pay the costs for all utilities on the Premises, including, but not limited to, gas, electricity, water and sewer, and garbage removal. Lessee will also be responsible for providing, at her expense, her own telephone services, cable/satellite services, internet services, and entry security system, if any.
 - 6.2 **Maintenance.** Lessee shall maintain the Premises, and all structures thereon, in a good and habitable condition so as to avoid any waste or disrepair. Lessor shall not be responsible for and shall not provide any maintenance other than: grass cutting; snow removal; plumbing facilities in good working order; a water supply which is capable of producing hot and cold running water; heating facilities in good working order; and gas and/or electrical appliances which are supplied by Lessor in good working order. Lessee shall be responsible, at her sole cost and expense, for all other maintenance including, but not limited to, garbage removal, painting, proper use and operation of all appliances, electrical, gas and plumbing fixtures, and maintaining the Premises and grounds in a clean, sightly and healthy

condition. Lessee shall be responsible for all damage done to the Premises, by Lessee or by Lessee's contractors, agents, invitees, or guests and Lessee shall either promptly repair such damages or reimburse Lessor, upon demand, for the full cost of all such damages.

7. **Governmental Regulations.** Lessee shall comply with all requirements of State, Federal and Local regulatory authorities with respect to the use of the Premises.

7.1 Firearms. Lessee shall abide by the Federal Gun Free School Zone Act ("GFSA"), 18 U.S.C. 922. GFSA prohibits possession of firearms in gun free school zones. The property subject to this lease shall be considered a school zone.

8. **Alterations or Improvements.** Lessee shall make no alterations to the Premises without prior approval of Lessor, which may be withheld in its sole discretion.

8.1 **Approval of Alterations.** Proposed plans and specifications shall be submitted and approved in writing by Lessor. If Lessor shall consent to any alterations, Lessee shall furnish waivers of lien against any and all claims which may arise in connection with the alterations or additions. Whether Lessee furnishes Lessor with the foregoing or not, Lessee hereby agrees to hold Lessor harmless from any and all liabilities of every kind and description which may arise out of or be connected in any way with said alterations or additions. Disposition of the alterations and requirements to restore the Premises to original condition at the termination of the Lease shall be handled as a part of the alteration approval. If not covered by such approval, there shall be no duty upon Lessee to remove the alterations and restore the Premises to its original condition. All electrical or communication wiring installations shall remain on the Premises unless specifically cited for removal by the Lessor at the termination of the Lease. Where such removal may be required, it is the responsibility of the Lessee to restore all altered surfaces to original condition.

8.2 **Insurance.** Before commencing any work in connection with alterations, Lessee shall furnish Lessor with certificates of insurance from all contractors performing labor or furnishing materials insuring Lessor against any and all liabilities for bodily injury or death which may arise out of or be connected in any way with said alterations. The coverage and limits under said policy of insurance shall be subject to Lessor's revision and approval, and shall name Lessor, its individual Board members, employees, and agents as additional insureds. As such, Lessee shall provide Lessor with a certificate of insurance evidencing the insurance required hereunder. Alterations to the Premises shall become the property of Lessor without reimbursement to Lessee if not removed by Lessee by the date of termination of the Lease.

9. **Insurance.** Lessee agrees to provide at her own cost and expense, insurance coverage for contents-physical damage, property damage, personal injury and/or death resulting from her use of the Premises. All insurance required hereunder shall be on an occurrence basis. The coverage and limits under said policy of insurance shall be subject to Lessor's revision and approval, and shall name Lessor, its individual Board members, employees and agents as additional insureds. Lessee's liability insurance shall include coverage for Lessee's obligations under Section 10 of this Lease. Lessee shall provide Lessor with a certificate of insurance evidencing the insurance required hereunder. Further, all insurance required hereunder shall be primary and non-contributory. Lessee waives on behalf of herself and her insurance company, any and all rights of subrogation.
10. **Indemnification.** Lessee will indemnify, defend and hold harmless Lessor and its individual Board members, officers, employees, and agents or their successors or assigns, from and against any and all claims, actions, damages, liabilities and expenses in connection with loss of life, personal injury and/or damage to property arising from, related to or in any way connected with any occurrence in, upon or at the Premises, or the occupancy or use by Lessee on the Premises or any part thereof, or occasioned wholly or in part by any act or omission of Lessee, her agents, contractors, employees, servants, successors, invitees, licensees or assigns. In case Lessor or its officers, employees or agents or their successors or assigns shall be made a party to any litigation pertaining to any claim arising from, related to, or in any way connected with the Premises, then Lessee shall defend, protect and hold Lessor and its officers, employees and agents or their successors or assigns harmless and shall pay all costs, expenses and reasonable attorney's fees incurred or paid by them in connection with such litigation.
11. **Real Estate Taxes.** Lessee shall be responsible for the payment of any real estate taxes, as well as all other ad valorem taxes, due on the Premises during the term of this Lease.
12. **Untenantability Damage to Premises.** If the Premises or the building are made untenable by fire or other casualty, this Lease shall terminate upon notice from Lessor.
13. **Waiver of Claims.** Except to the extent prohibited by law, Lessor shall not be liable, and Lessee waives all claims against Lessor for damage to person or property sustained by Lessee resulting from, arising out of or related to the Premises, or any building or any equipment or appurtenance thereto becoming out of repair, resulting from any accident in or about the Premises, or resulting directly or indirectly from any act or neglect of any occupant of the Premises or of any other person. This Section shall apply especially, but not exclusively, to damage caused by water, snow, frost, steam, excessive heat or cold, sewage, gas, odors, or noise or the bursting or leaking of pipes or plumbing fixtures and shall apply equally whether any such damage results from the act or neglect of other occupants or servants of the building or of any other persons. All personal property belonging to Lessee or any occupant of the Premises that is in the building or the Premises shall be there at the risk of Lessee or such other person only, and Lessor shall not be liable for any damage thereto or the theft or misappropriation thereof.

14. **Personal Property.** Upon termination of this Lease, Lessee shall remove all unattached equipment and personalty from the Premises, and leave the Premises in broom clean condition.

15. **Notice.** Any notices and communications required to be given under this Lease shall be in writing and, except as otherwise expressly provided, shall be either (i) mailed by registered or certified mail, return receipt requested, postage prepaid, (ii) sent by telex, (iii) sent by telecopier, (iv) sent by electronic facsimile transmission, or (v) personally delivered by hand against receipt therefor to the parties at the address set forth below, or such other address as any party may designate to the others by notice hereunder. All such notices shall be deemed to have been received on the date of personal delivery, telex, telecopy, electronic facsimile transmission, or, if mailed, on date of receipt.

If to Seller: Mrs. Mariana Bibian
18620 Millburn Road
Wadsworth, Illinois 60083

If to Purchaser: Superintendent
Millburn Community Consolidated School District No. 24
18550 Millburn Road
Wadsworth, Illinois 60083-9767
Electronic Facsimile Transmission No. (847) 356-9722

with a copy to: Ms. Lori Martin
Hodges, Loizzi, Eisenhammer, Rodick & Kohn
3030 Salt Creek Lane, Suite 202
Arlington Heights, Illinois 60005
Electronic Facsimile Transmission No. (847) 670-7334

16. **Default of Lessee.** If Lessee defaults in any of Lessee's undertakings in this Lease, or if Lessee abandons the Premises, then, in either or any such event, Lessor, at its election and with ten (10) days written notice specifying the cause, may (1) terminate this Lease, (2) terminate Lessee's right to possession only, without terminating the Lease, (3) charge rent in the amount of Thirty-Two Dollars and Twenty-Five/One Hundred Dollars (\$32.25) per day from the date of default or abandonment through the date in which the default or abandonment is remedied, or (4) take any action available in law of equity, without such termination or other action affecting any rights which it may have against Lessee for any obligations under this Lease if the cause has not been fully remedied within the ten (10) day period. Lessee shall be responsible for any and all costs incurred by Lessor as a result of Lessee's breach, including, but not limited to, reasonable attorney's fees. Lessee hereby waives any and all notices to quit and demands for possession which are required by statute of this State relating to forcible entry and detainer. Lessor may pursue any and all remedies

available hereunder and at law and equity. Lessor's decision to pursue one remedy shall not affect its ability to pursue any other remedies available.

17. **Termination of Lease.** Either party may terminate this Lease upon ninety (90) days written notice to the other party.
18. **Severability.** The invalidity or unenforceability of any provision herein shall not affect or impair any other provisions.
19. **Savings Clause.** If there is any provision of this Lease, or the application thereof to any party or circumstance, which shall be prohibited by law or invalid under applicable law, such provision shall be ineffective to the minimal extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Lease or the application of such provisions to other parties or circumstances.
20. **Governing Law and Interpretation.** This Lease shall be governed by the laws of the State of Illinois. The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms shall refer to this Agreement, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of this Agreement. Words of the masculine, feminine or neuter gender shall mean and include the correlative words of other genders, and the words importing the singular number shall mean and include the plural number and vice versa. Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations, joint ventures, and other legal entities, including public bodies, as well as natural persons. The terms "include," "including" and similar terms shall be construed as if followed by the phrase "without being limited to."
21. **Waiver.** Lessor reserves the right to waive any of the conditions precedent to its obligations hereunder. No waiver, and no modification, amendment, discharge or change of this Lease, except as otherwise provided herein, shall be valid unless the same is in writing and signed by the party against which the enforcement of such waiver, modification, amendment, discharge or change is sought.
22. **Binding Effect and Survival.** This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.
23. **Captions.** The captions of this Lease are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Lease or any of the provisions hereof.
24. **Entire Agreement.** This Lease represents the entire agreement between the parties to the subject matter hereof and supersedes any prior negotiations between the parties.
25. **Amendment.** This Lease may only be amended by written agreement of both parties.

- SIGNATURE PAGE TO FOLLOW -

IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease to be executed as of the day and year first above-written.

LESSEE:

MARIANA BIBIAN

By: _____
Mariana Bibian

LESSOR:

**BOARD OF EDUCATION OF
MILLBURN COMMUNITY
CONSOLIDATED SCHOOL
DISTRICT NO. 24,
LAKE COUNTY, ILLINOIS**

By: _____
Its: President

ATTEST:

By: _____
Its: Secretary

EXHIBIT A

The shaded area is the Premises as defined in Section 1.

