

## LEASE

This Lease made and entered into this \_\_\_\_ day of June, 2020, by and between Pana Community Unit School District No. 8 (hereinafter "Lessor") and Lake Land College (hereinafter "Lessee"), WITNESSETH:

In consideration of the rents, covenants, conditions and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **PREMISES:**

Lessor hereby leases, demises and lets unto Lessee, and Lessee does hereby lease and rent from Lessor, on the terms, agreements, covenants and conditions hereinafter set forth, the following described premises, situated at 600 East First Street, Pana, Christian County, Illinois, to-wit:

The entire 8,000 sq. ft. of available space inclusive of both the original 2,000 sq. ft. of space and the new addition that is 6,000 sq. ft. The Lessee agrees to allow the Lessor to use up to 2,000 sq. ft. of space for its Adult Education Program until which time the Lessee takes over the grant for the current Pana C.U.S.D. #8 Adult Education Program.

(hereinafter sometimes the "premises" or the "demised premises").

2. **LEASE TERM:**

a. The initial term of this Lease shall be for a period of three (3) years, commencing on the 1<sup>st</sup> day of July, 2020, and expiring on the 30<sup>th</sup> day of June, 2023, without notice by either Lessor or Lessee, any custom, usage, practice, law, statute or ordinance to the contrary notwithstanding.

b. Lessor may, at Lessor's sole discretion, grant to Lessee the option to renew this Lease at the conclusion of the initial term for a period of one (1) year, commencing on the 1<sup>st</sup> day of July, 2023, and expiring on the 30<sup>th</sup> day of June, 2024, upon the same terms, agreements, covenants, and conditions as contained herein.

3. **RENT:**

Rent for the three (3) year term of this Lease shall be Twenty Seven Thousand and 00/100 Dollars (\$27,000.00). Seven Hundred Fifty and 00/100 Dollars (\$750.00) per month, which rent shall be paid in advance on or before the first day of the term, by check payable to the order of Lessor at 14 East Main, P.O. Box 377, Pana, IL 61557, or at such other address as Lessor may designate.

4. **LESSEE'S USE OF THE PREMISES:**

During the initial term of this Lease and any renewal term, Lessee shall use the demised premises for community college classrooms, office space, and related uses, and shall comply with all applicable laws and ordinances of all governmental authorities having jurisdiction thereof.

5. **UTILITIES:**

During the initial term of this Lease and any renewal term hereof, Lessee agrees to pay all utility costs for electricity, water and sewage, trash removal and all other utilities or services used by Lessee, and for the portion of the building which shall remain occupied by Lessor.

6. **MAINTENANCE, REPAIRS AND IMPROVEMENTS:**

a. **Maintenance.** Lessee agrees to keep and maintain the demised premises in a clean, neat, safe and orderly condition. All external maintenance shall be the responsibility of the Lessor and this shall include the parking lot, lawn care, and snow removal.

b. **Improvements.** Lessee shall not make, or suffer to be made, any alterations, repairs or improvements to the demised premises, without first obtaining the signed, written consent of Lessor. Lessee agrees to keep the demised premises free and clear of any and all liens arising out of any work performed or material furnished to or by, or obligations incurred by Lessee. If Lessee or its agents, servants, guests, invitees, patrons or employees damage the demised premises or any of the common areas, Lessee agrees to immediately repair the same.

c. **Health/Life Safety Repairs.** Lessor shall be solely responsible for the cost of any needed alteration or reconstruction for fire prevention, safety, energy conservation, disability accessibility, school security, and specified repair purposes, when such purposes and expenditures have been approved by the Lessor's architect, the Regional Superintendent of Schools, and the State Superintendent of Education.

7. **TRADE FIXTURES:**

Lessee shall have the right to install and maintain in and on the demised premises such trade fixtures and other equipment as it shall deem necessary to the conduct of its business, all of which shall remain the property of Lessee and may be removed by Lessee at any time.

8. **INSURANCE:**

a. **Fire and Extended Coverage.** Lessor shall be responsible for maintaining fire and extended coverage insurance on the demised premises, in policy limits it deems appropriate, and Lessee shall have no responsibility as to such insurance. Lessee shall maintain fire and extended coverage insurance on its contents located

in or upon the demised premises, and Lessor shall have no responsibility as to such insurance or damage or loss that may occur thereto.

- b. **Liability Insurance.** During the term hereof, Lessee agrees to obtain and maintain liability insurance covering the use and ownership of the demised premises. Lessee agrees that said liability insurance shall be in amounts of not less than \$1,000,000 per person, and \$2,000,000 for each occurrence in the aggregate for bodily injury, and \$100,000 property damage. Such policies shall name Lessee, Lessor, Lessor's successors and assigns and Lessor's mortgagees, if any, as insureds thereunder.
  
- c. **Insurance Policies.** Lessee agrees to pay all insurance premiums on the policies it is herein required to maintain hereunder, when due and prior to delinquency, and upon request, to furnish Lessor with a copy of such insurance policies, together with certifications by the insurers that said policies are in full force and effect. All such policies shall contain a provision that no termination of the coverage or change of policy shall be effective without first giving Lessor thirty (30) days advance notice.
  
- d. **Cross Waivers of Subrogation.** Lessor hereby releases Lessee, and Lessee hereby release Lessor, said release to apply and extend to each party's successors and assigns, from and against any and all claims, demands, liabilities or obligations whatsoever for damage to the property or loss of rents or profits of either releasing party, resulting from or in any way connected with any fire, accident, or other casualty on the demised premises, whether or not such fire, accident or other casualty shall have been caused by the negligence or contributory negligence of either party, or any successor or assignee of either of them, or by any agent, associate or employee of either of them, if such damage or loss results from a peril insured against under any insurance contract which at the time of such damage or loss does not prohibit waiver of subrogation rights prior to a loss thereunder.

9. **LOSS AND INDEMNITY:**

Lessee covenants and agrees to defend, indemnify and hold Lessor harmless of and from any all losses, liabilities, damages, injuries, claims, demands, suits, actions and causes of action, whether for personal injury or property damage, costs and expenses of every kind, nature and description, whether or not covered by insurance, including legal fees and defense costs of Lessee and Lessee's employees, agents, guests, customers and invitees, suffered in, upon or about the demised premises, or arising out of or relating in any way to Lessee's or Lessee's employee's, agent's, guests, customer's or invitee's use, operation of or presence in or on the demised premises during the term of this Lease.

10. **CASUALTY:**

In the event the demised premises shall be damaged by fire, flood, windstorm, earthquake or any other casualty to such an extent that the premises cannot be restored to as good a condition as it was prior to such damage within ninety (90) days thereafter, either Lessor or Lessee shall have the right to cancel and terminate this Lease, in which event rents shall be adjusted as of the date of the damage or destruction; and if neither party exercises such right to cancel this Lease within thirty (30) days after such damage, or such repairs can be made within a period of ninety (90) days, Lessor agrees to repair the demised premises with due diligence, and until such repairs are completed, all rentals payable hereunder shall abate, unless Lessee shall continue to use at least fifty percent (50%) of the floor area of the demised premises, in which event the rental shall be reduced to an amount proportionate to the undamaged floor space used by Lessee during such repair period.

**11. LESSEE'S BREACH OF COVENANT:**

- a. In the event Lessee shall fail to pay the rent as herein provided when it becomes due and/or shall fail to perform any of the covenants and agreements of this Lease, the performance of which is herein required of Lessee, then the Lessee shall be in breach of this Lease and Lessor, in addition to whatever other rights against Lessee it may have, shall have the right to demand the remedying of said breach or breaches by serving written notice on Lessee, and if at the expiration of five (5) days from the service of said notice, Lessee has not remedied said breach or breaches, then Lessor shall have the right to re-enter the demised premises, repossess the said premises, evict Lessee and/or others therein, remove and/or distrain the property of Lessee therein, and in the discretion of Lessor, re-let the demised premises. Lessor shall have all other rights and remedies as may be available at law or in equity, including specific performance. Repossession made by Lessor as provided in this paragraph shall not relieve Lessee from the payment of rent during the unexpired portion of the term of this Lease; but in the event Lessor re-lets the demised premises after such repossession and prior to the expiration of this Lease, Lessee's liability for rent shall be credited with all rent received by Lessor from said re-letting from the time of re-letting to the expiration of this Lease, except Lessee shall receive no surplus over and above its liability for rent. Waiver by Lessor of any breach of this Lease, whether in a single instance or repeatedly, shall not be construed as a waiver of its rights under this Lease because of similar or additional breaches. Further, such waiver shall not in any manner be construed as a waiver by Lessor of Lessee's obligation to strictly adhere to the terms and conditions of this Lease, nor as a waiver of any claim for damages or other remedy by reason of such breach.
- b. In the event Lessor shall fail to perform any of the covenants and agreements of this Lease, the performance of which is herein required of Lessor, then Lessor shall be in breach of this Lease and the Lessee, in addition to whatever other rights against Lessor it may have, shall have the right to demand the remedying of said breach or breaches by serving written notice on Lessor, and if at the expiration of five (5) days from the service of said notice, Lessor has not

remedied said breach or breaches, then Lessee shall have the right to terminate this Lease. Lessee shall have all other rights and remedies as may be available at law or in equity.

**12. HAZARDOUS SUBSTANCES:**

Lessee represents and warrants that it will not keep, dispose of or release any "Hazardous Substance" (as hereinafter defined) upon, in or at the demised premises. Nor will it keep, dispose of or release any asbestos, polychlorinated biphenyls (PCB's), lead base paints or petroleum products, including crude oil, or any fraction of it, and any natural gas, natural gas liquids, synthetic gas, and liquefied natural gas on the premises, except in accordance with applicable law. For purpose of this paragraph 16, the term "Hazardous Substance" means any substance which is a hazardous substance as defined by the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, and amendments thereto.

**13. RULES OF PUBLIC OFFICERS:**

Lessee agrees to comply with the rules, regulations, orders, laws, statutes and ordinances of the duly constituted public authorities governing the use and occupancy of the demised premises. Lessee agrees, at its expense, to obtain any license, permit or approval required for Lessee's occupancy and use of the demised premises.

**14. ATTORNEYS' FEES:**

Breach of this Lease, or any extension or renewal thereof, by Lessee shall entitle Lessor to claim and recover as damages all reasonable costs, attorneys' fees and expenses incurred in connection with the enforcement of this Lease.

**15. INSPECTION BY LESSOR:**

Lessor and Lessor's designees, agents, representatives, servants and employees shall have the right to enter the demised premises at all reasonable times to inspect and examine the demised premises and to make repairs for the preservation or maintenance of the demised premises which Lessee has failed to make.

**16. INSPECTION BY LESSEE/SURRENDER:**

a. Lessee, prior to taking possession of the premises, shall be satisfied with the condition thereof, and the taking of possession shall be conclusive evidence against Lessee that the premises were in satisfactory condition when Lessee took possession.

b. Lessee shall quit and surrender the demised premises at the end of the term hereof, or any renewal thereof, in a clean and good condition, normal wear and tear excepted. Should Lessee fail to vacate the premises at the termination of this Lease, either at the

end of a term or upon prior termination, the maximum charge permitted by law shall be due and payable to Lessor for every day, or fraction of each day, past the termination date.

**17. SUBLET AND ASSIGNMENT:**

This Lease may not be assigned, nor the demised property sublet or assigned in whole or in part by the Lessee without first receiving the signed written consent of Lessor.

**18. TIME OF THE ESSENCE:**

The time for performance of the obligations of the parties is of the essence of this Lease.

**19. SUCCESSION OF OBLIGATIONS:**

The covenants and agreements contained herein shall be obligatory upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided that nothing herein contained shall permit the Lessee to assign this Lease without the prior written consent of Lessor.

**20. CHOICE OF LAW & SEVERABILITY:**

This Lease shall be construed pursuant to the laws of the State of Illinois. If any portion or section of this Lease should be determined illegal, invalid or unenforceable by a court of competent jurisdiction, said determination shall not effect or abrogate the remainder of this Lease, which shall remain in full force and effect.

**21. NOTICES:**

Notices hereunder shall be in writing and, except as otherwise herein provided, shall be effective upon hand delivery thereof, or by the mailing thereof by Certified Mail, Return Receipt Requested, postage prepaid, addressed as follows:

<b>LESSOR:</b>	<b>LESSEE:</b>
Superintendent	President
Pana Community Unit School	Lake Land College
District No. 8	5001 Lake Land Blvd.
14 East Main, P.O. Box 377	Mattoon, IL 61938
Pana, IL 62557	

or at such other address as may from time to time be designated by either party by like notice to

the other party.

**IN WITNESS WHEREOF**, the parties have hereunto signed and sealed the foregoing Lease on the day and year first written above.

**LESSOR:**

**BOARD OF EDUCATION,  
PANA COMMUNITY UNIT  
SCHOOL DISTRICT NO. 8**

**By:** \_\_\_\_\_  
**Its President**

**ATTEST:**

\_\_\_\_\_  
**Its Secretary**

**LESSEE:**

**BOARD OF TRUSTEES,  
LAKE LAND COLLEGE-  
COMMUNITY COLLEGE  
DISTRICT 517**

**By:** \_\_\_\_\_  
**Its** \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
**Its** \_\_\_\_\_