

LEASE

THIS AGREEMENT made and entered into by and between **Garfield Scholars Academy**, herein called Lessee, and **Garfield Education Foundation**, herein called Lessor.

WITNESSETH:

For and in consideration of the covenants and agreements hereinafter contained, Lessor does hereby let, lease, and demise unto Lessee, and Lessee does hereby lease from Lessor, the following described premises:

18432 Marshall St. Garfield, AR 72732 and 14946 Coen Ross Rd, Garfield, AR 72732

TO HAVE AND TO HOLD the same unto the said Lessee and unto the said Lessee's successors and assigns, together with all privileges and appurtenances thereunto belonging, for the term and under the conditions hereinafter set forth.

1. **TERM AND RENEWAL.** The term of this lease shall be for a period of twelve (12) months, beginning on the 21 day of July, 2025 (the "Commencement Date") and ending at midnight on the last day of the 12th month thereafter.

2. **RENTAL.** As rental for said premises, Lessee shall pay to Lessor rental in annual installments of one and 00/100 Dollars (\$1.00) per year, payable at any time throughout the 1 year rental period.

The Lessor and Lessee hereby agree to extend the original Lease Agreement into perpetuity, under the same terms and conditions unless otherwise specified herein.

3. **SECURITY DEPOSIT.** To ensure Lessee's full compliance with the terms of this agreement, Lessee shall tender \$ 0 as a security deposit.

4. **UTILITIES.** Lessee shall pay all utilities consumed within the premises, including, but not limited to, electricity, gas, water and sewer services consumed within the leased premises.

5. **TAXES.** Lessee shall pay all ad valorem taxes and assessments due to improvement districts or governmental bodies which may be levied, assessed or charged against the leased premises by reason of the real property and premises leased hereunder. Lessee shall be responsible for all taxes attributable to the property of Lessee on the leased premises and for all license, privilege, and occupation taxes levied, assessed, or charged against Lessee on account of the operation of the business from these premises.

6. **REPAIRS.** Lessee shall be responsible for repairs and maintenance.
7. **ALTERATIONS.** Lessee shall have the right and privilege to make, at Lessee's expense, ordinary repairs and alterations to the leased premises.
8. **FIXTURES.** All trade fixtures or equipment installed by Lessee or acquired by Lessee independently of this lease shall remain Lessee's property and may be removed by Lessee at the expiration of this lease; provided, however, Lessee shall restore the leased premises and repair any damage thereto caused by such removal.
9. **ACCEPTANCE OF PREMISES.** It is expressly understood and agreed by the Lessee that it is leasing the demised premises in its current condition and that if the plumbing, telecommunications, or electrical wiring already in place prove to be inadequate for Lessee's purposes, Lessee may, at its own expense, have such required additional plumbing, telecommunications, or electrical wiring installed.
10. **UNTENANTABILITY.** Should the improvements on the leased premises, or any part thereof, be rendered unfit for occupancy for the purposes for which they are hereby let for a period of ninety (90) days by reason of fire, windstorm, or other act of nature or unavoidable casualty, the rentals hereinabove stipulated to be paid by the Lessee, or such proportion thereof as is related to that portion of the improvements on the premises rendered untenable by reason of such damage, shall be remitted and abated by Lessor while the same remains unfit for occupancy and until the premises involved shall have been repaired or returned to tenantable condition. Provided, however, Lessor may, upon the occurrence of any such casualty, elect to terminate this lease if the cost of replacing or repairing the improvements so damaged upon the premises equals or exceeds fifty per cent (50%) of the property damage insurance coverage maintained by Lessor thereon. Lessor shall in no way be liable or responsible for any damage to any property of the Lessee in or about the leased premises by reason of flood, water, fire, windstorm or other casualty or act of nature.
11. **CONDUCT OF BUSINESS AND USES.** The leased premises are leased to Lessee for the purpose of school and community activities and all lawful and related uses, and Lessee covenants agrees with and unto Lessor that the premises will be used for those purposes and those related to them and no other, except with the prior written consent of Lessor. Lessee covenants and agrees that Lessee will not do or permit to be done anything in, upon, or about the leased premises that increases the hazard of fire beyond that which exists by reason of the uses and occupancy of the premises for the purposes mentioned. Lessee agrees to pay to Lessor, on demand, any increases in fire insurance premiums on the improvements and building which Lessor may be required to pay thereon by reason of any other use by the Lessee of the premises, and Lessee will not do or permit to be done anything within Lessee's control which would make the leased premises, or the improvements thereon, uninsurable in whole or in part. Lessee agrees that Lessee will not commit waste nor permit waste to be committed or done upon the leased premises. All uses of the demised premises shall conform with all requirements of the County Code as they may exist as of the date of this lease.
12. **SIGNS AND ADVERTISING.** Permanent signage must be approved by Lessor prior to installation.
13. **INDEMNITY AGAINST DAMAGE OR INJURY.** Lessee agrees to defend, indemnify, and hold harmless the Lessor against any claim, expense, loss or liability as a result of any breach by Lessee, Lessee's sub-lessees, agents, servants, employees, customers, visitors, or

licensees, of any covenant or condition of this lease, or as a result of Lessee's use or occupancy of the leased premises, or as a result of the negligence of Lessee, Lessee's sub-lessees, agents, servants, employees, customers, visitors, or licensees. Lessee agrees to keep and maintain at all times during the term hereof, in full force and effect, with a company or companies acceptable to Lessor, insurance against third party liability by reason of Lessee's (or Lessee's sub-lessee's) occupancy of the leased premises and Lessor shall be a named insured in such policies.

14. DEFAULT. Lessee shall be in default under the provisions of this lease agreement upon the happening of any of the following events or conditions:

(a) Failure to pay the rentals provided herein at the times, in the amounts and in the manner set forth or within ten days after the date the same become due;

(b) Failure to keep or perform any of the covenants on the part of the Lessee herein to be kept or performed;

(c) Should the Lessee become insolvent, or become bankrupt, either voluntary or involuntary, or make any assignment for the benefit of creditors, or if a receiver be appointed for the benefit of Lessee's creditors, or if a receiver be appointed for Lessee to take charge of and manage Lessee's affairs, or if any levee of execution against the Lessee remains unsatisfied for a period of ten days from and after the levy of the same.

15. REMEDIES IN THE EVENT OF DEFAULT. In the event of a default by Lessee, during the term hereof, Lessor shall provide Lessee ten (10) days written notice by certified mail of such default. In the event Lessee fails to cure such default within the ten (10) day notice period Lessor may, at Lessor's option, declare this lease thereupon terminated, and Lessor shall have the right to enter upon and take possession of the leased premises, either with or without notice, and to evict and expel Lessee and any or all of Lessee's property, belongings, and effects therefrom, without legal process and without thereby being guilty of any manner of trespass either at law or in equity which remedy is in addition to any other remedies of Lessor either at law or in equity, including, without limitation, the collection of delinquent rents, possession of the leased premises, damages for breach of this agreement by Lessee, or otherwise. No delay in or failure to exercise any of the options herein granted to Lessor by reason of a default shall be a waiver thereof, and the waiver on one occasion of a default shall not be deemed a waiver of Lessor's right to exercise its remedies by reason of the same or a similar default at any later occasion.

16. WAIVER OF SUBROGATION. Lessor and Lessee and all parties claiming under them hereby mutually release and discharge each other from all claims and liabilities arising from or caused by any hazard covered by insurance on the leased premises, or covered by insurance in connection with the property or activities conducted on the leased premises, regardless of the cause of the damage or loss.

17. ASSIGNMENT AND SUBLETTING. Lessee may not assign this lease, or sublet the leased premises or any part thereof, without the prior consent in writing of Lessor. The consent by Lessor to a particular assignment or subletting shall not be construed to relieve Lessee from the obligation to obtain the consent in writing of Lessor on any other or future assignment or subletting.

18. CONDEMNATION. In the event all or any part of the leased premises should be subjected to eminent domain proceedings, and if pursuant thereto an amount of the leased premises shall be condemned so as to render the residue inadequate for Lessee's purposes as herein set forth, Lessee shall have the option to terminate and cancel this lease by giving written notice of such intention to Lessor. If any such taking shall not render the residue of the leased premises wholly inadequate for Lessee's purposes as herein set forth, Lessee's rentals hereunder shall be reduced in the

proportion which the value of the property taken bears to the whole value of the leased premises with improvements. In any such condemnation proceedings, all damages allocable to full fee simple ownership of the leased premises shall be payable to Lessor, and any damages for loss of leasehold interest, including the unamortized portion of the value involved in such condemnation of any non-removable fixture placed on the leased premises by Lessee with Lessor's approval shall be payable to Lessee.

19. SURRENDER OF POSSESSION. At the end of the term of this lease, or upon earlier termination by Lessor in accordance with the options herein reserved, Lessee agrees to surrender possession of the leased premises without demand. Should Lessee fail so to do, Lessee shall be responsible in addition to the damages generally recoverable by Lessor by reason of any breach by Lessee, for all damages Lessor may sustain, including claims made by any succeeding tenant against Lessor which are founded upon delay or failure in delivering possession of the leased premises to such succeeding tenants. Lessee hereby waives any and all notice to which Lessee may otherwise be entitled under the laws of the State of Arkansas as a prerequisite to a suit against Lessee for the unlawful detention of the leased premises.

20. BINDING EFFECT. This agreement shall inure to the benefit of and be binding upon the parties hereto, their respective successors, legal representatives, heirs and assigns, except as expressly limited otherwise herein.

21. TIME OF ESSENCE. The time of the making of the payments and of the keeping of the covenants herein are of the essence of this agreement and the parties hereto so agree.

22. NOTICES. Any notice called for or permitted under the terms hereof may be given in writing and sent by ordinary mail to the last address of the party to whom the notice is to be given as designated by such party in writing. Lessor designates its address as:

Garfield Education Foundation
18432 Marshall St.
Garfield, AR 72732

Lessee hereby designates its address as the leased premises.
With a copy to:

GARFIELD SCHOLARS ACADEMY
18432 Marshall St.
GARFIELD, AR 72732 _____

Any notice so given shall be deemed given when posted. Designations of address may be changed by written notice given by ordinary mail from either party to the other.

23. ENVIRONMENTAL MATTERS. Lessor and Lessee agree to the following with respect to environmental matters:

(a) Covenants. Lessee shall at all times comply with applicable local, state and federal laws, ordinances and regulations relating to Hazardous Substances. Lessee shall at its own expense maintain in effect any permits, licenses or other governmental approvals, if any, required for Lessee's use of the Premises. Lessee shall make all disclosures required of Lessee by any such laws, ordinances and regulations, and shall comply with all orders, with respect to Lessee's use of the

Premises, issued by an governmental authority having jurisdiction over the Premises and take all action required by such governmental authorities to bring the Lessee's activities on the Premises into compliance with laws, rules and regulations and ordinances relating to Hazardous Substances and affecting the premises. Lessor shall maintain and operate the Premises at all times in compliance with all applicable local, state and federal laws, ordinances and regulations, shall make all disclosures required of Lessor by any such laws, ordinances and regulations, and shall comply with all orders issued by any governmental authority having jurisdiction over the Premises and take all action required by such governmental authorities to bring the Premises into compliance with all laws, rules and regulations and ordinances relating to Hazardous Substances and affecting the Premises.

(b) **Notices.** If at any time Lessee or Lessor shall become aware, or have reasonable cause to believe, that any Hazardous Substance has been released or has otherwise come to be located on or beneath the Premises, such party shall, immediately upon discovering the release or the presence or suspected presence of the Hazardous Substance, give written notice of that condition to the other party. In addition, the party first learning of the release or presence of a Hazardous Substance on or beneath the Premises, shall immediately notify the other party in writing of (i) any enforcement, cleanup, removal, or other governmental or regulatory action instituted, completed or threatened pursuant to any Hazardous Substance laws, (ii) any claim made or threatened by any person against Lessor, Lessee or the Premises, arising out of or resulting from any Hazardous Substance, and (iii) any reports made to any local, state or federal environmental agency arising out of or in connection with any Hazardous Substance.

24. QUIET ENJOYMENT. Provided it has paid all Yearly Rent due and is not otherwise in default, Lessee shall at all times during the Initial Term and any Renewal Term peaceably and quietly enjoy the Premises without disturbance by Lessor or any person claiming through Lessor.

25. SUBORDINATION, NONDISTURBANCE AND ATTORNMENT. At Lessor's reasonable request, Lessee shall subordinate in writing its rights under this Lease to the lien of any first mortgage or first deed of trust to any bank, insurance company or other lending institution now or in the future in force against the land and Lessor's Improvements of which the Premises are a part. In the event any proceedings are brought for foreclosure or in the event of the exercise of the power of sale under any mortgage or deed of trust covering the premises, Lessee shall attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as the landlord under this Agreement so long as Lessee's quiet enjoyment is not disturbed. Notwithstanding, so long as Lessee is not in default under this Agreement, this Agreement shall remain in full force and effect for the full term of the Initial Term and any Renewal Term. If requested by Lessor or Lessor's mortgagee, lessee upon not less than twenty (20) days prior written notice from Lessor shall execute and deliver to Lessor a reasonable Attornment, Subordination and Non-Disturbance Agreement in favor satisfactory to Lessee and Lessor's mortgagee.

26. SALE OF PREMISES BY LESSOR. If Lessor sells the Premises, Lessor shall be relieved of all liability under any and all of its covenants and obligations contained in this Lease and arising out of any act, occurrence or omission occurring after the consummation of such sale; provided, however, that the purchaser of the Premises shall be deemed without further agreement between the parties, or between the parties and any such purchaser, assume and agree to carry out all of the covenants and obligations of the Lessor under this Lease.

27. ASSUMPTION BY REGULATORY AUTHORITY. The Arkansas State Bank Department, Federal Deposit Insurance Corporation, or any other governmental agency having jurisdiction of banks may perform any obligation of the Lessee, at its option, and thereby, inure to

any benefit to the Lessee pursuant to this lease.

28. BROKERS. Lessee warrants that it had no dealings with any broker or agent in connection with the negotiation or execution of the Lease. Lessee agrees to indemnify Lessor against any expense of liability for commissions or other compensation or charges claimed by any broker or agent with respect to this Lease.

30. MISCELLANEOUS.

(a) This Lease shall be deemed entered into within and shall be governed by and interpreted in accordance with the laws of the State of Arkansas.

(b) This Lease shall not be modified except by written agreement signed on behalf of Lessor and Lessee by their respective authorized officers.

(c) This Lease supersedes all prior understandings, representations, negotiations and correspondence between the parties with respect to the matters described, and shall not be modified or affected by any course of dealing, course of performance or usage of trade.

(d) This Lease supersedes, terminates, and replaces all prior leases, contracts, agreements, understandings, representations, negotiations and correspondence between Lessee and any previous lessor, landlord, and owner of the premises.

(e) If any provision of this Lease is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired.

(f) This Lease may be executed in any number of counterparts and each fully executed counterpart shall be deemed an original.

IN WITNESS WHEREOF, Lessor and Lessee have hereunto set their hands this 21st day of July, 2025.

LESSOR:
GARFIELD EDUCATION FOUNDATION

LESSEE:
GARFIELD SCHOLARS ACADEMY

BY:

Joy Thomas Sawyer, CEO

BY:

Cheryl Harrison
Authorized Officer

Printed Name

Cheryl Harrison