

SCHOOL BUILDING LEASE

THIS SCHOOL BUILDING LEASE ("Lease") made as of this ___ day of _____, 2026, by and between Amphitheater Unified School District No. 10 (hereinafter "Landlord"), a political subdivision of the State of Arizona, whose address is 701 W. Wetmore Road, Tucson, Arizona 85705, and the Arizona State School for the Deaf and the Blind (hereinafter "Tenant"), a public body corporate, whose address is 1200 W. Speedway Blvd, Tucson, Arizona 85745.

WITNESSETH, that for and in consideration of the Rent hereinafter reserved and of the mutual covenants and agreements hereinafter set forth, Landlord and Tenant do hereby mutually agree as follows:

1. PREMISES AND USE.

- (a) Landlord does hereby lease and demise to Tenant for use only by Tenant, and Tenant does hereby lease and take from Landlord, to have and to hold for the term and upon the covenants and conditions hereinafter set forth, the building identified as "Copper Creek Elementary School" located at 11620 N. Copper Spring Trail, Oro Valley, Arizona 85737 (the "Building"), together with certain portions of the real property on which the Building sits, as described and shown on Exhibit A (the "Premises"). The Premises consists of approximately 106,002 square feet of building space.
- (b) At the commencement of the Term, as defined herein, Landlord shall turnover the Premises and Building, including all mechanical, plumbing, and electrical systems in good working order, and the Building shall be free of all furniture and other tangible personal property to allow Tenant to furnish the Building as necessary for its operations.
- (c) Tenant shall use the Premises and Building for education and general office purposes related thereto (the "Use"). Tenant may use the Premises and Building for other purposes related to the Use, so long as such other use is permitted by the zoning designation for the Building, and so long as such other use does not materially interfere with the educational functions of Landlord.
- (d) Landlord represents and warrants that the Premises and Building allow for the Use.

2. TERM. The term hereof shall be for a period of 12 months (the "Term") (or until such Term shall sooner cease and expire as hereinafter provided) commencing on July 1, 2026, (the "Commencement Date") and expiring at 11:59 p.m. on June 30, 2027. Tenant may extend the Term for four (4) consecutive one (1) year periods (each, a "Renewal Term") on the same terms and conditions as contained in this Lease, except as expressly provided herein. To exercise a renewal option, Tenant shall provide Landlord with written notice at least ninety (90) days prior to the expiration of the Term or current Renewal Term, as applicable. Tenant may only exercise one (1) renewal option at a time.

3. SECURITY DEPOSIT. Upon execution of Lease, Tenant shall deposit with Landlord the sum of None (\$0.00) (the "Security Deposit") which Landlord shall reimburse to Tenant no

later than two weeks following end of term so long as Tenant vacates Premises in clean and sound condition at end of Term.

- 4. RENT AND RENT ADJUSTMENTS.** "Rent" means the "Base Rent" as hereinafter described, together with all other financial obligations of Tenant under this Lease which are herein described as "Additional Rent". Tenant shall pay, without notice, deduction, setoff or abatement, a total Base Rent of One Million Two Hundred Seventy-two Thousand Twenty-Four and 0/100 dollars (\$1,272,024.00), in lawful money of the United States, in equal consecutive monthly installments of One Hundred Six Thousand Two and 00/100 dollars (\$106,002.00) each, in advance on the first day of each month during the Term hereof provided. Payment received later than the 10th day following the first day of each month shall be subject to a 10% late fee penalty. If the Term hereof commences (or terminates) on any day other than the first (or last) day of a month, Base Rent for the first (or last) month shall be adjusted on a per diem basis. For each renewal term, if any, following the expiration of the initial Term, the Base Rent and monthly installments shall increase by three percent (3%) and shall be equal to the following:

<u>Renewal Term(s)</u>	<u>Annual Base Rent</u>	<u>Monthly Installment</u>
1	\$1,310,184.72	\$109,182.06
2	\$1,349,490.26	\$112,457.52
3	\$1,389,974.97	\$115,831.25
4	\$1,431,674.22	\$119,306.18

- 5. LANDLORD WORK.** Prior to or by October 1, 2026, the Landlord will install adult size toilets and sinks in one men's and women's bathrooms on the first floor of Building CN. During the Term and any Renewal Term, Landlord shall maintain and repair the exterior portions of the Building and grounds as well as all mechanical, plumbing, and electrical systems at its own cost except that any damage to the exterior of the Building and grounds or the mechanical, plumbing, and electrical systems caused by acts of Tenant, Tenant's guests, invitees, licensees, agents, employees, or contractors ("Tenant's Users"). Further, during the Term and any Renewal Terms, Landlord shall maintain evening security patrol of the Premises and ensure the Premises and Building complies with all federal, state, and local laws and regulations, including but not limited to, the Americans with Disabilities Act and the National Register of Historic Places, unless the Premises or Building fail to comply with any such laws due to the acts of Tenant's Users, in which case Tenant shall bring the Premises and/or Building back in to compliance with such laws at its sole expense.
- 6. REFUSAL RIGHTS.** During the Term and any Renewal Terms, Tenant may exercise a right of first refusal to lease any available space or building existing on the Premises contiguous to the Premises (the "ROFR Space") if Landlord receives a bona-fide third-party offer to lease the ROFR Space, which offer otherwise would be acceptable to Landlord (a "Qualifying Offer"). If Landlord receives a Qualifying Offer, Landlord shall notify Tenant in writing within seven (7) business days (the "ROFR Notice"). Tenant may, within fifteen (15) business days of receiving the ROFR Notice and in its sole-discretion, notify Landlord in

writing of its election to exercise its right of first refusal to lease the ROFR Space on materially identical terms to the Qualifying Offer, except that the term of such new lease shall be adjusted to permit expiration co-terminus with this Lease. If Tenant fails to notify Landlord as provided herein, Tenant shall be deemed to have declined to exercise its right of first refusal and Landlord may proceed to lease the ROFR Space as provided in the Qualifying Offer.

7. **UTILITIES.** Tenant shall be responsible for obtaining and paying for electrical, gas, water, sewer, communications, telephone, data, trash removal and custodial services for the Premises. Tenant shall also be responsible for any solar electrical utility costs that are levied upon Landlord resulting from Tenant's Use of the Premises. Landlord shall invoice Tenant for said solar electrical utility costs monthly. Tenant shall reimburse Landlord within thirty (30) days of receipt of the solar electrical utility invoice. Landlord shall make documentation of such costs, including the original invoices addressed to Landlord, available for inspection by Tenant upon request.
8. **INSURANCE.** Landlord and Tenant acknowledge that Tenant is self-insured pursuant to A.R.S. §§ 41-621 and 41-622.

(a) **LIABILITY INSURANCE.** Tenant, at its expense, shall keep in force during the term of this Lease liability insurance insuring Landlord and Tenant against liability arising out of the use or occupancy of the Premises. Such insurance shall provide for a limit of liability of not less than ONE MILLION DOLLARS (\$1,000,000.00) for injury to or death of one (1) person in any one (1) accident or occurrence and not less than ONE MILLION DOLLARS (\$1,000,000.00) for property damage. The limits of insurance coverage shall not be deemed to limit the liability of Tenant under this Lease. The certificate of insurance shall list Landlord as an additional insured.

(b) **PROPERTY INSURANCE.** Landlord shall maintain and keep in force during the term of this Lease, insurance covering loss or damage to the Property from all perils included within the classification of fire, extended coverage, vandalism, malicious mischief and special extended perils ("all risk"). This insurance, however, shall not necessarily extend to any fixtures, equipment or personal property of Tenant located on the Property or within the leased Premises.

(c) **INSURANCE POLICIES.** Landlord acknowledges that Tenant and the State of Arizona are self-insured pursuant to A.R.S. §§ 41-621 and 41-622 and subject to the exclusions therein. Tenant shall deliver to Landlord certificates evidencing the existence and limits of the insurance required under *Paragraph 8(a)*. Tenant shall not do or permit anything to be done which would invalidate the insurance.

9. **ADDITIONS TO PROPERTY.** Tenant, at its own expense, may add the name of its school to the existing marquee sign that exists on the Premises. Prior to such addition, Tenant shall submit its design and layout to the Landlord for approval, which shall not be unreasonably withheld or delayed.

10. RESTORATION. Tenant shall not be obligated to restore the Premises to its prior condition upon the termination of the Lease and shall not be obligated to remove any cabling or wiring installed by Tenant during the Term or Renewal Term on or following the termination of the Lease.

11. ASSIGNMENT. Tenant may not sublet or assign all or any part of the Premises or Building at any time.

12. HOLD HARMLESS. Tenant shall defend, indemnify and hold harmless Landlord against and from any and all claims arising from Tenant's use of the Premises and/or Building or from the conduct of its business or from any activity, work, or other things done, permitted or suffered by the Tenant in the Premises; and shall further indemnify and hold harmless Landlord against and from any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any act or negligence of the Tenant, or any officer, agent, employee, guest, or invitee of Tenant; and from all costs, attorney's fees, and liabilities incurred in or about the defense of any such claim or any action or proceeding brought thereon and in case any action or proceeding be brought against Landlord by reason of such claim, Tenant shall defend the same at Tenant's expense..

Tenant shall give prompt notice to Landlord in case of casualty or accidents in or upon the Premises. Neither party shall have a right of recovery from the other for Acts of God.

13. REMEDIES IN DEFAULT. In the event of any such default or breach by Tenant, Landlord may at any time thereafter, in its sole discretion, with or without notice or demand, and without limiting Landlord in the exercise of a right or remedy which Landlord may have by reason of such default or breach:

(a) Terminate Tenant's right of possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall be entitled to recover from Tenant all damages reasonably incurred by Landlord by reason of Tenant's default including, but not limited to, the cost of recovering possession of the Premises; expenses of re-letting, including commissions, free rent, and any necessary renovation and alteration of the Premises; reasonable attorney's fees; and that portion of any leasing commission paid by Landlord and applicable to the unexpired term of this Lease. Unpaid installments of rent or other sums shall bear interest from the date due at the maximum legal rate; or

(b) Maintain Tenant's right of possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent and any other charges and Adjustments as may become due hereunder; or

(c) Terminate Tenant's right of possession of the Premises without terminating the Lease, in which case Tenant shall immediately surrender possession of the Premises to Landlord and Landlord shall be entitled to recover as set forth in 13(b) above.

(d) In addition to the rights and remedies listed above, Landlord may pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State of Arizona.

14. PARKING. The Parking Areas shall be available for the non-exclusive use of Tenant during the full term of this Lease or any Renewal Term(s), subject to the following conditions:

(a) Tenant shall keep said Parking Areas in a neat, clean and orderly condition and shall repair any damage to the facilities thereof caused by Tenant or Tenant's Users.

(b) Tenant, for the use and benefit of Tenant, its agents, employees, licensees and sub-tenants, shall have the non-exclusive right to use said Parking Areas during the entire term of this Lease, or any extension thereof, for ingress and egress, and automobile parking.

15. HOLDOVER. Should Tenant hold possession after expiration of the lease term or any renewal thereof, Tenant shall become a Tenant on a month-to-month basis upon the same terms and conditions of this lease. Either Landlord or Tenant shall have the right to terminate any holdover tenancy with thirty (30) days written notice to the Tenant or Landlord's last known address without incurring any penalty or damages

16. NONDISTURBANCE. Subject to the terms of this Lease, so long as Tenant is not in material breach of the terms of this lease, it shall have a right to the quiet possession of the Premises without disturbance from the Landlord or any person claiming rights through Landlord, for the term of the Lease. Any sale of the Premises by Landlord or other transfer of ownership, whether voluntary or by operation of law, shall not by itself operate to terminate this Lease or Tenant's right of possession.

17. NON-AVAILABILITY OF FUNDS. Every payment obligation of Tenant under this Lease is conditioned upon the availability of funds appropriated and allocated for the payment of such obligation. If funds are not appropriated, allocated and available or if the appropriation is changed by the legislature resulting in funds no longer being available for the continuance of this Lease, this Lease may be terminated by Tenant or any other agency of the State of Arizona at the end of the period for which funds are available; in such case, Tenant will be without further obligation under this Lease and will remove its personnel and property from the Premises by the end of the period for which funds are available. Tenant will advise Landlord at any time it appears that there may be insufficient funds to fully pay its Lease payments. No liability shall accrue to Tenant or any other agency of the State of Arizona in the event this provision is exercised, and neither Tenant nor any other agency of the State of Arizona shall be obligated or liable

for any future payments or for any damages as a result of termination under this paragraph.

18. ANTI-DISCRIMINATION. Landlord and Tenant shall comply with Executive Order 2023-01, which mandates that all persons, regardless of race, color, religion, sex, age, or national origin shall have equal access to employment opportunities, and all other applicable state and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. Landlord and Tenant shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability. Landlord and Tenant shall comply with Executive Order 2023-09 prohibiting race-based hair discrimination.

19. CONFLICT OF INTEREST. The requirements of A.R.S. § 38-511 apply to this Lease. Tenant may cancel this Lease, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Lease on behalf of Tenant is, at any time while this Lease or any extension is in effect, an employee, agent or consultant of Landlord with respect to the subject matter of this Lease.

20. ARBITRATION. The parties agree to use arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statute. In the event such a dispute is arbitrated, the parties hereby agree that the prevailing party is entitled to recover its attorneys' fees and costs. Attorney's fees shall be based on the prevailing hourly rate for attorneys in Phoenix, Arizona.

21. SEVERABILITY. The provisions of this Lease are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the Lease, which shall remain in effect without the invalid provision or application.

22. AUTHORITY. The individual executing this Lease on behalf of any party hereto represents and warrants that he or she has full right, power, and authority to enter into this Lease and to bind such party to all terms and obligations set forth herein.

23. CHOICE OF LAW. This Lease shall be governed and interpreted by the laws of the State of Arizona, except where otherwise provided.

LANDLORD
Amphitheater Unified School District No. 10

TENANT
Arizona State School for the Deaf and the Blind

By:_____

By:_____

Its: _____

Its: _____

Address: _____

Address: _____

Phone: _____

Phone: _____

Date: _____

Date: _____

In accordance with A.R.S. § 11-952, this Lease has been reviewed by the undersigned who have determined that this contract is in appropriate form and with the powers and authority granted to each respective public body.

Signature

Date

Printed Name and Title

In accordance with A.R.S. § 11-952, this Lease has been reviewed by the undersigned who have determined that this contract is in appropriate form and with the powers and authority granted to each respective public body.

Signature

Date

Printed Name and Title

Exhibit A
Description of Premises

The Premises referred to herein below is situated in Pima County, Arizona, and is described as follows:

Parcel No. 224-04-5860

Block A of COPPER CREEK II, Lots 1 through 235, Blocks "A" through "F" and Common Areas "A" through "F" according to the plat thereof recorded in Book 40 of Maps, page 50, records of the County Recorder for Pima County, Arizona; and as amended by Declaration of Scrivener's Error recorded March 9, 1987 in Docket Book 7987 at page 1311.

Parcel No. 224-03-169J

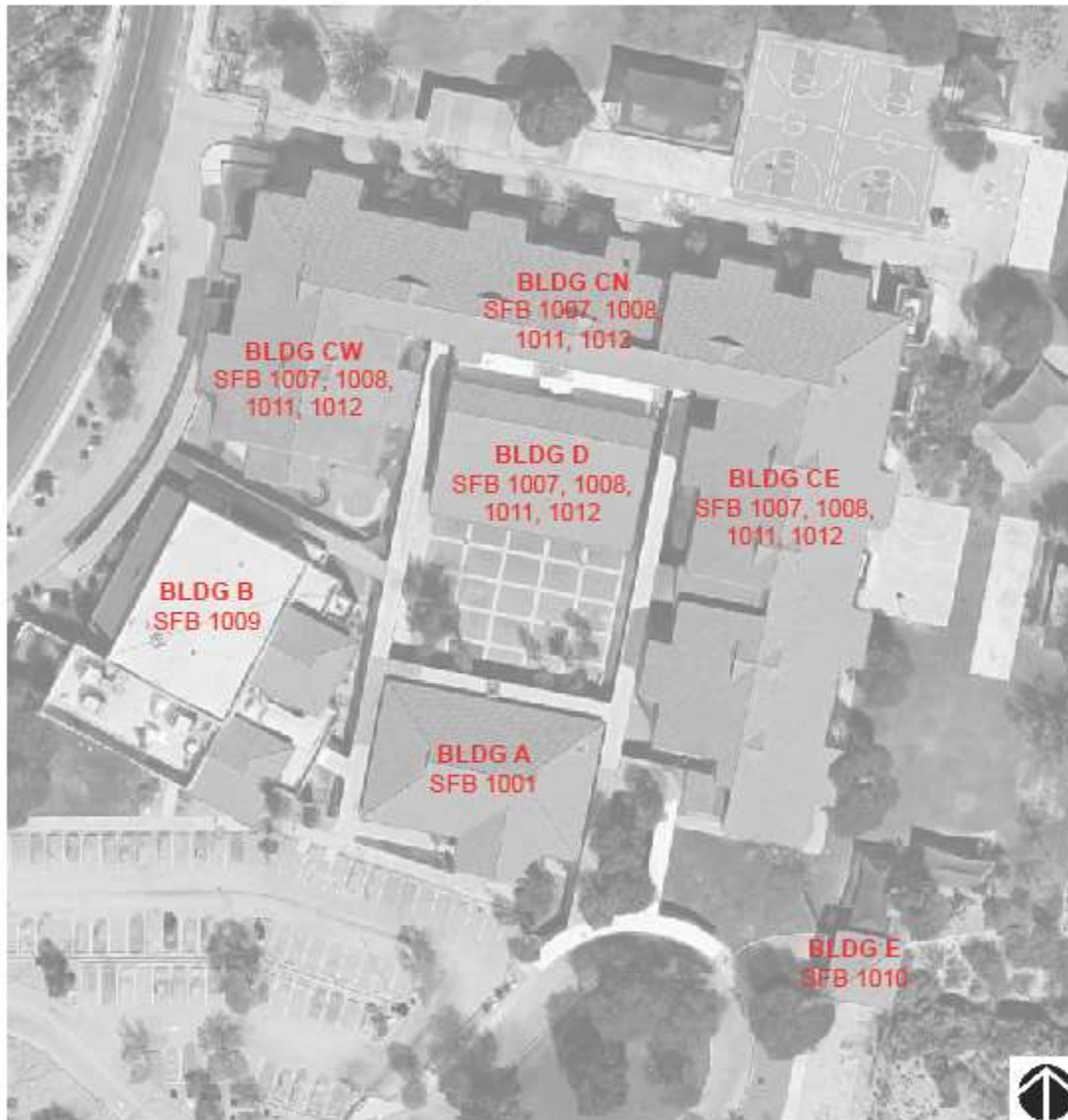
A parcel of land located in the Southeast quarter, of Section 2, Township 12 South, Range 13 East, of the Gila and Salt River Base and Meridian, Pima County, Arizona, described as follows:

Commencing at a found half inch iron pin at the Northwest corner of said Southeast quarter as shown on the plat of Copper Creek II, as recorded in Book 40 of Maps and Plats at Page 50, records of Pima County; thence N89°45'00"E, along the midsection line as defined by said plat, a distance of 100.00 ft. to the POINT OF BEGINNING; thence N89°45'00"E, along the midsection line, a distance of 330.00 ft.; thence S00°15'00"E, 155.00 ft.; thence S89°45'00"W, 330. 00 ft.; thence N00°15'00"W, 155.00 ft. to the POINT OF BEGINNING.



COPPER CREEK ELEMENTARY SCHOOL - COP

11620 N COPPER SPRINGS TRAIL, ORO VALLEY, AZ 85737



School: Copper Creek Elementary School					CTDS: 190210118				
Building No	Building Desc	Building Use	Year Built	Grades Served	Gross Area	Gross Excluded	Net Area	Int. Cond.	SPB Fund
1001	Administration	Administration	1978	E	5,800	0	5,800	Y	N
1007	Classroom, Library - Original - First Floor	Classrooms, Library	1987	E	30,385	0	30,385	Y	N
1008	Classroom, Library - Addition #1 - First Floor	Classrooms	1994	E	18,380	0	18,380	Y	N
1009	MPE	MPE	1987	E	13,838	0	13,838	Y	N
1010	Storage Room	Storage	1987	E	676	0	676	N	N
1011	Classroom, Library - Original - Second Floor	Classrooms	1987	E	25,445	0	25,445	Y	N
1012	Classroom, Library - Addition #1 - Second Floor	Classrooms	1994	E	13,700	0	13,700	Y	N
Totals:					108,002	0	108,002		