

LEASE AGREEMENT

by and among

CA Washington 2335 RPSE LLC¹, Landlord

and

Rocketship Education, Tenant

Dated as of: April __, 2014

¹ Landlord name and form of entity subject to change.

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LEASE AGREEMENT

THIS LEASE AGREEMENT (this “**Lease**”) is dated as of April __, 2014 (the “**Effective Date**”), and is entered into by and between CA WASHINGTON 2335 RPSE LLC, a Delaware limited liability company (“**Landlord**”) and ROCKETSHIP EDUCATION, a California nonprofit public benefit corporation (“**Tenant**”).

ARTICLE I Leased Premises

1.1 Ownership of Premises. Landlord is the fee owner of the parcels of land described in Exhibit 1.1 annexed hereto and made a part hereof. If required by applicable Legal Requirements, the parcels of land described in the attached Exhibit 1.1 may be consolidated into one or more lots and/or outlots, at no additional cost to Tenant and provided that Tenant's rights hereunder are not diminished and Tenant's obligations hereunder are not increased as a result of such consolidation. The Parties agree that, immediately upon final approval by applicable governmental authority of any such consolidation and recording of any instrument required to be recorded in connection with such consolidation, this Lease shall be amended (i) by deleting the legal description of the Land set forth on the attached Exhibit 1.1 (and each other reference to such legal description of the Land) and inserting in those places the revised legal description of the Land defined by and contained within the resulting instrument evidencing the consolidation, and (ii) by deleting all references to property “commonly known as 2335 Raynolds Place, SE” and replacing such references with the newly assigned street address(es) of the Land, if any.

1.2 Description of Premises. The “**Premises**” shall consist of the real property located at 2335 Raynolds Place, SE, Washington DC and described on the attached Exhibit 1.1 (the “**Land**”), the building located or (pursuant to the terms of this Lease) to be located on the Land (the “**Building**”), and all fixtures and improvements located therein and thereon. In consideration of Tenant’s payment of the Base Rent and Additional Rent (each as defined below) and Tenant’s performance of the covenants hereinafter set forth, Landlord hereby leases to Tenant and Tenant hereby takes from Landlord said Premises.

1.3 Defined Terms.

“**AAA**” has the meaning set forth in Section 6.13.

“**Acquisition Deadline**” has the meaning set forth in Section 2.3.1.

“**Additional Rent**” has the meaning set forth in Section 3.2.

“**Alterations**” has the meaning set forth in Section 9.1.

“**As-Built Documents**” has the meaning set forth in Section 6.7.

“**Authorizer**” means the District of Columbia Public Charter School Board or any other “eligible chartering authority” (as such term is defined in DC Code Sec. 38-1800.02(17)) that is, at any given time during the Term, party to a Charter School Contract with Tenant.

“**Base Rent**” has the meaning set forth in Section 3.1.

“Budget” means the budget developed and agreed by the Parties, in writing, as provided in Section 6.5.

“Building” has the meaning set forth in Section 1.2.

“Building Systems” has the meaning set forth in Section 11.1.1.

“Business Days” shall mean every calendar day Monday through Friday, inclusive, but excluding legal holidays of the United States of America and of the state where the Premises are located.

“Capital Repair Costs” has the meaning set forth in Section 11.2.2.

“Charter School” has the meaning set forth in Section 4.1.1.

“Charter School Contract” has the meaning set forth in Section 28.1.4.

“Commencement Date” has the meaning set forth in Section 2.1.

“Commencement Date Certificate” has the meaning set forth in Section 2.2.

“Confidential Information” has the meaning set forth in Section 29.3.1.

“Control” means the full power and legal authority to direct and control the business, operations, decisions and actions of the subject person or entity.

“Dangerous Condition” has the meaning set forth in Section 4.2.1.

“Department” has the meaning set forth in Section 7.5.1.

“Development Costs” means all hard and soft costs (including the reasonable direct cost of Landlord’s travel in connection with Landlord’s efforts under ARTICLE VI) expended toward Landlord’s Work, but not unspent contingency funds.

“Effective Date” has the meaning set forth in the Recital.

“Event of Default” has the meaning set forth in Section 21.1.

“Expiration Date” has the meaning set forth in Section 2.1.

“Governmental Approvals” has the meaning set forth in Section 2.3.2.

“Hazardous Materials” means any material or substance that is regulated from time to time by any local, state or federal law relating to environmental conditions and industrial hygiene, including, without limitation, the Resource Conservation and Recovery Act of 1976, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Materials Transportation Act, the Federal Water Pollution Control Act, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Safe Drinking Water Act, and all similar federal, state and local environmental statutes, ordinances and the regulations, orders, or decrees now or hereafter promulgated thereunder. **“Hazardous Materials”** includes any and all material or substances that are

defined as “hazardous waste,” “extremely hazardous waste,” or a “hazardous material” pursuant to Legal Requirements.

“Insurance Proceeds” has the meaning set forth in Section 18.1.2.

“Insurance Requirements” means the insurance coverages required to be maintained by Tenant pursuant to Section 8.2 and Landlord pursuant to Section 8.3, and all requirements of the insurers issuing the policies containing such coverages.

“Interest Rate” has the meaning set forth in Section 3.3.2.

“Land” has the meaning set forth in Section 1.2.

“Landlord” means CA Washington 2335 RPSE LLC, a Delaware limited liability company.²

“Landlord Affiliate” means any person or entity which Controls, is Controlled by, or is under common Control with Landlord.

“Landlord’s Insurance” has the meaning set forth in Section 8.4.1.

“Landlord Party” means Landlord and any Landlord Affiliate, and their respective officers, directors, shareholders, constituent partners, members, managers, principals, employees, staff, consultants, contractors, agents and professional advisors.

“Landlord’s Property” has the meaning set forth in Section 10.1.

“Landlord’s Work” has the meaning set forth in Section 6.1.

“Lease” means this Lease Agreement.

“Lease Year” means (i) the period beginning on the July 1 occurring nearest (whether before or after) the Commencement Date and ending on the June 30 first occurring after such July 1, and (ii) every period of July 1-June 30 thereafter occurring during the Term.

“Leasehold Mortgage” has the meaning set forth in Section 14.4.

“Leasehold Mortgagee” has the meaning set forth in Section 14.4.

“Legal Requirements” means all present and future statutes, laws, codes, regulations, ordinances, orders, rules, bylaws, administrative guidelines, requirements, directives and actions of any federal, state or local governmental or quasi-governmental authority that are applicable to the Premises and all Legal Requirements from Recorded Documents and all other legal requirements of whatever kind or nature that are applicable to the Premises.

“Legal Requirements from Recorded Documents” means all requirements applicable to the Premises and Landlord with respect to all recorded easements and licenses, recorded building and use restrictions, and other recorded covenants that are applicable to the Premises and with respect to Tenant, only such recorded documents that have provided to Tenant by Landlord.

² See footnote 1.

“Management Agreement” has the meaning set forth in Section 16.2.2.

“Material Alterations” has the meaning set forth in Section 9.1.2.

“Mortgage” has the meaning set forth in Section 14.1.

“Net Award” has the meaning set forth in Section 19.3.

“Non-Profit Company” has the meaning set forth in Section 2.5.

“OFAC” has the meaning set forth in Section 29.7.

“Option Agreement” has the meaning set forth in Section 2.4.

“Party” shall mean either the Landlord Party or the Tenant Party.

“Parties” shall mean both the Landlord Party and the Tenant Party.

“Permitted Alterations” has the meaning set forth in Section 9.1.1.

“Permitted Use” has the meaning set forth in Section 4.1.2.

“Permitting Deadline” has the meaning set forth in Section 2.3.2.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity.

“Plans and Specifications” has the meaning set forth in Section 6.1.

“Pledge” has the meaning set forth in Section 3.4.

“Premises” has the meaning set forth in Section 1.2.

“Premiums” has the meaning set forth in Section 8.4.2.

“Prohibited Person” has the meaning set forth in Section 29.7.

“Punchlist Items” means (i) minor details of construction, mechanical adjustment or any other similar matter, the non-completion of which will not interfere with Tenant’s use and occupancy of the Premises for the Permitted Uses and (ii) items which, in accordance with good construction practice, must be performed after Substantial Completion of Landlord’s Work, so long as such performance will not interfere with Tenant’s use and occupancy of the Premises for the Permitted Uses.

“Real Estate Taxes” has the meaning set forth in Section 5.2.

“Rent” (and **“Rents”**) has the meaning set forth in Section 3.2.1.

“Rent Commencement Date” has the meaning set forth in Section 2.1.

“Request” has the meaning set forth in Section 16.1.1.

“Specially Designated National and Blocked Person” has the meaning set forth in Section 29.7.

“Substantial Completion” and **“Substantially Complete”** have the meanings set forth in Section 6.4.

“Substantially Damaged” has the meaning set forth in Section 18.1.1.

“Successor Landlord” has the meaning set forth in Section 14.2.

“Superior Lease” has the meaning set forth in Section 14.1.

“Superior Lessor” has the meaning set forth in Section 14.1.

“Superior Mortgage” has the meaning set forth in Section 14.1.

“Superior Mortgagee” has the meaning set forth in Section 14.1.

“Target Commencement Date” has the meaning set forth in Section 6.3.

“Tenant” means Rocketship Education, a California nonprofit public benefit corporation or such Person that the Authorizer has granted a charter to and which Person has been formed by Rocketship Education for the purpose of holding such charter.

“Tenant Affiliate” means any person or entity which Controls, is Controlled by, or is under common Control with Tenant.

“Tenant Delay” has the meaning set forth in Section 6.6.

“Tenant’s Insurance Requirements” has the meaning set forth in Section 8.3.1.

“Tenant Party” means Tenant and any Tenant Affiliate, and their respective officers, directors, shareholders, constituent partners, members or principals, employees, staff, students, parents, consultants, contractors, agents and professional advisors.

“Tenant’s Removable Property” has the meaning set forth in Section 6.12.

“Tenant’s Tax Payment” has the meaning set forth in Section 5.1.

“Term” has the meaning set forth in Section 2.1.

“Unavoidable Delay” has the meaning set forth in Section 29.5.

ARTICLE II

Term

2.1 **Term.** The term of this Lease shall commence on the date Landlord’s Work is Substantially Complete in accordance with Section 6.4 (the **“Commencement Date”**), and shall expire at 11:59 p.m. on June 30, 2044. The **“Rent Commencement Date”** of this Lease shall be July 1, 2015. The **“Term”** shall mean the period from the Commencement Date through June 30, 2044; the **“Expiration Date”** shall mean the date of expiration of the Term or on such earlier date upon which the

Term shall expire or be canceled or terminated pursuant to any of the terms, conditions or covenants of this Lease.

2.2 Commencement Date Certificate. Landlord and Tenant shall execute, acknowledge and deliver to each other an instrument in the form of the “Commencement Date Certificate” attached hereto as Exhibit 2.2 confirming the Commencement Date, the Rent Commencement Date, the Expiration Date, the Base Rent and such other items as Landlord or Tenant may reasonably request.

2.3 Right to Cancel. This Lease is expressly conditioned upon the following:

2.3.1 If (i) Landlord fails to acquire fee title to the Premises on or before May 31, 2014 (the “**Acquisition Deadline**”) and (ii) such failure to acquire fee title does not arise as a result of any intentionally wrongful action or omission of Landlord, then—unless Landlord and Tenant mutually agree in writing to extend such Acquisition Deadline—either Party may elect to terminate this Lease by delivering written notice of such termination to the other Party within ten (10) Business Days following such Acquisition Deadline. If either Party shall timely deliver such a termination notice, this Lease shall terminate and the Parties shall have no further obligations under this Lease, except for those obligations which expressly survive the termination of this Lease.

2.3.2 If Landlord —having diligently and in good faith attempted to obtain such approvals, and having used commercially reasonable efforts to do so—has not obtained, from all required governmental authorities on or before October 31, 2014 (the “**Permitting Deadline**”), and on terms and conditions acceptable to Landlord in its sole discretion, approvals sufficient to authorize the Landlord’s Work and to allow the Permitted Use at the Premises (the “**Governmental Approvals**”), then—unless Landlord and Tenant mutually agree in writing to extend such Permitting Deadline—either Party may elect to terminate this Lease by delivering written notice of such termination to the other Party on or before the Permitting Deadline. If either Party shall timely deliver such a termination notice, this Lease shall terminate and the Parties shall have no further obligations under this Lease, except for those obligations which expressly survive the termination of this Lease.

2.4 Option to Purchase. On or before the Rent Commencement Date, Landlord shall execute and deliver to Tenant and Tenant shall execute and deliver to Landlord an Option to Purchase Real Estate substantially in the form attached hereto as Exhibit 2.4 (the “**Option Agreement**”) granting an option to purchase the Premises in accordance with the terms and conditions of such Option Agreement. The Purchase Price set forth in the Option Agreement shall (subject to adjustments under Section 11.2 of this Lease) equal the estimated fair market value of the Premises, which the Landlord and Tenant have in good faith agreed to be (i) \$24,358,436.00 if the Closing Date (as defined in the Option Agreement) occurs in any of the 37th through 48th full calendar months of the Term, and (ii) \$24,369,658.00 if the Closing Date occurs in any of the 49th through 56th full calendar months of the Term. Landlord and Tenant acknowledge that one factor in determining the fair market value of the Premises is the Development Costs, and that the fair market values set forth above have been determined, in part, using the Budget.

On or before the later to occur of (i) the sixtieth (60th) Business Day after the Rent Commencement Date or (ii) the twentieth (20th) Business Day after Landlord shall have closed its permanent financing for the Premises—though in no instance later than the three hundred sixtieth (360th) Business Day after the Rent Commencement Date—Landlord shall notify Tenant of any amount by which the actual Development Costs may have varied from the Budget, and if the actual Development Costs differ from the Budget, the agreed fair market values of the Premises as set forth above shall be increased or decreased to amounts that reflect the estimated fair market value of the Premises for each applicable period set forth above, taking into account such actual Development

Costs; provided, however, that the amount by which the new adjusted fair market value in each case is greater than or less than the estimated fair market value originally set forth above shall not exceed the aggregate amount by which the actual Development Costs are greater than or less than the Budget. If Landlord shall deliver to Tenant a notice of actual Development Costs that indicates any variance between actual Development Costs and the Budget, then Tenant shall have ten (10) calendar days after such delivery to deliver to Landlord a notice contesting the indicated variation, after which the Parties shall have thirty (30) calendar days to convene their authorized representatives to meet and attempt in good faith to reach agreement on actual Development Costs and on any revision to the fair market value of the Premises (which meeting may be by video conference or any similar means). If the Parties shall fail to reach agreement on actual Development Costs and on any revision to the fair market value of the Premises within the time indicated, then any remaining disagreement on actual Development Costs and on any revision to the fair market value of the Premises shall be subject to the dispute resolution provisions set forth in Section 6.13 hereof.

2.5 Non-Profit Status. Notwithstanding anything herein to the contrary, if Tenant (or any successor or assignee of Tenant) shall at any time during the Term cease to be an organization qualifying for an exemption from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code (a “**Non-Profit Company**”), or if this Lease is assigned, transferred or subleased, by operation of law or otherwise, to an entity which is not a Non-Profit Company, Landlord shall have the right to terminate this Lease without further liability or obligation to Tenant by providing Tenant with sixty (60) calendar days prior written notice; provided, however, that in the event Tenant ceases to be a Non-Profit Company (but not in the event of any permitted assignment or sublease to a Non-Profit Company), if prior to the effective date of termination of this Lease, Tenant qualifies as a Non-Profit Company or assigns this Lease to a Non-Profit Company pursuant to the assignment provisions of ARTICLE XVI, Landlord’s termination notice shall be revoked and null and void and this Lease shall continue in full force and effect subject to the terms and conditions of this Lease, including Landlord’s rights under this Section 2.5. Tenant (or any successor or assignee of Tenant) shall notify Landlord in writing immediately upon losing its status as a Non-Profit Company, or upon learning or determining that such status may be in jeopardy. Notwithstanding the foregoing, Landlord agrees and acknowledges that after the execution of this Lease, Rocketship Education will assign this lease to a newly formed entity which will hold the charter pursuant to a charter school agreement to be entered into by and between such entity and Authorizer. Promptly after entering into the Charter School Contract, such entity shall seek to qualify for an exemption from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code and during such time that the application of such entity is pending with the Internal Revenue Service and unless and until such application is denied, Landlord shall not have the termination right set forth herein.

ARTICLE III **Rent**

3.1 Base Rent. The fixed annual rent (the “**Base Rent**”) shall be paid commencing on the Rent Commencement Date and thereafter in monthly installments in advance on the first Business Day of each and every calendar month during the Term as set forth on Exhibit 3.1 attached to and made a part of this Lease, subject to adjustment pursuant to Section 3.6, if applicable.

3.2 Additional Rent.

3.2.1 Except as otherwise expressly provided in this Lease (including, without limitation, as provided with respect to Capital Repair Costs in Section 11.2.2), the Base Rent shall be net to Landlord, and thus all impositions, insurance premiums, utility charges, maintenance, repair and replacement expenses, payments or charges under covenants, conditions and restrictions now or

hereafter of record, all expenses relating to compliance with Legal Requirements, and all other costs, fees, charges, expenses, reimbursements and obligations of every kind and nature whatsoever relating to the Premises (excepting only Landlord's obligations expressly set forth in this Lease) which may arise or become due to Landlord or third parties during the Term or by reason of events occurring during the Term of this Lease shall be paid or discharged by Tenant, at Tenant's sole cost and expense (all charges payable by Tenant other than Base Rent, however denoted, hereinafter being collectively referred to as "**Additional Rent**"). Base Rent and Additional Rent are sometimes hereinafter collectively referred to as "**Rent**" or "**Rents**."

3.2.2 Together with, and in addition to, any payment of Rent or other sum(s) payable to or for the benefit of Landlord under this Lease, Tenant shall pay to Landlord, further as Additional Rent, a sum equal to the aggregate of any excise, sales, occupancy, franchise, privilege, rental, or transaction privilege tax on, or of any similar tax now or in the future levied, assessed, or imposed by any governmental authority upon, Landlord or the Premises as a result (and to the extent) of payments comprising Rent under this Lease, or as a result of Tenant's use or occupancy of the Premises.

3.3 Payment of Rent.

3.3.1 Tenant covenants and agrees to pay Base Rent and Additional Rent to, or as directed in writing by, Landlord. Tenant shall pay the Base Rent and Additional Rent promptly when due without notice or demand therefor and without any abatement, deduction or set off for any reason whatsoever unless expressly provided in this Lease.

3.3.2 In addition to any other remedies Landlord may have under this Lease, if any Base Rent or Additional Rent payable hereunder to Landlord is not paid within five (5) Business Days after the due date therefor, such overdue payment shall bear interest at the rate of seven and five-tenths percent (7.5%) per annum (the "**Interest Rate**") from the thirtieth (30th) day after such due date thereof until paid, and the amount of such interest shall be Additional Rent.

3.3.3 If the Rent Commencement Date or the Expiration Date occurs on a day other than the first day of a calendar month, the Base Rent and all Additional Rent for the partial calendar month in which the Rent Commencement Date or the Expiration Date occurs shall be prorated and the Base Rent for the partial calendar month in which the Rent Commencement Date occurs shall be paid on the Rent Commencement Date.

3.3.4 No payment by Tenant or receipt or acceptance by Landlord of a lesser amount than the Base Rent or Additional Rent shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance or pursue any other remedy in this Lease or at law provided.

3.3.5 Tenant's failure to pay Additional Rent within five (5) Business Days after Tenant's receipt of notice from Landlord setting forth the amount of Additional Rent shall be considered a failure to pay Base Rent hereunder. Landlord shall be entitled to all rights and remedies provided herein and by law in connection therewith.

3.4 Pledge of Appropriations. As security for Tenant's timely payment and performance of all obligations under this Lease (including, without limitation, payment of all Base Rent and Additional Rent), Tenant shall during the Term pledge, or cause to be pledged, to Landlord and/or to

Landlord's lender(s) (as directed in writing by Landlord) all appropriations, allocations, grants, and funds of all kinds that may be claimed with respect to the Charter School pursuant to any Legal Requirements (including, without limitation, under DC Code Sec. 38-1804.03) by Tenant or by any other entity that is or may be a party to the Charter Contract (the "**Pledge**"). The terms and conditions of the Pledge shall be set forth in a pledge agreement which shall be reasonably acceptable to Landlord, Landlord's lender(s), and the Tenant. If requested by Tenant, Landlord and Landlord's lender(s) shall execute a subordination agreement subordinating, in favor of any other lender(s) that shall provide Tenant with working capital for the Charter School, their respective interests in revenues subject to the Pledge, provided that Tenant reasonably determines such working capital is necessary for the Charter School to conduct ordinary business operations consistent with the Charter School Contract. The subordination agreement shall be in form and substance reasonably acceptable to Landlord, Landlord's lender(s), as well as to Tenant and the Tenant's lender(s) who shall require such subordination.

3.5 Adjustment of Base Rent Upon Substantial Completion of Landlord's Work.

Landlord and Tenant acknowledge that one factor in determining the fair rental value for the Premises under this Lease is the total Development Costs, and that the annual Base Rent set forth above has been determined, in part, using the Budget. Accordingly, on or before the later to occur of (i) the sixtieth (60th) Business Day after the Rent Commencement Date or (ii) the twentieth (20th) Business Day after Landlord shall have closed its permanent financing for the Premises—though in no instance later than the three hundred sixtieth (360th) Business Day after the Rent Commencement Date—Landlord shall notify Tenant of the actual Development Costs, and if the actual Development Costs differ from the Budget, Landlord shall provide Tenant with an amendment to this Lease setting forth a revised schedule of annual Base Rent, which shall be determined by increasing or decreasing the annual Base Rent set forth in Section 3.1 above for each year of the Term by such amounts [as may be reasonably required, as determined by Landlord in good faith, in order to ensure that Landlord receives the same rate of return on its capital investment in the Premises as it would have received had the actual Development Costs been equal to the Budget]³. If Landlord shall deliver to Tenant a notice of actual Development Costs that indicates any variance between actual Development Costs and the Budget, then Tenant shall have ten (10) calendar days after such delivery to deliver to Landlord a notice contesting the indicated variation, after which the Parties shall have thirty (30) calendar days to convene their authorized representatives to meet and attempt in good faith to reach agreement on actual Development Costs and on any revision to the schedule of annual Base Rent for the Premises (which meeting may be by video conference or any similar means). If the Parties shall fail to reach agreement on actual Development Costs and on any revision to the schedule of annual Base Rent for the Premises within the time indicated, then any remaining disagreement on actual Development Costs and on any revision to the fair market value of the Premises shall be subject to the dispute resolution provisions set forth in Section 6.13 hereof.

ARTICLE IV Use and Conduct of Business in Premises

4.1 Use.

4.1.1 Tenant shall, by November 31, 2015, enter into an authorized charter school agreement with the Authorizer (the "**Charter School Contract**"), which Charter School Contract (i) shall be authorized by the Authorizer and conform to the requirements of [DC Code Sec. 38-1802.03(d)], and (ii) shall authorize Tenant's operation of the [Rocketship DC] Charter School (the

³ Landlord to quantify its required rate of return to eliminate subjective redetermination of base rent.

“**Charter School**”) for an initial term of not less than [five (5)]⁴ Lease Years. Immediately upon entering into the Charter School Contract, Tenant shall provide Landlord a full, complete, and executed copy of such Contract. Tenant shall use commercially reasonable efforts to maintain the Charter School Contract in good standing and in full force and effect, and shall take such actions as are commercially reasonable (as determined by Tenant in good faith) to renew such Charter School Contract, throughout the Term of this Lease.

4.1.2 Tenant shall use and occupy the Premises for the operation of the Charter School, and for associated supporting activities (including but not limited to administration, cafeteria, nurse’s office, science laboratories, gymnasium, locker rooms, arts and crafts, ceramics, before-care, after-care, tutoring, preschool, enrichment and enhancement programs, and the like) consistent with operation of the Charter School (the “**Permitted Use**”), and for no other purpose whatsoever without the prior written consent of Landlord. Notwithstanding the foregoing, Tenant may change the name of the Charter School without Landlord’s consent so long as such name is not vulgar or socially demaning.

4.1.3 If any governmental license, certificate, approval or permit, including without limitation, the Charter School Contract, shall be required for the proper and lawful conduct of the Permitted Use in the Premises or any part thereof pursuant to any Legal Requirement, Tenant, at its sole cost and expense, shall diligently and duly procure and thereafter shall use all commercially reasonable efforts to maintain such licenses, certificates, approvals, permits, and Charter School Contract during the Term hereof, and Tenant shall submit such licenses, certificates, approvals, permits, and Charter School Contract (and all applications therefor) to Landlord for inspection promptly upon request. Landlord agrees to cooperate with Tenant, at no cost, expense or liability to Landlord, in connection with Tenant procuring all such licenses certificates, approvals, permits, and Charter School Contract. Tenant shall at all times during the Term hereof comply with the terms and conditions of each such license, certificate, approval, permit, and Charter School Contract. In the event Tenant fails, for any or no reason whatsoever, to obtain any license, certificate, approval, permit, or Charter School Contract necessary for the operation of Tenant’s business at the Premises as required by this Lease, such failure shall not —except only as expressly provided in Section 4.1.1 of this Lease—affect, reduce or diminish Tenant’s obligations under this Lease.

4.1.4 Tenant shall not use or permit the use of the Premises or any part thereof in any way which would violate any (i) the Certificate of Occupancy for the Premises or the Building, (ii) the Charter School Contract, (iii) the Governmental Approvals, or (iv) any Legal Requirements.

4.2 Hazardous Materials.

4.2.1 Tenant represents, warrants and covenants that during the Term of the Lease it shall not use, cause to be used, or store any Hazardous Materials on the Premises or dispose of any Hazardous Materials on or from the Premises in any fashion that violates applicable Legal Requirements or Insurance Requirements. In addition, Tenant shall promptly notify Landlord of any release of Hazardous Materials at, on or from the Premises. Nothing herein shall prohibit Tenant from (a) using cleaning fluid and supplies customarily used in school facilities, (b) chemicals and other laboratory materials customarily used in science labs, (c) medical office supplies, medical equipment, pharmaceuticals and first aid kits customarily stored and used in school nurse’s offices, and (d) arts and crafts materials customarily used in school facilities, any of which may constitute Hazardous Materials but which are customarily present in schools; provided that such use and storage in the Premises is in strict compliance with Legal Requirements, and that all such Hazardous Materials are

⁴ Please confirm name and time frame .

removed from the Premises on or prior to the expiration or sooner termination of the Lease if Tenant's failure to remove such Hazardous Materials would violate applicable Legal Requirements. If Tenant shall use or store any Hazardous Materials within the Premises in a manner that shall violate any Legal Requirements, Tenant shall immediately notify Landlord of the same, and shall thereafter submit to Landlord annual reports regarding Tenant's use, storage, and disposal of any such Hazardous Materials; provided that Tenant shall not have any obligation to submit such annual reports as to any Hazardous Materials originally introduced to the Premises by Landlord or a Landlord Party (including, without limitation, in connection with Landlord's Work). In addition, Tenant shall execute affidavits, representations and the like from time to time at Landlord's reasonable request concerning Tenant's best knowledge and belief regarding the presence or absence of Hazardous Materials on the Premises.

Upon the expiration or sooner termination of this Lease, Tenant shall, in accordance with all Legal Requirements, remove any and all Hazardous Materials at the Premises that are owned or controlled by Tenant or by its agents, invitees, employees or its contractors, and Tenant shall be responsible for all costs of the same including, but not limited to, those resulting from monitoring, clean-up or compliance with all Legal Requirements.

In addition, Tenant shall keep the Premises free from mold, asbestos, lead based paint and any and all other bacteria, fungi, substances and materials (whether or not such substances and materials also constitute Hazardous Materials) that may exist in quantities or concentrations harmful to the health or safety of any occupants of the Premises (any of the same being a "Dangerous Condition"). In the event Tenant becomes aware of any Dangerous Condition coming into existence after the Commencement Date of the Term, Tenant shall immediately notify Landlord of such Dangerous Condition.

4.2.2 If Tenant shall be required to provide Landlord any of the notices under Section 4.2.1, then Tenant shall thereafter initiate and diligently prosecute to completion all actions necessary pursuant to Legal Requirements to investigate, assess, respond to, remove, abate, contain, encapsulate, sample, clean up, monitor or remediate such release of Hazardous Materials or such Dangerous Condition, as the case may be. All of the foregoing work shall be performed at Tenant's sole cost and expense in compliance with all Legal Requirements. Tenant shall provide Landlord notice of any activities undertaken by Tenant pursuant to this Section, and shall keep Landlord apprised of the progress and results of the same. Tenant shall indemnify and hold Landlord and each other Landlord Party harmless from and against any and all costs, claims, suits, causes of action, losses, injuries or damage, including without limitation, personal injury damage (including death) and damage to property as well as any and all sums paid for settlement of claims, reasonable attorney's fees, consultant and expert fees arising during the Term as a result of a breach by Landlord of Section 4.2.1 or resulting from the presence or removal of Hazardous Materials from the Premises which are placed on the Premises by Tenant or by its agents, invitees, employees or contractors. The foregoing indemnities shall survive the expiration or earlier termination of this Lease.

4.2.3 Landlord represents, warrants and covenants that, during the Term of the Lease, Landlord shall not use, cause to be used, or store any Hazardous Materials within the Premises, or dispose of any Hazardous Materials at or from the Premises, in any fashion that violates applicable Legal Requirements; provided, however, that Landlord shall not be prohibited from using Hazardous Materials typically used in connection with Landlord's Work, provided, that such use complies with Legal Requirements, and that Landlord shall remove such Hazardous Materials from the Premises on or before Commencement Date if Landlord's failure to so remove such Hazardous Materials would violate applicable Legal Requirements. In addition, Landlord shall promptly notify Tenant of the following: (i) if Landlord receives written notice that, between the Effective Date and the Commencement Date, there shall occur any release of Hazardous Materials at, on or from the

Premises by any person other than Tenant or any Tenant Party; or (ii) if, between the Effective Date and the Commencement Date, Landlord or any of its agents, employees or contractors shall cause any release of Hazardous Materials at, on or from the Premises; or (iii) if, between the Effective Date and the Commencement Date, Landlord or any of its agents, employees or contractors shall cause any Dangerous Condition on the Premises.

4.2.4 If Landlord shall be required to provide Tenant any of the notices under Section 4.2.3, then Landlord shall thereafter initiate and diligently prosecute to completion all actions necessary pursuant to Legal Requirements to investigate, assess, respond to, remove, abate, contain, encapsulate, sample, clean up, monitor or remediate such release of Hazardous Materials or such Dangerous Condition, as the case may be. All of the foregoing work shall be performed at Landlord's sole cost and expense in compliance with all Legal Requirements. Landlord shall provide Tenant notice of any activities undertaken by Landlord pursuant to this Section, and shall keep Tenant apprised of the progress and results of the same. Landlord shall indemnify and hold Tenant and each other Tenant Party harmless from and against any and all costs, claims, suits, causes of action, losses, injuries or damage, including without limitation, personal injury damage (including death) as well as damage to property as well as any and all sums paid for settlement of claims, reasonable attorney's fees, consultant and expert fees arising during the Term as a result of a breach by Landlord of Section 4.2.3 or resulting from the presence or removal of Hazardous Materials from the Premises which are placed on the Premises by Landlord or by its agents, invitees, employees or contractors. The foregoing indemnities shall survive the expiration or earlier termination of this Lease.

ARTICLE V Real Estate Taxes

5.1 Obligation to Pay Real Estate Taxes. Tenant shall pay one hundred percent (100%) of all Real Estate Taxes ("**Tenant's Tax Payment**") during the Term of the Lease as Additional Rent directly to the applicable taxing authority. Provided that Tenant shall then have received notice, whether from Landlord or the applicable taxing authority, of the amount due for such Real Estate Taxes, Tenant's Tax Payment shall be made not later than five (5) Business Days prior to the date such taxes are due and payable. (If Tenant shall not then have received notice of the amount due for such Real Estate Taxes, Tenant's Tax Payment shall be made not more than three (3) Business Days after Tenant shall receive such notice.) Landlord shall pay all Real Estate Taxes attributable to any period before the Rent Commencement Date and after the expiration or termination of the Lease. Landlord shall give notice to Tenant of all Real Estate Taxes payable by Tenant hereunder of which Landlord at any time has knowledge within ten (10) Business Days after receipt of notice thereof.

5.2 Real Estate Taxes Defined. The term "**Real Estate Taxes**" shall mean all real estate taxes and assessments, government levies, municipal taxes, county taxes and assessments (whether general or special, ordinary or extraordinary, unforeseen or foreseen), and gross receipts and rental taxes incurred in the use, occupancy, ownership, operation, leasing or possession of the Premises, which are or may be assessed, levied or imposed, less any credit or abatement applicable thereto, including all credits or discounts allowed for early payments, whether or not such early payment is actually made. Except as specifically provided under Section 3.2.2, Real Estate Taxes shall not include: (a) any municipal, state or federal net income or excess profits taxes assessed against Landlord, or any municipal, state or federal capital levy, estate, capital gain, succession, inheritance, transfer, mortgage, recording and other such taxes of Landlord, or corporation franchise taxes that are, or may be, imposed upon Landlord or any owner of the fee of the Premises or any revenue derived from the Premises (except that any gross receipts tax and any rental tax shall be considered Real Estate Taxes), (b) any correction of or supplement to any tax or assessment for any period prior to the

Commencement Date, (c) penalties incurred as a result of Landlord's failure, negligence, inability or unwillingness to make Real Estate Tax payments or to file any tax or informational returns when due (unless such penalties result solely from Tenant's failure to make timely payment of Real Estate Taxes), or (d) water and sewer fees and utility charges required to be paid by Tenant pursuant to any other provisions of this Lease. In the event that any real estate taxes, special or extraordinary assessments and/or other governmental levies shall be payable, or shall be subject to conversion so that the same may be payable, in annual or other periodic installments, Landlord shall elect to pay the same in such installments over the longest period available, and there shall be included in Real Estate Taxes hereunder, with respect to each calendar year or other period in which such an installment shall be payable, only the amount of such installment (together with any interest charged by the taxing authority for the privilege of paying in installments).

5.3 Apportionment for Partial Year. Landlord and Tenant shall adjust pro rata the Real Estate Taxes for and with respect to any portion of the Term which does not include an entire fiscal tax year.

5.4 Right to Seek Exemption. If Tenant is an entity that qualifies for property tax exemption under controlling law, Tenant, at Tenant's sole cost and expense, may institute any necessary action to apply for and obtain any exemption from Real Estate Taxes that Tenant is eligible for as a result of Tenant's status as a nonprofit organization. Within ten (10) Business Days after Tenant's request, Landlord shall execute and deliver to Tenant any documents and other information required to enable Tenant to obtain such exemption. Landlord agrees to cooperate with Tenant, at no cost, expense, or liability to Landlord, to execute any documents required to be executed by the owner of the Premises for Tenant to obtain such tax exemption credits, refunds or abatements.

5.5 Right to Contest. Tenant shall have the right, at Tenant's sole cost and expense, to contest the validity or amount of the assessed valuation or Real Estate Taxes for any real estate fiscal tax year during the Term, by appropriate proceedings in the name of Landlord or Tenant, or both, provided (i) that Tenant complies with the provisions of the applicable statutes governing tax appeals and thus obtains a deferral of Landlord's obligation to pay the amount of Real Estate Taxes so contested by Tenant, (ii) that Tenant's delay or deferral in paying any Real Estate Taxes in connection with such contest shall not result in the creation or imposition of any lien against the Premises, and (iii) that Tenant alone shall pay any fee, interest, or penalty arising in connection with such a deferral. If such a deferral is not obtainable, Tenant shall have the right to pay under protest to the taxing authority, or to cause Landlord to pay under protest thereto, the amount owed for the Real Estate Taxes being contested. Within ten (10) Business Days after request by Tenant, Landlord shall execute and deliver to Tenant any documents and other information reasonably required to enable Tenant to prosecute any such proceeding, and Landlord shall provide Tenant, in time to permit Tenant to undertake such contest, with all pertinent data required therefor. Landlord will execute and deliver any documents which may be reasonably necessary or appropriate to secure the payment to Tenant of any refund or rebate, and (provided that no Event of Default by Tenant shall then be continuing) will pay over to Tenant such refund or rebate that is received by Landlord promptly upon receipt. Any such refunds or rebates received by Landlord shall be deemed trust funds held by Landlord for Tenant's benefit. If applicable law requires that the proceeding or contest be brought by, or in the name of, Landlord, Landlord shall join therein or permit it to be brought in its name. Any credit, refund or abatement of Real Estate Taxes paid by Tenant under the provisions of this Lease shall, to the extent relating to any Real Estate Taxes paid by Tenant, belong to Tenant. Tenant shall indemnify and hold Landlord and all Landlord Parties harmless from any against all loss, cost, liability and expense arising from or in any way related to Tenant's contest of Real Estate Taxes, except for any loss, cost, liability or expense arising from or in any way related to any negligent action or omission of Landlord. While Tenant is seeking a reduction of, or contesting, any deferred Real Estate Taxes

according to the terms and conditions of this Section 5.5, the failure on Tenant's part to pay such Real Estate Taxes shall not constitute a default hereunder.

5.6 Personal Property Taxes. Tenant shall be liable for and shall pay, before delinquency, all taxes levied against Tenant's equipment, furniture, fixtures and any other personal property located in or about the Premises. If any such taxes on Tenant's equipment, furniture, fixtures and any other personal property are levied against Landlord or Landlord's property, or if the assessed value of Landlord's property is increased by the inclusion therein of a value placed upon such equipment, furniture, fixtures or any other personal property of Tenant, and if Landlord pays the taxes based upon such increased assessment, which Landlord shall have the right to do regardless of the validity thereof (but under protest if requested by Tenant), then Tenant shall, within twenty (20) Business Days after receiving notice thereof, repay to Landlord (as Additional Rent) the taxes so levied against Landlord or the proportion of such taxes resulting from such increase in the assessment, as the case may be.

ARTICLE VI

Landlord's Work; Delivery of Possession; Commencement Date; Tenant's Installations

6.1 Landlord's Work. Landlord shall, at Landlord's sole expense, acquire title to the Premises and commence and cause to be completed the improvements described by the schematic plans identified on Exhibit 6.1-2 annexed hereto (collectively, the "**Plans and Specifications**"). The Parties agree that the Plans and Specifications are preliminary and the design work on the Building is ongoing. The acquisition of the Premises and the construction and completion of the improvements described in the Plans and Specifications is referred to herein as "**Landlord's Work**".

6.2 Construction of the Landlord's Work. Landlord's Work shall be constructed (i) in a good and workmanlike manner in compliance with the Plans and Specifications, and (ii) in compliance with all Legal Requirements, including pursuant to validly issued permits, and Insurance Requirements; (iii) in compliance with all covenants, conditions and restrictions encumbering the Premises; and (iv) such that no building, structure or improvement shall encroach upon or under the property or any other person or entity; provided, however, that changes to the Plans and Specifications amounting in any single instance to the sum of \$10,000 or more, whether requested by Tenant or necessitated by changed or unforeseen conditions, shall be authorized by written change order signed by both Landlord and Tenant, which authorization shall not unreasonably be withheld, conditioned, or delayed by either Party. Furthermore, Landlord's Work will include making available at the Premises such utility services (including, without limitation, water, sewer, electricity, natural gas and telephone service) as are required by Tenant and are readily available at or near the boundary of the Premises. Landlord shall apply for and shall diligently pursue obtaining the applicable building permit for Landlord's Work. In addition, Landlord shall cause the timely commencement of construction of Landlord's Work and shall thereafter diligently continue construction of Landlord's Work until Substantially Complete, subject only to Landlord's completion of Punchlist Items as required under Section 6.4. Once the Landlord's Work is Substantially Complete, Landlord shall promptly obtain a certificate of occupancy authorizing Tenant's occupancy of the Premises and all of Landlord's Work. Except as otherwise provided hereunder, the cost of all of Landlord's Work shall be borne exclusively by Landlord without contribution from Tenant, and that Landlord's Work shall be completed so that the Premises shall be free of all mechanics' liens that may be filed as a result of Landlord's Work; provided, however, that Landlord may, at Landlord's sole cost and expense, contest in good faith the validity or amount of any such lien, so long as such contest shall not result in the creation or imposition of any lien against Tenant's Removable Property or against Tenant's interest in this Lease.

Furthermore, Landlord shall provide Tenant with periodic construction status reports, with digital progress photos, at increments agreed by the Parties. Tenant's project manager, or its designated representative, may enter upon the Premises during construction of Landlord's Work to inspect progress, take progress photos, and to determine if Landlord's Work is being completed in accordance with the Plans and Specifications. When completed, Landlord's Work shall comply with all applicable Legal Requirements. Landlord shall and hereby does assign to Tenant all guaranties, warranties and service agreements and any other items relating to any and all parts of the Premises for which Tenant bears any responsibility during the Term.

6.3 Delivery. Landlord shall use commercially reasonable efforts to achieve Substantial Completion of Landlord's Work on or before July 1, 2015 (the "**Target Commencement Date**"), subject, however, to Tenant Delay and Unavoidable Delay. Such efforts shall include Landlord's entering into a general construction contract providing that the general contractor shall Substantially Complete all Landlord's Work by the Target Commencement Date, subject only to Tenant Delay and Unavoidable Delay. If, for any reason other than Tenant Delay or Unavoidable Delay, Landlord cannot deliver possession of the Premises to Tenant and achieve Substantial Completion on or before the Target Commencement Date, Landlord shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or the obligations of Tenant hereunder or extend the Term, but in such case, Tenant shall not be obligated to pay Rent or perform any other obligation of Tenant under the terms of this Lease, except as may be otherwise provided in this Lease, until the Rent Commencement Date. In addition, Landlord shall cooperate in good faith with Tenant to provide temporary premises, reasonably comparable in capacity and location to the Premises, to accommodate operation of the Charter School until Substantial Completion of Landlord's Work at the Premises. Furthermore, if such temporary premises shall be occupied by Tenant before Tenant occupies the Premises, Landlord shall reimburse Tenant for all reasonable and actual out-of-pocket costs and expenses paid by Tenant to relocate the Charter School from such temporary premises to the Premises upon Substantial Completion.

6.4 Substantial Completion of Landlord's Work. "**Substantial Completion**" of Landlord's Work shall be deemed to have occurred and Landlord's Work shall be deemed "**Substantially Complete**" when (a) all governmental inspections required for the Landlord's Work have been successfully completed and temporary or permanent Certificates of Occupancy (or the equivalent) and other municipal permits or approvals required for beneficial use and occupancy of the Premises have been obtained, and (b) Landlord's Work is completed in accordance with the Plans and Specifications (except for any Punchlist Items) so that Tenant can commence beneficial use and occupancy of the Premises as intended. After Substantial Completion of Landlord's Work, Landlord and Tenant shall conduct a walkthrough of the Premises and jointly prepare a list of Punchlist Items. Without limiting the foregoing, if any of Landlord's Work is delayed in order to accommodate the installation of furniture and equipment by Tenant including, without limitation, Tenant's Removable Property, or by any other Tenant Delay, then Landlord's Work shall be deemed Substantially Complete on the date on which it would have occurred but for such accommodation or other Tenant Delay.

Tenant shall give Landlord notice, not later than two (2) calendar months after the Commencement Date, of any respects in which Landlord has not completed the Punchlist Items in accordance with the terms of this Lease. If Landlord shall object to any item set forth in such Tenant notice, Landlord shall notify Tenant in writing within five (5) calendar days after having received Tenant's notice, setting forth in reasonable detail the item or items to which Landlord objects and the grounds for such objection. If Landlord shall fail to so notify Tenant within such five (5) day period, then Landlord shall be deemed to have accepted Tenant's notice, and shall correct and/or complete (as the case may be) all items set forth thereon. If, however, Landlord shall dispute any respect in which

Tenant asserts that Landlord has not completed the Punchlist Items in accordance with the terms of the Lease, then such disputes shall be subject to the dispute resolution provisions set forth in Section 6.13 hereof. Except as identified in any such notice from Tenant to Landlord under this Section 6.4, Tenant shall have no right to make any claim that Landlord has failed to complete the Punchlist Items in accordance with the terms of this Lease or to require Landlord to perform any further work.

Tenant's acceptance of possession of the Premises shall, in all respects, be deemed to be subject to Landlord's continuing obligation to correct, diligently and in good faith, any latent defect(s) in the Premises as to which Tenant shall give Landlord written notice, from time to time, during the pendency of any third-party warranty provided to and enforceable by Landlord with respect to the specific latent defect(s) complained of by Tenant.

6.5 Budget. Landlord and Tenant have approved a budget for the Development Costs, including a contingency of 10% of all such Development Costs (the "**Budget**"), a copy of which is attached hereto as Exhibit 6.4. The aggregate amount of the Budget is currently \$23,406,225.00. In no event will Landlord be required to incur costs (including, without limitation, hard and soft costs) associated or in connection with the Landlord's Work which will cause the Development Costs to exceed the Budget. If at any point it becomes apparent that the Landlord's Work will cause the Development Costs to exceed the Budget, Landlord and Tenant shall meet and confer to reduce the scope of the Landlord's Work so that the Budget will not exceed the Budget Amount; provided, however, that if Landlord and Tenant are unable to agree upon such scope reduction within three (3) Business Days after the date Landlord notified Tenant of the need to do so, the scope reduction will be determined in accordance with the provision of Section 6.13 hereof. The Parties expressly hereby acknowledge and agree that all activities undertaken by Landlord "at its expense," "at its sole expense," and "at its sole cost and expense" pursuant to this ARTICLE VI shall be included within the Budget.

6.6 Tenant Delay. If the Substantial Completion of Landlord's Work shall be delayed as the result of (i) any written request by Tenant that Landlord delay the commencement or completion of Landlord's Work for any reason; (ii) any change in any of the Plans and Specifications requested by Tenant; (iii) any change in scope pursuant to Section 6.5 above (as provided by Section 6.5); (iv) any material interference by Tenant (including, without limitation, any delay associated with Tenant's early access pursuant to the Premises pursuant to Section 6.9 or otherwise) with Landlord's Work; or (v) any reasonably necessary displacement of any of Landlord's Work from its place in Landlord's construction schedule resulting from any of the causes for delay referred to in this Section 6.6 and the fitting of such Landlord's Work back into such schedule (each a "**Tenant Delay**"), then the Target Commencement Date determined pursuant to Section 6.3, shall be extended for a time period equal to the time period caused by Tenant Delay; provided, however, that Tenant Delay shall not include any act or event solely under the control of Landlord or its agents, employees, or contractors, and thus that the Target Commencement Date shall not be extended under this Section 6.6 solely by reason of any such act or event.

6.7 As-Built Documents. Landlord shall (or shall cause Landlord's contractor or other agent to) maintain a record of the drawings, specifications, addenda, change orders, change directives and other modifications, and marked currently to record field changes and selections made during construction (the "**As-Built Documents**") and upon request by Tenant shall provide such As-Built Documents to Tenant.

6.8 Possession of Premises. Tenant shall not be liable to Landlord for the payment of Base Rent or Additional Rent or the payment of any other obligation to be paid by Tenant under this Lease until the Rent Commencement Date. The entry by Tenant for the purpose of inspection or

installation of Tenant's Removable Property shall not be considered occupancy for purposes of this Lease and shall not trigger Tenant's obligation to pay Rent under this Lease.

6.9 Tenant's Installations. Prior to the Commencement Date, Landlord shall reasonably cooperate with Tenant, at no cost to Landlord, to facilitate Tenant's installation of Tenant's Removable Property. The following shall be conditions of Tenant's right to enter the Premises as provided herein prior to the Commencement Date: (a) that such entry shall not materially interfere with construction of Landlord's Work; and (b) any such entry shall be subject to such rules and regulations as Landlord may reasonably promulgate and Tenant shall fully cooperate with Landlord.

6.10 Tenant's Insurance for Tenant's Removable Property. Tenant shall secure and maintain, at its own expense, the following insurance coverage in full force and effect with respect to the Premises at all times during the design, construction and installation of Tenant's Removable Property and shall require any and all contractor(s) and all subcontractors to maintain the same at all times during the design, construction and installation of Tenant's Removable Property:

6.10.1 property insurance written on an "all risk" builders risk or equivalent policy form for the full replacement cost of Tenant's Removable Property and with deductibles not in excess of commercially reasonable amounts.

6.10.2 Commercial General Liability insurance on an occurrence basis with a combined limit for bodily injury, personal injury and property damage and products and completed operations of at least \$1,000,000 per occurrence. The limit may be provided through a combination of primary and umbrella/excess liability policies. Limits shall apply on a per project basis. The policy will include the Landlord and, if requested by Landlord, Landlord's lender(s) as additional insureds.

6.10.3 Worker's Compensation insurance to the extent required, and in the amounts required by applicable Legal Requirements covering Tenant and its employees, as well as employer's liability insurance in the amount of \$1,000,000 per accident, \$1,000,000 per illness (per employee), and \$1,000,000 per illness (aggregate). If borrowed employees are used (including employees from a temporary employment agency) to perform services, the insured shall require the primary employer to provide an alternate employer endorsement showing the insured in the schedule as the alternate employer. The Worker's Compensation policies shall contain a waiver of subrogation provision requiring the insurance carriers to waive all rights against Landlord, all other Landlord Parties, and any lender.

6.10.4 Commercial Automobile Liability insurance on all owned, hired or non-owned vehicles used in connection with Tenant and/or its contractors or subcontractors' operations in the amount of \$1,000,000 combined single limit for bodily injury and property damage. The coverages must extend to employees, agents, and volunteers of Tenant and/or its contractors and subcontractors who use personal vehicles within the course and scope of their employment or service.

6.11 Indemnity. Tenant shall indemnify and hold harmless Landlord and all other Landlord Parties from and against all claims, damages, losses and expenses, including reasonable attorneys' fees, arising out of or resulting from the installation of Tenant's Removable Property, to the extent caused by any act or omission of Tenant, or of Tenant's contractor(s), or of any of Tenant's subcontractors or anyone directly or indirectly employed by any of them, or of anyone for whose acts any of the foregoing may be liable, and which involves bodily injury, sickness, disease or death, or injury to or destruction of property, including the loss of use resulting therefrom. In any and all claims against Landlord or any other Landlord Party, by any Tenant Party, the indemnification obligation under this Section 6.11 shall not be limited in any way by any limitation on the amount or type of

damages, compensation or benefits payable by or for Tenant or such Tenant Party under workers' compensation acts, disability benefit acts or other employee benefit acts.

Landlord shall indemnify and hold harmless Tenant and all other Tenant Parties from and against all claims, damages, losses and expenses, including reasonable attorneys' fees, that (i) relate to the period during which Landlord's Work is performed and (ii) arise by reason of any act or omission of Landlord, or of Landlord's contractor(s), or of any of Landlord's any subcontractors or anyone directly or indirectly employed by any of them, or of anyone for whose acts any of the foregoing may be liable, and which involves bodily injury, sickness, disease or death, or injury to or destruction of property, including the loss of use resulting therefrom. In any and all claims against Tenant or any other Tenant Party, by any Landlord Party, the indemnification obligation under this Section 6.11 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Landlord or such Landlord Party under workers' compensation acts, disability benefit acts or other employee benefit acts.

6.12 Tenant's Removable Property. All articles of personal property and all business and trade fixtures, machinery, workstations, equipment, furniture and other property and equipment installed or placed by Tenant in the Premises (whether affixed or unaffixed to the Premises), owned and used by Tenant for the Permitted Use ("**Tenant's Removable Property**") shall remain the property of Tenant and may be removed by Tenant at any time on or prior to the date of expiration of this Lease in accordance with the provisions of ARTICLE X of this Lease; *provided* Tenant restores any damage caused by such removal.

6.13 Dispute Resolution. In the event that the Parties shall disagree with respect to any matter covered in this ARTICLE VI (or as otherwise provided pursuant to any other section of this Lease) and the Parties are unable to reach agreement thereon within five (5) Business Days, such dispute may be submitted by either Party to arbitration for expedited proceedings under the Fast Track Procedures provisions (currently, Rules F-1 through F-13) of the Arbitration Rules of the Construction Industry of the American Arbitration Association (the "**AAA**"), with both Parties agreeing to waive the \$75,000 qualification in such rules. In any case where the Parties utilize such expedited arbitration: (a) the Parties will have no right to object if the arbitrator so appointed was on the list submitted by the AAA and was not objected to in accordance with Rule F-4 (except that any objection shall be made within five (5) Business Days from transmission of the list), (b) the Notice of Hearing shall be given at least ten (10) Business Days in advance of the hearing, (c) the first hearing shall be held within ten (10) Business Days after the appointment of the arbitrator, and (d) each Party in such arbitration shall pay its own expert witness fees, attorneys' fees and other costs of such arbitration, and the losing Party shall pay the costs charged by the AAA and/or the arbitrator. Judgment upon any award rendered in any arbitration held pursuant to this Section 6.13 may be entered in any court having jurisdiction, and in connection therewith, the arbitrators shall be bound by the provisions of this Lease, and shall not add to, subtract from or otherwise modify such provisions. Prior written notice of application by either Party for arbitration shall be given to the other at least ten (10) Business Days before filing of any demand for arbitration hereunder. Any award of an arbitrator rendered hereunder shall be subject to confirmation and entry of judgment thereon in any court of competent jurisdiction sitting in the District of Columbia, and the Parties hereby consent to the jurisdiction of such court. In connection with the foregoing, it is expressly understood and agreed that the Parties shall continue to perform their respective obligations under this Lease during the pending of any such arbitration proceeding hereunder (with any adjustments or reallocations to be made on account of such continued performance as determined by the arbitrator in his or her award).

6.14 Review and Approval Solely for Landlord's Benefit. Landlord agrees that any review or approval by Tenant of the Plans and Specifications is solely for Tenant's benefit, and without any

representation or warranty whatsoever to Landlord with respect to the adequacy, correctness or efficiency thereof or otherwise.

6.15 Landlord's Obligation to Furnish Documents to Tenant. If any governmental license, certificate, approval, or permit shall be required for the proper and lawful conduct of Landlord's Work, Landlord, at its sole cost and expense, shall diligently and duly procure and thereafter shall use commercially reasonable efforts to maintain such licenses, certificates, approvals, permits and Landlord shall submit such licenses, certificates, approvals, permits (and all applications therefor) to Tenant for inspection promptly upon Tenant's written request. Tenant agrees to cooperate with Landlord, at no cost, expense or liability to Tenant, in connection with Landlord procuring all such licenses certificates, approvals, permits. Landlord shall, throughout the performance of Landlord's Work, and at its expense, carry all of the following insurance coverages (or cause the same to be carried by Landlord's contractor(s)) for any occurrence in or about the Premises: builder's risk; general liability; workers' compensation; and pollution legal liability. Landlord shall furnish Tenant with reasonably satisfactory evidence of such coverages at or before the commencement of Landlord's Work and, on Tenant's written request, at reasonable intervals thereafter during the continuance of Landlord's Work.

6.16 Violations. Landlord shall at all times during the Term hereof comply with the terms and conditions of each such license, certificate, approval, and permit referenced in Section 6.15. Furthermore, Landlord, at its expense, and with diligence and dispatch, shall procure the cancellation or discharge of all notices of violation arising from or otherwise connected with Landlord's Work, or any other work, labor, services or materials done for or supplied to Landlord, or any Landlord Parties which shall be issued by any public authority having or asserting jurisdiction. However, nothing herein contained shall prevent Landlord from contesting, in good faith and at its own expense, any notice of violation; *provided* neither Tenant nor the Premises is adversely affected thereby. Furthermore, no failure by Tenant, or inability by Tenant at any time, to comply with any terms or conditions of any such license, certificate, approval or permit, or of any zoning ordinances, land use restrictions, or similar limitations affecting the Premises, shall—except only as expressly provided in Section 2.3.3 of this Lease—give rise to any right in Tenant to terminate this Lease.

6.17 Removal of Rubbish. Landlord, at its sole cost and expense, shall remove and dispose (in accordance with all Legal Requirements) all rubbish arising from Landlord's Work.

ARTICLE VII

Compliance with Legal Requirements; Reporting Requirements and Covenants

7.1 Landlord's Compliance with Legal Requirements; Reporting Requirements and Covenants. As of the Commencement Date, Landlord shall deliver the Premises to Tenant with the Premises and Landlord's Work in compliance with applicable Legal Requirements.

7.2 Notices. Tenant shall give prompt notice to Landlord of any notice it receives of the violation of any Legal Requirement with respect to the Premises or the use or occupation thereof. Landlord shall give prompt notice to Tenant of any notice it receives of the violation of any Legal Requirement with respect to the Premises or the use or occupation thereof.

7.3 Tenant's Compliance with Legal Requirements. Tenant shall throughout the Term of this Lease, at Tenant's sole cost and expense, promptly comply or cause compliance with or remove or cure any violation of any and all Legal Requirements, whether or not such compliance requires work which is structural or non-structural, ordinary or extraordinary, foreseen or unforeseen, unless such

compliance arises out of or relates to any action or omission by Landlord, or by its agents, employees, or contractors, or to Landlord's breach of its obligations hereunder. Without limiting the generality of the foregoing, it is specifically agreed that Tenant shall comply with all Legal Requirements and Insurance Requirements that require the installation, modification, addition, change, alteration, repair, replacement or maintenance of any fire-rated partition, gas, smoke, or fire or smoke detectors or heat sensors or alarm or any sprinkler, fire extinguishers or other system to extinguish fires. However, Tenant need not comply with any such Legal Requirements so long as Tenant shall be contesting the validity thereof, or the applicability thereof to the Premises, in accordance with Section 7.4.

7.4 Contest of Legal Requirement. After the Rent Commencement Date, Tenant, at its expense, and after notice to Landlord, may contest, by appropriate proceedings prosecuted diligently and in good faith, the validity, or applicability to the Premises of any Legal Requirement as to which Tenant must comply or cause compliance; *provided* (i) that Tenant observes the requirements of any applicable statutes that may permit a deferral of the contested obligation to comply (or to cause compliance) with such Legal Requirements, (ii) that Tenant's delay or deferral in complying (or causing compliance) with such contested Legal Requirements shall not result in the creation or imposition of any lien against the Premises, (iii) that Tenant alone shall pay any fee, interest, or penalty arising in connection with such a contest (including, without limitation, in connection with any delay or deferral), and (iv) that Tenant shall keep Landlord advised as to the status of Tenant's contest. If such a delay or deferral is not obtainable, Tenant shall nonetheless have the right to maintain a contest under this Section 7.4 if Tenant shall provide Landlord with a payment and performance bond, or with such other security as Landlord may reasonably find acceptable, assuring both Tenant's ultimate compliance with the contested Legal Requirements, and Tenant's payment of any fine, fee, interest or penalty arising as a result of such Tenant's contest. In addition, Tenant shall indemnify and hold Landlord and all Landlord Parties harmless from and against all loss, cost, liability and expense arising from or in any way related to Tenant's contest of any Legal Requirement. Landlord, at its expense, after notice to Tenant, may contest, by appropriate proceedings prosecuted diligently and in good faith, the validity, or applicability to the Premises, of any Legal Requirement. Landlord shall indemnify and hold Tenant and all Tenant Parties harmless from and against all loss, cost, liability and expense arising from or in any way related to Landlord's contest of any Legal Requirement.

7.5 Reporting Requirements; Covenants.

7.5.1 Tenant shall during the Term deliver the following documents to Landlord at the times specified therein:

- (a) A signed copy of the Charter School Contract promptly upon receipt by Tenant;
- (b) A signed copy of any subsequent modification or amendment to the Charter School Contract within ten (10) Business Days after such modification or amendment is executed by the Authorizer and Tenant; and
- (c) Within ten (10) Business Days after receipt or transmittal (as the case may be) by Tenant, copies of all material notices or reports received from or sent to the Authorizer or the District of Columbia Public Schools (the "**Department**") and concerning, or issued in connection with, the Charter School Contract (including, without limitation, copies of all enrollment reports that Tenant may submit in connection with payments by or through the Department to the Tenant of any appropriations, allocations, grants, or funds of all kinds that may be claimed with respect to the Charter School under any Legal Requirements (including, without limitation, under DC Code Sec. 38-1804.03), as well as copies of all audited financial statements, audit reports—including financial,

enrollment, participation, eligibility, and other audits of all kinds—and auditor management letters that Tenant must submit to the Authorizer under the Charter School Contract.

In addition, Tenant shall promptly provide Landlord with copies of such unaudited financial statements and unaudited enrollment, participation, eligibility, and other reports as Landlord may from time to time request.

7.5.2 Tenant shall be in default of this Lease if any of the following occurs:

(a) More than 20% of Tenant’s total operating budget is expended on facilities expenses, including the Rent due under this Lease⁵; or

(b) Tenant’s total student enrollment is less than eighty percent (80%) of the scheduled enrollments set forth below for the applicable Lease Years:

- (i) Lease Year 1: 496 students;
- (ii) Lease Year 2: 591 students;
- (iii) Lease Year 3: 682 students;
- (iv) Lease Year 4: 720 students;
- (v) Lease Year 5: 758 students.

ARTICLE VIII Indemnity and Insurance

8.1 Tenant’s Indemnification. Except to the extent resulting from Landlord’s gross negligence or intentional misconduct, or from Landlord’s performance of the Landlord’s Work in a manner not conforming to the requirements of this Lease, Tenant shall indemnify, defend, save and hold harmless Landlord and all other Landlord Parties from and against any and all demands, claims, causes of action, fines, penalties, damages, losses, liabilities (including, but not limited to, strict liability), judgments, and expenses (including, without limitation, reasonable attorneys’ fees and expenses, filing and other court costs) incurred in connection with or arising from any of the following: (i) the use, condition, operation or occupancy of the Premises, including, but not limited to, the presence of any Dangerous Condition; (ii) any activity, work, or thing done, or permitted or suffered by or through Tenant in or about the Premises; (iii) any acts, omissions, or negligence of Tenant or any Tenant Party; (iv) any claim of any students, staff, employees or other invitees of Tenant or any Tenant Party, including claims alleging breach or violation of such person’s civil or legal rights; (v) any breach, violation, or nonperformance by Tenant or any Tenant Party, of any term, covenant, or provision of this Lease or any Legal Requirement; (vi) any injury or damage to the person, property or business of Tenant or any Tenant Party, or any other person entering upon the Premises under the express or implied invitation of Tenant; and (vii) any accident, injury to or death of persons or loss or damage to any item of property occurring at the Premises on or after the Commencement Date. If any action or proceeding is brought against Landlord or any Landlord Party by reason of any such indemnified claim as set forth above, Tenant, upon notice from Landlord, will defend the claim at Tenant’s sole cost and expense with counsel reasonably satisfactory to Landlord. In the event Landlord reasonably determines that the interests of Landlord or such Landlord Party and the interests of Tenant in any such action or proceeding are not substantially the same and that

⁵ This should be net any available lease aid or facilities reimbursements.

Tenant's counsel cannot adequately represent the interests of Landlord or such Landlord Party with respect to such indemnified claim as set forth above, Landlord shall have the right to hire separate counsel in any such action or proceeding and the costs and expenses thereof, including all attorneys' fees and expenses, shall be paid for by Tenant.

8.2 Landlord's Indemnification. Except to the extent resulting from Tenant's gross negligence or intentional misconduct, Landlord shall indemnify, defend, save and hold harmless Tenant and all other Tenant Parties from and against any and all demands, claims, causes of action, fines, penalties, damages, losses, liabilities (including, but not limited to, strict liability), judgments, and expenses (including, without limitation, reasonable attorneys' fees and expenses, filing and other court costs) incurred in connection with or arising from (i) any acts, omissions, or negligence of Landlord or any Landlord Party and (ii) any accident, injury to or death of persons or loss or damage to any item of property occurring at the Premises before the Commencement Date. If any action or proceeding is brought against Tenant or any Tenant Party by reason of any such indemnified claim as set forth above, Landlord, upon notice from Tenant, will defend the claim at Landlord's sole cost and expense with counsel reasonably satisfactory to Tenant. In the event Tenant reasonably determines that the interests of Tenant or such Tenant Party and the interests of Landlord in any such action or proceeding are not substantially the same and that Landlord's counsel cannot adequately represent the interests of Tenant or such Tenant Party with respect to such indemnified claim as set forth above, Tenant shall have the right to hire separate counsel in any such action or proceeding and the costs and expenses thereof, including all attorneys' fees and expenses, shall be paid for by Landlord.

8.3 Tenant's Insurance.

8.3.1 Tenant covenants and agrees that from and after the Commencement Date and during the Term of this Lease and thereafter so long as Tenant is in occupancy of any part of the Premises or such longer period as specified herein, Tenant shall carry and maintain, at its sole cost and expense, the following types of insurance, naming Landlord and Landlord's lender(s) as additional insured(s) or loss payee(s), as applicable, in the amounts specified and in the forms hereinafter provided with insurance companies authorized to do business in the District of Columbia and rated A:IX or better in the most current edition of Best's Insurance Report or a Standard and Poor's rating of "AA" (or the then equivalent of such rating) ("**Tenant's Insurance Requirements**"):

(a) Commercial General Liability and Umbrella Liability Insurance. Tenant shall obtain and maintain Commercial General Liability and Umbrella Liability insurance on the broadest forms available for similar risks, written on an "occurrence policy form," against all claims for bodily injury, disease or death, property damage, personal injury, premises operations, products and completed operations, consultants and independent contractors and contractual liability in an amount of not less than \$10,000,000 arising out of any one occurrence and \$10,000,000 in the annual aggregate, per location. Such insurance may be provided under a primary and an umbrella policy or policies. If liability coverage for the Premises is included under any blanket policy written on an aggregate form, then the annual aggregate limit of insurance applying solely to the Premises must not be less than \$10,000,000. The policy must include coverage for molestation and sexual abuse (unless provided under the professional liability policy required in this Section) and coverage for sports and athletic participation if applicable. The policy must include as insureds the Tenant's employees, volunteers and directors. The policy shall be endorsed to include Landlord, its managers, members, directors, officers, employees, agents, affiliates, successors and assigns and any lender as additional insureds on a primary and non-contributory basis. Tenant shall maintain the commercial general liability coverage as specified herein for a minimum of one year after termination of this Lease.

(b) Worker's Compensation / Employer's Liability. Tenant shall obtain and maintain Worker's Compensation insurance to the extent required, and in the amounts required by applicable Legal Requirements covering Tenant and its employees and employer's liability insurance in the amount of \$1,000,000 per accident, \$1,000,000 per illness (per employee) and \$1,000,000 per illness (aggregate). If Tenant uses borrowed employees (including employees from a temporary employment agency) to perform services, it shall require the primary employer to provide an alternate employer endorsement showing Tenant in the schedule as the alternate employer. The Workers' Compensation policies shall contain a waiver of subrogation provision requiring the insurance carriers to waive all rights against Landlord and all other Landlord Parties and any lender.

(c) Commercial Automobile Liability Insurance. Tenant shall obtain and maintain Commercial Automobile Liability insurance on all owned, hired or non-owned vehicles used in connection with Tenant's operations in the amount of \$1,000,000 combined single limit for bodily injury and property damage. The coverages must extend to employees, agents, and volunteers of Tenant who utilize personal vehicles within the course and scope of their employment or service.

(d) Educators Liability Insurance. Tenant shall obtain and maintain Educators Liability insurance (errors and omissions) with limits of insurance no less than \$1,000,000 per claim and \$2,000,000 in the aggregate. Coverage shall include employment practices, student liability, corporal punishment and sexual misconduct. This policy must also provide coverage for third party liability losses, including losses that arise out of local, state, or federal anti discrimination laws, except that Tenant may instead elect to provide coverage for losses that arise out of local, state, or federal antidiscrimination laws through a separate employment practices liability insurance (EPLI) policy that has limits of not less than \$1,000,000 per claim, \$2,000,000 in the aggregate. Tenant shall maintain the insurance required in this subsection for a minimum of three years after termination of this Lease.

(e) Crime / Employee Theft. Tenant shall obtain and keep in force a Crime / Employee Theft insurance policy covering its employees, volunteers and the acts of any third party vendor or contractor that otherwise might have the opportunity to misappropriate Tenant's property or funds, with limits of not less than \$500,000 per occurrence.

(f) Personal Property Insurance. Tenant shall obtain and maintain insurance coverage on all of Tenant's Removable Property. Such insurance shall be full replacement cost coverage with a deductible not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Tenant for the repair or replacement of Tenant's Removable Property. Tenant shall provide Landlord with written evidence that such insurance is in force no later than three (3) Business Days before the Commencement Date.

(g) Other. In addition, Tenant shall obtain and maintain the following coverages:

(i) Student Accident Insurance in an amount of not less than \$10,000 per occurrence;

(ii) Directors' and Officers' Insurance in an amount of not less than \$1,000,000 per occurrence; and

(iii) Any insurance that Landlord or Landlord's lender(s) may require, provided that such coverages are in types and amounts usual and customary for the Permitted Use.

8.3.2 Blanket Policies. Tenant may maintain any of its required insurance coverages under blanket policies of insurance covering said Premises and other premises of Tenant, or

companies affiliated with Tenant, provided that any such policy shall in all other respects comply with the requirements of this Lease. Tenant shall further have the right to maintain the liability coverage referred to above in the form of primary and umbrella or excess liability coverages, in such segments as Tenant shall determine from time to time. Any or all of the insurance coverages to be maintained by Tenant pursuant to this Lease may provide for such deductibles as Tenant shall determine, provided that no such policy shall have more than a \$25,000 deductible or retention for any occurrence (or such greater deductible as is customarily carried, from time to time, by charter schools in the geographic area in which the Charter School is located).

8.3.3 Tenant's Policies and/or Certificates of Insurance. Tenant shall obtain, before the expiration date of each such policy, original policies (or renewals or extensions of the insurance afforded thereby), certified duplicates thereof or certificates thereof (together with copies of endorsements for each additional insured) reasonably acceptable to Landlord and Landlord's lender(s). The above mentioned policies, and proof of payment of all premiums therefor, are to be provided to Landlord prior to the Commencement Date and upon Landlord's written request, annually thereafter. Each such policy will provide that Landlord be given written notice prior to the expiration, cancellation or non-renewal of any policies, and that any loss otherwise payable to them thereunder shall be paid notwithstanding any act or negligence on their part or that of the Tenant which might, absent such provision, result in a forfeiture of all or part of such insurance payment. If Tenant fails to furnish said notice or policies as provided in this Lease, and at the times herein provided, Landlord may obtain such insurance and the premiums on such insurance shall be deemed to be Additional Rent to be paid to Landlord upon demand. Tenant shall be responsible for the cost of any and all premiums on all such insurance to be carried by the Tenant. Final insurance policies shall be sent to the attention of: Turner-Agassi Charter School Facilities Fund, L.P. c/o Turner Capital Realty Advisors LLC, 3000 Olympic Blvd. Building 5, Suite 2120, Los Angeles, California 90067, Attn: Bari Cooper Sherman, Fax: (310) 752-9616.

8.4 Landlord's Insurance.

8.4.1 Landlord shall obtain and maintain, at Tenant's expense (including, without limitation, deductibles not to exceed \$50,000) all of the following (altogether, the "**Landlord's Insurance**"):

(a) Property insurance on an "All Risk" basis and for such other insurable hazards as, under good insurance practices, are insured against for other property and buildings similar to the Premises in nature, use, location, height, and type of construction. Such policy shall include all standard perils including wind. The amount of such insurance shall be not less than one hundred percent (100%) of the replacement cost without depreciation of the Premises. Such insurance policy shall contain an agreed amount endorsement and not subject to any form of coinsurance. Such insurance shall cover mechanical breakdown and testing, increased cost of Legal Requirements, insurance, costs of demolition and increased cost of construction as well as rent loss and business interruption coverage, including, business income and extra expense, for an extended period of indemnity of at least twelve (12) months. During the period of any construction, repair, renovation, restoration or replacement of the improvements or the Premises, Landlord shall obtain and maintain, at Tenant's expense (including, without limitation, deductibles), a completed value "All Risk" Builder's Risk Insurance policy for the full replacement cost of the Premises (including upgrades and any leasehold improvements but excluding Tenant's Removable Property and Alterations made by Tenant). The policy is to be written on a non-reporting basis, and in an amount not less than the total value of the Premises (less the value of such uninsurable items as land, site preparation, grading, paving, and parking lots). Such policy shall not contain a permission to occupy limitation. The policy shall contain an agreed amount endorsement and not subject to any form of coinsurance. Such policy

shall not have exclusions for sidewalks, retaining walls or underground property. The policy must not contain any "Protective Safeguard" endorsements limiting coverage. Coverage shall be provided for against the standard perils. Such policy shall include coverage for mechanical breakdown and testing, collapse, expediting expenses, demolition and increased cost of construction (for renovation and/or additions to existing structures), water damage, and permission for partial occupancy.

(b) Pollution and Environmental Impairment Liability insurance, insuring Landlord (with both "first-party" and "third-party" coverages) against pollution-related liabilities arising with respect to the Premises, including (without limitation) bodily injury, property damage, remediation expenses (including investigation, monitoring, removal, and disposal), and defense costs (including costs of adjustment and costs incurred in defending a claim) related to the same.

(c) Commercial General Liability and Umbrella Liability insurance, on the broadest forms available for similar risks, written on an "occurrence policy form," and insuring against all claims for bodily injury, disease or death, property damage, personal injury, premises operations, products and completed operations, consultants and independent contractors and contractual liability, and including (without limitation) coverage for molestation and sexual abuse and coverage for sports and athletic participation if applicable. Landlord currently carries liability limits of \$35,000,000 per occurrence and in the aggregate. Landlord shall have no obligation to carry a specific limit, but rather may amend its limits from time to time in its sole discretion.

8.4.2 Tenant shall pay to Landlord, as Additional Rent, an amount equal to the premiums for the insurance coverages which Landlord maintains pursuant to this ARTICLE VIII attributable to each calendar year during the Term (the "**Premiums**"), such amount to be apportioned for any portion of a calendar year in which the Commencement Date falls or the Term expires. Upon a casualty, Tenant shall immediately pay to Landlord the applicable deductible under the insurance which Landlord is to or may obtain pursuant to this ARTICLE VIII.

8.4.3 Estimated payments by Tenant on account of the Premiums shall be made on the first Business Day of each and every calendar month during the Term of this Lease, in the fashion herein provided for the payment of Base Rent. The monthly amount so to be paid to Landlord shall be sufficient to provide Landlord by the time Premiums are due with a sum equal to Tenant's required payment, as reasonably estimated by Landlord from time to time based either on the prior Lease Year's Premiums or on Landlord's good faith estimate of the current Lease Year's Premiums, on account of the Premiums for the then current calendar year. Promptly after receipt by Landlord of bills for such Premiums, Landlord shall advise Tenant of the amount thereof and the computation of Tenant's total payment due on account thereof. If estimated payments theretofore made by Tenant for the calendar year covered by such bills exceed the required payment on account thereof for such calendar year, Landlord shall within twenty (20) Business Days refund the amount of overpayment; but if the required payments on account thereof for such calendar year are greater than estimated payments theretofore made on account thereof for such calendar year, Tenant shall pay the difference to Landlord within twenty (20) Business Days after being so advised by Landlord, and the obligation to make such payment for any period within the Term shall survive expiration of the Term.

8.4.4 Landlord shall have the right to provide insurance coverage which it is obligated to carry pursuant to the terms hereof in a blanket policy, provided such blanket policy expressly affords coverage to the Premises as required by this Lease.

8.5 Waiver of Subrogation. Notwithstanding anything to the contrary contained elsewhere in this Lease, neither Landlord nor Tenant shall be liable to the other Party or to any insurance company insuring the other Party by way of subrogated rights or otherwise, for any loss or

damage caused by fire or any other hazard or peril covered by fire or extended coverage or all risk insurance or required to be covered by the insurance coverages under this Lease, or any resulting loss of income, even though such loss or damage may have been occasioned by the negligence of such Party, its agents or employees.

8.6 Tenant's Risk. Except as otherwise expressly provided in this Lease, Tenant agrees to use and occupy the Premises at Tenant's own risk. Accordingly, except as otherwise expressly provided in this Lease, Landlord shall not be liable to Tenant or any other Tenant Party for any damage, injury, loss, compensation, or claim (including, but not limited to, claims for the interruption of or loss to Tenant's business) based on, arising out of or resulting from any cause whatsoever, including, but not limited to, repairs or construction to any portion of the Premises; provided, however, that this provision shall not limit any right of recovery that Tenant may have from any person or entity other than a Landlord Party for any such damage, injury, loss, compensation, or claim. Nor shall Landlord be liable to Tenant or any other Tenant Party for any fire, robbery, theft, mysterious disappearance and/or any other crime or casualty, or any leakage in any part or portion of the Premises, or from water, rain or snow that may leak into, or flow from any part of the Premises, or from drains, pipes or plumbing fixtures at the Premises, or from the roof, street, subsurface or from any other place, or from the breakage, leakage, obstruction, or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning, or lighting fixtures of the Premises. Notwithstanding the foregoing, however, Landlord shall in no event be exonerated from any liability to Tenant or any other Tenant Party, for any injury, loss, damage or liability to the extent such exoneration is prohibited by law. Any goods, property or personal effects stored or placed in or about the Premises shall be at the sole risk and hazard of Tenant, and neither Landlord nor any Landlord Party nor Landlord's insurers shall in any manner be held responsible therefor and in no event shall Landlord, or any other Landlord Party have any liability to Tenant or any Tenant Party based on any loss with respect to or interruption in the operation of Tenant's business. The provisions of this Section 8.5 shall be applicable from and after the execution of this Lease and until the end of the Term of this Lease, and during such further period as Tenant may use or be in occupancy of any part of the Premises. Landlord shall not be responsible or liable to Tenant, or any Tenant Party for any loss or damage to persons or property resulting from the negligence, acts or omissions of persons occupying space adjoining or adjacent to the Premises, or connected to the Premises, or occupying any other part of the Building, or of any of their respective agents, employees, contractors, invitees or customers, including, without limitation, caused by breaking or falling of electrical cables and wires, or the breaking, bursting, stoppage or leakage of water, gas, sewer or steam pipes.

ARTICLE IX Alterations

9.1 Alterations. Except as hereinafter provided, after completion of Landlord's Work in accordance with the Plans and Specifications, Tenant shall make no additions, installations, improvements, replacements and/or alterations in or to the Premises (hereinafter "**Alterations**") without the prior written consent of Landlord which consent shall not be unreasonably withheld, conditioned or delayed. If Landlord shall fail to respond to a request by Tenant under this Section 9.1 within ten (10) calendar days after receiving such notice, then Tenant's written request shall be deemed approved.

9.1.1 Notwithstanding the above, Tenant shall have the right to make from time to time, at its expense, to attach fixtures or articles to any portion of the Premises and to make any additions, installations, improvements, replacements and/or alterations in or to the Premises or perform any other work in and to the Premises without obtaining Landlord's consent ("**Permitted**

Alterations”); *provided however*, that such Alterations are not Material Alterations, and that Tenant notifies Landlord of the Permitted Alterations, describing the same in reasonable detail, at least ten (10) Business Days before commencing such Permitted Alterations. All Alterations made by or for Tenant shall be done in a good and workmanlike manner and diligently prosecuted to completion, in compliance with applicable Legal Requirements.

9.1.2 Alterations that, in Landlord’s reasonable determination: (i) cost in excess of \$100,000, or (ii) are not in compliance with Legal Requirements, or (iii) materially and adversely, affect the Building Systems, the structural integrity of the Building, or the exterior of the Building or other structures on the Premises shall be deemed “**Material Alterations**” and shall not be performed without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed.

9.1.3 If Landlord will require Tenant to remove a Material Alteration at the expiration of the Lease, Landlord shall notify Tenant of this effect simultaneously with Landlord’s grant of approval of such Material Alteration. All Alterations, additions and improvements to the Premises (including fixtures and equipment) made by or for Tenant shall be done in a good and workmanlike manner and diligently prosecuted to completion, in compliance with applicable Legal Requirements and Insurance Requirements. Any Alterations in or to the Building Systems, or to or affecting the roof or any other structural part of the Building, shall be performed only by contractor(s) approved by Landlord; provided that, if Landlord, upon request for information initiated by Tenant, shall determine that any such Alterations proposed by Tenant shall have no adverse effect on any warranty, guaranty of workmanship, or other contractual right of Landlord with respect to the affected Building Systems or structural part(s) of the Building, Tenant may, without Landlord’s approval, employ such contractor(s) as Tenant may choose to perform such proposed Alterations. Landlord shall promptly respond to any Tenant information request regarding such proposed Alterations.

9.2 Review and Approval Solely for Tenant’s Benefit. Tenant agrees that any review or approval by Landlord of Tenant’s Alteration plans is solely for Landlord’s benefit, and without any representation or warranty whatsoever to Tenant with respect to the adequacy, correctness or efficiency thereof or otherwise.

9.3 Tenant’s Obligation to Furnish Documents to Landlord. Tenant, at its expense, shall obtain (and furnish true and complete copies to Landlord of) all necessary governmental permits and certificates for the performance of Alterations and for final approval thereof upon completion, and shall cause Alterations to be performed in compliance therewith, with all Legal Requirements and Insurance Requirements, and with the Plans and Specifications submitted to, and approved by Landlord pursuant to Section 9.1 hereof. Alterations shall be performed in such manner as not to impose any additional expense upon Landlord in the construction, maintenance, repair or operation of the Building, and if any such additional expense shall be incurred by Landlord as a result of Tenant’s performance of Alterations, Tenant shall pay such additional expense upon demand as Additional Rent. Throughout the performance of Alterations, Tenant, at its expense, shall carry, or cause to be carried, worker’s compensation insurance in statutory limits, employer’s liability insurance, disability benefits insurance, property insurance, builder’s risk insurance and general liability insurance, with completed operation endorsement, for any occurrence in or about the Premises, and covering construction subcontractors and materialmen to be employed by Tenant, under which Landlord shall be named as additional insured, in such limits as Landlord may reasonably require, with insurers reasonably satisfactory to Landlord. Tenant shall furnish Landlord with reasonably satisfactory evidence that such insurance is in effect at or before the commencement of Alterations and, on request, at reasonable intervals thereafter during the continuance of Alterations.

9.4 Notice of Violations. Tenant, at its expense, and with diligence and dispatch, shall procure the cancellation or discharge of all notices of violation arising from or otherwise connected with Alterations, or any other work, labor, services or materials done for or supplied to Tenant, or any Tenant Parties which shall be issued by any public authority having or asserting jurisdiction. However, nothing herein contained shall prevent Tenant from contesting, in good faith and at its own expense, any notice of violation; *provided* neither Landlord nor the Premises is adversely affected thereby.

9.5 "As-Built" Drawings. Tenant shall promptly upon the completion of a Material Alteration deliver to Landlord final "as-built" drawings certified by Tenant's architect of any Alterations Tenant has performed or caused to be performed in the Premises, and upon Landlord's request Tenant shall furnish updated drawings and specifications, if any, for Alterations in progress.

9.6 Liens. Tenant will cause all contractors performing, and suppliers supplying materials for, Alterations to be paid in full, so that the Premises and the Building shall at all times be free of liens for labor and materials supplied or claimed to have been supplied. Any mechanic's lien filed against the Premises for work claimed to have been done for, or for materials claimed to have been furnished to, Tenant shall be discharged by Tenant within fifteen (15) Business Days after such filing, by payment, filing of the bond required by law or otherwise, and Tenant shall provide satisfactory proof of such discharge to Landlord. In default thereof, Landlord may, upon ten (10) Business Days prior notice to Tenant, discharge any such mechanic's lien, by bond or payment, or otherwise, and the cost thereof shall be paid by Tenant to Landlord within ten (10) Business Days after demand. Notice is hereby given that Landlord shall not be liable for any labor or materials furnished or to be furnished to Tenant upon credit, and that no mechanic's lien or other lien for any such labor or materials shall attach to or affect the reversion or other estate or interest of Landlord in and to the Premises. Tenant shall indemnify and hold Landlord and all other Landlord Parties harmless from and against any and all expenses, liens, claims, liabilities and damages based on or arising, directly or indirectly, by reason of the making of any alterations, additions or improvements by or on behalf of Tenant to the Premises under this Section, which obligation shall survive the expiration or termination of this Lease.

9.7 Removal of Rubbish. Tenant, at its sole cost and expense, shall remove and dispose (in accordance with all Legal Requirements and Rules and Regulations) all rubbish arising from Tenant's Alterations.

ARTICLE X Landlord's and Tenant's Removable Property

10.1 Landlord's Property. Other than Tenant's Removable Property, all fixtures, equipment, improvements and appurtenances attached to or built into the Premises at the commencement of or during the Term, including Landlord's Work, whether or not by or at the expense of Tenant, shall be and remain a part of the Premises, shall, upon the expiration or sooner termination of this Lease, be deemed the property of Landlord and shall not be removed by Tenant ("**Landlord's Property**").

10.2 Tenant's Removable Property. All of Tenant's Removable Property shall be and shall remain the property of Tenant and may be removed by Tenant at any time during the Term; provided, that if any of Tenant's Removable Property is removed, Tenant shall repair or pay the cost of repairing any damage to the Premises or to the Building resulting from the installation and/or removal thereof.

10.3 Timing of Removal of Tenant's Removable Property. On or before the Expiration Date (or earlier termination of this Lease, as the case may be), Tenant, at its expense, shall remove

from the Premises all of Tenant's Removable Property (except such items thereof as Landlord shall have expressly permitted to remain, which property shall become the property of Landlord), and Tenant shall repair any damage to the Premises or the Building resulting from removal of Tenant's Removable Property.

ARTICLE XI Repairs and Maintenance

11.1 Tenant's Obligations.

11.1.1 Save and except for (i) the completion of Landlord's Work (including completion of Punchlist Items and of any work or repairs necessary, required or arising out of Landlord's failure to complete Landlord's Work according to the Plans and Specifications and in compliance with all Legal Requirements), and (ii) except as provided in Section 11.2, Tenant shall, at its expense, throughout the Term, maintain the Premises in good order, condition and repair (whether or not the portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Tenant, and whether or not the need for such repairs occurs as a result of Tenant's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to, all mechanical, electrical, plumbing, life safety (including sprinkler systems), heating, ventilation, and air conditioning systems of the Building (the "**Building Systems**"), boilers, pressure vessels, fixtures, walls (interior and exterior), ceilings, floors, windows, doors, plate glass, skylights, landscaping, driveways, parking lots, fences, retaining walls, signs, sidewalks and parkways located in or on the Premises. Tenant, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including (i) the procurement and maintenance of the service contracts required by this Section 11.1 and (ii) the timely observance of all procedures itemized under the Building Maintenance Checklist set forth on the Exhibit 11.1.1 attached to and made a part of this Lease. Tenant's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair, reasonable wear and tear excepted. Tenant shall, during the Term, keep the exterior appearance of the improvements on the Premises in good condition consistent with the exterior appearance of other similar facilities of comparable age and size, and Tenant shall surrender the Premises, at the end of the Term, in such condition, reasonable wear and tear excepted. Tenant shall be responsible for the cost of repairs which may be made necessary by reason of damage to the Building caused by any act or neglect of Tenant or any Tenant Party (including any damage by fire or other casualty arising therefrom). Except as otherwise expressly provided in this Lease, Landlord shall be responsible for the cost of repairs which may be made necessary by reason of damage to the Building caused by any act or neglect of Landlord or any Landlord Party (including any damage by fire or other casualty arising therefrom). Tenant shall not, in the course of its repair, maintenance or construction, invalidate any of the warranties on the Premises, including, but not limited to those that relate to the roof, the stormwater management system, the elevator, and the sprinkler systems. All of such repairs and replacements shall be of good quality sufficient for the proper maintenance and operation of the Premises, and shall be constructed and installed in compliance with Legal Requirements and Insurance Requirements.

11.1.2 Tenant shall not permit the accumulation of waste or refuse matter, nor permit anything to be done upon the Premises that would invalidate or prevent the procurement of any insurance policies required of Landlord, or of governmental permits, licenses or approvals that may at any time be required pursuant to the provisions hereof. Tenant shall not place a load upon any floor in the Premises exceeding the floor load per square foot of area which such floor was designed to carry and which is allowed by Legal Requirements.

11.1.3 Tenant shall, at Tenant's sole expense, obtain and keep in full force and effect during the Term of this Lease (with copies to Landlord upon Landlord's written request), with contractors reasonably acceptable to Landlord, service contracts for such of the Building Systems as are indicated for a "service agreement" on the attached Exhibit 11.1.1. If Tenant shall fail to obtain or maintain the service contracts required pursuant to this Section 11.1.3, Landlord may, after thirty (30) calendar days' notice to Tenant, obtain and maintain the same, and the reasonable cost thereof shall be collectible by Landlord, upon demand, as Additional Rent.

11.1.4 If repairs, maintenance or other work is required to be made by Tenant pursuant to the terms of this Lease, and Tenant fails to commence the repairs and/or other obligations and diligently prosecute such repairs and/or obligations to completion, upon not less than sixty (60) calendar days' prior written notice (except that no notice shall be required in the event of an emergency), Landlord may make or cause such repairs to be made or such obligations to be performed (but shall not be required to do so), and all reasonable costs incurred by Landlord in connection therewith shall be paid by Tenant to Landlord on demand and shall be Additional Rent.

11.1.5 Tenant shall be solely responsible for security measures at the Premises. Tenant acknowledges that Landlord has not undertaken any duty whatsoever to provide security for the Premises and, accordingly, Landlord is not responsible for the security of same or the protection of Tenant's property or Tenant's employees, invitees, students, parents, or contractors from any cause whatsoever, including but not limited to criminal and/or terrorist acts. To the extent Tenant determines that such security or protection services are advisable or necessary, Tenant shall arrange for and pay the costs of providing same. Except as otherwise expressly provided in Section 13.3, Landlord shall have no responsibility to prevent, and shall not be liable to Tenant for losses due to theft, burglary or other criminal activity, or for damages or injuries to persons or property resulting from persons gaining access to the Premises, and Tenant hereby releases Landlord and all other Landlord Parties from all liabilities for such losses, damages or injury, regardless of the cause thereof.

11.2 Landlord's Obligations.

11.2.1 Landlord, at its sole cost, except as provided in Section 11.1 above, shall maintain, repair and replace (i) the roof of the Building (except Tenant shall be responsible for the payment of all costs of repairs and replacements to the roof required as a result of the installation, use, operation, maintenance, repair or replacement of any equipment or facilities installed by Tenant or any Tenant Party on the roof of the Building, including without limitation any mechanical systems in any portion of the Building serving such roof equipment and facilities), ensuring that the roof is watertight, and (ii) all structural elements (excluding exterior glass) of the Building (i.e. load bearing walls, foundation and slab). When making such repairs, alterations, additions or improvements, Landlord shall use reasonable measures to prevent (and shall cause any other person or entity making same to do so) interference with, and disruption of, the use and occupancy of the Premises, by Tenant and all persons and entities claiming by, through or under Tenant, including, without limitation, any interference with, or disruption of, the performance of work or the conduct of permitted use in the Premises.

11.2.2 During the first sixty (60) full calendar months of the Term, the total of Landlord's costs and expenses incurred in maintenance, repairs and replacements required under Section 11.2.1 (altogether, the "**Capital Repair Costs**"), shall be added to the estimated fair market value of the Premises specified under Section 2.4. If Tenant shall not exercise the option to purchase provided under Section 2.4, however, then Landlord shall provide Tenant with an amendment to this Lease setting forth a revised schedule of annual Base Rent, which, beginning with the seventh (7th) Lease Year, shall be determined by increasing the annual Base Rent set forth in Section 3.1 above for

each Lease Year thereafter during the Term by such amounts as may be reasonably required, as determined by the Parties' mutual agreement, in order to ensure that Landlord receives the same rate of return on the Capital Repair Costs as Landlord shall receive on its capital investment in Landlord's Work. If Landlord and Tenant are unable to agree on the increases to annual Base Rent contemplated under this Section 11.2.2, the pertinent amounts will be determined in accordance with the provision of Section 6.13 hereof.

11.2.3 Landlord shall in no event be responsible to Tenant for any condition in the Premises or the Building caused by any act or neglect of Tenant or any Tenant Party. Landlord shall not be responsible to make any improvements or repairs to the Building other than as expressly provided in this Lease.

11.3 Interruption. Landlord shall have no liability to Tenant, nor shall Tenant's covenants and obligations under this Lease be reduced or abated in any manner whatsoever, by reason of any inconvenience, annoyance, interruption or injury arising from Landlord's making any repairs, replacements or changes which Landlord is required or permitted by this Lease, or required by applicable Legal Requirements or Insurance Requirements, to make in or to the fixtures, equipment or appurtenances of the Building or the Premises. Landlord shall not be responsible in any manner for any suspension, interruption or curtailment of any services or utilities to the Premises, regardless of the cause thereof, and no such suspension, interruption or curtailment shall give rise to any claim for abatement of rent or other compensation to Tenant from Landlord, nor shall Tenant claim any direct, indirect or consequential damages or constructive eviction on account thereof, nor shall this Lease or any obligation of Tenant be affected thereby. Tenant hereby expressly waives any and all rights of rent abatement or other remedies on account of any untenability and Tenant's sole right and remedy shall be as set forth in Section 21.5 of this Lease; provided, however, that, notwithstanding the foregoing provisions of this Section 11.3, if (i) Landlord, its agents, employees or contractors shall cause any suspension, interruption or curtailment of any services or utilities to the Premises and (ii) Tenant shall not be required by this Lease or by the Charter School Contract to maintain any insurance coverage against such suspension, interruption or curtailment, then Tenant shall, as its sole remedy for such suspension, interruption or curtailment, receive an equitable abatement of Base Rent during the time period of such suspension, interruption or curtailment.

ARTICLE XII

Utilities

12.1 Procurement and Payment of Utilities. Tenant shall be responsible to procure the supply of any and all utilities necessary for Tenant's use and occupation of the Premises and, subject to the performance of Landlord's Work and Landlord's express obligations under ARTICLE XI, Landlord will have absolutely no responsibility or obligation to provide any utility or other service to the Premises. Tenant shall contract for, in its own name, and shall pay all taxes, assessments, charges/deposits, fees and bills for utilities including, without limitation, charges for water, gas, oil, sanitary and storm sewer, electricity, steam, telephone service, trash collection, internet access, cable television or satellite service, and all other utilities that may be charged against any occupant or user of the Improvements during the Term. Tenant shall at all times maintain that amount of heat necessary to ensure against the freezing of water lines. Tenant shall indemnify, defend, save and hold Landlord harmless of, from and against any and all claims, liability or damages, including, but not limited to, claims based upon Tenant's failure to pay any fees or other charges for utility services supplied to the Premises, or damages to the utility systems and the Premises, that may result from Tenant's failure to maintain sufficient heat in the Premises. All charges for utilities or services at the Premises before the

Rent Commencement Date and after the expiration or earlier termination of the Lease shall be payable by Landlord.

12.2 Interruption. Landlord shall not be liable to Tenant for any loss, damage or expense which Tenant may sustain or incur if (i) the supply of electricity or other service or utility to the Premises is temporarily interrupted, or (ii) the quantity or character of the electric service is changed or is no longer available or suitable for Tenant's requirements.

ARTICLE XIII Landlord's Services

13.1 Landlord's Obligation. Upon the completion of Landlord's Work, Landlord shall not—except only as expressly required in this Lease—have any obligation to furnish to the Premises any cleaning services, electric energy, water, heat, air-conditioning, ventilation, gas or any other service or utility. Tenant shall obtain heat, air-conditioning, ventilation, gas and any other services or utilities required by Tenant at Tenant's sole cost and expense and in compliance with the applicable provisions of (a) all Legal Requirements and Insurance Requirements, (b) the rules and regulations of any public utility or other company furnishing such service or utility, and (c) this Lease.

13.2 Triple Net Lease. It is understood and agreed by the Parties that—except only as otherwise expressly provided in this Lease—this Lease is considered and intended to be a “triple net” lease, providing and yielding to the Landlord payment of the Base Rent and Additional Rent (and to third parties, as applicable) as and when due hereunder absolutely free and net of all expenses, costs and charges allocable to the Term which are in any manner associated with the ownership, operation, use, management, repair, maintenance, and insuring of the Premises, and Tenant is agreeing to be absolutely responsible for all costs, expenses, taxes and charges relating to its use and occupancy of the Premises during the period of its use and occupancy, unless otherwise provided herein.

13.3 Landlord's Rights of Access. Landlord, its agents and representatives, shall have the right (without any obligation so to do), upon the prior consent of Tenant, to enter the Premises (i) to inspect the same, (ii) to exercise such rights as may be permitted hereunder, (iii) to make repairs or Alterations to the Premises, (iv) to make repairs or perform other obligations if Tenant fails to do so as required hereunder (but the Landlord shall have no duty whatsoever to make any such inspections, repairs, Alterations, additions or improvements except as otherwise expressly provided in this Lease), (v) to deal with emergencies, (vi) to post such notices as may be permitted or required by law to prevent the perfection of liens against Landlord's interest in the Building, (vii) to exhibit the Premises to prospective tenants during the twenty-four (24) months preceding expiration of the term of this Lease and at any reasonable time during the Term to show the Premises to prospective purchasers, lessors and mortgagees; or (viii) for any other purpose as Landlord may deem necessary or desirable; provided however that, in so doing, Landlord shall not interfere with or disrupt (as determined by Tenant in the exercise of its reasonable discretion) Tenant's use of or access to the Premises, and that Landlord shall be accompanied by a designated representative of Tenant, if timely made available by Tenant; and further provided that, so long as Landlord shall provide Tenant at least 48 hours' advance written notice of Landlord's desire to enter the Premises, Tenant's consent to the same shall not be unreasonably withheld, conditioned, or delayed. Tenant shall not be entitled to any abatement of rent or other charges nor shall Landlord be deemed guilty of an eviction, actual or constructive, or any violation of Tenant's quiet enjoyment of the Premises on account of Landlord's access to the Premises pursuant to the provisions of this Section 13.3 or any other provision of this Lease or applicable Legal Requirements.

ARTICLE XIV Subordination

14.1 Subordination of Lease. Subject to the terms of this ARTICLE XIV, this Lease, and all rights of Tenant hereunder, are and shall be subject and subordinate to any ground lease of the Premises, and all renewals, extensions, modifications and replacements thereof, and to all mortgages, deeds of trust, security interests and similar encumbrances (collectively, a “**Mortgage**”) which may now or hereafter affect the Premises, whether or not such Mortgage shall also cover other lands and/or buildings and/or leases, to each and every advance made or hereafter to be made under such mortgages, and to all renewals, modifications, replacements and extensions of such leases and such Mortgages and all consolidations of such Mortgages, provided that Landlord shall obtain a non-disturbance agreement for the benefit of Tenant (including its successors and assigns) that shall provide, in substance, at least as follows: (i) that neither the Superior Lessor, Superior Mortgagee, nor any other holder of such lien on the Building and/or the Premises, shall name or join Tenant (or its assigns or subtenants) as a party-defendant or otherwise in any suit, action or proceeding to enforce its liens or claims nor will this Lease, or the Term hereof, be terminated (except as permitted by the provisions of this Lease) unless required to do so by Legal Requirements; (ii) that this Lease (or any rights hereunder) shall not in any event be materially and adversely affected by the Superior Lessor, Superior Mortgagee, the applicable Superior Lease or Superior Mortgage, by the enforcement of any rights given to the Superior Lessor or Superior Mortgagee pursuant to the terms, covenants, rights or conditions contained in such Superior Lease or Superior Mortgage, or by any other documents held by any Superior Lessor or Superior Mortgagee as a matter of law; and (iii) that Tenant’s use and occupancy of the Premises (and/or any portion thereof) shall not be disturbed. Tenant shall promptly execute, acknowledge and deliver any instrument that Landlord, the lessor under any such ground lease or the holder of any such Mortgage or any of their respective successors in interest may reasonably request to evidence such agreement. Any ground lease to which this Lease is, at the time referred to, subject and subordinate is herein called “**Superior Lease**” and the lessor of a Superior Lease or its successor in interest at the time referred to, is herein called “**Superior Lessor**”; and any Mortgage to which this Lease is, at the time referred to, subject and subordinate, is herein called “**Superior Mortgage**” and the holder of a Superior Mortgage, or its successor in interest at the time referred to, is herein called “**Superior Mortgagee**.”

14.2 Attornment. If any Superior Lessor or Superior Mortgagee or the nominee or designee of any Superior Lessor or Superior Mortgagee shall succeed to the rights of Landlord under this Lease, whether through possession or foreclosure action or delivery of a new lease or deed, or otherwise, then at the request of such party so succeeding to Landlord’s rights (herein called “**Successor Landlord**”), Tenant shall attorn to and recognize such Successor Landlord as Tenant’s landlord under this Lease and shall promptly execute and deliver such instrument that such Successor Landlord may reasonably request to evidence such attornment provided such instrument complies with the provisions of Section 14.1. Upon such attornment, this Lease shall continue in full force and effect as a direct lease between the Successor Landlord and Tenant upon all of the terms, conditions and covenants as are set forth in this Lease, except that the Successor Landlord (unless formerly the landlord under this Lease or its nominee or designee) shall not be (i) liable in any way to Tenant for any act or omission, neglect or default on the part of Landlord under this Lease or for any claim against Landlord arising prior to the date on which the successor succeeded to Landlord’s interest, (ii) responsible for any monies owing by or on deposit with Landlord to the credit of Tenant, (iii) subject to any counterclaim, offset or setoff which theretofore accrued to Tenant against Landlord, (iv) bound by any modification of this Lease subsequent to such Superior Lease or Mortgage, or by any previous prepayment of Base Rent for more than one (1) month, which was not approved in writing by the Superior Lessor or the Superior Mortgagee thereto, (v) liable to the Tenant beyond the Successor Landlord’s interest in the Premises and the rents, income, receipts, revenues, issues and profits issuing

from such Premises, (vi) responsible for the performance of any work to be done by the Landlord under this Lease to render the Premises ready for occupancy by the Tenant, (vii) bound by any amendment or modification of such Lease made without its written consent, or (viii) required to remove any person occupying the Premises or any part thereof, except if such person claims by, through or under the Successor Landlord.

14.3 Notice to Mortgagee. After receiving notice from Landlord of any holder of a Mortgage which includes the Premises, no notice from Tenant to Landlord alleging any default by Landlord shall be effective unless and until a copy of the same is given to such holder (provided that Tenant shall have been furnished with the name and address of such holder in a written notice marked with language to the effect that it concerns a requirement that any notice from Tenant to Landlord pursuant to the terms of the Lease shall be delivered a named party other than Landlord), and the curing of any of Landlord's defaults by such holder shall be treated as performance by Landlord.

14.4 Leasehold Mortgage. Tenant may, with Landlord's prior written consent (which consent shall not be unreasonably withheld, conditioned, or delayed), mortgage or otherwise encumber Tenant's leasehold estate (defined as Tenant's interest in the Premises as set forth in this Lease), assign Tenant's leasehold estate as collateral security, and collaterally assign Tenant's rights under this Lease (each, a "**Leasehold Mortgage**" and the holder thereof being a "**Leasehold Mortgagee**") on the following terms and conditions: (a) the Leasehold Mortgage shall not extend beyond the expiration date of the then current Term; (b) the Leasehold Mortgage shall not lien or encumber the fee interest of Landlord in any manner, and the lien of the Leasehold Mortgage shall be subordinate in all respects to the fee interest of Landlord; (c) Tenant shall notify Landlord and every Superior Lessor and Superior Mortgagee of the execution of such Leasehold Mortgage and the name and place for service of notice upon such Leasehold Mortgagee; and (d) Tenant's making a Leasehold Mortgage shall not be deemed to constitute an unpermitted assignment or transfer of Tenant's leasehold estate, nor shall any Leasehold Mortgagee, as such, or in the exercise of its rights under this Lease, prior to foreclosure, be deemed to be an assignee, transferee, or mortgagee in possession of Tenant's leasehold estate so as to require such Leasehold Mortgagee, as such, to assume or otherwise be obligated to perform any of Tenant's obligations under this Lease. Notwithstanding the foregoing, Tenant may, with notice to but without Landlord's consent enter into a Leasehold Mortgage where the total amount secured by such mortgage is less than \$1,000,000.

14.5 Rights of Leasehold Mortgagee. Provided that Landlord shall have been furnished with the name and address of such Leasehold Mortgagee in a notice marked with language to the effect that it concerns a requirement that any notice from Landlord to Tenant pursuant to the terms of the Lease shall be delivered to the Leasehold Mortgagee, the Landlord, upon giving Tenant any notice of default, termination or change of address under this Lease, shall simultaneously give a copy of such notice or communication to Leasehold Mortgagee in the same manner provided by this Lease for the giving of notices to Tenant. No such notice by the Landlord to Tenant shall be deemed to have been given unless and until notice has been given to the Leasehold Mortgagee. A Leasehold Mortgagee shall have the right to cure any default by Tenant for the same period as Tenant under this Lease. The Landlord shall accept a cure performed by Leasehold Mortgagee as though the cure had been done or performed in a timely fashion by Tenant. Landlord shall take no action to terminate this Lease without first giving Leasehold Mortgagee a notice of default as required hereunder. During any time which Leasehold Mortgagee requires in order to obtain possession or institute foreclosure proceedings pursuant to the previous sentence, Leasehold Mortgagee shall be responsible for, and as a condition to Landlord's forbearance from terminating this Lease, shall timely perform, all obligations of the Tenant under the Lease including payment of all Rent. Leasehold Mortgagee, upon obtaining possession or acquiring Tenant's interest under this Lease, shall be required to cure promptly all defaults, provided that (i) Leasehold Mortgagee shall not be obligated to continue such possession or to continue such

foreclosure proceedings if the default shall be cured by Tenant, and (ii) nothing herein shall preclude the Landlord, subject to the provisions of this Section 14.5, from exercising any rights or remedies under this Lease with respect to any other default by Tenant. Leasehold Mortgagee in foreclosure proceedings may become the legal owner and holder of this Lease for foreclosure or assignment or deed in lieu of foreclosure. If Leasehold Mortgagee shall acquire title to Tenant's interest in this Lease by foreclosure, assignment in lieu of foreclosure or otherwise, the Leasehold Mortgagee may assign this Lease in accordance with its terms and shall thereupon be released from all liability for the performance of the covenants and conditions in this Lease or such new lease contained on tenant's part to be performed and observed from and after the date of such assignment; provided, however, that the assignee from Leasehold Mortgagee shall have expressly assumed such lease and written evidence thereof shall have been submitted to the Landlord. Both Leasehold Mortgagee and any assignee thereof shall comply with all terms and conditions of this Lease.

14.6 Tenant's Removable Property and Waiver of Landlord Lien. Tenant shall have the right to mortgage, pledge, collaterally assign, hypothecate, or otherwise grant a security interest in any one or more items of Tenant's Removable Property used, or otherwise located, in the Premises, as well as to lease (as opposed to own) all or any portion of the same. In this regard, Landlord hereby unconditionally waives: (a) any and all liens and/or security interests (whether by statute or by common law) that Landlord, or its successors or assigns, might otherwise have, or might otherwise hereafter acquire, in or to any of Tenant's Removable Property; and (b) any and all rights of levy, distraint, or execution with respect to any and all of Tenant's Removable Property, whether afforded to Landlord pursuant to this Lease or otherwise at law or in equity. If Tenant shall default under any loan secured in whole or in part by Tenant's Removable Property, or under any lease of Tenant's Removable Property to Tenant, Landlord shall permit the lender or lessor of Tenant's Removable Property to enter the Premises, after reasonable advance notice to both Landlord and Tenant, for the purpose of removing Tenant's Removable Property therefrom, according to the terms and conditions of this Lease, regardless of whether a default shall have been committed by Tenant and be outstanding under this Lease; provided, however, that such removal shall not adversely affect any remedies that Landlord may have against Tenant under this Lease. Landlord shall have the right to have its designated representative physically present in the Premises during any actual removal of Tenant's Removable Property. Landlord shall, from time to time upon Tenant's written request, promptly execute and return any confirmations, certificates and other documents (except an amendment to this Lease, unless Landlord agrees to do so in its sole discretion) that such lender or lessor of Tenant's Removable Property reasonably requests in connection with any such financing or leasing, but Landlord shall have no obligation with respect to any of Tenant's Removable Property if Landlord exercises any remedies that Landlord may have under this Lease, or if Tenant's Removable Property shall be unclaimed.

ARTICLE XV

Quiet Enjoyment

Subject to the terms and conditions of this Lease and subject to the rights of any Superior Mortgagee or Superior Lessor, on payment of the Base Rent and other Additional Rent and observing, keeping and performing all of the other material terms and conditions of this Lease on Tenant's part to be observed, kept and performed, Landlord covenants and warrants that Tenant shall lawfully, peaceably and quietly enjoy the Premises during the term hereof, without hindrance or ejection by any persons claiming by, through or under Landlord to have title to the Premises superior to Tenant. The foregoing covenant of quiet enjoyment is in lieu of any other covenant, express or implied.

ARTICLE XVI
Assignment and Subletting

16.1 Restriction on Transfer. Except as otherwise permitted in this ARTICLE XVI, Tenant covenants and agrees that neither this Lease nor the term and estate hereby granted, nor any interest herein or therein, may be assigned or otherwise transferred by Tenant, whether voluntarily, involuntarily, directly or indirectly, by operation of law or otherwise, and that neither the Premises nor any part thereof will be encumbered in any manner by reason of any act or omission on the part of Tenant (unless expressly permitted under Section 14.4), or used or occupied or permitted to be used or occupied by anyone other than Tenant, or for any use or purpose other than the Permitted Use, or be sublet (which term, without limitation, shall include granting of concessions, licenses and the like) in whole or in part, or be offered or advertised for assignment or subletting by Tenant or any person acting on behalf of Tenant, without, in each case, the prior written consent of Landlord, which consent, except as otherwise expressly provided in this Lease, may be withheld by Landlord in its sole and absolute discretion. The provisions of this Section 16.1 shall apply to a transfer (by one or more transfers) of a controlling portion of or interest in the stock or partnership or membership interests or other evidences of equity interests of Tenant as if such transfer were an assignment of this Lease. If this Lease is assigned, or if the Premises or any part thereof is sublet or occupied by anyone other than Tenant, whether or not in violation of the terms and conditions of the Lease, Landlord may, at any time and from time to time, collect rent and other charges from the assignee, subtenant or occupant, and apply the net amount collected to the rent and other charges herein reserved, but no such assignment, subletting, occupancy, collection or modification of any provisions of this Lease shall be deemed a waiver of the provisions of this ARTICLE XVI, or the acceptance of the assignee, subtenant or occupant as a tenant or a release of Tenant from the further performance of covenants on the part of Tenant to be performed hereunder. Any consent by Landlord to a particular assignment, subletting or occupancy or other act for which Landlord's consent is required under this Section 16.1 shall not in any way diminish the prohibition stated in this Section 16.1 as to any further such assignment, subletting or occupancy or other act or the continuing liability of the original named Tenant. No assignment or subletting hereunder shall relieve Tenant from its obligations hereunder, and Tenant shall remain fully and primarily liable therefor.

16.1.1 Except as provided in Section 16.2, if Tenant shall desire to sublet all or any portion of the Premises or assign this Lease, Tenant shall submit to Landlord a written request for Landlord's consent to such sublet or assignment, which request (the "**Request**") shall contain or be accompanied by the following information:

- (a) The name and address of proposed subtenant or assignee;
- (b) A duplicate original or photocopy of the sublease agreement or assignment and assumption agreement;
- (c) The nature and character of the business of the proposed subtenant or assignee and its proposed use of the Premises; and
- (d) Banking, financial and other credit information with respect to the proposed subtenant or assignee as has been provided or which can be reasonably obtained by Tenant to enable Landlord to determine the financial responsibility of the proposed subtenant or assignee; and
- (e) A certification from the Tenant and the proposed assignee or subtenant that the proposed assignee or subtenant is a Non-Profit Company.

16.1.2 The form of every proposed sublease or instrument of assignment, including an assignment expressly permitted under this Section 16.1, (A) shall be in form reasonably satisfactory to Landlord, and, without limitation, (1) shall not provide for a rental or other payment for the occupancy or utilization of the space demised thereby based in whole or in part on the income or profits derived by any person from the property so leased, used, occupied or utilized other than an amount based on a fixed percentage or percentages of gross receipts or sales, and (2) shall provide that no person having an interest in the possession, use, occupancy or utilization of the space demised thereby shall enter into any lease, sublease, license, concession or other agreement for use, occupancy or utilization of such space which provides for a rental or other payment for such use, occupancy or utilization based in whole or in part on the income or profits derived by any person from the property so leased, used, occupied or utilized other than an amount based on a fixed percentage or percentages of gross receipts or sales, and that any such purported lease, sublease, concession or other agreements shall be absolutely void and ineffective *ab initio*, and (B) shall comply with the applicable provisions of this ARTICLE XVI.

16.1.3 Tenant shall reimburse Landlord on demand (and in no event later than the effective date of any assignment or sublease) for any reasonable costs incurred by Landlord in connection with any proposed assignment or subletting including, without limitation, the reasonable costs of making investigations as to the acceptability of the proposed assignee or subtenant and all reasonable costs incurred in connection with the granting of the requested consent, including, without limitation, any legal, appraisal, recording, title, document preparation or closing fees paid to third parties, and any mortgage recording taxes. Notwithstanding the provisions of the above, Tenant shall remain liable to Landlord for any such costs that may be incurred by Landlord after the effective date of any assignment consented to in accordance with the terms of this paragraph.

16.1.4 In no event shall any assignment, or any subletting to which Landlord may have or may not have consented, release Tenant from its obligations under this Lease, or constitute consent to any further assignment or subletting, provided however that effective upon assignment of this Lease from Rocketship Education to the holder of the Charter School Contract, Rocketship Education shall have no further obligations hereunder. Anything contained in this Lease to the contrary notwithstanding, Tenant shall not (a) sublet the Premises or assign this Lease on any basis such that the rental or other amounts to be paid by the sublessee or assignee thereunder would be based, in whole or in part, on the income or profits derived by any person from the Premises or by the business activities of the sublessee or assignee; (b) sublet the Premises or assign this Lease to any person, directly or indirectly, in which Landlord owns (by applying constructive ownership rules set forth in Section 856(d)(5) of the Internal Revenue Code) a ten percent (10%) or greater interest as defined by Section 856(d)(2)(B) of the Internal Revenue Code; or (c) sublet the Premises or assign this Lease in any other manner or otherwise derive any income which could cause any portion of the amounts received by Landlord pursuant to this Lease or any sublease to fail to qualify as “rents from real property” within the meaning of Section 856(d) of the Internal Revenue Code, or which could cause any other income received by Landlord to fail to qualify as income described in Section 856(c) (2) of the Internal Revenue Code. The requirements of this Section 16.1.4 shall likewise apply to any further subleasing by any subtenant.⁶

16.1.5 In no event shall Tenant be entitled to make, nor shall Tenant make any claim, and Tenant hereby waives any claim, for money damages, nor shall Tenant claim any money damages by way of set-off, counterclaim or defense, based upon any claim or assertion by Tenant that Landlord has unreasonably withheld or unreasonably delayed any consent or approval to a proposed assignment

⁶ Acknowledgement that relationship with Appletree does not constitute a sublease/assignment to be added.

or subletting as provided for above, but Tenant's sole remedy shall be an action or proceeding to enforce any such provisions, or for specific performance, injunction or declaratory judgment.

16.1.6 Landlord shall consent or withhold such consent by written notice to Tenant within ten (10) calendar days of Tenant's written request for Landlord's consent. If Landlord fails to respond to Tenant's request under this Section 16.1.6 within ten (10) calendar days after receiving such request, then Landlord shall be deemed to have consented to such sublet or assignment. If Landlord shall consent to any proposed assignment or subletting, or shall decline to give its consent to any proposed assignment or subletting, Tenant shall indemnify, defend and hold harmless Landlord against and from any and all loss, liability, damages, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from any claims that may be made against Landlord by the proposed assignee or subtenant or by any brokers or other persons claiming a commission or similar compensation in connection with the proposed assignment or subletting.

16.2 Permitted Assignment.

16.2.1 Provided that no Event of Default then exists under this Lease, and further provided that the pertinent assignee shall also be (or shall then, simultaneously with the execution and delivery of such assignment, become) party to the Charter School Contract, Tenant shall have the right, subject to all of the other terms and conditions of this ARTICLE XVI, and upon not less than five (5) Business Days' prior written notice to Landlord (but without Landlord's prior written consent) to assign this Lease to either (i) any Tenant Affiliate or (ii) any other entity of which Tenant is the sole statutory member and over which Tenant has some authority, under the pertinent entity's then-current bylaws, to approve members of such entity's board of directors.

16.2.2 In connection with or subsequent to a permitted assignment to a Tenant Affiliate pursuant to Section 16.2.1, Tenant and Tenant's assignee shall enter into a written agreement pursuant to which Tenant shall provide curriculum, services, and support to the Charter School (in any such instance, a "**Management Agreement**"), and Tenant shall immediately provide to Landlord a duly authorized and fully executed copy of such Management Agreement. Furthermore, Tenant shall not thereafter during the Term terminate the Management Agreement without first having entered into a duly authorized and executed replacement Management Agreement with a reputable vendor approved in advance by Landlord, which approval Landlord shall not unreasonably withhold, condition, or delay.

ARTICLE XVII

Signage

Tenant may erect interior signs on the Premises without Landlord's prior written consent provided such signs comply with applicable Legal Requirements. Landlord shall, as part of Landlord's Work, place Tenant's name on the Building, in a manner reasonably acceptable to Tenant. Before installation of Tenant's signs, Tenant must submit to Landlord a plan or sketch in reasonable detail (showing, without limitation, size, color, location, materials and method of affixation) of the sign.

ARTICLE XVIII

Damage or Destruction

18.1 Fire or Other Damage. Tenant must give Landlord immediate notice in case of fire or other damage to the Premises. If the Premises are substantially damaged and rendered unusable for

the Permitted Use and this Lease is not terminated pursuant to any of the provisions of this Section 18.1, Landlord shall, subject to the provisions of this ARTICLE XVIII, promptly rebuild the Premises (excluding Tenant's Removable Property and any Alterations performed by or on behalf of Tenant) to substantially the condition they were in immediately prior to such casualty and Base Rent shall be equitably abated for the period during which Landlord shall be rebuilding such Premises.

18.1.1 If the Premises are substantially damaged by fire or casualty (the term "**substantially damaged**" meaning damage of such a character that the same cannot, in the ordinary course, reasonably be expected to be repaired within two hundred forty (240) calendar days from the time that repair work would commence, as determined by a contractor mutually satisfactory to the Parties), then Tenant or Landlord shall have the right to terminate this Lease by giving notice of such election within sixty (60) calendar days after the occurrence of such casualty, which termination shall be effective as of the date of such notice.

18.1.2 If this Lease is terminated pursuant to Section 18.1.1, the Term shall be over on the specified cancellation date with the same force and effect as if such date were the date originally established as the expiration date hereof. Tenant shall have no obligation to pay rent after the termination date of the Lease. Tenant will look only to its own insurance as required by this Lease, whether or not obtained, to recover any damages or losses suffered as a result of the damage including but not limited to early termination of the Lease, loss of business, damage to property, trade fixtures, etc. Tenant releases Landlord from liability and waives right of recovery against Landlord for all losses or damages resulting from the casualty to the extent that it would have been compensated by insurance required to be carried by Tenant under this Lease. Tenant shall retain the proceeds of all insurance maintained by Tenant and allocable to Tenant's Removable Property, without claim by Landlord.

18.1.3 If this Lease has not been terminated in accordance with the provisions of this Article, the proceeds of insurance carried pursuant to ARTICLE VIII ("**Insurance Proceeds**") shall be used to pay for the repair and restoration work performed pursuant to the terms hereof. If the total cost of restoring the Premises, as provided in this Article, is less than the amount of the Insurance Proceeds applicable to such restoration work, the balance of the Insurance Proceeds shall be paid to the party responsible for maintaining such insurance upon delivery of final waivers of lien and such other documentation as may be reasonably requested by the other party in order to confirm that such restoration work has been completed in substantial accordance with the terms hereof. If this Lease is terminated by either Party pursuant to the terms and provisions of this Article, all Rent shall be prorated to the date of such damage or destruction and all Insurance Proceeds shall be retained (i) by Tenant if the policy yielding such Insurance Proceeds was obtained pursuant to Section 8.3 of this Lease and (ii) by Landlord if the policy yielding such Insurance Proceeds was obtained pursuant to Section 8.4 of this Lease. If the total cost of restoring the Premises, as provided in this Article, shall exceed the amount of Insurance Proceeds available for such restoration (as determined by a contractor mutually satisfactory to the Parties), then Tenant may (but shall not be required to) provide its own funds to supplement such Insurance Proceeds, as necessary to restore the Premises. If Tenant shall not provide such funds, however, within thirty (30) calendar days after the pertinent determination by the contractor selected by the Parties, then Landlord may elect to terminate this Lease by giving notice of such election at any time within sixty (60) calendar days thereafter, which termination shall be effective as of the date of such notice.

18.2 Partial Damage. If the Building in which the Premises are located is only partially damaged, Landlord shall thereafter promptly restore the Premises (excluding Tenant's Removable Property and any Alterations performed by or on behalf of Tenant) to substantially the condition they were in immediately prior to such casualty and Base Rent shall be equitably abated for the period

during which Landlord shall be restoring such Premises; provided, however, that Landlord's obligation shall be limited to the amount of Insurance Proceeds available therefor, and that Landlord shall not be obligated to commence restoration until Landlord has received the Insurance Proceeds and Tenant has paid the applicable deductible to Landlord. After any such damage or destruction, Tenant shall cooperate with Landlord by removing from the Premises in a reasonable time all of Tenant's Removable Property. Notwithstanding anything to the contrary contained in this Lease, if Landlord does not commence the repair or restoration of such damage within the required time, or in the event that such repairs or restorations are not completed within one hundred eighty (180) calendar days after the date of the casualty, Tenant shall have the right to terminate this Lease upon written notice to Landlord.

18.3 Damage Due to Tenant's Acts or Omissions. If the damage or destruction to the Premises is a direct result of Tenant's negligent or intentional actions or omissions, then Tenant shall be responsible in full for payment of all Base Rent and Additional Rent unabated. In all other cases, if after damage or destruction to the Premises Tenant is unable to continue to use the Premises for the Permitted Use or if Tenant is only able to use a portion of the Premises for the Permitted Use, then Base Rent and Additional Rent shall be abated or a pro rata portion of the Base Rent and Additional Rent shall be abated, as applicable, from the date of such damage or destruction and shall resume five (5) Business Days after written notice from Landlord that Landlord's restoration is complete. The end date of the term of this Lease shall not change.

18.4 Tolling. Notwithstanding anything to the contrary contained in this Lease, the Parties' respective rights to terminate this Lease pursuant to Section 18.1 of this ARTICLE XVIII shall be tolled during the period between Tenant's exercise of its option to purchase the Premises pursuant to the Option Agreement and the Closing Date (as defined in the Option Agreement).

18.5 Restoration Near End of Term. If the Premises are damaged or destroyed to such an extent as to render them untenantable within twenty-four (24) months of the expiration of the Term, then, at Tenant's or Landlord's option and upon notice to the other given within thirty (30) calendar days after the date of the casualty, this Lease shall terminate as of the date of such damage or destruction.

ARTICLE XIX Eminent Domain

19.1 Condemnation. Except as provided in Section 19.2, if the entire Premises are taken or condemned by a legal authority, then the Term and Tenant's rights shall end as of the date the authority takes title to the Premises. If the Lease is terminated, Tenant must deliver the Premises to Landlord on the termination date together with all Base Rent and Additional Rent then due and Landlord shall provide Tenant with a proportionate refund by Landlord of any Base Rent or Additional Rent paid in advance.

19.2 Partial Condemnation/Continuation of Lease. If less than the entire Premises is taken or condemned by a legal authority, the obligations of the Parties under this Lease shall be unaffected unless the effect of the taking or condemnation is to render the Premises unsuitable for the Permitted Use. From and after the date of delivery of possession to the condemning authority, a just and proportionate part of the Base Rent, according to the extent and nature of such taking, shall abate for the remainder of the term of this Lease. The Premises shall be deemed "unsuitable for the Permitted Use" if the state or condition of the Premises has been so affected by the taking or condemnation that, in the good faith judgment of Tenant, reasonably exercised, the Premises cannot be operated on a commercially practicable basis as a charter school. If a taking or condemnation renders the Premises

unsuitable for the Permitted Use, Tenant may terminate the Lease as of the date of the taking, or as of the date of loss of occupancy of the condemned portion (if the date for vacating the Premises is different from the date of taking), or within twenty (20) Business Days following either the date of taking or the date of loss of occupancy of the condemned portion. If all or any part of the Premises is temporarily condemned for a period of six (6) months or less, the Parties shall be relieved from their obligations under the Lease only to the extent performance is rendered impracticable or impossible and Tenant shall remain obligated to pay Rent and other charges due under the Lease to Landlord for the period of such temporary taking. In the event of such a temporary taking, the entire amount of compensation payable for the temporary taking, whether paid by the condemning authority as damages, rent or otherwise, shall be payable to Tenant, subject to Tenant having paid to Landlord all Rent and other charges payable under the Lease for the period of such temporary taking.

19.3 Condemnation Award. In the event of a taking or condemnation which results in a termination of this Lease, if there is a single award, the condemnation proceeds, after deduction of the reasonable costs, expenses (including costs of experts) and attorneys' fees incurred in collection thereof ("**Net Award**") shall be divided between Landlord and Tenant as follows: (i) first, Landlord shall be paid out of the Net Award an amount equal to the value of the Premises (including Land and Building(s)) so taken, but subject to any lien, covenant, declaration, easement, cross-easement, operating agreement, right of way, encumbrance, restriction or similar right or title encumbrance with respect to the Premises, as may then be in full force and effect, and subject to this Lease; and (ii) second, Tenant shall be paid out of the balance of the Net Award an amount equal to the lesser of (A) the then remaining balance of the Net Award, or (B) the unamortized cost of Permitted Alterations constructed by Tenant; and (iii) the balance of the Net Award, if any, remaining after payments described above have been made shall be paid equally to Landlord and Tenant. In addition, Tenant shall always be entitled to claim and receive an award of damages for its losses including any separate damages which are considered "special damages" to Tenant, it being understood and agreed that the term "special damages" as used herein shall include any damages or award (a) payable for Tenant's Removable Property installed by Tenant or anybody claiming under Tenant, at its or their own cost and expense, (b) representing compensation for loss of, or injury to, the business carried on upon the Premises, (c) for Tenant's relocation expenses, (d) for Tenant's damages for the loss of its leasehold estate suffered by it by reason of such taking or condemnation, and (e) any other damages compensable separately to Tenant; provided, however, that no such award to Tenant of special damages shall reduce the amount of the Net Award. In the event of a taking or condemnation of all or part of the Premises under circumstances where there will be a shared, unified award, Landlord and Tenant shall cooperate and join together in making all claims for damages, bringing any suit or action, appealing from any award or judgment, and settling and compromising all such claims, suits or actions, except for those claims which are prosecuted as part of an action for a separate award (*e.g.* a tenant's claim for "special damages") and, except for those claims for separate awards, neither party shall make or enter into such settlement or compromise without first obtaining the prior consent of the other thereto in writing, which consent shall not be unreasonably withheld, delayed or conditioned, and each party shall cooperate with the other in the prosecution of such claims, suits or actions, giving each other reasonable notice of the time and place of any negotiations for settlement or compromise. No pleading shall be filed in any suit or action without the consent of the other in writing, which consent shall not be unreasonably withheld, delayed or conditioned.

ARTICLE XX

Surrender

20.1 Condition of Premises. On the Expiration Date or upon any earlier termination of this Lease, or upon any reentry by Landlord upon the Premises pursuant to ARTICLE XXI, Tenant shall

quit and surrender the Premises, together with all Alterations which may have been made or installed in, on or to the Premises before or during the Term of this Lease, to Landlord free and clear of Tenant's Removable Property, all occupants, subtenants and licensees, and "broom-clean" and in good order, condition and repair and as Tenant is obligated to maintain the same under this Lease, excepting only (i) ordinary wear and use (subject to Tenant's compliance with Section 12.1) and (ii) those instances of damage by fire or other casualty for which, under other provisions of this Lease, Tenant has no responsibility of repair or restoration. Tenant shall remove all of Tenant's Removable Property and, to the extent specified by Landlord, all Alterations made by or on behalf of Tenant; and shall repair any damages to the Premises or the Building caused by such removal.

20.2 Acceptance by Landlord. No act or thing done by Landlord or its agents shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender shall be valid unless in writing and signed by Landlord.

ARTICLE XXI

Default By Tenant; Landlord Remedies; Default by Landlord

21.1 Default by Tenant. The following occurrences are each an "**Event of Default**":

(a) Tenant fails to pay when due any installment of Base Rent or payment of Additional Rent to Landlord and such failure continues for five (5) Business Days after Tenant's receipt of written notice or demand from Landlord;

(b) Tenant fails to pay when due any Additional Rent to a third party and such failure continues for twenty (20) Business Days after Tenant's receipt of written notice or demand from such third party or Landlord, provided that Tenant is not contesting such amount in accordance with the provisions hereof, and that such failure shall not result in the creation or imposition of any lien against the Premises;

(c) This Lease or Tenant's interest herein is taken upon execution or by other process of law directed against Tenant, or is taken upon or subjected to any attachments by any creditor of Tenant or claimant against Tenant and the attachment is not discharged within forty (40) Business Days after its levy;

(d) Tenant files a voluntary petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act of any state, or is dissolved, or makes an assignment for the benefit of creditors;

(e) Involuntary proceedings under any bankruptcy laws or insolvency act or for the dissolution of Tenant are instituted against Tenant or a receiver or trustee is appointed for all or substantially all of Tenant's Removable Property and assets and the proceeding is not dismissed or the receivership or trusteeship is not vacated within ninety (90) Business Days after institution or appointment;

(f) Tenant fails to perform or comply with the agreements, terms, covenants, or conditions set forth in Section 7.5.2(b) of this Lease, and such failure continues until the first student attendance date of the School Year next beginning after notice of such failure from Landlord to Tenant;

(g) Tenant fails to perform or comply with any of the other agreements, terms, covenants, or conditions of this Lease and such failure continues for a period of thirty (30) calendar

days after notice of such failure from Landlord to Tenant, or if such failure is of such a nature that Tenant cannot reasonably remedy the same within such thirty (30) calendar day period, Tenant shall fail to commence promptly to remedy the same and to diligently and continuously prosecute such remedy to completion; or

(h) Tenant defaults under the Charter School Contract, or the Charter School Contract shall be revoked, terminated, or not renewed by the Authorizer or by any other entity that shall have the authority to revoke, terminate or renew such Charter School Contract, or such Charter School Contract shall otherwise cease to be in full force and effect.

21.2 Landlord's Remedies. If any one or more Events of Default set forth above occur, then Landlord may, at Landlord's election, give notice to Tenant of Landlord's intention to take the following actions:

21.2.1 To terminate this Lease on a date not less than ten (10) Business Days after the giving of such notice or any later date specified in the notice, and, on such date specified in the notice, Tenant's right to possession of the Premises shall cease and the Lease shall be terminated, except as to Tenant's liability set forth in this Section 21.2.1, as if the date fixed in the notice were the end of the term of this Lease. If the Lease is terminated pursuant to the provisions of this Section 21.2.1, Landlord shall exercise commercially reasonable efforts to relet the Premises or any part thereof, and Tenant shall be liable to Landlord for and shall pay to Landlord on demand damages in an amount equal to the Base Rent and Additional Rent that would have been owing by Tenant under this Lease for the balance of the Term if this Lease had not been terminated, less the net proceeds, if any, of reletting of the Premises by Landlord subsequent to the termination, after deducting all Landlord's expenses in connection with reletting, including without limitation the expenses set forth below; or

21.2.2 To re-enter and take possession of the Premises or any part of the Premises, repossess the Premises as of the Landlord's former estate; expel Tenant and those claiming through or under Tenant from the Premises; and remove the effects of both or either, without being deemed guilty or any manner or trespass and without prejudice to any remedies for arrears of rent or preceding breach of covenants or conditions. If Landlord elects to re-enter as provided in this ARTICLE XXI, or if Landlord takes possession of the Premises pursuant to legal proceedings or pursuant to any notice provided by law, Landlord shall thereafter exercise commercially reasonable efforts to relet the Premises or any part thereof, without terminating this Lease, doing so in Landlord's or Tenant's name but for the account of Tenant, for the term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the term of this Lease) and on such terms and conditions (which may include concessions of free rent and the alteration and repair of the Premises) as Landlord, in Landlord's commercially reasonable discretion, may determine. Landlord may collect and receive the rents for the Premises. Landlord agrees to exercise commercially reasonable efforts to re-rent the Premises to mitigate Landlord's damages; provided, however, that Landlord shall not be responsible or liable for any failure to relet the Premises, or any part of the Premises, or for any failure to collect any rent due upon the reletting, provided that Landlord has exercised its commercially reasonable efforts. No re-entry or taking possession of the Premises by Landlord shall be construed as an election on Landlord's part to terminate this Lease unless a written notice or the specific intention is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, to exercise Landlord's right to terminate this Lease by giving Tenant written notice and in that event the Lease shall terminate as specified in the notice. If Landlord elects to take possession of the Premises according to this subparagraph without terminating the Lease, Tenant shall pay Landlord the rent and other sums which would be payable under this Lease as and when due through only the end of the current Term if the repossession had not occurred, less the net proceeds, if any, of any reletting of the Premises after deducting all of Landlord's reasonable out of pocket expenses incurred in connection

with the reletting, including without limitation all reasonable repossession costs, brokerage commissions, legal expenses, attorney's fees, alteration, remodeling and repair costs and expenses of preparation for the reletting. If, in connection with any reletting, the new lease term extends beyond the existing Term, a fair apportionment of the rent received from the reletting and the expenses incurred in connection with the reletting will be made in determining the net proceeds received from reletting. In addition, in determining the net proceeds from reletting, any rent concessions will be apportioned over the term of the new lease.

21.3 Termination Upon Bankruptcy. If any Event of Default set forth in Sections 21.1(d) or 21.1(e) above occurs, then, anything elsewhere in this Lease to the contrary notwithstanding, this Lease may be canceled by Landlord by the sending of a written notice to Tenant within a reasonable time after the happening of such event. Neither Tenant nor any person claiming through or under Tenant, or by reason of any statute or order of court, shall thereafter be entitled to possession of the Premises but shall forthwith quit and surrender the Premises. In the event of the termination of this Lease pursuant to this Section 21.3, Landlord shall forthwith, notwithstanding any other provisions of this Lease to the contrary, be entitled to recover from Tenant as and for liquidated damages in lieu of damages under Section 21.2, an amount equal to the difference between the Base Rent and Additional Rent reserved hereunder for the unexpired portion of the term demised and the fair reasonable rental value of the Premises for the same period. In the computation of such damages the difference between any installment rent becoming due hereunder after the date of termination and the fair and reasonable rental value of the Premises for the period of which such installment was payable shall be discounted to the date of termination at the rate of 4% per annum. If the Premises or any part thereof be relet by Landlord for the unexpired term of this Lease, or any part thereof, before presentation of proof of such liquidated damages to any court, commission or tribunal, the amount of Base Rent and Additional Rent reserved upon such reletting shall be deemed to be the fair and reasonable rental value for the part or the whole of the Premises so relet during the term of the reletting. Nothing herein shall limit or prejudice the right of Landlord to prove for and obtain as liquidated damages by reason of such termination, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when and governing the proceedings in which, such damages are to be proved, whether or not such amount be greater, equal to or less than the amount of the difference referred to above.

21.4 Default by Landlord. If Landlord shall neglect or fail to perform any of its obligations hereunder and shall fail to remedy the same within twenty (20) Business Days after notice to Landlord specifying such neglect or failure, or if such failure is of such a nature that Landlord cannot reasonably remedy the same within such twenty (20) Business Day period, Landlord shall fail to commence promptly (and in any event within such twenty (20) Business Day period) to remedy the same and to prosecute such remedy to completion with diligence and continuity, then Landlord shall be in default hereunder. If any one or more events of default set forth in this Section 21.4 shall occur, then Tenant shall be entitled to pursue all its remedies under this Lease, at law, or in equity (including, without limitation, the right to terminate this Lease), cumulatively or alternatively, singularly or in combination. Notwithstanding the provisions of this Section 21.4, however, Landlord's failure timely to perform any of its obligations under ARTICLE VI of this Lease shall give rise only to the remedies expressly provided Tenant under such ARTICLE VI.

21.5 Remedies Cumulative; Enforcement Costs. No remedy in this Lease or otherwise conferred upon or reserved to Landlord or Tenant shall be considered exclusive of any other remedy, but the same shall be cumulative and shall be in addition to every other remedy given hereunder, now or hereafter existing at law or in equity or by statute and every power and remedy given by this Lease to Landlord or Tenant may be exercised from time to time and as often as occasion may arise or as may be deemed expedient. No delay or omission of Landlord or Tenant to exercise any right, remedy or power arising from any default shall impair any such right, remedy or power or shall be construed

to be a waiver of any such default. Tenant shall pay all reasonable costs and expenses (including, without limitation, attorneys' fees and expenses at both the trial and appellate levels) incurred by or on behalf of Landlord in connection with the successful enforcement of any rights of Landlord or obligations of Tenant hereunder, whether or not occasioned by an Event of Default. Landlord shall pay all reasonable costs and expenses (including, without limitation, attorneys' fees and expenses at both the trial and appellate levels) incurred by or on behalf of Tenant in connection with the successful enforcement of any rights of Tenant or obligations of Landlord hereunder, whether or not occasioned by an Event of Default. Tenant's sole remedies on Landlord's default shall be as set forth in Section 21.4.

21.6 Attorneys Fees. The non-prevailing party shall pay all reasonable costs and expenses (including, without limitation, attorneys' fees and expenses at both the trial and appellate levels) incurred by or on behalf of the prevailing party in connection with the successful enforcement of any rights or obligations hereunder following an Event of Default. As used herein, the term "**prevailing party**" means that party whose position is substantially upheld in a final judgment rendered in any litigation or proceeding, or, if the final judgment is appealed, that party whose position is substantially upheld by the decision of the final appellate body that considers the appeal.

ARTICLE XXII

No Waivers

22.1 Failure to Require Strict Performance. The failure of either Party to insist in any one or more instances upon the strict performance of any one or more of the obligations of this Lease, or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations of this Lease or of the right to exercise such election, and such right to insist upon strict performance shall continue and remain in full force and effect with respect to any subsequent breach, act or omission. The receipt by Landlord of Base Rent or partial payments thereof or Additional Rent or partial payments thereof with knowledge of breach by Tenant of any obligation of this Lease shall not be deemed a waiver of such breach. Failure on the part of Landlord or Tenant to complain of any action or non action on the part of the other, no matter how long the same may continue, shall never be a waiver by Tenant or Landlord, respectively, of any of the other's rights hereunder. The consent or approval of Landlord or Tenant to or of any action by the other requiring such consent or approval shall not be construed to waive or render unnecessary Landlord's or Tenant's consent or approval to or of any subsequent similar act by the other.

22.2 Partial Payments. No payment by Tenant, or acceptance by Landlord, of a lesser amount than shall be due from Tenant to Landlord shall be treated otherwise than as a payment on account of the earliest installment of any payment due from Tenant under the provisions hereof. The acceptance by Landlord of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full, shall be given no effect, and Landlord may accept such check without prejudice to any other rights or remedies which Landlord may have against Tenant.

ARTICLE XXIII

Curing Tenant's or Landlord's Defaults

23.1 Landlord's Right to Perform. If Tenant shall default in the performance of any of Tenant's obligations under this Lease, Landlord, without thereby waiving such default, may (but shall

not be obligated to), after all applicable notice, grace and cure periods, perform the same for the account and at the expense of Tenant, without notice in a case of emergency, and in any other case only if such default continues after the expiration of any applicable grace periods.

23.2 Landlord's Costs. Bills for any reasonable, out-of-pocket expenses incurred by Landlord in connection with any such performance by it for the account of Tenant, and bills for all costs, expenses and disbursements of every kind and nature whatsoever, including reasonable counsel fees and disbursements, involved in collecting or endeavoring to collect the Base Rent or Additional Rent or any part thereof or enforcing or endeavoring to enforce any rights against Tenant or Tenant's obligations hereunder, under or in connection with this Lease or pursuant to law, including any such cost, expense and disbursement involved in instituting and prosecuting summary proceedings or in recovering possession of the Premises after default by Tenant or upon the expiration or sooner termination of this Lease, may be sent by Landlord to Tenant monthly, or immediately, at its option, and such amounts shall be due and payable as Additional Rent in accordance with the terms of such bills.

23.3 Tenant's Right to Perform. If Landlord shall default in the performance of any of Landlord's obligations under this Lease, Tenant, without thereby waiving such default, may (but shall not be obligated to), after all applicable notice, grace and cure periods, perform the same for the account and at the expense of Landlord, without notice in a case of emergency, and in any other case only if such default continues after the expiration of any applicable grace periods.

23.4 Tenant's Costs. Bills for any reasonable, out-of-pocket expenses incurred by Tenant in connection with any such performance by it for the account of Landlord, and bills for all costs, expenses and disbursements of every kind and nature whatsoever, including reasonable counsel fees and disbursements, involved in collecting or endeavoring to collect any amounts due to Tenant hereunder or any part thereof or enforcing or endeavoring to enforce any rights against Landlord or Landlord's obligations hereunder, under or in connection with this Lease or pursuant to law, including any such cost, expense and disbursement involved in instituting and prosecuting summary proceedings or upon the expiration or sooner termination of this Lease, may be sent by Landlord to Tenant monthly, or immediately, at its option, and such amounts shall be due and payable in accordance with the terms of such bills.

ARTICLE XXIV

Brokerage

Landlord and Tenant each represents and acknowledges to the other that it has not dealt with any real estate broker in consummating this Lease, and that no conversation or prior negotiations were had with any broker concerning the renting of the Premises. Landlord and Tenant each hereby holds the other harmless against any claim for brokerage commission(s) arising out of any dealings, conversations or negotiations had by either with any broker claiming to have dealt the indemnifying Party.

ARTICLE XXV

Notices

Any notices under this Lease must be in writing and must be sent by (i) personal delivery, (ii) by United States registered or certified mail (postage prepaid), (iii) by electronic mail or facsimile (with a copy sent the same day by one of the other prescribed methods of delivery unless by a reply electronic mail transmission the recipient confirms receipt of the notice and waives the additional

delivery requirement) or (iv) by an independent overnight courier service, addressed to the addresses specified below or at such other place as a Party may designate to the other Parties by written notice given in accordance with this Section. Notices given by registered or certified mail are deemed effective three (3) Business Days after the Party sending the notice deposits the notice with the United States Post Office. Notices given by electronic mail or facsimile are deemed effective on the Business Day transmitted (or, if transmitted on a day that is not a Business Day, then on the next occurring Business Day). Notices delivered by overnight courier are deemed effective on the next Business Day after the day the Party delivering the notice timely deposits the notice with the courier for overnight (next day) delivery.

If to Landlord: CA Washington 2335 RPSE LLC
c/o Turner-Agassi Charter School Facilities Fund, L.P.
3000 Olympic Blvd.
Building 5, Suite 2120
Santa Monica, CA 90404
Attention: Glenn Pierce
Facsimile: (310) 752-9601
Email: gpierce@turnerimpact.com

With Copies to: CA Washington 2335 RPSE LLC
c/o Turner-Agassi Charter School Facilities Fund, L.P.
3000 Olympic Blvd.
Building 5, Suite 2120
Santa Monica, CA 90404
Attention: Bari Cooper Sherman, Esq.
Facsimile: (310) 752-9616
Email: bsherman@turnerimpact.com

And to: CA Washington 2335 RPSE LLC
c/o Turner-Agassi Charter School Facilities Fund, L.P.
3000 Olympic Blvd.
Building 5, Suite 2120
Santa Monica, CA 90404
Attention: David Leahy
Facsimile: (310) 752-9601
Email: dleahy@turnerimpact.com

And to: Quarles & Brady LLP
411 East Wisconsin Avenue
Suite 2350
Milwaukee, WI 53202
Attention: Michael J. Ostermeyer
Facsimile: (414) 978-8956
Email: michael.ostermeyer@quarles.com

If to Tenant: Rocketship Education
350 Twin Dolphin Drive, Suite 109
Redwood City, CA 94065
Attention: Preston Smith, Chief Executive Officer
Email: preston@rsed.org

With a copy to: Rocketship Education
350 Twin Dolphin Drive, Suite 109
Redwood City, CA 94065
Attention: Laura Kozel
Email: lkozel@rsed.org

And to: Dentons US LLP
233 South Wacker Drive
Suite 7800
Chicago, IL 60606
Attention: Scott H. Kapp
Facsimile: (312) 876-7934
Email: scott.kapp@dentons.com

Any notice by either Party hereto, whether required or permissible hereunder, may be given by such Party's then current attorney, which notice, when given by such attorney, shall be deemed equally as effective as if given by such Party directly.

ARTICLE XXVI **Estoppel Certificates**

26.1 Landlord's Request. Within ten (10) Business Days following any written request which Landlord may make from time to time, Tenant shall execute and deliver to Landlord, any mortgagee or prospective mortgagee (including, without limitation, a bond trustee) of Landlord, and any purchaser or prospective purchaser of Landlord or the Premises, a sworn statement certifying: (a) the date of commencement of this Lease; (b) the fact that this Lease is unmodified and in full force and effect (or, if there have been modifications to this Lease, that this lease is in full force and effect, as modified, and stating the date and nature of such modifications); (c) the date to which the Rent and other sums payable under this Lease have been paid; (d) the fact that Tenant has neither received nor given any written notice of any current defaults under this Lease by either Landlord or Tenant, except as specified in Tenant's statement; and (e) such other matters as may be reasonably requested by Landlord. Landlord and Tenant intend that any statement delivered pursuant to this Section 26.1 may be relied upon by any mortgagee, beneficiary or purchaser.

26.2 Tenant's Request. Within ten (10) Business Days following any written request which Tenant may make from time to time, Landlord shall execute and deliver to Tenant and any mortgagee or prospective mortgagee (including, without limitation, a bond trustee and a permitted leasehold mortgagee) of Tenant a sworn statement certifying: (a) the date of commencement of this Lease; (b) the fact that this Lease is unmodified and in full force and effect (or, if there have been modifications to this Lease, that this lease is in full force and effect, as modified, and stating the date and nature of such modifications); (c) the date to which the Rent and other sums payable under this Lease have been paid; (d) the fact that Landlord has neither received nor given any written notice of any current defaults under this Lease by either Landlord or Tenant, except as specified in Landlord's statement; and (e) such other matters as may be reasonably requested by Tenant. Landlord and Tenant intend that any statement delivered pursuant to this Section 26.2 may be relied upon by any mortgagee or beneficiary.

ARTICLE XXVII

Holdover

If Tenant, with Landlord's written consent, holds over at the end of the Term of this Lease, Tenant shall become a tenant at will and any such holding over shall not constitute an extension of this Lease. During such holding over, Tenant shall pay rent and other charges at the highest monthly rate provided for herein and shall be subject to all conditions, provisions and obligations of this Lease in effect on the last day of the Term. If Tenant holds over at the end of the term without Landlord's written consent, such holding over shall be treated as a daily tenancy at sufferance at a rate equal to (i) the greater of (A) 1.5 times the Base Rent then in effect or (B) the fair market Base Rent, plus (ii) Additional Rent and other additional charges herein provided (prorated on a daily basis), due on the terms and conditions set forth in this Lease as far as applicable. Without limiting the foregoing, Tenant shall also be responsible for, and indemnify and hold Landlord harmless from and against, all loss, cost and damage suffered by Landlord (including without limitation loss of rental or loss of a tenant) as a result of any such holding over.

ARTICLE XXVIII

Representations and Warranties

28.1 Tenant. Tenant represents and warrants as follows:

28.1.1 There are no actions, suits or proceedings pending or, to the knowledge of Tenant, threatened against or affecting Tenant, at law or in equity or before any federal, state, municipal or governmental department, commission, board, bureau, agency or instrumentality which would impair Tenant's ability to perform its obligations under this Lease.

28.1.2 This Lease has been duly authorized, executed and delivered by Tenant and constitutes the legal, valid and binding obligation of Tenant.

28.1.3 The consummation of the transactions hereby contemplated and the performance of this Lease shall not result in any breach or violation of, or constitute a default under any Lease, bank loan or credit agreement to which Tenant is a party.

28.1.4 As of the Commencement Date, Authorizer has granted a charter to Tenant (including, for purposes of this Section 28.1.4, a Tenant Affiliate) by a resolution of the [Authorizer enacted on _____, 2014]⁷, a copy of which has been provided to Landlord as required under Section 7.5.1(a) of this Lease. On or before November 15, 2014, Tenant and Authorizer shall enter into a charter a charter school agreement pursuant to the indicated resolution (together with any other charter school agreements and other, similar authorizations, all as amended, replaced, modified, renewed, or extended from time to time, the "**Charter School Contract**"). Notwithstanding the foregoing, Landlord shall extend the November 15, 2014 deadline provided under this Section 28.1.4 to a date not later than January 31, 2015 if Landlord shall reasonably determine that Tenant is making diligent and good faith efforts to enter into the Charter School Contract, which determination shall not be unreasonably withheld.

28.2 Landlord. Landlord represents and warrants as follows:

⁷ Reference to be confirmed; revised as appropriate.

28.2.1 There are no actions, suits or proceedings pending or, to the knowledge of Landlord, threatened against or affecting Landlord, at law or in equity or before any federal, state, municipal or governmental department, commission, board, bureau, agency or instrumentality which would impair Landlord's ability to perform its obligations under this Lease;

28.2.2 This Lease has been duly authorized, executed and delivered by Landlord and constitutes the legal, valid and binding obligation of Landlord; and

28.2.3 The consummation of the transactions hereby contemplated and the performance of this Lease shall not result in any breach or violation of, or constitute a default under any Lease, bank loan or credit agreement to which Landlord is a party.

ARTICLE XXIX Miscellaneous Provisions

29.1 Liability of Landlord; Transfer of Landlord's Interest.

29.1.1 Tenant agrees to look solely to Landlord's equity interest in the Premises at the time of recovery for recovery of any judgment against Landlord, and agrees that neither Landlord nor any successor of Landlord shall be personally liable for any such judgment, or for the payment of any monetary obligation to Tenant. The provision contained in the foregoing sentence is not intended to, and shall not, limit any right that Tenant might otherwise have to obtain injunctive relief against Landlord or any successor of Landlord, or to take any action not involving the personal liability of Landlord or any successor of Landlord to respond in monetary damages from Landlord's assets other than Landlord's equity interest in the Premises.

29.1.2 Tenant acknowledges that Landlord has the right to transfer all or any portion of its interest in the Premises and in this Lease. Tenant agrees that in the event of any such transfer, Landlord shall automatically be released from liability under this Lease (or released *pro tanto* in the event of a partial transfer), and Tenant agrees to look solely to such transferee for the performance of Landlord's obligations hereunder accruing after the date of transfer, provided that such transferee shall have, in writing, fully assumed and be liable for all obligations of this Lease to be performed by Landlord, including the return of the Security Deposit (if any), and that Tenant shall attorn to such transferee. Tenant further acknowledges that Landlord may assign its interest in this Lease to any mortgagee of the Premises as security. Tenant agrees that such an assignment shall not release Landlord from its obligations hereunder and that Tenant shall continue to look to Landlord for the performance of its obligations hereunder unless and until any mortgagee of the Premises succeeds to Landlord's interest under this Lease.

29.1.3 Neither Landlord nor any Landlord Party shall—except as this Lease may otherwise expressly provide—be liable to Tenant or any Person claiming under Tenant under any circumstances for injury or damage to, or interference with, Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring, or for any indirect or consequential damages.

29.1.4 Any repairs or restoration required or permitted to be made by Landlord under this Lease shall be made according to the terms and conditions of this Lease and, except only as expressly provided in Section 11.3, Landlord shall have no liability for damages to Tenant for inconvenience, annoyance or interruption of business arising therefrom.

29.2 Recording. Landlord and Tenant agree not to record the within Lease, but simultaneously with their execution and delivery of this Lease to execute, deliver and record a Memorandum of Lease, in recordable form and in content substantially conforming to the form attached hereto as Exhibit 29.2. In no event shall such document set forth rent or other charges payable by Tenant under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease.

29.3 Confidentiality and Publicity.

29.3.1 Tenant agrees that (i) this Lease and the terms contained herein, (ii) all information regarding the Premises of whatever nature made available to Tenant or any Tenant Party by Landlord or any Landlord Party, and (iii) the results of all tests and studies of the Premises (altogether, collectively, the “**Confidential Information**”) shall be treated as strictly confidential. Accordingly, neither Tenant nor any Tenant Party shall disclose the same to any third party without the written consent of Landlord; provided, however, that, Tenant shall not hereby be precluded from disclosure of Confidential Information that may be compelled by Legal Requirements, or from disclosing this Lease (and the terms contained herein) to its attorneys, accountants, auditors, lenders, and other professionals who may be bound to Tenant by duties of confidence.

29.3.2 If Tenant or any Tenant Party is required by Legal Requirements to provide this Lease or disclose any of its terms, or otherwise disclose any Confidential Information, Tenant shall give Landlord prompt notice of such requirement before making disclosure so that Landlord may seek an appropriate protective order. If Landlord does not seek or is not successful in obtaining a protective order and Tenant or such Tenant Party is compelled to make disclosure, Tenant or such Tenant Party shall only disclose portions of the Confidential Information that are required to be disclosed, and Tenant and such Tenant Party shall exercise reasonable efforts to obtain assurance that confidential treatment shall be accorded to the Confidential Information so disclosed.

29.3.3 Tenant acknowledges that any failure by Tenant or any Tenant Party to treat Confidential Information according to the terms and conditions of this Section 29.3 would cause Landlord irreparable injury and loss. Accordingly, Tenant agrees that, in the event of any breach or threatened breach by Tenant or any Tenant Party of any provision of this Section 29.3, Landlord shall immediately be entitled to an injunction (or other equitable relief) restraining any further disclosure or unauthorized use of any of the Confidential Information. In addition, if any grossly negligent or intentional breach of any provision of this Section 29.3 would cause material injury or loss to Landlord, or if any threatened breach of any provision of this Section 29.3 would cause material injury or loss to Landlord, then Landlord shall further have all other of its remedies under this Lease, at law, or in equity.

29.3.4 Tenant acknowledges that the terms of this provision shall not limit Landlord from making Confidential Information available to its attorneys, accountants, auditors, lenders, and other professionals who may be bound to Landlord by duties of confidence, as well as to brokers, lenders, principals, agents, employees, and others involved in any sale, financing, or other transfer of Landlord’s interest in the Property.

29.3.5 Neither Tenant nor any Tenant Party shall at any time issue a press release or otherwise communicate with media representatives regarding this Lease, the Premises or any other Confidential Information unless such release or communication has received the prior written approval of Landlord, which may be granted or withheld in Landlord’s sole discretion.

29.4 When Lease Becomes Binding; Entire Agreement. The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, the Premises, and this document shall become effective and binding only upon the execution and delivery hereof by both Landlord and Tenant. All negotiations, considerations, representations and understandings between Landlord and Tenant are incorporated herein and this Lease expressly supersedes any proposals or other written documents relating hereto. The entire agreement between the Parties respecting the Lease of the Premises and all matters covered or mentioned in the Lease is contained in this Lease, which expressly incorporates all of the following:

- Exhibit 1.1: Legal Description of the Premises
- Exhibit 2.2: Commencement Date Certificate
- Exhibit 2.4: Option to Purchase
- Exhibit 3.1: Base Rent Schedule
- Exhibit 3.5: Reserved
- Exhibit 6.1-1: Development Summary
- Exhibit 6.1-2: Schematic Plans
- Exhibit 6.4: Budget
- Exhibit 11.1.1: Building Maintenance Checklist
- Exhibit 29.2: Memorandum of Lease

This Lease may not be altered, changed or amended except by an instrument in writing signed by both Parties. This Lease may be modified or altered only by written agreement between Landlord and Tenant, and no act or omission of any unauthorized employee or agent of Landlord or Tenant shall alter, change or modify any of the provisions hereof.

29.5 Unavoidable Delay. Except as expressly provided in this Lease, if Landlord or Tenant is delayed or prevented from performing any of its respective obligations because of strikes, lockouts, labor troubles, inability to procure materials, failure of power, governmental restrictions, litigation which results in an injunction prohibiting or otherwise delaying the continuity of such construction or other acts, or other reasons not within the reasonable control of the Party delayed in performing such obligation (each an “**Unavoidable Delay**”), then the period of such delays shall be deemed added to the time herein provided for the performance of any such obligation and the defaulting Party shall not be liable for losses or damages caused by such delays; *provided, however*, that this Section shall not (i) affect Tenant’s obligation to pay Base Rent or any obligation of Landlord or Tenant that can be satisfied by the payment of money, or (ii) extend any date(s) for giving notice pursuant to Section 2.3.

29.6 Consent. If Tenant shall request Landlord’s consent and Landlord shall fail or refuse to give such consent, Tenant shall not be entitled to any damages for any withholding by Landlord of its consent, it being intended that Tenant’s sole remedy shall be an action for specific performance or injunction, and such remedy shall be available only in those cases where Landlord has expressly agreed in writing not to unreasonably withhold its consent or where as a matter of law Landlord may not unreasonably withhold its consent. Furthermore, whenever Tenant requests Landlord’s consent or approval (whether or not provided for herein), Tenant shall pay to Landlord, on demand, as Additional Rent, any reasonable expenses incurred by Landlord (including without limitation reasonable attorneys’ fees and costs, if any) in connection therewith, provided that such payment by Tenant shall not exceed the sum of \$2,500 for any individual consent requested by Tenant, nor the sum of \$10,000 in the aggregate for all consents requested by Tenant in any Lease Year.

29.7 PATRIOT Act. As an inducement to Landlord to enter into this Lease, Tenant hereby represents and warrants that: (i) Tenant is not, nor is it owned or controlled directly or indirectly by, any person, group, entity or nation named on any list issued by the Office of Foreign Assets Control of

the United States Department of the Treasury (“**OFAC**”) pursuant to Executive Order 13224 or any similar list or any law, order, rule or regulation or any Executive Order of the President of the United States as a terrorist, “**Specially Designated National and Blocked Person**” or other banned or blocked person (any such person, group, entity or nation being hereinafter referred to as a “**Prohibited Person**”); (ii) Tenant (and any person, group, or entity that Tenant controls, directly or indirectly) is not acting directly or indirectly for or on behalf of any Prohibited Person; and (iii) from and after the effective date of the above-referenced Executive Order, Tenant (and any person, group, or entity that Tenant controls, directly or indirectly) has not knowingly conducted nor will knowingly conduct business nor has knowingly engaged nor will knowingly engage in any transaction or dealing with any Prohibited Person in violation of the U.S. PATRIOT Act or any OFAC rule or regulation, including without limitation any assignment of this Lease or any subletting of all or any portion of the Premises or the making or receiving of any contribution of funds, goods or services to or for the benefit of a Prohibited Person in violation of the U.S. Patriot Act or any OFAC rule or regulation. In connection with the foregoing, it is expressly understood and agreed that (x) any breach by Tenant of the foregoing representations and warranties shall be deemed an immediate Event of Default by Tenant under Section 21.1 of this Lease (without the benefit of notice or grace) and shall be covered by the indemnity provisions herein, and (y) the representations and warranties contained in this subsection shall be continuing in nature and shall survive the expiration or earlier termination of this Lease.

29.8 No Partnership. The relationship of the Parties is that of landlord and tenant and no partnership, joint venture or participation is hereby created.

29.9 Choice of Law. This Lease shall be governed by and construed in accordance with the laws of the District of Columbia. If any provisions of this Lease or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Lease and the application of that provision to other persons or circumstances shall not be affected but rather shall be enforced to the extent permitted by law. The captions, headings and titles in this Lease are solely for convenience of reference and shall not affect its interpretation. This Lease shall be construed without regard to any presumption or other rule requiring construction against the Party causing this Lease to be drafted. Each covenant, agreement, obligation or other provision of this Lease on Tenant’s part to be performed, shall be deemed and construed as a separate and independent covenant of Tenant, not dependent on any other provision of this Lease. All terms and words used in this Lease, shall be deemed to include any other number and any other gender as the context may require.

29.10 Waiver of Jury Trial. Landlord and Tenant each hereby voluntarily and knowingly waive trial by jury, to the extent permitted by Legal Requirements, in any action, proceeding, or counterclaim by either Party against the other Party on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant’s use or occupancy of the Premises, any emergency or statutory remedy, or any act or omission of any Party with respect to this Lease or the Premises. In the event of litigation, this Lease may be filed as a written consent to a trial by the court without a jury.

29.11 Independent Covenants. This Lease shall be construed as though the covenants herein (including, without limitation, Tenant’s obligation to pay Rent) between Landlord and Tenant are independent and not dependent and Tenant and Landlord each hereby expressly waive the benefit of any statute to the contrary. Under no circumstances shall Tenant be entitled to any setoff against Landlord of the Rent or other amounts owing hereunder.

29.12 Reserved.

29.13 Successors and Assigns. Except as herein otherwise provided, the terms hereof shall be binding upon and shall inure to the benefit of the successors and assigns, respectively, of Landlord and Tenant (except in the case of Tenant, however, only such assigns as may be permitted hereunder). Each term and each provision of this Lease to be performed by Tenant or Landlord shall be construed to be both a covenant and a condition. The reference contained to successors and assigns of Tenant is not intended to constitute a consent to assignment by Tenant.

29.14 Joint and Several Liability. If there is more than one (1) person or entity named as Tenant hereunder, the obligations of Tenants hereunder shall be joint and several obligations of each of Tenant. In accordance with the terms of this Lease, Landlord may proceed against any or all Tenants in the event of a default hereunder subject to any defenses as may be available to any Tenant.

29.15 Counterparts. This Lease may be executed in counterparts, each of which shall be deemed an original. Executed counterparts of this Lease may be delivered electronically by facsimile or electronic mail, and such documents shall be effective as original executed instruments.

29.16 Jurisdiction. Landlord and Tenant hereby consent and submit irrevocably to the jurisdiction of the state and federal courts located in the District of Columbia with respect to the provisions of this Lease.

[Signatures continue on next page.]

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

TENANT:

**Rocketship Education,
a California nonprofit public benefit
corporation**

By: _____
Name:
Title:

LANDLORD:

**CA Washington 2335 RPSE LLC,
a Delaware limited liability company**

By: _____
Name:
Title:

EXHIBIT 1.1
Legal Description of the Premises

Square 5742 Lot 0147:

Lot numbered One-Hundred Forty-Seven (0147) in Square 5742, in a subdivision made by George E. Emmons of a tract of land now known as “Garfield”, as per plat recorded in Liber Governor Shepherd at Folio 155 among the Records of the Office of the Surveyor for the District of Columbia.

Square 5742 Lot 0150:

Lot numbered One-Hundred Fifty (0150) in Square 5742, in a subdivision made by George E. Emmons of a tract of land now known as “Garfield”, as per plat recorded in Liber Governor Shepherd at Folio 155 among the Records of the Office of the Surveyor for the District of Columbia.

Square 5742 Lot 0151:

Lot numbered One-Hundred Fifty-One (0151) in Square 5742, in a subdivision made by George E. Emmons of a tract of land now known as “Garfield”, as per plat recorded in Liber Governor Shepherd at Folio 155 among the Records of the Office of the Surveyor for the District of Columbia.

Square 5742 Lot 0805:

Part of Lot 152 in George E. Emmons’ subdivision of a tract of land now known as “Garfield”, as per plat recorded in Liber Governor Shepherd folio 155 of the Records of the Office of the Surveyor of the District of Columbia, described as follows: Beginning for the same at a point in the Southwesterly line of Raynolds Avenue distant 115 feet Southeasterly from the intersection of said line of said Avenue with the Southeasterly line of Bruce Place, said point being the most Easterly corner of the part of said Lot 152 conveyed to Robert H. Palmer and wife by Deed dated April 28, 1942 and recorded June 3, 1942 as Instrument Number 16224 among the Land Records of the District of Columbia; thence Southeasterly along said line of Raynolds Avenue, 178.74 feet to the most Easterly corner of said Lot, 47.15 feet to the Southwesterly line thereof; thence Northwesterly along said Southeasterly line 178.74 feet to the Southerly corner of the part of said Lot 152 conveyed to James Walter Carter and wife by Deed dated March 18, 1942 and recorded April 17, 1942 as Instrument Number 11414 among the aforesaid Land Records; thence Northeasterly along the Southeasterly line of the parts of said Lot 152 conveyed to said Carter and said Palmer as aforesaid, 47.15 feet to the beginning.

NOTE: At the date hereof the above described land is designated on the Records of the Assessor of the District of Columbia, for taxation purposes, as Lot 805 in Square 5742.

Square 5742 Lot 0806:

Lots numbered One Hundred Forty-Eight (0148) and One Hundred Forty-Nine (0149) in George E. Emmons' Subdivision of a tract called "CHICHESTER" now known as "GARFIELD", as per plat recorded in the Office of the Surveyor of the District of Columbia in Liber Governor Shepherd at Folio 155, Square 5742.

Note: On the date hereof, the described property is known for assessment and taxation purposes as Lot numbered Eight Hundred-Six (0806) in Square numbered Five Thousand Seven Hundred Forty-two (5742) among the land records of the District of Columbia.

Square 5742 Lot 0809:

Part of Lots numbered One Hundred Sixty Nine (169) to One Hundred Seventy Six (176), both inclusive, in Square numbered Fifty Seven Hundred and Forty Two (5742), in Lewellyn Ford and Mary L. Ford's subdivision of lots in Garfield, in the District of Columbia (erroneously stated in legal description of deed recorded in Instrument No. 2004108746 as being in the County of Washington) as per plat recorded in Book 84, page 136 in the Office of the Surveyor for the District of Columbia described as follows:

Beginning at the intersection of the Southerly line of Raynolds Place with the Westerly line of Langston Street, thence running Southwesterly along the Westerly line of Langston Street 182 feet; thence running Northwesterly and parallel with the said Southerly line of Raynolds Place 83 feet; thence Northeasterly and parallel with the Westerly line Langston Street 182 feet to the Southerly line of Raynolds Place; and thence running Southeasterly along said Southerly Line of Raynolds Place 83 feet to the place of beginning.

NOTE: At the date hereof the above described property is designated on the Records of the Assessor of the District of Columbia for assessment and taxation purposes as Lot numbered Eight Hundred Nine (809) in Square numbered Fifty Seven Hundred Forty Two (5742).

Square 5742 Lot 0810:

Part of Lots numbered 183, 171, 172, 173, 174, 175 and 176 in Lewellyn Ford and Mary L. Ford's subdivision of certain lots in the subdivision known as GARFIELD and in Square numbered 5472 as per plat of said subdivision made by Lewellyn Ford and Mary L. Ford recorded in Book 84 at Page 136 of the Records of the District of Columbia, the whole being described as follows:

Beginning at a point on the Southerly line of Raynolds Place distant 83 feet from the intersection of said Southerly line of Raynolds Place with the Westerly line of Langston Street and thence running Northwesterly along Southerly line of Raynolds Place, 41.5 feet to the most Northerly corner of Lot 169, thence Southwesterly and parallel with the said Westerly line of Langston Place, 182 feet, thence running Southeasterly and parallel with the said Southerly line of Raynolds Place, 41.5 feet to a point, thence running Northeasterly and parallel with said Westerly line of Langston Place, 182 feet to the point of beginning.

NOTE: At the date hereof the above described property is designated on the Records of the Assessor of the District of Columbia for assessment and taxation purposes as Lot 810 in Square 5742.

Square 5742 Lot 0154:

Lot numbered One-hundred Fifty-four (154) in a subdivision made by George E. Emmons of a tract of land now known as "Garfield", as per plat recorded in Liber Governor Shepherd at folio 155 among the Records of the Office of the Surveyor for the District of Columbia.

NOTE: At the date hereof the above described land is designated on the Records of the Assessor of the District of Columbia for taxation and assessment purposes as Lot 154 in Square 5742.

Square 5742 Lot 0817:

Lot numbered Eight Hundred Seventeen (817) consisting of all of former Lot One Hundred Fifty Five (155) and the rear 193.74 feet of former Lots numbered One Hundred Fifty Six (156) and One Hundred Fifty Seven (157) and all of former Lot numbered One Hundred Fifty Eight (158) in Square numbered Fifty Seven Hundred Forty Two (5742).

NOTE: At the date hereof the above described property is designated on the Records of the Assessor of the District of Columbia for assessment and taxation purposes as Lot 817 in Square numbered Fifty Seven Hundred Forty Two (5742).

2806 Bruce Place, SE (Square 5742 Lot 0819):

Being a portion of Lot 153 in Square 5742, as recorded in Governor Shepherd Book at Page 155 among the Records of the Office of the Surveyor for the District of Columbia and being more particularly described in the datum of a Plat of Computation on Lots 147, 150, 151, 806, 809, 810 and 817 in Square 5742, as recorded in Survey Book 204 at Page 218 (Map 10335) among the aforesaid Records as follows:

Beginning for the same at a point marking the northeasterly corner of the aforesaid Lot 153 in Square 5742, said point also lying on the North 39°51'00" East, 141.45 foot plat line, as shown on the aforesaid Plat of Computation, being 47.15 feet southwesterly from the northeasterly end thereof; thence running with a portion of said North 39°51'00" East, 141.45 foot plat line and also with a portion of the northwesterly line of Lot 151 in Square 5742, as recorded in the aforesaid Governor Shepherd Book at Page 155; South 39°51'00" West, 47.15 feet to a point marking the southeasterly corner of the aforesaid Lot 153 in Square 5742, said point also marking the northeasterly corner of Lot 154 in Square 5742, as recorded in the aforesaid Governor Shepherd Book at Page 155; thence leaving the aforesaid northwesterly line of Lot 151 in Square 5742 and running with a portion of the northeasterly line of said Lot 154 in Square 5742; North 50°09'00" West, 178.74 feet to a point; thence leaving the aforesaid northeasterly line of Lot 154 in Square 5742 and running so as to cross and include a portion of the aforesaid Lot 153 in Square 5742; North 39°51'00" East, 47.15 feet to a point lying on the northeasterly line of the aforesaid Lot 153 in Square 5742, said point also marking the southwesterly corner of Lot 805 in Square 5742, as

filed in Assessment and Taxation Book 3162-R among the aforesaid Records; thence running with a portion of the southwesterly line of said Lot 805 in Square 5742; South 50°09'00" East, 178.74 feet to the point of beginning containing 8,428 square feet or 0.19348 acres of land.

NOTE: Said property now known in the Records of the Assessor for the District of Columbia for assessment and taxation purposes as Lot 0819 in Square 5742.

EXHIBIT 2.2
Commencement Date Certificate

This Agreement, made this ____ day of _____, 2015 between CA WASHINGTON 2335 RPSE LLC (“**Landlord**”) and ROCKETSHIP EDUCATION (“**Tenant**”).

W I T N E S S E T H :

WHEREAS, by a certain Lease (hereinafter called “the **Lease**”), dated as of the ____ day of April, 2014, Landlord leased to Tenant the entire land and building known as 2335 Raynolds Place, SE Washington, DC, and described on Exhibit 1.1 of the Lease (the “**Premises**”); and

WHEREAS, Tenant is now in possession of the Premises; and

WHEREAS, under the provisions of the Lease, Landlord and Tenant agreed to execute, acknowledge and deliver to each other an agreement setting forth the Rent Commencement Date.

NOW, THEREFORE, Landlord and Tenant agree as follows:

1. The Effective Date of the Lease was the ____ day of April, 2014.
2. The Rent Commencement Date of the Lease was the ____ day of _____, 2015.
3. The Expiration Date of the Term is the 30th day of June, 2044.
4. The Base Rent as of the date hereof is \$ _____.
5. The Additional Rent payable to Landlord as of the date hereof is \$ _____.
6. The Lease is in full force and effect and has not been modified, supplemented or amended in any way.
7. That all terms and conditions to be performed by the Landlord and Tenant under the terms of the Lease have been satisfied unless noted in an appendix to this Agreement; that as of the date hereof, there are no existing defenses or offsets against the Landlord or Tenant under the Lease terms; and that no rent has been paid in advance, except as may be provided for in the Lease and the rent has continued to be paid in accordance with said lease since the Rent Commencement Date.
8. Tenant is in occupancy of the leased Premises.

[Signatures begin on next page.]

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement on the day and year first above written.

LANDLORD:

WITNESS:

CA Washington 2335 RPSE LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

TENANT:

WITNESS:

Rocketship Education,
a California nonprofit public benefit corporation

By: _____
Name: _____
Title: _____

EXHIBIT 2.4
Option to Purchase

CA WASHINGTON 2335 RPSE LLC (“**Optionor**”), for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell and convey to ROCKETSHIP EDUCATION (“**Tenant**”), an option (the “**Option**”) to purchase that certain parcel of land located at 2335 Raynolds Place, SE, Washington, DC (the “**Property**”) more particularly described in Attachment 1 attached hereto and incorporated herein, together with all buildings, improvements and fixtures located thereon and all rights and privileges and appurtenances pertaining thereto and subject to all easements, restrictions and agreements of record and to the terms and conditions hereinafter set forth.

Capitalized terms used herein and not otherwise defined in this Option shall have the meanings given them in that certain Lease dated as of April ___, 2014, by and between Optionor, as landlord, and Tenant, as tenant, pursuant to which Optionor leases the Property to Tenant (the “**Lease**”).

1. The Option Period. The Option may only be exercised during the period commencing with the thirty-seventh (37th) full calendar month of the “Term” established in accordance with the Lease identified herein and ending after completion of the sixtieth (56th) full calendar month of the Term (the “**Option Period**”).

2. Exercise of Option. The Option shall be exercised in the following manner:

(a) The Option may be exercised by any of the following, each of which shall, when duly exercising the Option, be considered an “**Optionee**” under this Option: Tenant; a Tenant Affiliate; Launchpad Development Company, a California nonprofit public benefit corporation (“**Launchpad**”); or any person or entity which Controls, is Controlled by, or is under common Control with Launchpad. During the Option Period, Optionee shall deliver to Optionor written notice (the “**Notice of Exercise**”), which notice shall expressly indicate that Optionee is exercising the Option. The Notice of Exercise shall set forth a closing date for the consummation of the conveyance of the Property to Optionee, which closing date shall be a Business Day (as defined in the Lease) occurring no earlier than twenty (20) and no later than sixty (60) Business Days after Optionor’s receipt of the Notice of Exercise (the “**Closing Date**”).

(b) The delivery of the Notice of Exercise shall be deemed an irrevocable obligation of Optionee to purchase the Property, and of Optionor to sell the Property, pursuant to all other terms and conditions set forth herein.

(c) The Notice of Exercise shall be accompanied by two (2) originals of the Sale Agreement attached hereto as Attachment 2, duly executed by Optionee.

(d) Notwithstanding anything to the contrary contained herein, this Option shall terminate upon a termination of the Lease.

(e) Optionee shall have no right to deliver the Notice of Exercise during the existence of an Event of Default (as defined in the Lease), and Optionee’s inability to deliver the Exercise Notice as a result shall not extend the Option Period.

3. Purchase Price. The purchase price (the “**Purchase Price**”) for the Property is as provided (including as adjusted) under Section 2.4 of the Lease.

4. Notices. Any notices under this Option must be in writing and must be sent by (i) personal delivery, (ii) by United States registered or certified mail (postage prepaid), (iii) by electronic mail or facsimile (with a copy sent the same day by one of the other prescribed methods of delivery unless by a

reply electronic mail transmission the recipient confirms receipt of the notice and waives the additional delivery requirement) or (iv) by an independent overnight courier service, addressed to the addresses specified below or at such other place as a party may designate to the other parties by written notice given in accordance with this Section. Notices given by registered or certified mail are deemed effective three (3) Business Days after the party sending the notice deposits the notice with the United States Post Office. Notices given by electronic mail or facsimile are deemed effective on the Business Day transmitted (or, if transmitted on a day that is not a Business Day, then on the next occurring Business Day). Notices delivered by overnight courier are deemed effective on the next Business Day after the day the party delivering the notice timely deposits the notice with the courier for overnight (next day) delivery.

If to Optionor: CA Washington 2335 RPSE LLC
c/o Turner-Agassi Charter School Facilities Fund, L.P.
3000 Olympic Blvd.
Building 5, Suite 2120
Santa Monica, CA 90404
Attention: Glenn Pierce
Facsimile: (310) 752-9601
Email: gpierce@turnerimpact.com

With Copies to: CA Washington 2335 RPSE LLC
c/o Turner-Agassi Charter School Facilities Fund, L.P.
3000 Olympic Blvd.
Building 5, Suite 2120
Santa Monica, CA 90404
Attention: Bari Cooper Sherman, Esq.
Facsimile: (310) 752-9616
Email: bsherman@turnerimpact.com

And to: CA Washington 2335 RPSE LLC
c/o Turner-Agassi Charter School Facilities Fund, L.P.
3000 Olympic Blvd.
Building 5, Suite 2120
Santa Monica, CA 90404
Attention: David Leahy
Facsimile: (310) 752-9601
Email: dleahy@turnerimpact.com

And to: Quarles & Brady LLP
411 East Wisconsin Avenue
Suite 2350
Milwaukee, WI 53202
Attention: Michael J. Ostermeyer
Facsimile: (414) 978-8956
Email: michael.ostermeyer@quarles.com

If to Optionee: Rocketship Education
350 Twin Dolphin Drive, Suite 109
Redwood City, CA 94065
Attention: Preston Smith, Chief Executive Officer
Email: preston@rsed.org

With a copy to: Rocketship Education
350 Twin Dolphin Drive, Suite 109
Redwood City, CA 94065
Attention: Laura Kozel
Email: lkozel@rsed.org

And to: Dentons US LLP
233 South Wacker Drive
Suite 7800
Chicago, IL 60606
Attention: Scott H. Kapp
Facsimile: (312) 876-7934
Email: scott.kapp@dentons.com

Any notice by either party hereto, whether required or permissible hereunder, may be given by such party's then current attorney, which notice, when given by such attorney, shall be deemed equally as effective as if given by such party directly.

5. Time Is of the Essence. Time is of the essence of each provision of this Option.

6. Multiple Counterparts. This Option may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document.

7. Assignment. Other than in an assignment by Tenant of Tenant's interest under the Lease in accordance with the Lease, an Optionee may not assign this Option or its rights hereunder to any individual or entity without the prior written consent of Optionor, which consent Optionor may grant or withhold in its sole and absolute discretion, and any such assignment shall be null and void *ab initio*. Any transfer, directly or indirectly, of any stock, partnership interest or other ownership interest in an Optionee shall constitute an assignment of this Option.

8. Attorneys' Fees. Should any action or other proceeding be necessary to enforce any of the provisions of this Option or the various obligations or transactions contemplated hereto, or in the event of any dispute between the Parties relating to this Option, the prevailing party will be entitled to recover, in addition to any other relief to which such party may be entitled, its actual attorneys' fees and costs, and all referee and reference proceeding fees, costs and expenses, incurred in connection with the prosecution or defense, as the case may be, of such action.

9. Waiver of Jury Trial. Optionor and Tenant, by their respective acceptances hereof, hereby agree to waive their respective rights to a jury trial of any claim or cause of action based upon or arising out of this Option or any dealings between the Parties relating to the subject matter of this Option. In the event of litigation, this Option may be filed as a written consent to a trial by the court without a jury.

10. Governing Law. This Option shall be governed by the laws of the State in which the Property is located.

11. Email or Facsimile Signatures. Signatures to this Option transmitted by electronic mail or facsimile shall be valid and effective to bind the party so signing. Each party hereto agrees to promptly deliver an executed original of this Option with its actual signature to the other party, but a failure to do so shall not affect the enforceability of this Option, it being expressly agreed that each party to this Option

shall be bound by its own emailed or facsimile signature and shall accept the emailed or facsimile signature of the other party to this Option.

[Signatures begin on next page.]

IN WITNESS WHEREOF, this Option has been executed as a sealed instrument as of this ____ day of _____, 2015.

OPTIONOR:

**CA Washington 2335 RPSE LLC,
a Delaware limited liability company**

By: _____
Name:
Title:

TENANT:

**Rocketship Education,
a California nonprofit public benefit corporation**

By: _____
Name:
Title:

Attachment 1 to Exhibit 2.4

Legal Description of the Property

Square 5742 Lot 0147:

Lot numbered One-Hundred Forty-Seven (0147) in Square 5742, in a subdivision made by George E. Emmons of a tract of land now known as “Garfield”, as per plat recorded in Liber Governor Shepherd at Folio 155 among the Records of the Office of the Surveyor for the District of Columbia.

Square 5742 Lot 0150:

Lot numbered One-Hundred Fifty (0150) in Square 5742, in a subdivision made by George E. Emmons of a tract of land now known as “Garfield”, as per plat recorded in Liber Governor Shepherd at Folio 155 among the Records of the Office of the Surveyor for the District of Columbia.

Square 5742 Lot 0151:

Lot numbered One-Hundred Fifty-One (0151) in Square 5742, in a subdivision made by George E. Emmons of a tract of land now known as “Garfield”, as per plat recorded in Liber Governor Shepherd at Folio 155 among the Records of the Office of the Surveyor for the District of Columbia.

Square 5742 Lot 0805:

Part of Lot 152 in George E. Emmons’ subdivision of a tract of land now known as “Garfield”, as per plat recorded in Liber Governor Shepherd folio 155 of the Records of the Office of the Surveyor of the District of Columbia, described as follows: Beginning for the same at a point in the Southwesterly line of Raynolds Avenue distant 115 feet Southeasterly from the intersection of said line of said Avenue with the Southeasterly line of Bruce Place, said point being the most Easterly corner of the part of said Lot 152 conveyed to Robert H. Palmer and wife by Deed dated April 28, 1942 and recorded June 3, 1942 as Instrument Number 16224 among the Land Records of the District of Columbia; thence Southeasterly along said line of Raynolds Avenue, 178.74 feet to the most Easterly corner of said Lot, 47.15 feet to the Southwesterly line thereof; thence Northwesterly along said Southeasterly line 178.74 feet to the Southerly corner of the part of said Lot 152 conveyed to James Walter Carter and wife by Deed dated March 18, 1942 and recorded April 17, 1942 as Instrument Number 11414 among the aforesaid Land Records; thence Northeasterly along the Southeasterly line of the parts of said Lot 152 conveyed to said Carter and said Palmer as aforesaid, 47.15 feet to the beginning.

NOTE: At the date hereof the above described land is designated on the Records of the Assessor of the District of Columbia, for taxation purposes, as Lot 805 in Square 5742.

Square 5742 Lot 0806:

Lots numbered One Hundred Forty-Eight (0148) and One Hundred Forty-Nine (0149) in George E. Emmons' Subdivision of a tract called "CHICHESTER" now known as "GARFIELD", as per plat recorded in the Office of the Surveyor of the District of Columbia in Liber Governor Shepherd at Folio 155, Square 5742.

Note: On the date hereof, the described property is known for assessment and taxation purposes as Lot numbered Eight Hundred-Six (0806) in Square numbered Five Thousand Seven Hundred Forty-two (5742) among the land records of the District of Columbia.

Square 5742 Lot 0809:

Part of Lots numbered One Hundred Sixty Nine (169) to One Hundred Seventy Six (176), both inclusive, in Square numbered Fifty Seven Hundred and Forty Two (5742), in Lewellyn Ford and Mary L. Ford's subdivision of lots in Garfield, in the District of Columbia (erroneously stated in legal description of deed recorded in Instrument No. 2004108746 as being in the County of Washington) as per plat recorded in Book 84, page 136 in the Office of the Surveyor for the District of Columbia described as follows:

Beginning at the intersection of the Southerly line of Raynolds Place with the Westerly line of Langston Street, thence running Southwesterly along the Westerly line of Langston Street 182 feet; thence running Northwesterly and parallel with the said Southerly line of Raynolds Place 83 feet; thence Northeasterly and parallel with the Westerly line Langston Street 182 feet to the Southerly line of Raynolds Place; and thence running Southeasterly along said Southerly Line of Raynolds Place 83 feet to the place of beginning.

NOTE: At the date hereof the above described property is designated on the Records of the Assessor of the District of Columbia for assessment and taxation purposes as Lot numbered Eight Hundred Nine (809) in Square numbered Fifty Seven Hundred Forty Two (5742).

Square 5742 Lot 0810:

Part of Lots numbered 183, 171, 172, 173, 174, 175 and 176 in Lewellyn Ford and Mary L. Ford's subdivision of certain lots in the subdivision known as GARFIELD and in Square numbered 5472 as per plat of said subdivision made by Lewellyn Ford and Mary L. Ford recorded in Book 84 at Page 136 of the Records of the District of Columbia, the whole being described as follows:

Beginning at a point on the Southerly line of Raynolds Place distant 83 feet from the intersection of said Southerly line of Raynolds Place with the Westerly line of Langston Street and thence running Northwesterly along Southerly line of Raynolds Place, 41.5 feet to the most Northerly corner of Lot 169, thence Southwesterly and parallel with the said Westerly line of Langston Place, 182 feet, thence running Southeasterly and parallel with the said Southerly line of Raynolds Place, 41.5 feet to a point, thence running Northeasterly and parallel with said Westerly line of Langston Place, 182 feet to the point of beginning.

NOTE: At the date hereof the above described property is designated on the Records of the Assessor of the District of Columbia for assessment and taxation purposes as Lot 810 in Square 5742.

Square 5742 Lot 0154:

Lot numbered One-hundred Fifty-four (154) in a subdivision made by George E. Emmons of a tract of land now known as "Garfield", as per plat recorded in Liber Governor Shepherd at folio 155 among the Records of the Office of the Surveyor for the District of Columbia.

NOTE: At the date hereof the above described land is designated on the Records of the Assessor of the District of Columbia for taxation and assessment purposes as Lot 154 in Square 5742.

Square 5742 Lot 0817:

Lot numbered Eight Hundred Seventeen (817) consisting of all of former Lot One Hundred Fifty Five (155) and the rear 193.74 feet of former Lots numbered One Hundred Fifty Six (156) and One Hundred Fifty Seven (157) and all of former Lot numbered One Hundred Fifty Eight (158) in Square numbered Fifty Seven Hundred Forty Two (5742).

NOTE: At the date hereof the above described property is designated on the Records of the Assessor of the District of Columbia for assessment and taxation purposes as Lot 817 in Square numbered Fifty Seven Hundred Forty Two (5742).

2806 Bruce Place, SE (Square 5742 Lot 0819):

Being a portion of Lot 153 in Square 5742, as recorded in Governor Shepherd Book at Page 155 among the Records of the Office of the Surveyor for the District of Columbia and being more particularly described in the datum of a Plat of Computation on Lots 147, 150, 151, 806, 809, 810 and 817 in Square 5742, as recorded in Survey Book 204 at Page 218 (Map 10335) among the aforesaid Records as follows:

Beginning for the same at a point marking the northeasterly corner of the aforesaid Lot 153 in Square 5742, said point also lying on the North 39°51'00" East, 141.45 foot plat line, as shown on the aforesaid Plat of Computation, being 47.15 feet southwesterly from the northeasterly end thereof; thence running with a portion of said North 39°51'00" East, 141.45 foot plat line and also with a portion of the northwesterly line of Lot 151 in Square 5742, as recorded in the aforesaid Governor Shepherd Book at Page 155; South 39°51'00" West, 47.15 feet to a point marking the southeasterly corner of the aforesaid Lot 153 in Square 5742, said point also marking the northeasterly corner of Lot 154 in Square 5742, as recorded in the aforesaid Governor Shepherd Book at Page 155; thence leaving the aforesaid northwesterly line of Lot 151 in Square 5742 and running with a portion of the northeasterly line of said Lot 154 in Square 5742; North 50°09'00" West, 178.74 feet to a point; thence leaving the aforesaid northeasterly line of Lot 154 in Square 5742 and running so as to cross and include a portion of the aforesaid Lot 153 in Square 5742; North 39°51'00" East, 47.15 feet to a point lying on the northeasterly line of the aforesaid

Lot 153 in Square 5742, said point also marking the southwesterly corner of Lot 805 in Square 5742, as filed in Assessment and Taxation Book 3162-R among the aforesaid Records; thence running with a portion of the southwesterly line of said Lot 805 in Square 5742; South 50°09'00" East, 178.74 feet to the point of beginning containing 8,428 square feet or 0.19348 acres of land.

NOTE: Said property now known in the Records of the Assessor for the District of Columbia for assessment and taxation purposes as Lot 0819 in Square 5742.

Attachment 2 to Exhibit 2.4

Form of Sale Agreement

THIS SALE AGREEMENT (this “**Agreement**”), effective as of _____, 20__ (the “**Purchase Option Date**”), by and between CA Washington 2335 RPSE LLC (“**Seller**”), and [Optionee, as defined in the Option to Purchase to which this Agreement is attached as Attachment 2] (“**Buyer**”). For purposes of this Agreement, the Seller Parties (as defined below) and the Buyer Parties (as defined below) shall together be known as the “**Parties**,” and each shall be known as a “**Party**.”

W I T N E S S E S:

For other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties do hereby agree as follows:

ARTICLE 1
SALE OF PROPERTY

Subject to the terms and conditions of this Agreement, Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller all of the following described property (collectively, the “**Property**”): (i) Seller’s fee simple title and interest in and to the land being more particularly described on Addendum A attached hereto and incorporated herein (the “**Land**”) and all rights, privileges, easements and appurtenances to the Land owned by Seller and other appurtenances used or connected with the beneficial use or enjoyment of the Land, including, without limitation, all mineral rights, easements, rights-of-way, gas and hydrocarbons, and all right, title and interest of Seller in and to all highways, roads, streets, alleys and other public rights of way and thoroughfares and all water courses or water bodies adjacent to, abutting or serving the Land, if any, together with all Improvements, fixtures, easements, rights-of-way, privileges and appurtenances relating to the Land, and irrevocable licenses running in favor of the owner of the Land or relating thereto; (ii) all buildings located upon the Land, and all other improvements, fixtures, parking areas and other improvements of any kind or nature whatsoever now or hereafter located on the Land (collectively, the “**Building**”) (the Land and Building are referenced herein collectively as, the “**Real Property**”); (iii) all equipment, machinery, appliances, furnishings, inventory, tools, signs, site plans, surveys, architectural renderings, cranes, plans or studies of any kind, and other supplies, fixtures and personal and tangible property owned by Seller and used solely in connection with the maintenance, operation and ownership of the Building or the Land (“**Personal Property**”); (iv) all intangible property, if any, now or hereafter owned, controlled or held by Seller between the date hereof and the Closing (as hereinafter defined), solely in connection with the Building and the Personal Property, including, but not limited to (A) all right, title and interest of Seller in and to all unexpired assignable warranties, guaranties, bonds, claims and rights, if any, relating to the Real Property or the Personal Property, (B) all air rights, excess floor area rights and other development rights relating or appurtenant to the Land or the Building, (C) all rights to obtain utility service in connection with the Building and the Land, (D) assignable licenses and other governmental permits and permissions relating to the Land, the Building, and the operation thereof, and (E) all right, title and interest of Seller in and to all contracts for the repair or maintenance of, the provision of services to, or otherwise relating to or affecting, the Real Property or the Personal Property (collectively, “**Property Contracts**”), which are assumed contracts and to the extent Seller’s interest thereunder is assignable; (all of the foregoing are collectively, “**Intangible Property**”); (v) all of Seller’s right, title and interest as landlord under any leases, possessory licenses and concession agreements and all amendments, extensions and modifications thereto (collectively the “**Leases**”), together with any guarantees thereof and security deposits thereunder; and (vi) all right, title and interest of Seller in or to condemnation awards and insurance proceeds (to the extent not applied to restoration) relating to the Property, subject to the terms of that certain Lease dated as of April __, 2014, by and

between Seller (or its predecessor in interest to the Property), as landlord, and Buyer (or its predecessor in interest to such Lease), as tenant. Notwithstanding the foregoing, the Property does not include any trademarks or trade names of Seller.

ARTICLE 2 **PURCHASE PRICE**

2.1 **Purchase Price.** The purchase price for the Property shall be \$_____ (the “**Purchase Price**”). The Purchase Price shall be payable as provided in Section 2.2. [Note: Purchase Price to be established in accordance with the Option to Purchase Real Estate dated as of _____, 2015 between Seller, as Optionor, and Buyer, as Optionee.]

2.2 **Payment of Purchase Price.** Upon the complete execution and delivery of this Agreement, Buyer shall remit to the Title Company (as defined below) (the “**Escrow Agent**”) a sum equal to three percent (3%) of the Purchase Price (the “**Deposit**”), which Deposit shall be held in escrow for application and disbursement as the Deposit under the terms of this Agreement. At Closing, the balance of the Purchase Price in excess of the Deposit, plus or minus any prorations, shall be payable by Buyer to Seller in immediately available funds. This sale shall be closed through Escrow Agent on terms reasonably acceptable to Buyer and Seller.

The Deposit shall be held by the Escrow Agent, according to the terms of this Agreement, in an interest-bearing account in a financial institution mutually satisfactory to the Parties. Buyer and Seller hereby acknowledge and agree that the Deposit and all interest earned on the Deposit is, as of the Effective Date, fully-earned by the Seller and is non-refundable in all circumstances (although applicable to the Purchase Price at Closing), except as expressly provided in Sections 6.1 and 6.2 hereof. If the sale of the Property shall be consummated, the Deposit and all interest earned thereon at Closing shall be paid to Seller and credited against the Purchase Price. The Parties shall equally share all fees of the Escrow Agent for its services as escrow agent hereunder.

ARTICLE 3 **AS-IS SALE**

3.1 **As-Is Sale.** Buyer is the lessee of the Property and is intimately familiar with all aspects of the Property, although Seller has constructed the Building located on the Property and is intimately familiar with all aspects of such construction. Buyer acknowledges and agrees as follows: (i) the Property shall be sold, and Buyer shall accept possession of the Property on the Closing Date, “AS IS, WHERE IS, WITH ALL FAULTS”, with no right of setoff or reduction in the Purchase Price, (ii) except as set forth herein, none of the Seller or its agents, advisors, officers, directors employees, affiliates, members, constituent partners, managers or representatives (collectively, “**Seller Parties**”) have or shall be deemed to have made any verbal or written representations, warranties, promises or guarantees (whether express, implied, statutory or otherwise) to Buyer with respect to the Property, (iii) Buyer has independently confirmed to its satisfaction all information that it considers material to its purchase of the Property, and (iv) Buyer expressly understands and acknowledges that it is possible that unknown problems, conditions, losses, costs, damages, claims, liabilities, expenses, demands and obligations may exist with respect to the Property (clauses (i), (ii), (iii) and (iv), the “**Liabilities**”) and that Buyer explicitly took that possibility into account in determining and agreeing to the Purchase Price, and that a portion of such consideration, having been bargained for between Parties with the knowledge of the possibility of such unknown Liabilities shall be given in exchange for a full accord and satisfaction and discharge of all such Liabilities.

3.2 **Release.** BUYER HEREBY RELEASES EACH OF THE SELLER PARTIES FROM, AND WAIVES ANY AND ALL LIABILITIES AGAINST EACH OF THE SELLER PARTIES,

WHETHER ARISING OR ACCRUING BEFORE, ON OR AFTER THE DATE HEREOF AND WHETHER ATTRIBUTABLE TO EVENTS OR CIRCUMSTANCES WHICH HAVE HERETOFORE OR MAY HEREAFTER OCCUR. WITHOUT LIMITATION ON THE GENERALITY OF THE FOREGOING, THE FOREGOING RELEASE INCLUDES, WITHOUT LIMITATION, A RELEASE OF ANY AND ALL LIABILITIES WITH RESPECT TO (AND LIABILITIES INCLUDE, WITHOUT LIMITATION) THE STRUCTURAL, PHYSICAL, OR ENVIRONMENTAL CONDITION OF THE PROPERTY; AND ANY AND ALL LIABILITIES RELATING TO THE RELEASE OF OR THE PRESENCE, DISCOVERY OR REMOVAL OF ANY SUBSTANCE, CHEMICAL, WASTE OR MATERIAL THAT IS OR BECOMES REGULATED BY ANY FEDERAL, STATE OR LOCAL GOVERNMENTAL AUTHORITY BECAUSE OF ITS TOXICITY, INFECTIOUSNESS, RADIOACTIVITY, EXPLOSIVENESS, IGNITABILITY, CORROSIVENESS OR REACTIVITY, INCLUDING, WITHOUT LIMITATION, ASBESTOS OR ANY SUBSTANCE CONTAINING MORE THAN 0.1 PERCENT ASBESTOS, THE GROUP OF COMPOUNDS KNOWN AS POLYCHLORINATED BIPHENYLS, FLAMMABLE EXPLOSIVES, OIL, PETROLEUM OR ANY REFINED PETROLEUM PRODUCT (COLLECTIVELY, "**HAZARDOUS MATERIALS**") IN, AT, ABOUT OR UNDER THE PROPERTY, OR FOR, CONNECTED WITH OR ARISING OUT OF ANY AND ALL CLAIMS OR CAUSES OF ACTION BASED UPON CERCLA (COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT OF 1980, 42 U.S.C. §§9601 *ET SEQ.*, AS AMENDED BY SARA (SUPERFUND AMENDMENT AND REAUTHORIZATION ACT OF 1986) AND AS MAY BE FURTHER AMENDED FROM TIME TO TIME), THE RESOURCE CONSERVATION AND RECOVERY ACT OF 1976, 42 U.S.C. §§6901 *ET SEQ.*, OR ANY RELATED CLAIMS OR CAUSES OF ACTION OR ANY OTHER FEDERAL, STATE OR MUNICIPAL BASED STATUTORY OR REGULATORY CAUSES OF ACTION FOR ENVIRONMENTAL CONTAMINATION AT, IN, ABOUT OR UNDER THE PROPERTY. EXCEPT WITH RESPECT TO THE REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 7.2 BELOW, WITHOUT LIMITATION ON THE GENERALITY OF THE FOREGOING, NEITHER BUYER NOR ANY OF BUYER'S AFFILIATES NOR ANY OF THEIR REPRESENTATIVES, EMPLOYEES, OFFICERS, DIRECTORS, EMPLOYEES, PARTNERS, AGENTS, CONTRACTORS, SUCCESSORS, ASSIGNS OR INVITEES (COLLECTIVELY, THE "**BUYER PARTIES**") SHALL HAVE ANY CLAIM, RIGHT OR DEFENSE AGAINST SELLER OR ANY OF THE SELLER PARTIES WITH RESPECT TO, IN CONNECTION WITH OR ARISING OUT OF THE PROPERTY, AND BUYER WAIVES, ON BEHALF OF BUYER AND THE BUYER PARTIES, ANY AND ALL SUCH CLAIMS, RIGHTS AND DEFENSES OF BUYER AND THE BUYER PARTIES AND AGREES TO INDEMNIFY, HOLD HARMLESS AND DEFEND SELLER AND THE SELLER PARTIES FROM AND AGAINST ANY AND ALL SUCH CLAIMS, RIGHTS AND DEFENSES OF BUYER AND THE BUYER PARTIES.

Seller's Initials

Buyer's Initials

ARTICLE 4 **CLOSING COSTS**

Seller shall pay the following costs and expenses associated with the transactions contemplated hereby (the "**Transaction**"): (i) one-half of all recording and filing charges in connection with the instrument by which Seller conveys the Property; (ii) one-half of the escrow or closing charges; and (iii) all fees due its attorneys in connection with the Transaction. Buyer shall pay (i) all premiums and charges of the Title Company for the Title Policy (as hereinafter defined); (ii) all charges for any current survey of the Property required for issuance of the Title Policy; (iii) one-half of all recording and filing charges in connection with the instrument by which Seller conveys the Property; (iv) one-half of the escrow or closing charges; (v) all transfer taxes, sales taxes and similar charges, if any, applicable to the transfer of

the Property to Buyer; (vi) all fees due its attorneys in connection with the Transaction, and (vii) all lenders' fees related to any financing to be obtained by Buyer. The obligations of the Parties under this Article 4 shall survive the Closing (and not be merged therein) or any earlier termination of this Agreement.

ARTICLE 5 **CLOSING**

5.1 Closing Date. Closing shall occur on a date mutually agreed by the Parties (the “**Closing Date**”), which Closing Date shall be _____ [SPECIFY DATE not less than twenty (20) nor more than sixty (60) Business Days after the Purchase Option Date]. The Parties shall conduct an escrow-style closing through the Title Company (the “**Escrow Agent**”) so that it will not be necessary for any Party to attend the closing of the Transaction.

5.2 Title Transfer and Payment of Purchase Price. Provided all conditions precedent to Seller's obligations hereunder have been satisfied, Seller agrees to convey the Property to Buyer upon confirmation of receipt of the Purchase Price by the Escrow Agent as set forth below. Notwithstanding the foregoing, in addition to its other rights and remedies, Seller shall have the right to terminate this Agreement at any time if such payment is not received in Seller's designated account by 5:00 p.m. local time at the Property on the Closing Date.

5.3 Seller's Closing Deliveries. No later than 5:00 p.m. local time at the Property on the last Business Day (defined as every calendar day Monday through Friday, inclusive, but excluding legal holidays of the United States and the District of Columbia) before the Closing Date, Seller shall deliver or cause to be delivered the following:

(a) Deed. A Special Warranty Deed in the form of Addendum B attached hereto and incorporated herein by this reference (“**Deed**”) executed and acknowledged by Seller, conveying title to the Property in fee simple absolute free and clear of liens and encumbrances except only the following: recorded easements for utilities and for the distribution of municipal services of every kind serving the Property; recorded building and use restrictions; agreements entered into under any municipal, zoning, or building codes or regulations; taxes and assessments, general and special, levied in the year of the Closing and thereafter, not yet due; and the Original Encumbrances (as defined in Section 6.2(c) below).

(b) Bill of Sale. A bill of sale in the form of Addendum C attached hereto and incorporated herein by this reference (“**Bill of Sale**”) executed and acknowledged by Seller.

(c) Non-Foreign Status Affidavit. A non-foreign status affidavit substantially in the form of Addendum D attached hereto and incorporated herein by this reference, as required by Section 1445 of the Internal Revenue Code executed by Seller.

(d) Drawings. To the extent not already obtained by or delivered to Buyer, copies of any survey of the Property and any architectural or engineering drawings of the Property and utilities layout plans in Seller's possession or under its control; provided, however, that Seller makes no representation or warranty with respect to the same.

(e) Warranties. Copies of all assignable warranties and guaranties of the equipment or improvements located at the Property to the extent in Seller's possession or control; provided, however, that Seller makes no representation or warranty with respect to the same.

(f) Title Company Documents. An owner's affidavit, a so-called "gap" affidavit, undertaking or indemnity, as applicable, and a broker lien affidavit, as may be customarily supplied to the Title Company to enable the Title Company to issue the Title Policy; provided, however, that such affidavits, undertakings and/or indemnities shall reflect that Buyer has leased all of the Property before the Closing Date pursuant to that certain Lease Agreement dated as of October __, 2013 pursuant to which Seller, as landlord, leased the Property to Buyer, as tenant (the "**Lease**").

(g) Evidence of Authority. Documentation to establish to Buyer's reasonable satisfaction the due authorization of Seller's disposition of the Property and Seller's execution of this Agreement and the documents required to be delivered by Seller and the consummation of the Transaction.

(h) Closing Statement. An executed closing statement.

(i) Transfer Tax Declarations. To the extent required, state, county and municipal transfer tax declarations.

(j) Other Documents. Such other documents as may be reasonably required by the Title Company or may be agreed upon by Seller and Buyer to consummate the Transaction.

5.4 Buyer's Closing Deliveries. No later than 5:00 p.m. local time at the Property on the last Business Day before the Closing Date, Buyer shall deliver or cause to be delivered the following:

(a) Purchase Price. The Purchase Price, plus any other amounts required to be paid by Buyer at Closing.

(b) Bill of Sale. A Bill of Sale executed and acknowledged by Buyer.

(c) Evidence of Authority. Documentation to establish to Seller's reasonable satisfaction the due authorization of Buyer's acquisition of the Property and Buyer's execution of this Agreement and the documents required to be delivered by Buyer and the consummation of the Transaction.

(d) Other Documents. Such other documents as may be reasonably required by the Title Company or may be agreed upon by Seller and Buyer to consummate the Transaction.

ARTICLE 6 **CONDITIONS TO CLOSING**

6.1 Conditions to Seller's Obligations. Seller's obligation to close the Transaction is conditioned on all of the following, any or all of which may be waived by Seller by an express written waiver, at its sole option:

(a) Representations True. All representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects on and as of the Closing Date, as if made on and as of such date except to the extent they expressly relate to an earlier date;

(b) Buyer's Financial Condition. No petition has been filed by or against Buyer under the Federal Bankruptcy Code or any similar State or Federal Law, whether now or hereafter existing; and

(c) Buyer's Deliveries Complete. Buyer shall have delivered the funds required hereunder and all of the documents to be executed by Buyer set forth in Section 5.4 and shall have performed all other covenants, undertakings and obligations, and complied with all conditions required by this Agreement, to be performed or complied with by Buyer at or before the Closing Date.

6.2 Conditions to Buyer's Obligations. Buyer's obligation to close the Transaction is conditioned on all of the following, any or all of which may be expressly waived by Buyer in writing, at its sole option:

(a) Representations True. The representations made by Seller in Section 7.2 shall be true and correct in all material respects on and as of the Closing Date, as if made on and as of such;

(b) Seller's Deliveries Complete. Seller shall have delivered all of the documents and other items required pursuant to Section 5.3 and shall have performed all other covenants, undertakings and obligations, and complied with all conditions required by this Agreement, to be performed or complied with by Seller at or before the Closing Date.

(c) Title Policy. At Closing, First American Title Company, or its successor (the "**Title Company**") shall issue to Buyer an owner's title insurance policy, with customary extended coverage endorsements, in the amount of Buyer's purchase financing, showing title to the Property to be vested in Buyer subject only to (i) taxes and assessments, general and special, not yet due and payable, (ii) any exceptions created by Buyer or any of Buyer's agents, representatives, invitees, employees, contractors or affiliates or anyone claiming by or through any of the foregoing, (iii) exceptions shown on that certain Commitment for Title Insurance number TACSFF issued by First American Title Insurance Company and dated January 20, 2014, (iv) agreements entered into under any municipal, zoning, or building codes or regulations, and (v) exceptions necessary to permit the use of the Property for the uses permitted under the Lease ((i)-(v) altogether being known as the "**Original Encumbrances**") (the "**Title Policy**").

(d) No Bankruptcy Proceeding. There shall not have occurred the commencement of a case under Title 11 of the U.S. Code, as now constituted or hereafter amended, or under any other applicable federal or state bankruptcy law or other similar law, seeking, with respect to Seller, (i) the appointment of a trustee or receiver of any property interest, or (ii) an assignment for the benefit of creditors.

6.3 Waiver of Failure of Conditions Precedent. At any time or times on or before the date specified for the satisfaction of any condition, Seller or Buyer may elect in writing to waive the benefit of any such condition set forth in Section 6.1 or Section 6.2, respectively. By closing the Transaction, Seller and Buyer shall be conclusively deemed to have waived the benefit of any remaining unfulfilled conditions set forth in Section 6.1 and Section 6.2, respectively. If any of the conditions set forth in Sections 6.1 or 6.2 are neither waived nor fulfilled, Seller or Buyer (as appropriate) may exercise such rights and remedies, if any, that such Party may have pursuant to the terms of Article 9 hereof.

6.4 Waiver of Tender of Deed and Purchase Monies. The tender of an executed Deed by Seller and the tender by Buyer of the portion of the Purchase Price payable at Closing are mutually waived, but nothing in this Agreement shall be construed as a waiver of Seller's obligation to deliver the Deed and/or of the concurrent obligation of Buyer to pay the portion of the Purchase Price payable at Closing.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES

7.1 Buyer's Representations. Buyer represents and warrants to, and covenants with, Seller as follows:

7.1.1 Buyer's Authorization. Buyer (i) is duly organized (or formed), validly existing and in good standing under the laws of its State of organization and, to the extent required by law, the State in which the Property is located, (ii) is authorized to consummate the Transaction and fulfill all of its obligations hereunder, and (iii) has all necessary power to execute and deliver this Agreement and all documents contemplated hereby to be executed by Buyer, and to perform all of Buyer's obligations hereunder and thereunder. This Agreement and all Closing Documents to be executed by Buyer have been duly authorized by all requisite partnership, corporate or other required action on the part of Buyer and are the valid and legally binding obligation of Buyer, enforceable in accordance with their respective terms. Neither the execution and delivery of this Agreement or any other document to be executed by Buyer, nor the performance of the obligations of Buyer hereunder or thereunder will result in the violation of any Law or any provision of the organizational documents of Buyer or will conflict with any order or decree of any court or governmental instrumentality of any nature by which Buyer is bound.

7.1.2 Buyer's Financial Condition. No petition has been filed by or against Buyer under the Federal Bankruptcy Code or any similar State or Federal Law.

7.1.3 PATRIOT Act Compliance. Neither Buyer nor, to Buyer's actual knowledge, any person, group, entity or nation that Buyer is acting, directly or indirectly for, or on behalf of, is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or is otherwise a banned or blocked person, group, entity, or nation pursuant to any Law that is enforced or administered by the Office of Foreign Assets Control, and Buyer is not engaging in this Transaction, directly or, to Buyer's actual knowledge, indirectly, on behalf of, or instigating or facilitating this Transaction, directly or, to Buyer's actual knowledge, indirectly, on behalf of, any such person, group, entity or nation. Buyer is not engaging in this Transaction, directly or indirectly, in violation of any Laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of Buyer have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in Buyer is prohibited by Law or that the Transaction or this Agreement is or will be in violation of Law. Buyer has and shall continue to implement procedures, and has consistently and shall continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times before Closing.

7.2 Seller's Representations.

7.2.1 Seller's Authorization. Seller represents and warrants to Buyer that Seller (i) is duly organized (or formed), validly existing and in good standing under the laws of its State of organization and, to the extent required by law, the State in which the Property is located, (ii) is authorized to consummate the Transaction and fulfill all of its obligations hereunder and under all documents to be executed by Seller pursuant hereto, and (iii) has all necessary power to execute and deliver this Agreement and such other documents to be executed by Seller, and to perform all of Seller's obligations hereunder and thereunder. This Agreement and all documents to be executed by Seller pursuant hereto have been duly authorized by all requisite partnership, corporate or other

required action on the part of Seller and are the valid and legally binding obligation of Seller, enforceable in accordance with their respective terms. Neither the execution and delivery of this Agreement or the other documents to be executed by Seller pursuant hereto, nor the performance of the obligations of Seller hereunder or thereunder will result in the violation of any Law or any provision of the organizational documents of Seller or will conflict with any order or decree of any court or governmental instrumentality of any nature by which Seller is bound.

7.2.2 Seller's Financial Condition. No petition has been filed by or against Seller under the Federal Bankruptcy Code or any similar State or Federal Law.

7.2.3 PATRIOT Act Compliance. Neither Seller nor to Seller's actual knowledge, any person, group, entity or nation that Seller is acting, directly or indirectly for, or on behalf of, is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or is otherwise a banned or blocked person, group, entity, or nation pursuant to any Law that is enforced or administered by the Office of Foreign Assets Control, and Seller is not engaging in this Transaction, directly or, to Seller's actual knowledge, indirectly, on behalf of, or instigating or facilitating this Transaction, directly or, to Seller's actual knowledge, indirectly, on behalf of, any such person, group, entity or nation. Seller is not engaging in this Transaction, directly or indirectly, in violation of any Laws relating to drug trafficking, money laundering or predicate crimes to money laundering. Seller has and shall continue to implement procedures, and has consistently and shall continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times before Closing.

7.2.4 No Conflict or Default. Except under the Lease, Seller is not a party to any other contract, agreement or commitment to sell, convey, assign, transfer, provide rights of first refusal or other similar rights or otherwise dispose of any portion or portions of the Property. Seller has received no written notice asserting that Seller is in default in respect of any of its obligations or liabilities pertaining to the Property.

7.2.5 No Property Liabilities and Assessments. As of Closing, there will be no obligations or liabilities of any kind or nature whatsoever, actual or contingent, including, but not limited to, any tax liabilities, contract liabilities or tort liabilities for which or to which Buyer or the Property will be liable or subject, except for (i) non-delinquent obligations and liabilities accrued and thereafter accruing under the Permitted Exceptions and (ii) such obligations or liabilities as may have arisen out of the act or omission of the tenant under the Lease. Seller has provided copies of written notices received by Seller as to all of the following according to the terms and conditions of the Lease: special assessments (assessed or contemplated) of any nature with respect to the Property or any part thereof; and condemnation, expropriation or other proceedings in eminent domain pending or threatened with respect to any portion of the Property.

7.2.6 Insurance. Seller has not received any notice from any insurance carrier of any uncorrected defects in the Property which, if not corrected, would result in termination of insurance coverage or otherwise affect the insurability of the Property.

7.2.7 Solvency. No petition in bankruptcy (voluntary or otherwise), assignment for the benefit of creditors, or petition seeking reorganization or arrangement or other action under federal or state bankruptcy laws is pending against or contemplated by Seller or against the Property.

7.3 Survival. The representations set forth in this Article 7 shall survive the Closing or any termination of this Agreement.

ARTICLE 8 **BROKERS**

Each Party represents to the other that it has not dealt with any broker in connection with the Transaction to whom a commission or fee is or may be owing as a result of the Transaction. Seller agrees to hold Buyer harmless and indemnify Buyer from and against any and all fees, commissions, costs, claims or expenses (including reasonable attorneys' fees, expenses and disbursements) suffered or incurred by Buyer as a result of any claims by any party claiming to have represented Seller as broker in connection with the Transaction. Buyer agrees to hold Seller harmless and indemnify Seller from and against any and all fees, commissions, costs, claims or expenses (including reasonable attorneys' fees, expenses and disbursements) suffered or incurred by Seller as a result of any claims by any other party claiming to have represented Buyer as broker in connection with the Transaction. This Article 8 shall survive the Closing or any termination of this Agreement.

ARTICLE 9 **DEFAULT**

9.1 If Seller should breach any of its covenants, conditions, representations or warranties contained in this Agreement or should fail to consummate the sale contemplated herein for any reason other than Buyer's default, Buyer may, upon ten (10) days written notice to Seller, if such breach or failure is not cured within such ten (10) day period, in addition to all remedies contained elsewhere in this Agreement, (i) terminate this Agreement, without further liability on Buyer's part, (ii) rescind the Transaction, or (iii) enforce specific performance of this Agreement.

9.2 If Buyer should breach any of its covenants contained in this Agreement (and Seller shall not be in default hereunder), Seller may, upon ten (10) days written notice to Buyer, if such breach is not cured within such ten (10) day period, in addition to all remedies contained elsewhere in this Agreement, terminate this Agreement and receive immediate payment of the Deposit, without further liability on Seller's part; provided, however, that no termination of this Agreement shall have any effect on the Lease.

ARTICLE 10 **CONDEMNATION/CASUALTY**

10.1 Allocation of Proceeds and Awards. If a condemnation or casualty occurs, except for a condemnation of the entire Property or complete destruction of all of the building(s) and improvements on the Property in which case either Buyer or Seller may elect to terminate this Agreement, this Agreement shall remain in full force and effect, Buyer shall acquire the remainder of the Property upon the terms and conditions set forth herein and at the Closing and, if Seller has received such awards or proceeds, after deducting any costs of collection, Seller shall pay the same to Buyer, and if Seller has not received such awards or proceeds, Seller shall assign to Buyer at the Closing (without recourse to Seller) the rights of Seller to, and Buyer shall be entitled to receive and retain, such awards or proceeds.

10.2 Waiver. The provisions of this Article 10 supersede the provisions of any applicable laws with respect to the subject matter of this Article 10.

ARTICLE 11

MISCELLANEOUS

11.1 Buyer's Assignment. Buyer may not assign this Agreement or its rights hereunder to any individual or entity without the prior written consent of Seller, which consent Seller may grant or withhold in its reasonable discretion, and any such assignment shall be null and void ab initio. Any transfer, directly or indirectly, of any stock, partnership interest or other ownership interest in Buyer shall constitute an assignment of this Agreement.

11.2 Survival/Merger. Except for the provisions of this Agreement which are explicitly stated to survive the Closing, (i) none of the terms of this Agreement shall survive the Closing, and (ii) the delivery of the Purchase Price, the Deed and the other documents to be delivered in connection herewith and the acceptance thereof shall effect a merger, and be deemed the full performance and discharge of every obligation on the part of Buyer and Seller to be performed hereunder.

11.3 Integration; Waiver. This Agreement, together with the Exhibits hereto, embodies and constitutes the entire understanding between the Parties with respect to the Transaction and all prior agreements, understandings, representations and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged or terminated except by an instrument signed by the Party against whom the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument. No waiver by either Party of any failure or refusal by the other Party to comply with its obligations hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.

11.4 Governing Law. This Agreement shall be governed by, and construed in accordance with, the law of the State in which the Property is located, without reference to any choice of law provisions or principles.

11.5 Captions Not Binding; Exhibits. The captions in this Agreement are inserted for reference only and in no way define, describe or limit the scope or intent of this Agreement or of any of the provisions hereof. All Exhibits attached hereto shall be incorporated by reference as if set out herein in full.

11.6 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

11.7 Severability. If any term or provision of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

11.8 Notices. Any notices under this Option must be in writing and must be sent by (i) personal delivery, (ii) by United States registered or certified mail (postage prepaid), (iii) by electronic mail or facsimile (with a copy sent the same day by one of the other prescribed methods of delivery unless by a reply electronic mail transmission the recipient confirms receipt of the notice and waives the additional delivery requirement) or (iv) by an independent overnight courier service, addressed to the addresses specified below or at such other place as a Party may designate to the other Parties by written notice given in accordance with this Section. Notices given by registered or certified mail are deemed

effective three (3) Business Days after the Party sending the notice deposits the notice with the United States Post Office. Notices given by electronic mail or facsimile are deemed effective on the Business Day transmitted (or, if transmitted on a day that is not a Business Day, then on the next occurring Business Day). Notices delivered by overnight courier are deemed effective on the next Business Day after the day the Party delivering the notice timely deposits the notice with the courier for overnight (next day) delivery.

If to Seller: CA Washington 2335 RPSE LLC
c/o Turner-Agassi Charter School Facilities Fund, L.P.
3000 Olympic Blvd.
Building 5, Suite 2120
Santa Monica, CA 90404
Attention: Glenn Pierce
Facsimile: (310) 752-9601
Email: gpierce@turnerimpact.com

With Copies to: CA Washington 2335 RPSE LLC]
c/o Turner-Agassi Charter School Facilities Fund, L.P.
3000 Olympic Blvd.
Building 5, Suite 2120
Santa Monica, CA 90404
Attention: Bari Cooper Sherman, Esq.
Facsimile: (310) 752-9616
Email: bsherman@turnerimpact.com

And to: CA Washington 2335 RPSE LLC
c/o Turner-Agassi Charter School Facilities Fund, L.P.
3000 Olympic Blvd.
Building 5, Suite 2120
Santa Monica, CA 90404
Attention: Regional Director
Facsimile: (310) 752-9601
Email: dleahy@turnerimpact.com

And to: Quarles & Brady LLP
411 East Wisconsin Avenue
Suite 2350
Milwaukee, WI 53202
Attention: Michael J. Ostermeyer
Facsimile: (414) 978-8956
Email: michael.ostermeyer@quarles.com

If to Buyer: Rocketship Education
350 Twin Dolphin Drive, Suite 109
Redwood City, CA 94065
Attention: Preston Smith, Chief Executive Officer
Email: preston@rsed.org

With a copy to: Rocketship Education
350 Twin Dolphin Drive, Suite 109
Redwood City, CA 94065
Attention: Laura Kozel
Email: lkozel@rsed.org

And to: Dentons US LLP
233 South Wacker Drive
Suite 7800
Chicago, IL 60606
Attention: Scott H. Kapp
Facsimile: (312) 876-7934
Email: scott.kapp@dentons.com

Any notice by either Party hereto, whether required or permissible hereunder, may be given by such Party's then current attorney, which notice, when given by such attorney, shall be deemed equally as effective as if given by such Party directly.

11.9 Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement.

11.10 No Recordation. Seller and Buyer each agrees that neither this Agreement nor any memorandum or notice hereof shall be recorded and Buyer agrees (i) not to file any notice of pendency or other instrument (other than a judgment) against the Property or any portion thereof in connection herewith and (ii) to indemnify Seller against all Liabilities (including reasonable attorneys' fees, expenses and disbursements) incurred by Seller by reason of the filing by Buyer of such notice of pendency or other instrument. Notwithstanding the foregoing, if the same is permitted pursuant to applicable law, Buyer shall be entitled to record a notice of *lis pendens* if Buyer is entitled to seek (and is actually seeking) specific performance of this Agreement by Seller in accordance with the terms of Section 9.2 hereof.

11.11 Additional Agreements; Further Assurances. Subject to the terms and conditions herein provided, each of the Parties shall execute and deliver such documents as the other Party shall reasonably request in order to consummate and make effective the Transaction; provided, however, that the execution and delivery of such documents by such Party shall not result in any additional liability or cost to such Party.

11.12 Construction. The Parties acknowledge that each Party and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement, any amendment or modification hereof or any of the Closing Documents.

11.13 Time of Essence. Time is of the essence with respect to this Agreement.

11.14 Waiver of Jury Trial. Each of the Parties hereby agrees to waive its respective rights to a jury trial of any claim or cause of action based on or arising out of: this Agreement or any other document or instrument between the Parties relating to this Agreement; the property; or any dealings between the Parties relating to the subject matter of this Agreement. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court without a jury.

11.15 Email or Facsimile Signatures. Signatures to this Agreement transmitted by electronic mail or facsimile shall be valid and effective to bind the Party so signing. Each Party agrees to promptly deliver an executed original of this Agreement with its actual signature to the other Party, but a failure to do so shall not affect the enforceability of this Agreement, it being expressly agreed that each Party shall be bound by its own emailed or facsimile signature and shall accept the emailed or facsimile signature of the other Party.

11.16 Attorneys' Fees. Should any action or other proceeding be necessary to enforce any of the provisions of this Agreement or the various obligations or transactions contemplated hereto, or in the event of any dispute between the Parties relating to this Agreement, the prevailing Party shall be entitled to recover, in addition to any other relief to which such Party may be entitled, its actual attorneys' fees and costs, and all referee and reference proceeding fees, costs and expenses, incurred in connection with the prosecution or defense, as the case may be, of such action.

[Signatures begin on next page.]

IN WITNESS WHEREOF, each Party has caused this Agreement to be duly executed as of the Purchase Option Date.

SELLER:

CA Washington 2335 RPSE LLC,
a Delaware limited liability company

By: _____
Name:
Title:

BUYER:

[Optionee],
a _____

By: _____
Name:
Title:

ADDENDUM A
(of Attachment 2 to Exhibit 2.4)

LEGAL DESCRIPTION

Square 5742 Lot 0147:

Lot numbered One-Hundred Forty-Seven (0147) in Square 5742, in a subdivision made by George E. Emmons of a tract of land now known as “Garfield”, as per plat recorded in Liber Governor Shepherd at Folio 155 among the Records of the Office of the Surveyor for the District of Columbia.

Square 5742 Lot 0150:

Lot numbered One-Hundred Fifty (0150) in Square 5742, in a subdivision made by George E. Emmons of a tract of land now known as “Garfield”, as per plat recorded in Liber Governor Shepherd at Folio 155 among the Records of the Office of the Surveyor for the District of Columbia.

Square 5742 Lot 0151:

Lot numbered One-Hundred Fifty-One (0151) in Square 5742, in a subdivision made by George E. Emmons of a tract of land now known as “Garfield”, as per plat recorded in Liber Governor Shepherd at Folio 155 among the Records of the Office of the Surveyor for the District of Columbia.

Square 5742 Lot 0805:

Part of Lot 152 in George E. Emmons’ subdivision of a tract of land now known as “Garfield”, as per plat recorded in Liber Governor Shepherd folio 155 of the Records of the Office of the Surveyor of the District of Columbia, described as follows: Beginning for the same at a point in the Southwesterly line of Raynolds Avenue distant 115 feet Southeasterly from the intersection of said line of said Avenue with the Southeasterly line of Bruce Place, said point being the most Easterly corner of the part of said Lot 152 conveyed to Robert H. Palmer and wife by Deed dated April 28, 1942 and recorded June 3, 1942 as Instrument Number 16224 among the Land Records of the District of Columbia; thence Southeasterly along said line of Raynolds Avenue, 178.74 feet to the most Easterly corner of said Lot, 47.15 feet to the Southwesterly line thereof; thence Northwesterly along said Southeasterly line 178.74 feet to the Southerly corner of the part of said Lot 152 conveyed to James Walter Carter and wife by Deed dated March 18, 1942 and recorded April 17, 1942 as Instrument Number 11414 among the aforesaid Land Records; thence Northeasterly along the Southeasterly line of the parts of said Lot 152 conveyed to said Carter and said Palmer as aforesaid, 47.15 feet to the beginning.

NOTE: At the date hereof the above described land is designated on the Records of the Assessor of the District of Columbia, for taxation purposes, as Lot 805 in Square 5742.

Square 5742 Lot 0806:

Lots numbered One Hundred Forty-Eight (0148) and One Hundred Forty-Nine (0149) in George E. Emmons' Subdivision of a tract called "CHICHESTER" now known as "GARFIELD", as per plat recorded in the Office of the Surveyor of the District of Columbia in Liber Governor Shepherd at Folio 155, Square 5742.

Note: On the date hereof, the described property is known for assessment and taxation purposes as Lot numbered Eight Hundred-Six (0806) in Square numbered Five Thousand Seven Hundred Forty-two (5742) among the land records of the District of Columbia.

Square 5742 Lot 0809:

Part of Lots numbered One Hundred Sixty Nine (169) to One Hundred Seventy Six (176), both inclusive, in Square numbered Fifty Seven Hundred and Forty Two (5742), in Lewellyn Ford and Mary L. Ford's subdivision of lots in Garfield, in the District of Columbia (erroneously stated in legal description of deed recorded in Instrument No. 2004108746 as being in the County of Washington) as per plat recorded in Book 84, page 136 in the Office of the Surveyor for the District of Columbia described as follows:

Beginning at the intersection of the Southerly line of Raynolds Place with the Westerly line of Langston Street, thence running Southwesterly along the Westerly line of Langston Street 182 feet; thence running Northwesterly and parallel with the said Southerly line of Raynolds Place 83 feet; thence Northeasterly and parallel with the Westerly line Langston Street 182 feet to the Southerly line of Raynolds Place; and thence running Southeasterly along said Southerly Line of Raynolds Place 83 feet to the place of beginning.

NOTE: At the date hereof the above described property is designated on the Records of the Assessor of the District of Columbia for assessment and taxation purposes as Lot numbered Eight Hundred Nine (809) in Square numbered Fifty Seven Hundred Forty Two (5742).

Square 5742 Lot 0810:

Part of Lots numbered 183, 171, 172, 173, 174, 175 and 176 in Lewellyn Ford and Mary L. Ford's subdivision of certain lots in the subdivision known as GARFIELD and in Square numbered 5472 as per plat of said subdivision made by Lewellyn Ford and Mary L. Ford recorded in Book 84 at Page 136 of the Records of the District of Columbia, the whole being described as follows:

Beginning at a point on the Southerly line of Raynolds Place distant 83 feet from the intersection of said Southerly line of Raynolds Place with the Westerly line of Langston Street and thence running Northwesterly along Southerly line of Raynolds Place, 41.5 feet to the most Northerly corner of Lot 169, thence Southwesterly and parallel with the said Westerly line of Langston Place, 182 feet, thence running Southeasterly and parallel with the said Southerly line of Raynolds Place, 41.5 feet to a point, thence running Northeasterly and parallel with said Westerly line of Langston Place, 182 feet to the point of beginning.

NOTE: At the date hereof the above described property is designated on the Records of the Assessor of the District of Columbia for assessment and taxation purposes as Lot 810 in Square 5742.

Square 5742 Lot 0154:

Lot numbered One-hundred Fifty-four (154) in a subdivision made by George E. Emmons of a tract of land now known as "Garfield", as per plat recorded in Liber Governor Shepherd at folio 155 among the Records of the Office of the Surveyor for the District of Columbia.

NOTE: At the date hereof the above described land is designated on the Records of the Assessor of the District of Columbia for taxation and assessment purposes as Lot 154 in Square 5742.

Square 5742 Lot 0817:

Lot numbered Eight Hundred Seventeen (817) consisting of all of former Lot One Hundred Fifty Five (155) and the rear 193.74 feet of former Lots numbered One Hundred Fifty Six (156) and One Hundred Fifty Seven (157) and all of former Lot numbered One Hundred Fifty Eight (158) in Square numbered Fifty Seven Hundred Forty Two (5742).

NOTE: At the date hereof the above described property is designated on the Records of the Assessor of the District of Columbia for assessment and taxation purposes as Lot 817 in Square numbered Fifty Seven Hundred Forty Two (5742).

2806 Bruce Place, SE (Square 5742 Lot 0819):

Being a portion of Lot 153 in Square 5742, as recorded in Governor Shepherd Book at Page 155 among the Records of the Office of the Surveyor for the District of Columbia and being more particularly described in the datum of a Plat of Computation on Lots 147, 150, 151, 806, 809, 810 and 817 in Square 5742, as recorded in Survey Book 204 at Page 218 (Map 10335) among the aforesaid Records as follows:

Beginning for the same at a point marking the northeasterly corner of the aforesaid Lot 153 in Square 5742, said point also lying on the North 39°51'00" East, 141.45 foot plat line, as shown on the aforesaid Plat of Computation, being 47.15 feet southwesterly from the northeasterly end thereof; thence running with a portion of said North 39°51'00" East, 141.45 foot plat line and also with a portion of the northwesterly line of Lot 151 in Square 5742, as recorded in the aforesaid Governor Shepherd Book at Page 155; South 39°51'00" West, 47.15 feet to a point marking the southeasterly corner of the aforesaid Lot 153 in Square 5742, said point also marking the northeasterly corner of Lot 154 in Square 5742, as recorded in the aforesaid Governor Shepherd Book at Page 155; thence leaving the aforesaid northwesterly line of Lot 151 in Square 5742 and running with a portion of the northeasterly line of said Lot 154 in Square 5742; North 50°09'00" West, 178.74 feet to a point; thence leaving the aforesaid northeasterly line of Lot 154 in Square 5742 and running so as to cross and include a portion of the aforesaid Lot 153 in Square 5742; North 39°51'00" East, 47.15 feet to a point lying on the northeasterly line of the aforesaid Lot 153

in Square 5742, said point also marking the southwesterly corner of Lot 805 in Square 5742, as filed in Assessment and Taxation Book 3162-R among the aforesaid Records; thence running with a portion of the southwesterly line of said Lot 805 in Square 5742; South 50°09'00" East, 178.74 feet to the point of beginning containing 8,428 square feet or 0.19348 acres of land.

NOTE: Said property now known in the Records of the Assessor for the District of Columbia for assessment and taxation purposes as Lot 0819 in Square 5742.

ADDENDUM B
(of Attachment 2 to Exhibit 2.4)

FORM OF DEED

THIS INSTRUMENT PREPARED BY:

SPECIAL WARRANTY DEED

**[INSERT APPROPRIATE FORM OF SPECIAL WARRANTY DEED FOR DISTRICT
OF COLUMBIA]**

ADDENDUM C
(of Attachment 2 to Exhibit 2.4)

FORM OF BILL OF SALE

THIS BILL OF SALE (this “**Bill of Sale**”), is made as of _____, 20__ by and between CA Washington 2335 RPSE LLC (“**Seller**”) and [Optionee, as defined in the Option to Purchase to which this Bill of Sale is attached as Attachment 3] (“**Buyer**”).

W I T N E S S E S:

WHEREAS, pursuant to the terms of that certain Sale Agreement, dated as of _____, 20__, by and between Seller and Buyer (as the same may be amended or modified, the “**Sale Agreement**”), Seller agreed to sell to Buyer, *inter alia*, certain real property, the improvements located thereon and certain rights appurtenant thereto, all as more particularly described in the Sale Agreement (collectively, the “**Real Property**”). Initially capitalized terms not otherwise defined herein shall have the respective meanings ascribed to such terms in the Sale Agreement; and

WHEREAS, in connection with the above described conveyance Seller desires to sell, transfer and convey to Buyer certain items of tangible personal property as hereinafter described.

NOW, THEREFORE, in consideration of the receipt of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration paid in hand by Buyer to Seller, the receipt and sufficiency of which are hereby acknowledged, Seller has GRANTED, CONVEYED, SOLD, TRANSFERRED, SET OVER and DELIVERED and by these presents does hereby GRANT, SELL, TRANSFER, SET OVER and DELIVER to Buyer, its legal representatives, successors and assigns, and Buyer hereby accepts (i) all right, title and interest in and to all tangible personal property owned by Seller that is located on the Real Property and used in the ownership, operation and maintenance of the Real Property, (ii) a non-exclusive interest in any assignable warranties and guaranties of the equipment or improvements located at the Real Property, and (iii) a non-exclusive interest in any assignable representations which Seller received from its seller when it acquired the Real Property.

This Bill of Sale is made without any covenant, warranty or representation by, or recourse against, Seller as more expressly set forth in the Sale Agreement and without limitation on the foregoing is subject to the terms and provisions of Article 3 of the Sale Agreement, which is incorporated herein by reference.

This Bill of Sale may be executed in counterparts, each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement.

If any term or provision of this Bill of Sale or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Bill of Sale or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Bill of Sale shall be valid and enforced to the fullest extent permitted by law.

Signatures to this Bill of Sale transmitted by electronic mail or facsimile shall be valid and effective to bind the party so signing. Each party agrees to promptly deliver an execution original to this Bill of Sale with its actual signature to the other party, but a failure to do so shall not affect the enforceability of this Bill of Sale, it being expressly agreed that each party to this Bill of Sale shall be bound by its own

emailed or facsimile signature and shall accept the emailed or facsimile signature of the other party to this Bill of Sale.

IN WITNESS WHEREOF, the undersigned have executed this Bill of Sale to be effective as of the date first set forth hereinabove.

SELLER:

CA Washington 2335 RPSE LLC,
a Delaware limited liability company

By: _____
Name:
Title:

BUYER:

[Optionee],
a _____

By: _____
Name:
Title:

ADDENDUM D
(of Attachment 2 to Exhibit 2.4)

FORM OF FIRPTA AFFIDAVIT

Section 1445 of the Internal Revenue Code (the “Code”) provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform the transferee that withholding of tax is not required upon the disposition of a United States real property interest by CA Washington 2335 RPSE LLC (“**Seller**”), the undersigned hereby certifies the following on behalf of Seller:

1. Seller is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations); and
2. Seller is not a disregarded entity as defined in §1.1445-2(b)(2)(iii) of the Code; and
3. Seller’s U.S. employer taxpayer identification number is _____; and
4. Seller’s office address is _____.

Seller understands that this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under the penalties of perjury, I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Seller.

Dated: _____, 20____

SELLER:

CA Washington 2335 RPSE LLC,
a Delaware limited liability company

By: _____
Name:
Title:

EXHIBIT 3.1
Base Rent Schedule

Lease Year	Period	Base Rent	Monthly Installments
1	Rent Commencement Date-June 30, 2016	\$2,048,045	\$170,670
2	July 1, 2016-June 30, 2017	\$2,048,045	\$170,670
3	July 1, 2017-June 30, 2018	\$2,048,045	\$170,670
4	July 1, 2018-June 30, 2019	\$2,048,045	\$170,670
5	July 1, 2019-June 30, 2020	\$2,048,045	\$170,670
6	July 1, 2020-June 30, 2021	\$2,094,126	\$174,510
7	July 1, 2021-June 30, 2022	\$2,141,244	\$178,437
8	July 1, 2022-June 30, 2023	\$2,189,422	\$182,452
9	July 1, 2023-June 30, 2024	\$2,238,683	\$186,557
10	July 1, 2024-June 30, 2025	\$2,289,054	\$190,754
11	July 1, 2025-June 30, 2026	\$2,340,558	\$195,046
12	July 1, 2026-June 30, 2027	\$2,393,220	\$199,435
13	July 1, 2027-June 30, 2028	\$2,447,068	\$203,922
14	July 1, 2028-June 30, 2029	\$2,502,127	\$208,511
15	July 1, 2029-June 30, 2030	\$2,558,424	\$213,202
16	July 1, 2030-June 30, 2031	\$2,615,989	\$217,999
17	July 1, 2031-June 30, 2032	\$2,674,849	\$222,904
18	July 1, 2032-June 30, 2033	\$2,735,033	\$227,919
19	July 1, 2033-June 30, 2034	\$2,796,571	\$233,048
20	July 1, 2034-June 30, 2035	\$2,859,494	\$238,291
21	July 1, 2035-June 30, 2036	\$2,923,833	\$243,653
22	July 1, 2036-June 30, 2037	\$2,989,619	\$249,135
23	July 1, 2037-June 30, 2038	\$3,056,885	\$254,740
24	July 1, 2038-June 30, 2039	\$3,125,665	\$260,472
25	July 1, 2039-June 30, 2040	\$3,195,993	\$266,333
26	July 1, 2040-June 30, 2041	\$3,267,902	\$272,325
27	July 1, 2041-June 30, 2042	\$3,341,430	\$278,453
28	July 1, 2042-June 30, 2043	\$3,416,612	\$284,718
29	July 1, 2043-June 30, 2044	\$3,493,486	\$291,124

EXHIBIT 3.5
Reserved

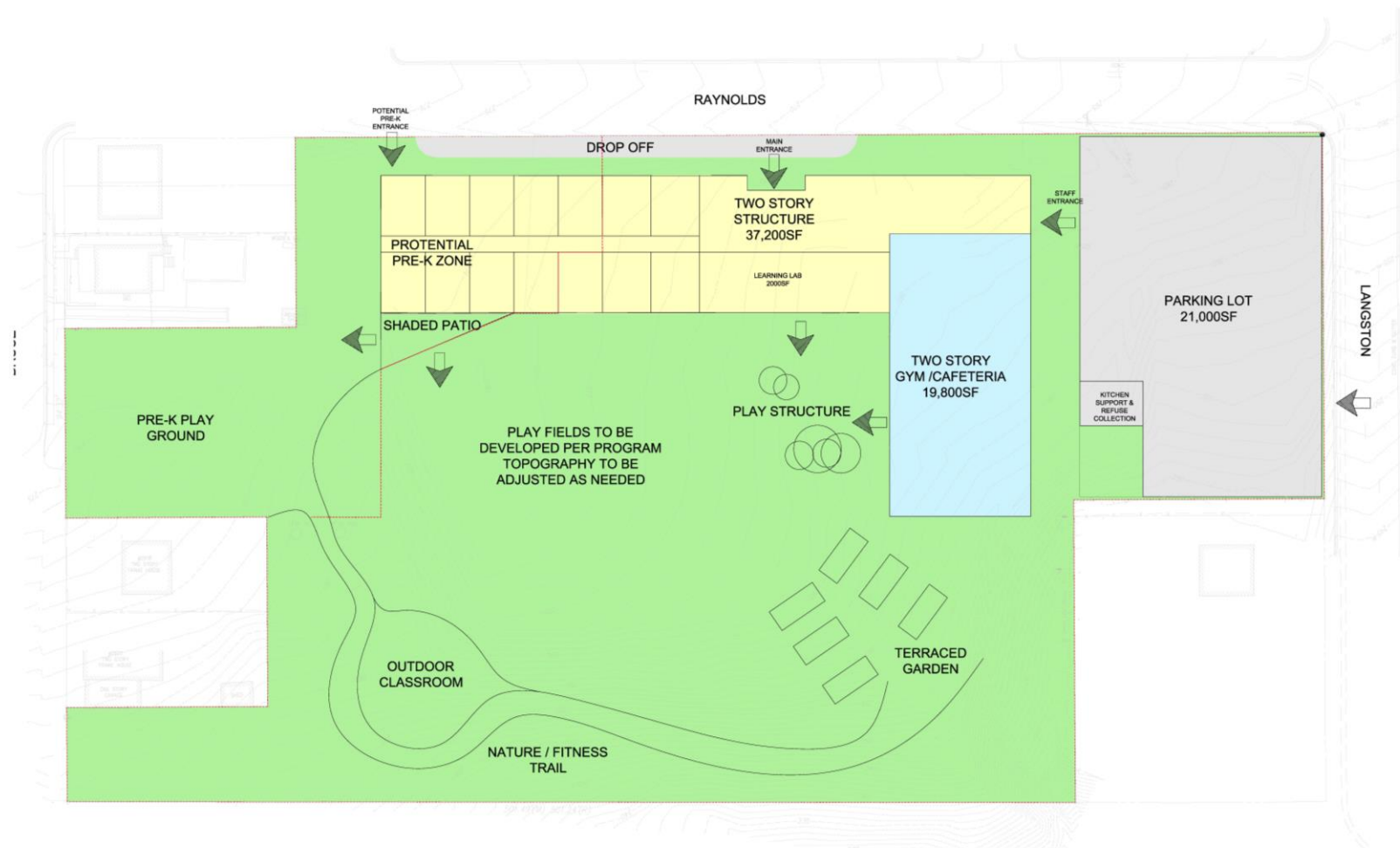
EXHIBIT 6.1-1
Development Summary

Site Information

Turner-Agassi Charter School Facilities Fund, L.P., is working with Rocketship Education to develop its first Washington, DC campus. The campus will have the ability to serve students in grades K-5 with a maximum capacity of 750 students. The initial specifications for the project include, without limitation, the following -

[REMAINDER OF EXHIBIT IS TO BE INSERTED]

EXHIBIT 6.1-2
Schematic Plans



May 11, 2010

Surveyor, D.C.

The map displays three lots with their respective boundaries and areas:

- Lot 817**: Located between Bruce Place, S.E. and Raynolds Place, S.E. Its area is 137,638 SF. A portion of its northern boundary is labeled "NOT INCLUDED". Boundary measurements include N6°51'10"E 48.15, S50°09'00"E 293.74, S61°14' N49°46'10"W 601.24, and N6°51'10"E 141.45.
- Lot 806**: Located between Raynolds Place, S.E. and Langston Place, S.E. Its area is 151. Boundary measurements include S50°09'00"E 332.0 and N6°51'10"E 141.45.
- Lot 809**: Located between Langston Place, S.E. and Raynolds Place, S.E. Its area is 150. Boundary measurements include S61°14' N49°46'10"W 124.50, N6°51'10"E 141.45, and S50°09'00"E 332.0.

Made for: VIKA
 Drawn by: L.E.S. Checked by: BM *(signature)*
 Record and computations by: B. MYERS
 Recorded at: 4:35 PM ON MAY 11TH, 2010
 Recorded in Survey Book 204 Page 218 S.O Receipt 06602
 Scale: 1 inch = 50 feet Map# 10335 S.O. File 10-13519

Exhibit 6.1-2 – Page 2

EXHIBIT 6.4**Budget**

Tenant: Rocketship Education
 Name: CA DC2335 RPSE LLC
 Address: 2335 Raynolds Place SE
 City\State\Zip: Washington, DC

DEVELOPMENT BUDGET		
	DEVELOPMENT	
New Construction	57,000	sf
Second Floor and Mezzanine	0	sf
GYM MPR	0	sf
TOTAL SQUARE FOOTAGE	57,000	sf
	DEVELOPMENT	
	Cost / sf	Total Cost
ACQUISITION		
Purchase Price	\$ 58.77	\$ 3,350,000
Capitalized Property Maintenance Expenses	\$ -	\$ -
Owner Relocation Expenses	\$ -	\$ -
Other Acquisition Costs #1: Closing costs	\$ -	\$ -
Other Acquisition Costs #2	\$ 0.09	\$ 5,000
Acquisition Costs - Legal Fees	\$ 2.98	\$ 170,000
SUBTOTAL: ACQUISITIONS	\$ 61.84	\$ 3,525,000
HARD COSTS		
New Construction	\$ -	\$ -
Building 1 TI	\$ 270.78	\$ 15,434,688
Building 2 TI	\$ -	\$ -
GYM MPR	\$ -	\$ -
Signage	\$ -	\$ -
Sitework	\$ -	\$ -
Other Hard Costs: Data & Security	\$ -	\$ -
SUBTOTAL: HARD COSTS	\$ 270.78	\$ 15,434,688
Hard Cost Contingency	\$ 27.08	\$ 1,543,469
TOTAL: HARD COSTS	\$ 297.86	\$ 16,978,157

SOFT COSTS

ACM/LBP Report	\$	0.09	\$	5,000
Appraisal - As-Improved Pre-Construction	\$	-	\$	-
Appraisal - As-Improved Post-Construction	\$	0.18	\$	10,000
Appraisal - As-Is	\$	-	\$	-
Architecture / Engineering	\$	20.09	\$	1,145,128
Civil Engineering	\$	-	\$	-
Construction Loan - Construction Inspector	\$	0.24	\$	13,500
Construction Loan - Lender Legal	\$	0.53	\$	30,000
Construction Loan - Other Legal	\$	0.30	\$	17,000
Development Fee	\$	-	\$	-
Environmental: Air Quality Study	\$	-	\$	-
Environmental: Noise Study	\$	-	\$	-
Environmental: Phase I Site Assessment	\$	0.18	\$	10,000
Environmental: Phase II Site Assessment	\$	0.70	\$	40,000
Environmental: Rail Derailment Study	\$	-	\$	-
Environmental: Soils Report	\$	-	\$	-
Environmental: Traffic Study	\$	-	\$	-
Environmental Remediation	\$	0.61	\$	35,000
Holding Costs - Miscellaneous	\$	-	\$	-
Insurance - Builder's Risk	\$	0.68	\$	38,587
Insurance - Construction Liability - General Liability	\$	0.64	\$	36,256
Insurance - Construction Liability - Umbrella	\$	0.79	\$	44,977
Insurance - Environmental	\$	1.05	\$	60,000
Insurance - Property / Hazard	\$	-	\$	-
Insurance - Engineering Fee	\$	0.02	\$	1,300
Land Use/Planning Consultant	\$	0.18	\$	10,000
LEED/CHPS Commissioner	\$	0.46	\$	26,000
LEED/CHPS Consultant	\$	0.35	\$	20,000
Legal Construction	\$	0.09	\$	5,000
Deferred Leasing Costs	\$	0.30	\$	17,000
LLC Holding Costs	\$	0.18	\$	10,000
Local Permit Fees	\$	2.70	\$	154,000
Property Condition Report	\$	-	\$	-
Security - Site	\$	1.47	\$	84,000
Seismic Probable Maximum Loss Report	\$	-	\$	-
Survey - ALTA/Topographic Update	\$	0.32	\$	18,000
Taxes - Real Property	\$	1.76	\$	100,500
Utilities	\$	0.35	\$	20,000
Title Policy	\$	0.54	\$	30,869
Transfer Taxes	\$	-	\$	-
ACCM Field Inspection	\$	-	\$	-
P&P Bond	\$	-	\$	-
Dep. Inspection & Geotech	\$	0.61	\$	35,000
Travel and Admin	\$	0.44	\$	25,000
Other Consultants	\$	1.30	\$	74,284
Reimbursable Expenses to CMO	\$	-	\$	-
Testing: Concrete, Steel	\$	0.61	\$	35,000
Capitalized Origination Fee	\$	3.33	\$	190,000
Capitalized Loan Closing Costs	\$	0.56	\$	31,667
Capitalized Interest Expense	\$	5.52	\$	314,861
SUBTOTAL: SOFT COSTS	\$	47.16	\$	2,687,928
Soft Cost Contingency	\$	3.77	\$	215,140
TOTAL: SOFT COSTS	\$	50.93	\$	2,903,068
TOTAL PROJECT COSTS	\$	410.64	\$	23,406,225

DEVELOPMENT				
Budget Summary	Costs	Per Sq Ft	% of Total	Per Seat
Acquisition Cost	\$ 3,525,000	\$61.8	15.1%	
Hard Costs	\$ 15,434,688	\$270.8	65.9%	
Soft Costs	\$ 2,687,928	\$47.2	11.5%	
Total Project Costs (before Contingencies)	\$ 21,647,616	\$379.8	92.5%	\$28,863.5
Hard Cost Contingencies	\$ 1,543,469	\$27.1	6.6%	
Soft Cost Contingencies	\$ 215,140	\$3.8	0.9%	
Total Project Costs	\$ 23,406,225	\$410.6	100.0%	\$31,208.3

EXHIBIT 11.1.1
Building Maintenance Checklist

[TURNER AGASSI TO CONFIRM THIS IS CORRECT OR PROVIDE REPLACEMENT EX. 11.1.1]

Building Maintenance Checklist

PROPERTY ADDRESS:

DATE:

PERSON:

SITE		FREQUENCY					NOTES	
√	INSPECTION/MAINTENANCE PROCEDURES	WEEKLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	UNDER SERVICE CONTRACT	COMMENTS
	Remove and dispose of all fallen tree limbs, dead shrubs, etc.	X						
	Remove brush and weed growth adjacent to building walls and electrical equipment.		X					
	Reseed worn lawn areas.			X				
	Fertilize lawn.			X				
	Trim and prune shrubs and trees.		X					
	Repair irrigation system.	X						
	Clean all site drains.			X				
	Repair potholes in parking lots and driveways. Restripe if necessary.				X			
	Check and service playground equipment and insure its safety.			X				
	Patch and repair walkway surfaces.							IMMEDIATELY FOR SAFETY
	Paint walkway markings.					X		
	Repair and paint fences and gates.			X				

BUILDING EXTERIOR		FREQUENCY					NOTES	
√	INSPECTION/MAINTENANCE PROCEDURES	WEEKLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	UNDER SERVICE CONTRACT	COMMENTS
	Wash windows.				X			
	Check and repair windows and doors.					X		
	Replace broken window glass as needed.							IMMEDIATELY FOR SAFETY
	Scrape and paint building exterior and trim.	Every 7 years						
	Wash accumulated dirt on building surfaces.					X		
	Touch up paint on building exterior.					X		
	Lubricate exterior door hinges and hardware.					X		
	Inspect and repair exterior walls for structural cracks.					X		

ROOF		FREQUENCY					NOTES	
√	INSPECTION/MAINTENANCE PROCEDURES	WEEKLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	UNDER SERVICE CONTRACT	COMMENTS
	Clean roof valleys.					X		
	Clean and test roof drains.					X		
	Clean and secure gutters.					X		
	Clean and secure downspouts.					X		
	Inspect skylights for leaks.					X		
	Inspect and repair metal flashings.					X		
	Inspect and recaulk stone or clay tile copings.					X		

BUILDING INTERIOR		FREQUENCY					NOTES	
√	INSPECTION/MAINTENANCE PROCEDURES	WEEKLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	UNDER SERVICE CONTRACT	COMMENTS
	Clean windows, blinds, draperies, etc.			X				
	Check floors for broken tiles or torn carpet.		X					
	Remove all rubbish, boxes, debris and combustibles from:							
	Paths of exit	X						
	Doorways	X						
	Stairs	X						
	Under stairs	X						
	Utility rooms	X						
	Around flue and chimneys	X						
	Around heat-producing equipment	X						
	Electrical panel areas	X						

MECHANICAL EQUIPMENT		FREQUENCY					NOTES	
√	INSPECTION/MAINTENANCE PROCEDURES	WEEKLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	UNDER SERVICE CONTRACT	COMMENTS
	Service all pumps per manufacturer's instruction manuals.							Per service agreement
	Service all air-conditioning equipment.							Per service agreement
	Service all ventilating equipment.					X		
	Check /hot water heater for any fuel or water leaks.		X					

	Check openings or motorized dampers which provide combustion air to hot water heaters.			X				
	Check cleanout openings, doors, etc., for air leakage and corrosion.			X				

ELECTRICAL EQUIPMENT		FREQUENCY					NOTES	
√	INSPECTION/MAINTENANCE PROCEDURES	WEEKLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	UNDER SERVICE CONTRACT	COMMENTS
	Replace burned out light bulbs.	X						ALWAYS INSTALL ENERGY EFFICIENT LIGHT BULBS
	Test emergency lighting system.			X				
	Test all exit lights.			X				
	Insure space in front of electrical panels is clear.			X				
	Repair or replace non-functioning switches, receptacles and outlets immediately.	X						
	Replace frayed wiring immediately.							IMMEDIATELY FOR SAFETY
	Inspect elevator and mechanical room.	Per service agreement						
	Inspect overhead roll up doors.			X				
	Fire Alarm System, Extinguishers, Hoses, Sprinklers, Heat and Smoke Detectors	Per service agreement						
	Emergency Generators		X					

PLUMBING		FREQUENCY					NOTES	
√	INSPECTION/MAINTENANCE PROCEDURES	WEEKLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	UNDER SERVICE CONTRACT	COMMENTS
	Repair or replace broken fixtures.							IMMEDIATELY
	Replace washers or packing on leaking faucets, etc.	X						
	Inspect water heater(s)		X					
	Inspect drinking faucets	X						
	Inspect Back-Flow devices					X		
	Inspect hose bibs		X					

EXHIBIT 29.2
Form of Memorandum of Lease

THIS INSTRUMENT PREPARED BY:

THIS MEMORANDUM OF LEASE (the “**Memorandum**”) is entered into this ____ day of _____, 20__ (the “**Effective Date**”), by and between Rocketship Education (“**Tenant**”) and CA Washington 2335 RPSE LLC (“**Landlord**”).

WITNESSETH:

WHEREAS, pursuant to a Lease Agreement (the “**Lease**”) dated as of April ___, 2014 between Landlord and Tenant: Landlord has let to Tenant, and Tenant has leased from Landlord, a certain parcel of real property commonly known as 2335 Raynolds Place, SE, Washington DC, which parcel is legally described on Attachment 1 attached to and made a part of this Memorandum; and

WHEREAS, likewise pursuant to the Lease, Landlord has granted to Tenant an Option to Purchase the Property (the “**Option**”), on terms and conditions set forth in the Lease.

WHEREAS, Landlord and Tenant wish to make the existence of the Lease a matter of public record.

NOW THEREFORE, for value received, Landlord and Tenant agree that this Memorandum shall be recorded in the public land records of Washington, DC, and that this Memorandum shall put all persons on notice of the following with respect to the Lease:

LANDLORD: CA Washington 2335 RPSE LLC,
a Delaware limited liability company

TENANT: Rocketship Education,
a California nonprofit public benefit corporation

DATE OF EXECUTION: April ___, 2014

RENT COMMENCEMENT DATE As determined under Section 2.1 of the Lease

DESCRIPTION OF LEASED PREMISES: Land, building and improvements located at 2335 Raynolds Place, SE, Washington DC, as more particularly shown on Exhibit 1.1 to the Lease.

TERM: 29 Lease Years plus the potential partial Lease Year occurring between the Commencement Date (as that term is defined in the Lease) and June 30, 2044.

OPTION: Option to purchase the property during a defined period specified in the Lease, for a Purchase Price calculated according to the terms of the Lease

This Memorandum is not a complete summary of the Lease or the Option, and the provisions of this Memorandum shall not be used in interpreting the Lease or the Option. In the event of conflict between this Memorandum and the unrecorded Lease or the unrecorded Option, the unrecorded Lease and the unrecorded Option shall control.

[Signatures continue on next page.]

IN WITNESS OF WHICH Landlord and Tenant have duly executed this Memorandum as of the Effective Date.

TENANT:

Rocketship Education,

a California nonprofit public benefit corporation

By: _____

Print Name: _____

Title: _____

STATE OF _____)

) ss.

COUNTY OF _____)

This Memorandum of Lease dated _____, 2014, consisting of _____ (__) pages (including all signature pages, exhibits, schedules and other pages appended or attached to the aforesaid document), was acknowledged before me this _____ day of _____, 2014, by _____, the _____ of Rocketship Education, who personally appeared before me and is known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

My Commission Expires:

LANDLORD:
CA Washington 2335 RPSE LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

STATE OF CALIFORNIA)
)ss.
COUNTY OF LOS ANGELES)

On _____, 20____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity on behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

[SEAL]

Description of Attached Document

Title or Type of Document: MEMORANDUM OF LEASE
Document Date: _____
Number of Pages: _____