

REAL ESTATE LEASE AGREEMENT

1. **AGREEMENT:** The parties mutually agree to lease the described premises on the following terms and conditions:
2. **LESSEE:** Lake County
3. **USING AGENCY (Main Office):** Lake County
Address: 18 N. County Street, Waukegan, IL 60085
Telephone No.: (847) 377-2985
Fax No.: (847) 360-6592
4. **LESSOR:** Community College District No. 532
College of Lake County
Acting through its Board of Trustees
19351 W. Washington
Grayslake, Illinois 60030
Telephone No.: (847) 543-2631
Fax No.: (847) 223-1639
5. **LESSOR'S AGENT:** James Rock
Title: Vice President, Adm. Affairs
19351 W. Washington
Grayslake, Illinois 60030
Telephone No.: (847) 543-2631
Fax No.: (847) 223-1639
6. **THE LEASED PREMISES LOCATED AT:** 1 N. Genesee Street in the City of Waukegan, County of Lake, State of Illinois.
7. **LOCATION IN BUILDING:** First Floor, as illustrated in Exhibit 2.
8. **RENTABLE SQUARE FEET:** 9665 square feet
9. **PERCENTAGE (%) OF NET BUILDING RENTABLE AREA:** 29.3% (9665 square feet divided by 32,976 square feet)
10. **TERM:** The term of the Lease will be for 60 months from July 1, 2004 to June 30, 2009. Should Lessee not take occupancy on the beginning day of the term due to Lessor's fault or the

unavailability of the Leased Premises, then the beginning and ending dates of this term shall be adjusted to reflect Lessee's actual date of occupancy. In the event the term of this Lease shall be modified by mutual agreement of the parties, the adjusted term may be memorialized in a separate short form letter agreement binding upon the parties if signed by a duly authorized representative of each party and subsequently attached hereto.

11. **RENEWAL OPTION:**

The Lessee has the right to renew the Lease for the portion of the building hereby demised for one successive Five year (5) rental term upon the same terms and conditions; provided, Lessee gives 120 days notice to Lessor of its intention to exercise such option.

12. **TERMINATION:**

During the renewal option term of the lease, Lessee has the option to terminate this Lease by giving 90 days written notice to Lessor of Lessee's intention to terminate. Additionally, funding to pay for this lease comes from State and County appropriations. In the event that both State and County funding is cancelled, Lessee shall have the right to cancel and terminate this Lease without penalty or termination fee upon sixty (60) days written notice to Lessor and Lessee shall pay all amounts due and owing through the effective date of termination.

13. **IMPROVEMENTS:**

The parties agree that the Scope Drawings and Specifications contained in the attached Exhibit 1 shall be the full scope and definition of Work required to be made by the Lessor at its sole cost and expense under the terms of this Lease. Work is to be completed by June 1, 2004. Time is of the essence. Lessee shall have the right to review and approve all design construction, in relation to the completion of Work defined by Exhibit 1. The Construction Documents (design, drawings, and specifications) necessary for the Lessor to obtain all applicable building permits and occupancy certifications as determined by the City of Waukegan and as prepared by the Lessor pursuant to the Architecture Practice Act of 1989 [225 ILCS 305] for the Work defined by Exhibit 1, shall become a portion of Exhibit 1 by reference upon approval of designs and sealed Construction Documents by all parties. Lessee shall have the right to move into the premises in advance of the July 1, 2004 date so that operations may begin effective on that date.

14. **PAYMENT OF RENT:** Payment of rent shall be as follows: Year 1. \$15 per Rentable Square Foot. During Years 2-5 and all renewal years, the rent will be adjusted annually at the beginning of each lease year by a percentage reflecting the change from the preceding twelve month period as measured by the U.S. Department of Labor Consumer Price Index (All Urban Consumers for Chicago MSA, not seasonally adjusted). The total annual rent for the Premises will be divided into twelve equal installments, and the monthly rent will be due and payable at the offices of the Lessor's Agent on the first of each month. At the commencement of the lease, beginning on July 1, 2004, the monthly rental will be Twelve Thousand Eighty One Dollars and Twenty Five cents (\$12,081.25) and, subject to the escalation provision described herein, shall continue thereafter to be payable in advance upon the first day of every calendar month during the term of the lease as aforesaid.
15. **PARKING:** Lessee is responsible for securing any parking arrangements required for its use and occupancy.
16. **UTILITIES AND CUSTODIAL SERVICES:** Lessee shall be responsible for electrical service costs for the demised premises and Lessor will provide for separate metering thereof. In addition to the payment of rent as described in paragraph 14, above, Lessee is responsible for its proportionate share of all common area utility expenses, including: i) electrical, water and sewer utilities; ii) those related to the supply of heating and air conditioning; and (iii) expenses for the maintenance of fire extinguishers. Lessee is responsible for janitorial and custodial services, including replacement of lighting bulbs and fluorescent tubes, and waste removal for the demised premises. Lessee is responsible for cleaning the common areas of their floor, including the stairwells and the elevator. Lessor is responsible for the maintenance of roofing, windows, elevators and all exterior surfaces, including snow removal and landscaping, as required. On a monthly basis, Lessor will issue a billing to Lessee for its allocable share of common area expenses.
17. **CARE AND MAINTENANCE:** Lessee accepts the demised premises as presently constituted except for non compliance by Lessor with all applicable building, fire, and life safety codes and latent defects, and further subject to the completion of improvements required to be made by Lessor, if any, in strict conformity with the provisions of Article 13 herein.

Lessee shall provide and pay all costs related to the routine upkeep and maintenance of the demised premises after occupancy (normal wear and tear). Lessor is responsible for the repair and maintenance of all electrical, structural, and mechanical systems in, to and for the Premises.

18. **REAL ESTATE TAXES:**

The Premises presently are exempt from general real estate taxes by reason of the exemption accorded public community college districts under Section 35 ILCS 200/15-135, Illinois Compiled Statutes. In the event that any real estate taxes or leasehold taxes become due as a result of Lessee's or a sub-Lessee's occupancy of the Premises, whether charged to Lessor or Lessee, and whether received during or after the term of the Lease, then Lessee agrees to pay said real estate taxes promptly when due. Lessee further agrees to indemnify and hold Lessor harmless from any real estate or leasehold tax lawfully imposed with respect to the Premises by reason of the use of or activities conducted from the Premises by Lessee or any sub-Lessee of Lessee.

19. **ALCOHOL:**

In no event shall Lessee permit the sale, gift, or other distribution of alcoholic beverages in or from the Premises without the prior written consent of Lessor. Lessee is responsible for obtaining any necessary licenses, permits, or insurance in addition to prior written consent of the Lessor.

20. **HOLDOVER:**

If, after the expiration of any Lease Term, the Lessee retains possession of the premises but fails to exercise its Renewal Option, the Lease shall continue in full force and effect on the same terms and conditions except the Lease shall be on a month to month basis until terminated.

21. **ACCESSIBILITY:**

Lessor acknowledges that compliance with the Environmental Barriers Act and the Illinois Accessibility Code is a continuing obligation of Lessor requiring any and all elements and space altered, improved, or newly constructed to conform to the applicable technical standard described in the Code. Lessor further acknowledges sole responsibility for the obligations of an owner under the Americans with Disabilities Act of 1990 and all relevant regulations promulgated thereunder.

22. **ENVIRONMENTAL ASSESSMENT:**

Lessor acknowledges that compliance with the National Emission Standard for Hazardous Air Pollutants

promulgated by the United States Environmental Protection Agency pursuant to Section 112 of the Clean Air Act is a continuing obligation of the Lessor requiring any demolition or renovation activity completed to comply with the standards set forth in 40 CFR 61.145.

23. **PREVAILING WAGE:** To the extent required by law, tenant improvement work completed on behalf or for the use of the Lessee shall be performed at not less than the prevailing hourly wage rate as determined by the Illinois Department of Labor.
24. **QUIET ENJOYMENT:** Lessor covenants that the Lessee shall peaceably and quietly have, hold, and enjoy the premises for the term here mentioned, without interruption by Lessor. Notwithstanding Lessee's exclusive use and control of the leased portion of the Building, Lessor and agents, employees and independent contractors designated by Lessor, shall have the right to enter in or upon the leased area of the Building, at any reasonable time after notice to Lessee during the term hereof for the purpose of inspecting the same or for the performance of repairs or alterations which Lessor deems necessary for the safety, preservation or improvement of the Premises, other spaces or the building; provided, however, that in entering upon the leased portion of the Building for such purposes Lessor shall not unreasonably interfere with Lessee's use of the leased portion of the Building.
25. **OCCUPANCY AND SURRENDER:** Lessee will be entitled to occupancy on the date of the Architect's issuance of a Certificate of Substantial Completion of the Improvements described in the Scope Drawings and Specifications. Lessee is entitled to surrender the demised premises in whole or in part at any time during the original term or any renewal period. In that event, Lessee agrees to relocate its activities within the remainder of the demised premises as Lessor deems, necessary so as to permit efficient reuse of the surrendered premises by successor tenants.
26. **SUBLEASING:** In the event Lessee desires to sublease all or any part of the demised Premises, Lessee agrees to advise Lessor and to provide information concerning the prospective Subtenant sufficient to permit evaluation of the proposed Subtenant's responsibility and market plan. If prospective tenant is a "for profit" entity unrelated to Lessee, Lessor reserves the right to negotiate a rental fee sharing agreement to defray

common area expenses. Lessor's right to approve prospective subtenants proposed by Lessee will not be unreasonably withheld. In the event any real estate taxes are assessed against the real estate (or any part thereof) due to usage by any of the tenants, Lessee shall be responsible for the payment thereof and any interest and/or penalties thereon.

27. **TENANT'S IMPROVEMENTS:**

Following completion of initial build-out, in accordance with Exhibit 1, Lessee shall be allowed, at its sole expense, to make additional, non-structural modifications to the demised premises in accordance with local codes. Should Lessee require improvements, fixtures or modifications which will require structural changes, Lessee shall obtain approval thereof from Lessor before any work is commenced. Lessor agrees to cooperate with Lessee concerning all modifications and will not unreasonably withhold approval. Failure of Lessee to obtain approval, as required, shall subject Lessee to liability for all damages to the Leased Premises.

28. **UNTENANTABILITY:**

If the premises become untenable because of casualty or Lessor's act or neglect, Lessee may declare the Lease terminated and may vacate if the problem is not cured by the Lessor within thirty (30) days. Lessee may choose to remain in possession after terminating the Lease, until suitable substitute premises are available. Lessee will be entitled to a return of rental paid beginning from the date it becomes untenable.

29. **INSURANCE:**

Lessor and Lessee agree to protect, indemnify and save each other and the officers, directors and employees of each other harmless from and against all liabilities, damages and expenses arising from injury to persons or damage to property on, in or about the Premises, which is due to the gross negligence or the willful and wanton acts of the other or the other's employees, officers and directors. Lessor is solely responsible for maintaining fire and other casualty insurance on the premises in an amount sufficient to repair damage caused by fire or other casualty. Lessee understands that such insurance will not cover Lessee's equipment, Lessee's employees or office furnishings. Upon request, Lessee shall provide a copy of any Lessee insurance policies or evidence of self-insurance to cover its risk.

30. **SMOKE FREE ENVIRONMENT:** Lessor and Lessee agree that the building, including all tenant spaces and common areas, will be kept tobacco free and that no smoking will be permitted within the building or on Lessor's property.
31. **BREACH:** Failure of the Lessor to comply with this Lease, including but not limited to the failure to complete improvements in accordance with specifications or failure to make or complete in a reasonable time necessary repairs is a breach of this Lease. Lessee shall have the option of curing the breach by having the work done and deducting actual costs plus a reasonable administrative fee from rental payments or terminating the Lease. If the Lease is terminated, Lessee may remain in possession, until suitable substitute premises are available.
32. **BINDING COVENANTS:** All covenants and representations made in this Lease are dependent, and will be binding upon, apply to, and be for the benefit of any successor in interest to the parties. No provision of this Lease may be modified or additional requirements established without the express written approval of the Lessor and Lessee.
33. **EXAMINATION OF RECORDS:** Lessor agrees to allow Lessee to examine all records pertaining to this Lease, to verify compliance with this Lease and costs associated with this Lease.
34. **NOTICES:** Notices to the Lessor must be mailed to the address shown on, page one of this Lease. All notices will be effective upon posting in the U. S. Mail.
35. **OWNERSHIP:** Lessor covenants and warrants that record title to the demised premises is held by the Lessor and that Lessor has lawful authority and the requisite site control to enter into this lease agreement.
36. **CHANGE OF OWNERSHIP OR BENEFICIAL INTEREST:** The Lessee must be notified in writing by Lessor of any change in ownership within thirty (30) days of the event. It is understood and agreed by the parties that any subsequent assigns, transferees, and other successors in interest to the Lessor shall be specifically subject to the provisions and requirements of this Lease.

37. **GOVERNING LAW AND JURISDICTION:** Illinois law shall be used in interpreting this Lease and in determining the rights of the parties under its terms and conditions. Jurisdiction shall be in the 19th Judicial Circuit as to any legal action or proceeding for litigation of rights or claims concerning the Lease.
38. **NON DISCRIMINATION:** Lessor or Lessee, agree not to commit unlawful discrimination and agree to comply with applicable provisions of the Illinois Human Rights Act, the U.S. Civil Rights Act and Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act of 1990, and rules applicable to each. The Department of Human Rights Equal Employment Opportunity clause is incorporated by reference.
39. **ENTIRE AGREEMENT:** This Lease contains the entire agreement of the parties with respect to the matters covered by this Lease, and no other agreement, statement, or promise made by any party, or to any employee; officer, or agent of any party, which is not contained in this Lease shall be binding or valid.
40. **TIME IS OF THE ESSENCE:** Time is of the essence of this Lease, and of each and every covenant, term, condition and provision hereof.
41. **ESTOPPEL CERTIFICATE:** Lessee shall upon written request from Lessor, execute, acknowledge, and deliver to Lessor a written statement certifying that the Lease is unmodified and in full force and effect, or that the Lease is in full force and effect as modified and listing the instruments of modification; the dates to which the rents and other charges have been paid; and whether or not to the best of Lessee's knowledge Lessor is in default hereunder and, if so, specifying the nature of the default.
42. **SIGNAGE:** No sign, picture, advertisement or notice shall be displayed, inscribed or affixed to any part of the building or on or about the Premises hereby demised, except with the Lessor's prior written approval, which will not be unreasonably withheld. Upon vacating the Premises, Lessee will remove and immediately repair surfaces where signage was affixed.
43. **EXHIBITS:** The following Exhibits attached hereto and incorporated by reference herein are made a part of this Lease (if applicable):

1. Scope Drawings, Construction Documents and Specifications
2. Plan Depicting Leased Premises

44. **AUTHORITY TO EXECUTE:**

Parties signing this Lease on behalf of the Lessor certify that they have authority to execute the Lease and to commit to all described covenants.

LESSOR

By *Janis D. Lock* **Date** 5-27-04
Title Secretary/ Treasurer, Board of Trustees
College of Lake County, District 532
Attest *Cindi L. Cretan*

LESSEE

By *Ray Almond* **Date** 5-13-04
Title Lake County Board Chairman
Attest *Willard R. Selander*



October 15, 2007

Suzi Schmidt
Board Chairman

18 North County Street -10th Floor
Waukegan, Illinois 60085-4351
Phone 847 377 2300
Fax 847 360 7322
web <http://co.lake.il.us/>

Mr. Ted Johnson
Facilities Director
College of Lake County
19351 W. Washington Street
Grayslake, Illinois 60030

Dear Mr. Johnson:

As you have discussed with a member of the Lake County Information Technology Division, it has become necessary to upgrade our office technology for our Workforce Development Unit that is leasing office space from the College of Lake County on the first floor of the building at One N. Genesee Street, Waukegan, Illinois (hereinafter, "the Premises").

The Lake County Information Technology Division would like to place on the roof of the Premises, a wireless Bridge/Dish Antenna to allow data/voice traffic between the Lake County Complex and the Premises. This would require installing a conduit through the Penthouse wall on the building and running coax and/or network cables through the basement and to the offices of Lake County Workforce Development. Appropriate grounding and lightning protection would also be installed. Lake County will be responsible for the physical installation and the cost. It will not be necessary to attach anything or to impact the roof of the building. Lake County would also be responsible for the removal of the equipment and cables at the appropriate time.

In accord with Section 27 of the lease between Lake County and the College of Lake County for the Premises, I am eliciting approval prior to beginning this work. Please acknowledge your approval by signing below on both copies of this letter and returning one to this office, c/o Kenneth L. Dewitt, Information Technology Division, 18 N. County Street, Waukegan, IL. 60085.

Thank you for your attention to this matter.

Sincerely,

Suzi Schmidt
Lake County Board Chairman

Ted Johnson, Facilities Director
College of Lake County

10/23/07
Date