AMENDED AND RESTATED LEASE AGREEMENT

THIS AMENDED AND RESTATED LEASE AGREEMENT (“**Lease**”) is made effective as of the 1st day of September, 2023, by and between **STRIDE Academy Building Company**, a Minnesota nonprofit corporation (“**Landlord**”), and **STRIDE Academy,** a Minnesota nonprofit corporation (“**Tenant**” or “**School**”). This lease supersedes and replaces all prior leases between the parties concerning the Premises, all of which are hereby terminated.

**BASIC LEASE TERMS**

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| Landlord | STRIDE Academy Building Company, a Minnesota nonprofit corporation |
| Tenant or Tenant | STRIDE Academy, a Minnesota nonprofit corporation and public charter school |
| Premises | The Premises consists of the real property described on Exhibit A hereto, together with the improvements located thereon as further described in Section 1 below (the “**Project**”). Without limiting the foregoing, the Premises consists of the schoolhouse and related real property located at and commonly known as:  3241 Oakham Lane  St. Cloud, Minnesota 56301 |
|  | The Premises are comprised of approximately 12.5 acres of land which has been improved with a schoolhouse facility containing approximately 71,800 square feet, upon which a 14,686 square foot building addition will be constructed. |
| Term | Thirty-Five (35) years.  Each period beginning on July 1 and ending on June 30 is defined as a “**Lease Year**,” provided that the initial Lease Year will begin on the Commencement Date and end on June 30, 2024. |
| *Commencement Date* | September 1, 2023 |
| *Expiration Date* | June 30, 2058 |
| *Renewal Options* | Ten (10) renewal options of five (5) years each |
| Rent |  |
| *Base Rent* | The Base Rent for each Lease Year will be the greater of (a) the Minimum Base Rent, or (b) the Lease Aid Maximum Amount (as defined below). |
| *Minimum Base Rent* | Minimum Base Rent for each Lease Year will be the amounts set forth in Exhibit C. |
| *Rent Adjustments* | After the initial Lease Year, in each subsequent Lease Year of the Term, on or before Tenant submits its application to the Minnesota Department of Education (“**MDE**”) for lease aid for the next fiscal year, Landlord and Tenant will set the Lease Aid Maximum Amount (as defined below) for the following Lease Year.  The “**Lease Aid Maximum Amount**” is an amount equal to the product of the Average Daily Membership reasonably estimated by Tenant for the coming Lease Year for the combined students who will be attending classes on the Premises, multiplied by the rental amount per pupil that results in Tenant’s receipt of the maximum amount of lease aid plus long term facilities maintenance revenue available to Tenant from MDE pursuant to applicable Minnesota law.  Upon each calculation of Base Rent as set forth above, the parties will execute a memorandum confirming the applicable Base Rent in substantially the form of Exhibit B. Such memorandum will be incorporated into and become a part of this Lease and will be used, among other things, by Tenant for purposes of its lease aid application. |
| Use | Public Charter School and related administrative and extracurricular purposes. |
| Parking | Tenant has the right to use all parking areas on the Premises for the use of its employees and guests and for other school or related uses. |
| Landlord’s Address for Notices | STRIDE Academy Building Company  3241 Oakham Lane  St. Cloud, Minnesota 56301  Attention: President |
| Tenant’s Address for Notices | STRIDE Academy  3241 Oakham Lane  St. Cloud, Minnesota 56301  Attn: President |
| Additional Exhibits | Exhibit A – Premises  Exhibit B – Exemplar Base Rent Memorandum  Exhibit C – Minimum Rent |

This Lease is an affiliated building company as defined in Minn. Stat. § 124E.13, subdivision 3, and this Lease complies with such statute.

# Premises.

## Landlord is the fee owner of certain real property, improved with a schoolhouse structure (collectively, the "**Building**"), with the street address set forth in the Basic Lease Terms, above, and legally described on Exhibit A, below (the “**Land**”). Subject to and upon the terms, provisions and conditions hereinafter set forth, and each in consideration of the duties, covenants and obligations of the other hereunder, Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, the Premises. Beginning on the Commencement Date and throughout the Lease Term, Tenant will have the exclusive right to occupy and use the Premises.

## Subject to available debt financing under the Financing Documents (as defined in Article 7(j) of this Lease), Landlord is prepared to construct a 14,686 square foot building addition to the existing 71,800 square foot schoolhouse facility, along with an athletic field and parking upgrades on the Land to create a schoolhouse facility containing approximately 86,486 square feet (the “**Building**”) and related improvements (the “**Project**”). The Project is intended to be substantially complete in stages, with the first stage substantially completed on approximately July 1, 2024. The Project will consist of the construction of the 14,686 square foot building addition and improvements in the Building, as well as equipping of the Building and related facilities for use as a public charter school and the construction of an athletic field and parking upgrades on the Land. All plans, drawing, specifications, construction schedules, and all other decisions concerning the Project (collectively, the “**Plans and Specifications**”) shall be approved in advance by Tenant, with such approval being granted or withheld in Tenant’s sole and absolute discretion. Landlord expressly represents and warrants to Tenant that, as of the Commencement Date, the Project will conform to all applicable governmental laws, statutes, ordinances, rules and regulations including building, fire, life and safety codes, as such are required or imposed by any applicable governmental authority (collectively, the “**Applicable Regulations**”). Notwithstanding anything in this Lease to the contrary, if the funds available to Landlord from the debt financing under the Financing Documents, or in reserves held either by the bond Trustee or by the Landlord, are not sufficient to pay for the completion of the construction of the Premises, Tenant shall advance all amounts necessary for such completion, without right of reimbursement to Tenant.

## Notwithstanding the foregoing Article 1(b), Tenant acknowledges and agrees that it shall be Tenant’s sole and exclusive responsibility to review the Plans and Specifications prior to commencement of construction of the Project to ensure that all Applicable Regulations have been incorporated into such Plans and Specifications. Subject first to the use of available debt financing under the Financing Documents, all costs arising out of or relating to the failure of the Premises to comply with any Applicable Regulation that was not included in the Plans and Specifications as approved by Tenant shall be the sole and exclusive responsibility of Tenant. Further, the Commencement Date of the Lease shall not be delayed due to a failure of the Premises to comply with any Applicable Regulation that was not included in the Plans and Specifications approved by Tenant. Rather, Tenant shall take possession of the Premises in such event, the Lease Term shall commence, and any necessary repairs to the Premises shall be made in accordance with this Article 1(c). Except as expressly provided in this Article 1(c), Tenant’s obligations under this Lease are strictly conditioned on the substantial completion of the Project by Landlord in accordance with the Plans and Specifications approved by Tenant.

## Notwithstanding the foregoing, Tenant understands that the Project may not be completed in its entirety at the start of Lease Year 2024-2025. Tenant will have occupancy and use of the existing 71,800 square foot schoolhouse Building pending completion of the Project, and will have access in stages to the portions of the Project that are completed.

# Purpose and Use.

## The Premises shall be used by the Tenant only for the purpose of operating a public charter school, including, without limitation, providing the usual academic, school, administrative and related services associated with a public charter school, as well as extracurricular or ancillary programming that is, in Tenant’s reasonable business judgment, related or complementary to Tenant’s operation of a school. The Premises shall be used and occupied by Tenant so as not to contravene any present or future laws in force or any other provisions hereof.

## Any use or storage of hazardous substances at the Premises by Tenant or Tenant’s Parties (defined below) will be consistent with the operation of a public charter school, and will be in full compliance with applicable law, and any disposal of such waste or of pollutants or contaminates shall be the obligation of the Tenant who will do so in full compliance with applicable law and at Tenant’s expense.

# Lease Effect and Term.

## Tenant takes the Premises from Landlord, upon the terms and conditions herein contained, to have and to hold the same for the Term described in the Basic Lease Terms, above.

## Tenant has the right to exercise option(s) to extend the Lease Term a maximum of ten (10) times. The term of each extension will be for five (5) years (the “**Extension Option**”). If Tenant exercises its Extension Option, the extended term will be added to the Lease Term and the extended Expiration Date will then be June 30 of the year that is five years after the then-current Expiration Date. To exercise any Extension Option, Tenant shall provide written notice to Landlord not less than five (5) months prior to the then applicable end of the Lease Term. Tenant’s Extension Option right shall be suspended if Tenant is in default (beyond any notice or cure period) of any monetary or material non-monetary obligation hereunder at the time of any such election or from the time of such election to the commencement of the option term.

# Rent.

## Rent. Tenant shall pay to Landlord an annual rent equal to the Base Rent described in the Basic Lease Terms, above (“**Base Rent**”), plus Operating Costs, as defined in section 4(d), below (“**Operating Costs**”). The Base Rent together with the Operating Costs shall collectively be referred to as the “**Gross Rent**.” Landlord shall advise Tenant in writing prior to the commencement of the Lease Term and from time to time, as adjustments are made to the Gross Rent payments then due. Notwithstanding the foregoing, if there is any interruption in payment that is caused by an interruption in the payment of revenue funding, lease aid or other governmental funding to Tenant, payments of Base Rent will be deferred until such funding resumes and Tenant is able to pay such Base Rent, except that Tenant must continue to pay the then-applicable amount of the Minimum Base Rent and Tenant also must continue to pay Operating Costs. During the period of any deferral under this provision, no late fee or interest will accrue on the portion of the Base Rent payments owing hereunder that may be deferred pursuant to the preceding sentence.

## Payment of Gross Rent. Tenant shall pay the annual Gross Rent in monthly installments, equal to one-twelfth (1/12th) of the then applicable annual Gross Rent chargeable to Tenant. Each monthly installment of Gross Rent shall be payable in advance without demand and without any reduction, abatement, counterclaim or offset, to Landlord on or before the first day of each month (or the next succeeding business day in the event the first day of such month is not a business day).

## Base Rent. The annual Base Rent for the Premises for the Lease Term and any Renewal Term of the Lease shall be determined as set forth in the Basic Lease Terms, above.

## Operating Costs. Tenant will reimburse Landlord for all costs incurred by Landlord in complying with Article 8(c), below. Tenant is responsible for contracting directly for and paying all costs and expenses associated with all utilities, water, sewer, garbage removal, telecommunications, janitorial, cleaning, maintenance, repairs, replacements, landscaping, snow removal and all other costs of operating and maintaining the Premises, except for repairs and replacements to the Project as set forth in Article 6, below. However, if Landlord incurs any costs under Article 6 hereof, in addition to the foregoing Base Rent and amounts paid directly by Tenant, Tenant shall also reimburse Landlord (subject first to the use of funds in any repair and replacement account, or similar reserve account, held by Landlord’s lender to the extent permitted, if applicable, and funds held in reserve account by Landlord) for all such costs.

## Limits on Operating Costs: If Landlord Financing or Financing Documents (each as defined below) require Landlord to deposit certain amounts into a repair and replacement account or similar reserve account, the amounts in this account will be used by Landlord to fulfill Landlord’s obligations under Article 6, below. To the extent the Gross Rent received by Landlord exceeds the amounts Landlord is obligated to pay to its lender for principal, interest, reserves, etc., and for insurance, tax returns, and other administrative expenses, such excess will be reserved by Landlord for use to perform Landlord’s obligations under Article 6, below.

## Property Taxes. So long as Landlord owns the Premises, Tenant will be responsible for the payment of all real estate taxes and assessments owing on the Premises.

## If Landlord transfers, assigns or conveys such property to an entity that is not exempt from the payment of taxes, Landlord shall pay taxes and assessments.

## If Landlord transfers, assigns or conveys such property to an entity that is exempt from the payment of taxes, then, after such transfer, assignment, or conveyance, Tenant shall pay, as additional rent, all real estate taxes assessed as a result of actions of Tenant or the presence of Tenant as an occupant of the Premises. Tenant shall pay, in annual installments, any special assessments chargeable to Tenant now levied or hereafter pending or levied on the Premises during the Lease Term by any governmental or quasi-governmental entity with authority to levy assessments. Any installment of real estate taxes and assessments as are assessed herein that are due and payable in the year of termination of this Lease shall be paid for that year in full by Tenant on or before such termination. Tenant shall have the right, in its or Landlord’s name, or both, but at its own cost and expense to contest the validity of any taxes or assessments, by appropriate proceedings timely instituted, provided Tenant shall give Landlord written notice of its intention to do so, diligently prosecute any such contest, at any time, effectively stay or prevent any official or judicial sale of the Premises under execution or otherwise satisfy any final judgment enforcing any tax or assessment so contested, and promptly procure record satisfaction thereof and comply with all additional requirements (if any) regarding such contests that apply with respect to Landlord Financing or other debt financing that is secured by the Premises. Landlord shall, upon request of Tenant, cooperate fully with Tenant in any such proceedings, provided, however, Landlord shall not be liable for any expense in connection therewith and that Tenant shall indemnify Landlord against the same and all losses that may result therefrom.

# Alterations.

Tenant shall not, without Landlord’s prior written consent, make any alterations, improvements or additions to the Premises (“**Tenant’s Alterations**”), provided, however, that the Project and any interior cosmetic alterations such as painting, mounting white boards, bulletin boards, cases for student artwork, and similar interior changes that do not affect the structure or functionality of the Premises do not require Landlord’s consent. Landlord’s consent will not unreasonably be withheld, conditioned, or delayed, provided, however, that such consent may be subject to consent of any mortgagee holding a mortgage on the Premises. Any and all Tenant’s Alterations shall remain the property of the Tenant so long as this Lease is in force and effect, but shall be surrendered to the Landlord upon the termination of this Lease by lapse of time or otherwise; provided, however, that this clause shall not apply to equipment, furniture, or trade fixtures installed by Tenant.

# Obligations of Landlord.

## Landlord shall contract for or cause the construction of the 14,686 square foot building addition to the existing 71,800 square foot schoolhouse facility, along with an athletic field and parking upgrades on the Land as more fully set forth in Article 1(b) hereinabove in accordance with the Project Plans and Specifications and the timeline set forth therein.

## Landlord shall at all times during the Term of this Lease keep the structural parts of the Project (*e.g.*, foundation, load-bearing walls, exterior walls (excluding glass and doors)), subfloor, Building mechanical systems, roof, and Building weatherproof exterior systems, in good order, safe condition and repair, and shall, if necessary, replace the boiler, chiller, heat exchanger or other Building mechanical systems such as plumbing, HVAC equipment, and electrical equipment and fixtures; provided, however, that Landlord shall not be required to expend any amounts in the performance of the foregoing beyond amounts held by Landlord’s lender or a trustee acting on behalf of such lender, or amounts actually held by Landlord in accordance with Article 4(e), above.

## Other than as set forth above, Landlord shall have no obligation to perform any maintenance or repairs on any portion of the Premises. However, if Tenant fails to perform reasonably necessary maintenance on the Premises, such failure, if continued, could negatively impact the integrity of the Premises, and such failure continues for a period of ninety (90) days after written notice from Landlord, Landlord may perform such maintenance or repairs on Tenant’s behalf, in which event the reasonable costs and expenses of such maintenance or repair incurred by Landlord will be immediately payable to Landlord as a part of Operating Costs.

## In the event that in the performance of Landlord’s work in repairing structural or roof components of the Premises as required by this Article 6, such work materially affects the Premises so as to render the Premises unsuitable for the Tenant’s use for a period of more than fifteen (15) business days during any period in which school is in session, then this Lease shall remain in full force and effect but with a proportionate abatement of the Base Rent and taxes and assessments payable therewith, based upon the portion of the Premises made unsuitable for the Tenant’s use, which abatement shall continue until Landlord’s work is substantially completed so that Tenant may continue its use of that portion of the Premises affected. Tenant shall remain obligated to pay all Operating Costs, as required under the terms of this Lease.

## Notwithstanding anything that may be to the contrary, Landlord shall have no obligation to expend moneys with respect to the ownership or the operation of the Project, or any other structure located on the Premises, or the Premises except as set forth in this Article 6.

# Obligations of Tenant.

## Except as required of Landlord, above, Tenant will contract for and perform all maintenance, repair and cleaning of the Building, including, without limitation, routine adjustments and maintenance (such as cleaning or changing filters, etc.) of mechanical systems such as HVAC. Tenant shall also replace fixtures and finishes within the Premises, such as floor coverings, plumbing fixtures, etc. (but not major mechanical components of the HVAC system, which are Landlord’s responsibility under Article 6, above), to the extent necessary due to ordinary wear and tear.

## Tenant shall make and be responsible for the costs of all repairs and replacements to the Premises that are not otherwise Landlord’s obligation pursuant to Article 6, including but not limited to all interior non-structural repairs and replacements necessary to keep and maintain the Premises in good order and state of repair. Tenant shall, at Tenant’s sole cost and expense, repair or replace any damage or injury to the Premises, or sidewalks and parking areas serving the Premises, caused by any act or omission of Tenant. If the Tenant does not do so after reasonable notice (at least 90 days) and opportunity to cure, Landlord may, at its option, make such repairs and replacements, and collect the cost thereof from Tenant, as set forth more specifically in Article 6(c).

## Tenant shall obtain and maintain all necessary permits and licensing for any Tenant’s Alterations, if any, pursuant to this Lease and for the operation of its school.

## Tenant shall provide for prompt removal and disposal of all waste. Tenant shall not permit any waste or refuse to be stored on the Premises except in dumpsters or waste removal containers for a reasonable period of time pending removal to a disposal site.

## Tenant shall contract for and perform all landscape maintenance and shall remove snow in areas, common or otherwise, serving the Premises.

## Tenant shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligations incurred by Tenant.

## Failure of Landlord to insist, in any one or more instances, upon strict performance of any term, covenant or condition of this Lease, or to exercise any option herein, shall not be a waiver or relinquishment of such for the future. The receipt by Landlord of Gross Rents with knowledge of Tenant’s breach in any of the terms, covenants or conditions of this Lease shall not be deemed to have waived any provision of this Lease unless in writing signed by Landlord.

## If any default in this Lease of Tenant can be cured by the expenditure of money, Landlord may, but without obligation, and without limiting any other remedies which it may have by reason of such default, cure the default after ninety (90) days’ written notice to Tenant, charge the cost to Tenant and Tenant shall pay the same forthwith. Any amounts paid by Landlord to cure default of Tenant shall, for purposes of Landlord’s remedies, be construed as additional rent due.

## Tenant shall promptly pay to the Landlord, upon request, an amount equal to any reasonable cost incurred by the Landlord in repairing the Premises where such repairs were made necessary by the negligence of, or misuse by, Tenant, its students, faculty, agents, customers, employees or invitees (“**Tenant’s Parties**”) and Tenant has failed to make the necessary repairs after ninety (90) days’ written notice from Landlord to Tenant.

## Landlord’s ownership of the Premises and related expenses are financed by loans from a commercial lender and/or a nonprofit lender (the “**Landlord Financing**”), which financing is memorialized in a set of related documents including, without limitation, a loan agreement, mortgages, assignments of leases and rents and other documents (collectively the “**Financing Documents**”), all of which will impose certain obligations on Landlord relative to the Premises and the Landlord Financing. As a part of the Landlord Financing, Tenant has executed and agreed to be bound by the terms of a Pledge and Covenant Agreement and a Continuing Disclosure Agreement, among others (collectively, the “**Charter School Agreements**”). Tenant will comply in all respects with the Charter School Agreements and, in addition, take all actions that are reasonably necessary to enable Landlord to comply with all obligations imposed on Landlord with respect to the Financing Documents and the Landlord Financing, and will not take any action that would cause Landlord not to comply with any obligation imposed on Landlord with respect to the Financing Documents or the Landlord Financing.

## For so long as the Landlord Financing is outstanding, Tenant shall in all respects comply with all provisions and perform all obligations of Tenant as set forth herein and in any Financing Documents between and among Tenant, Landlord, and Landlord’s lenders, and with any other requirements set forth in the Financing Documents.

## To the extent any mortgage or other financing obtained by Landlord contains any commercially reasonable term or provision that requires Landlord to “cause” Tenant to comply with such term or condition, Tenant hereby agrees to be bound by such provisions so long as such provision is not inconsistent with Tenant’s operation of a public charter school and agrees that Tenant’s violation of such provision would, after thirty (30) days’ notice and opportunity to cure, constitute a default of this Lease. Notwithstanding the foregoing, in all cases Tenant will be authorized to use the Premises for the conduct of a public charter school.

# Insurance.

## Tenant shall maintain with insurers of recognized responsibility licensed to do business in the State:

### Liability insurance covering all acts of Tenant, its employees, agents, representatives and guests on the Premises in amounts at least equal to the liability limits set forth in Minnesota Statute Section 466.04, and adjusted as appropriate to reflect changes in the statutory limit.

### Property damage liability insurance covering all leasehold improvements installed by Tenant, Tenant’s fixtures and equipment in amounts at least equal to the replacement values thereof.

### To the extent applicable, to carry (i) automobile insurance protecting the School against liability for injuries to persons and property, and (ii) errors and omissions insurance with a coverage limit not less than, and a deductible amount not greater than, those customarily included in similar policies carried by similar entities similarly situated and (iii) workers compensation insurance, with statutory coverage.

## Tenant will adjust the amount of liability insurance from time to time to reasonably reflect the current standards of the underwriting and insurance industry relative to State public charter schools.

## Landlord will at all times maintain insurance on the Premises in the full replacement value thereof, as well as other insurance as required by the Landlord Financing or Financing Documents. The insurance that Tenant otherwise maintains pursuant to this Article 8 may satisfy Landlord’s obligation under this paragraph.

## All such insurance maintained by Tenant shall name Landlord, Tenant and any mortgagee holding a mortgage on the Premises as insureds or loss payees as applicable, and shall include a Notice of Cancellation endorsement (or such substantially similar endorsement as available from time to time in the insurance market). Certificates of all such insurance shall be delivered to Landlord prior to occupancy of the Premises by Tenant and at least thirty (30) days prior to the termination date of any existing policy.

# Subordination to Mortgage.

This Lease and all rights of Tenant are and shall be subject and subordinate to any mortgage or deed of trust constituting a lien on the Premises, or any part thereof, whether such mortgage or deed of trust has heretofore been or may hereafter be placed upon the Premises to secure an indebtedness to any bank or other institutional lender, private or public, and to any renewal, modification, consolidation, replacement, or extension of any such mortgage or deed of trust, provided that, unless otherwise acceptable to Tenant, such lender agrees in writing that, so long as Tenant performs its obligations under this Lease, Tenant’s tenancy hereunder will not be disturbed. Tenant agrees to execute and deliver, at any time and from time to time upon demand by Landlord such commercially reasonable documents as may be required to effectuate such subordination within twenty (20) days after receipt of written notice to do so. In the event that the mortgagee or beneficiary of any such mortgage or deed of trust elects to have this Lease be a prior lien to its mortgage or deed of trust, then, in such event, upon such mortgagee or beneficiary giving written notice to Tenant to that effect, this Lease shall be deemed prior to such mortgage or deed of trust whether this Lease is recorded prior to or subsequent to the date of such recordation of such mortgage or deed of trust.

# Casualty Loss.

In the event of any damage or destruction to the Premises by fire or other cause during the Lease Term, the following provisions shall apply (subject to any conflicting requirements imposed by Landlord Financing or the Financing Documents):

## If the Building is damaged by fire or any other cause to such extent that the cost of restoration, as reasonably estimated by Landlord (with such estimate agreed to by Tenant), will equal or exceed $250,000.00 (or such other amount that will trigger Landlord’s right to elect to use insurance proceeds to redeem bonds or pay financing secured by a mortgage lien on the Premises), Landlord will consult with Tenant with respect to whether Tenant wishes to repair or restore the Premises or use insurance proceeds to pay or redeem such mortgage financing, and Landlord will proceed as instructed by Tenant. If Tenant instructs Landlord to use insurance proceeds to pay or redeem mortgage financing, this Lease will terminate upon such payment or redemption.

## If the parties do not elect to terminate this Lease in accordance with paragraph (a), above, then Landlord will, at Landlord’s sole cost and expense, regardless of the receipt by Landlord of insurance proceeds, restore the Premises as soon as possible given commercially reasonable diligent efforts, subject to delays beyond Landlord’s control, and Tenant shall have no right to terminate this Lease except as herein provided. Landlord shall not be responsible for restoring or repairing leasehold improvements of the Tenant. During the period that the Premises is tenantable, in whole or in part, as a result of a casualty loss, Tenant will relocate its operations to temporary facilities under agreement(s) that will enable Tenant to return to the Premises upon substantial completion. Tenant agrees that it will return to the Premises promptly upon substantial completion. During such period:

### If Landlord has satisfied its business interruption/rent loss insurance requirement by obtaining, in its own name, rent loss coverage, then rent shall abate in whole, or, if Tenant is able to occupy a portion of the Premises without unreasonable business interruption, in part. Any partial abatement of rent shall be based upon the greater of (i) the reduction in Tenant's student enrollment associated with the unavailability of the damaged portion of the Building, or (ii) the actual cost to Tenant of securing temporary replacement space. The period of abatement shall be from the date of the casualty loss to the date the entire amount of square footage occupied by Tenant becomes tenantable by virtue of Landlord’s substantial completion of repairs, restoration, or reconstruction;

### Or,

### If Landlord has satisfied its business interruption/rent loss insurance requirement by causing Tenant to obtain business interruption insurance, then during any periods that Tenant is dispossessed of the Premises due to damage or ongoing repair, restoration, or reconstruction work, Tenant will pay total Rent to Landlord (for the portion of the Premises that is not being used by Tenant) in an amount equal to Landlord’s total debt service on such portion of the Premises, pro-rated on the basis of total Building square footage.

## In the event of the election to terminate, this Lease shall be deemed to terminate on the date of the damage and all rent shall be paid up to the date of casualty. Tenant shall have no claim against Landlord for the value of any unexpired term of this lease.

## In the event this Lease is not terminated in accordance with paragraph (a), above, all insurance proceeds (except for Tenant’s insurance covering Tenant’s Leasehold improvements, personal property and trade fixtures and business continuation coverage) shall be assigned to Landlord to cover the cost of repair or to compensate Landlord for its loss.

# Eminent Domain.

If the entire Premises are taken by eminent domain, this Lease shall automatically terminate as of the date of taking. If a partial taking of the Premises by eminent domain reduces the size or amenities of the Premises to such an extent that the Premises can no longer be used as a schoolhouse for a public charter school, Landlord or Tenant shall have the right to terminate this Lease as of the date of taking by giving written notice to the other within ninety (90) days after such date of taking. If neither Landlord nor Tenant elects to terminate this Lease, Landlord shall restore the Premises, exclusive of any improvements or other changes made therein by Tenant, to as near the condition which existed immediately prior to the date of taking as reasonably possible, and to the extent that the Premises are rendered untenantable, the rent shall proportionately abate. All damages awarded for a taking under the power of eminent domain shall belong to and be the exclusive property of Landlord, whether such damages be awarded as compensation for diminution in value of the leasehold estate hereby created or to the fee of the Premises; provided, however, that Landlord shall not be entitled to any separate award made to Tenant for the value and cost of removal of its personal property and fixtures or attributable to Tenant’s relocation expenses.

# Signs.

Tenant shall be permitted to erect exterior signs with the name of Tenant’s school. The Tenant shall be solely responsible for the maintenance thereof. All signs must comply with any and all governmental regulations. Tenant may, without prior consent of Landlord, place or affix interior signs, posters, artwork and other items related to Tenant’s use of the Premises as a school.

# Security.

Tenant is solely responsible for the security and safety of its faculty, students, guests and invitees. Tenant may make such alterations to the Premises as it may from time to time require for security and safety purposes, provided that Tenant is solely responsible for all costs thereof and such alterations are completed in accordance with this Lease including the receipt of Landlord’s prior written consent.

# Liability/Indemnification.

## Tenant agrees that Landlord and its governors or directors, managers, members, agents, and employees shall not be liable to Tenant for any damage to or loss of personal property in the Premises unless such damage or loss is the result of the Landlord’s breach of this Lease or the gross negligence or willful misconduct of Landlord or any of its governors or directors, managers, members, agents, and employees.

## Tenant also agrees that Landlord shall not be liable to Tenant, or those claiming through or under Tenant, for any injury, death or property damage occurring in, on or about the Premises, parking areas, surrounding grounds or areas providing access to the Premises, parking areas or surrounding grounds; and Tenant shall indemnify Landlord against, and hold Landlord harmless from liability, claims, demands, damages, attorney fees, court costs and disbursements (including attorney fees, court costs and disbursements resulting from enforcement of this indemnity) thereof, arising out of any injury, death or property damage occurring in, on or about the Premises, parking areas, surrounding grounds, or areas providing access to the parking areas, the Premises or surrounding grounds, except to the extent caused by the gross negligence, breach of this Lease or willful misconduct of Landlord or its governors or directors, managers, members, agents, and employees.

## Except as specifically provided in this Lease, Tenant accepts the Premises “AS IS,” with all faults and the failure of the Premises to currently comply with any safety, security, building or fire code, including, but limited to, the Americans with Disabilities Act. Tenant further agrees that any such failure shall not constitute negligence or willful misconduct of Landlord or its governors or directors, managers, members, agents, and employees, nor a breach of this Lease.

# Default.

## Landlord Default. If Landlord should be in default in the performance of any of its obligations under this Lease, which default continues for a period of more than thirty (30) days after receipt of written notice from Tenant specifying such default (or such shorter period of time as reasonably required by an emergency or otherwise set forth in this Lease), or if such default is of a nature to require more than thirty (30) days for remedy and continues beyond the time reasonably necessary to cure (and Landlord has not undertaken procedures to cure the default within such thirty (30) day period and has not diligently pursued such efforts to a complete cure), Tenant may, at its option upon written notice, (a) if the default involves a failure by Landlord to repair or maintain the Premises, perform such repairs or maintenance on behalf of Landlord, (b) if the default materially interferes with or impedes Tenant’s access to, use of, or quiet enjoyment of the Premises, terminate this Lease, or (c) exercise any other remedy available to Tenant under State law. The rights and remedies of Tenant under this Lease shall be cumulative, and the exercise of any of them shall not be exclusive of any other right or remedy provided by this Lease, and the waiver by Tenant of any breach of any covenant of this Lease shall be limited to the particular instance and shall not operate or be deemed to waive any future breach of the same or any other covenant on the same or any other occasion, nor operate as a waiver of any of Tenant’s rights under this Lease by such remedies as may be appropriate.

## Tenant Default. If default shall be made in the payment of any sum of Gross Rent to be paid by Tenant under this Lease, and such default shall continue five (5) days after written notice from Landlord to Tenant of such default (or such longer period as expressly is provided otherwise in this Lease), or default shall be made in the performance of any of the other covenants or conditions which Tenant is required to observe and to perform, and such default shall continue for thirty (30) days after written notice from Landlord to Tenant of such default, or if such default is of a nature to require more than thirty (30) days for remedy and continues beyond the time reasonably necessary to cure (and Tenant has not undertaken procedures to cure the default within such thirty (30) day period and has not diligently pursued such efforts to a complete cure) (or such longer period as expressly is provided otherwise in this Lease), or if the interest of Tenant under this Lease shall be levied on under execution or other legal process, or if any petition shall be filed by or against Tenant to declare Tenant as bankrupt or to delay, reduce or modify Tenant’s debts or obligations, or if any petition shall be filed or other action taken to reorganize or modify Tenant’s capital structure if Tenant be a corporation or other entity, or if Tenant be declared insolvent according to law, or if any assignment of Tenant’s property shall be made for the benefit of creditors, or if a receiver or trustee is appointed for Tenant or its property, or if Tenant shall abandon the Premises for thirty (30) consecutive days during the Lease Term or any renewals or extension thereof, or if Tenant shall take any action that causes a default under the Landlord Financing, or, except as provided in Article 26 hereof, if Tenant shall lose its charter to operate as a public charter school, then Landlord may treat the occurrence of any one or more of the foregoing events as a breach of this Lease (provided that no such levy, execution, legal process or petition filed against Tenant shall constitute a breach of this Lease if Tenant shall vigorously contest the same by appropriate proceedings and shall remove or vacate the same within sixty (60) days from the date of its creation, service or filing), and thereupon, at Landlord’s option, Landlord may have any one or more of the following described remedies in addition to any other rights and remedies provided at law or in equity:

### Landlord may terminate this Lease and forthwith repossess the Premises and remove all persons or property therefrom using appropriate legal process, and be entitled to recover forthwith as damages a sum of money equal to the total of (i) the cost of recovering the Premises including reasonable attorney fees, (ii) the unpaid Gross Rent owed at the time of termination, plus interest thereon from due date at the lesser of (a) the maximum rate permitted by applicable law or (b) ten percent (10%), (iii) the balance of the Gross Rent for the remainder of the Lease Term less the rent the Landlord can reasonably expect to recover by rental of the Premises for said period reduced to present value at a rate of five percent (5%), and (iv) any other sum of money and damages owed by Tenant to Landlord; or

### Landlord may terminate Tenant’s right of possession (but not the Lease) and may repossess the Premises using appropriate legal process and without terminating this Lease, in which event Landlord may, but shall be under no obligation to do so, relet the same for the account of Tenant for such rent and upon such terms as shall be satisfactory to Landlord. For the purpose of such reletting, Landlord is authorized to decorate or to make any reasonable repairs, changes, alterations, or addition in or to the Premises that may be reasonably necessary for purposes of reletting; and (i) if Landlord shall fail or refuse to relet the Premises, or (ii) if the same are relet and a sufficient sum shall not be realized from such reletting after paying the unpaid Gross Rent due hereunder earned but unpaid at the time of reletting plus interest thereon at the lesser of (a) the maximum rate permitted by applicable law and (b) ten percent (10%), plus the cost of recovering possession including reasonable attorney fees, and all of the costs and expenses of such decorations, repairs, changes, alterations, and additions and the expense of such reletting and of the collection provided for in this Lease to be paid; then Tenant shall pay to Landlord as damages a sum equal to the amount of the Gross Rent reserved in this Lease for such period or periods, or if the Premises have been relet, Tenant shall satisfy and pay any such deficiency upon demand therefor from time to time and Tenant agrees that Landlord may file suit to recover any sums failing due under the terms of this Lease from time to time on one or more occasions without Landlord being obligated to wait until expiration of the Lease Term. Such reletting shall not be construed as an election on the part of Landlord to terminate this Lease unless a written notice of such intention is given to Tenant by Landlord. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach.

# Assignment/Attornment and Novation.

## Subject to restrictions in the Financing Documents and subject to Minn. Stat. § 124E, Landlord shall have the right to transfer and assign, in whole or in part, all of its rights and obligations hereunder and the Premises and the property referred to herein upon the condition that (i) in such event this Lease shall remain in full force and effect, subject to the performance by Tenant of all of the terms, covenants, and conditions on its part to be performed, (ii) that such assignee or transferee, agrees to be bound to perform all the terms, covenants, and conditions pursuant to this Lease, and (iii) that the transferee or assignee is a non-profit corporation that will be exempt from the payment of real estate taxes and, is an organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code (the “**Code**”). Upon any such assignment, or transfer, or if the Premises comes into custody or possession of a mortgagee or any other party whether because of mortgage foreclosure, or otherwise, subject to the rights of Tenant under this Lease, Tenant shall attorn to such assignee or other party and recognize such party as Landlord hereunder. Tenant shall execute, on demand, any reasonable subordination, non-disturbance and attornment agreement and/or estoppels certificate required by any such party to be executed, containing such provisions and such other provisions as such party may require to the extent the same are consistent with this Lease. If Landlord, or any subsequent owner, sells the Premises, its liability for the performance of its agreements in this Lease will end on the date of the sale of the Premises, and Tenant will look solely to the purchaser for the performance of those agreements. For the purposes of this Article 16, any holder of a mortgage or deed of trust that affects the Premises at any time, and any landlord in any lease to which this Lease is subordinate at any time, will be a subsequent owner of the Premises when it succeeds to the interest of the Landlord or any subsequent owner of the Premises. Notwithstanding the foregoing, if Landlord sells or transfers the property to a person or entity that is not exempt from the payment of real property taxes, Tenant shall not be responsible for the payment of any portion of such real property taxes payable by such new owner.

## Without the prior written consent of Landlord, which shall not unreasonably be withheld, conditioned or delayed, Tenant shall not have the right to transfer, assign, sublet or mortgage its leasehold interest, in whole or in part, or its rights and obligations in the Premises and the property referred to herein. If Landlord does consent in writing to such a transfer, assignment or sublease, it shall be on the condition that this Lease shall remain in full force and effect, subject to the performance of all terms, covenants and conditions and upon further condition that such assignee or transferee agrees to be bound to perform all the terms, covenants and conditions pursuant to this Lease. The use limitations set forth in Article 2 of this Lease shall apply to any assignee, subtenant or transferee as well as to Tenant. Regardless of Landlord’s consent, no subletting or assignment shall release Tenant of Tenant’s obligation to pay the Gross Rent and perform all other obligations to be performed by Tenant hereunder for the Lease Term. The acceptance of Gross Rent by Landlord from any other person shall not be deemed to be a waiver of Landlord of any provision hereof or any right hereunder. Notwithstanding the foregoing, it shall not be deemed an assignment or sublease if Tenant enters into an agreement or agreements with other persons or entities for limited use of classroom, gymnasium or other space in the Building, either free of charge or in exchange for payment or other consideration, for extracurricular or ancillary purposes that are related or complementary to the operation of a public charter school (by way of example, but without limitation, a day care or preschool, a Boy or Girl Scout troop, an adult or community education program, a choral, musical or theater group, a science team, etc.); provided that Tenant will be responsible for any property taxes resulting from such use.

(c) Notwithstanding the forgoing, as long as any tax-exempt bonds (“**Bonds**”) that financed any portion of the Premises are outstanding, (i) the Premises will be owned by Landlord, or any other organization exempt from federal income taxation under Section 501(a) of the Code as a result of the application of Section 501(c)(3) of the Code, or a state of the United States or a local governmental unit of a state of the United States (each, an “**Exempt Person**”), or a limited liability company whose sole member is an Exempt Person and will continue to be owned by Landlord, or a limited liability company whose sole member is an Exempt Person; (ii) the Premises shall not be used in an unrelated trade or business of Landlord or Tenant (within the meaning of Section 513(a) of the Code) or used for a “private business use” (as such term is used in Section 141(b) of the Code, as modified by Section 145(a)(2) of the Code); (iii) none of the activities to be conducted by Landlord or Tenant in the Premises will constitute an unrelated trade or business of Landlord or Tenant (within the meaning of Section 513(a) of the Code); (iv) no person other than an Exempt Person or a limited liability company whose sole member is an Exempt Person will own any portion of the Premises; and (v) over the life of the Bonds, less than five percent (5%) of the proceeds of the Bonds will be secured directly or indirectly by any interest in property used for a private business use or will be paid from money derived from a private business use so as to cause the “private security or payment test” (within the meaning of Section 141(b) of the Code, as modified by Section 145(a)(2) of the Code) to be satisfied with respect to more than five percent (5%) of the Bonds.

# Landlord Covenants

## Landlord covenants that, as of the date of the execution of this Lease, Landlord shall take all necessary steps to ensure that Tenant has and enjoys exclusive use and occupancy of the Premises, and that no ground lease, mortgage, lease or encumbrance affecting the Premises is in default and that no person, corporation, partnership or other entity has a right to foreclose upon or otherwise succeed to all or any part of the title of Landlord to the Premises.

## Landlord covenants and agrees that it has full right and power to execute and perform this Lease and to grant the estate demised herein; and that Tenant, on paying rent herein reserved and performing the covenants hereof, shall peaceably and quietly have, hold and enjoy the Premises and all appurtenances during the full term of this Lease and any extension or renewal thereof, subject to the usage of Landlord as agreed herein.

## Landlord has marketable title to the entire Premises, has the full right to enter into this Lease and perform hereunder. Promptly upon execution of this Lease, Landlord and Tenant will execute a memorandum of this Lease which Landlord will record with the county Recorder/file with the Registrar of Titles in accordance with Minn. Stat. § 508.60.

## The Premises are connected to city water, sanitary sewer, gas, electricity and other utility services.

# Corporate Authority.

The person executing this Lease on behalf of Tenant does hereby covenant and warrant that Tenant is a duly authorized and existing corporation and is qualified to do business in the State and that the corporation has full right and authority to enter into this Lease and that each and every person signing on behalf of the corporation is authorized to do so.

# Notice.

All notices or requests under this Lease shall be in writing and given by certified mail. Notice to Landlord shall be addressed to the person and to the address at which rent has last been paid. Notice to Tenant shall be addressed to the address of the Premises or to any subsequent address, which Tenant may designate to Landlord from time to time in writing. Properly addressed notices or letters sent by certified mail shall be deemed given and served when they have been deposited with the US Postal Service or any common carrier services or other reasonable entity that provides a signed receipt of delivery.

# Waiver.

No waiver of a breach of any covenants in this Lease shall be construed to be a waiver of any succeeding breach of such covenant.

# Amendment Or Modifications.

No modification, release, discharge, amendment or waiver of any provisions hereof shall be of any force, effect or value, unless in writing signed by the Landlord and Tenant, or their duly authorized agents or attorneys, with the consent of Landlord’s lender, as applicable.

# Complete Agreement.

There are no oral agreements between Landlord and Tenant affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, agreements and understandings between Landlord and Tenant with respect to the subject matter of this Lease or the Premises.

# Force Majeure.

Except for the requirements herein to comply with the financial covenants set forth in Article 7(j) hereof or other requirements imposed by the Financing Documents that are not excusable due to force majeure, in the event that the Landlord or Tenant shall be delayed, hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, restrictive government laws or regulations, riots, insurrections, terrorism; the action, failure to act, or default of the other party; war or other reason beyond their control, then performance of such act shall be excused for the period of the delay, and the period for performance of any such act shall be extended for a period equivalent to the period of such delay. Except as specifically provided in Article 4, this Article 23 shall not apply to the non-payment of rent unless such non-payment is caused by the act, failure to act, or default of Landlord.

# Miscellaneous.

## The specific remedies to which Landlord or Tenant may resort under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means in regard to which they may be lawfully entitled in case of any breach or threatened breach by any of them of any provisions of this Lease.

## Except as otherwise provided herein, the covenants and agreements herein contained shall bind and inure to the benefit of Landlord, its successors and assigns, and Tenant and its successors and assigns.

## Each covenant, agreement or stipulation by a party hereto shall be performed at such party’s own cost and expense, and without cost or expense to the other party. In the event any party to this Lease commences legal action to enforce any term or provision of this Lease, the substantially prevailing party in such action shall be entitled to an award of its costs and reasonable attorneys’ fees incurred therein.

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

## The heading or captions of Articles or paragraphs in this Lease are for convenience and reference only and in no way define, limit or describe the scope or intent of this Lease or the provisions of such Article or paragraph.

## Interpretation of this Lease shall be governed by the laws of the State of Minnesota.

## This Lease may be executed in any number of original counterparts, all of which evidence only one agreement, binding on all parties, even though all parties are not signatory to the same counterpart. Facsimile signatures transmitted via the internet or facsimile may be used in place of original signatures for this Lease and related documents.

# Tax Exemption.

## Tenant is an organization described in Section 501(c)(3) of the Code, exempt from the payment of federal income taxes under Section 501(a) of the Code, and no revenues derived from its use of any portion of the Premises does or shall constitute “unrelated business income” within the meaning of Section 513(a) of the Code.

## Tenant agrees that, through the Lease Term, including any Renewal Options, it will maintain its existence (i) as a non-profit corporation under the laws of the State and (ii) as an organization described in Section 501(c)(3) of the Code.

# Termination Clause.

To the extent required by Minn. Stat. §124E.22(a)(3)(ii), in the event the Tenant’s authorization to operate a charter school is terminated or non-renewed, the Tenant is released from any obligations under this Lease that have not accrued or been performed on or before the effective date of such non-renewal or cancellation upon the closure of the School. In such event, the Tenant agrees: (a) to furnish the Landlord a certified copy of the Tenant’s board of directors’ action to terminate the charter, or a certified copy of the official letter from the authorizer or commissioner terminating or non-renewing the charter contract; (b) that all of Tenant’s rights of occupancy in the Premises will immediately terminate; and (c) that Landlord may pursue all remedies available to Landlord to recover possession of the Premises. The foregoing shall terminate without further action of the parties and cease to be of effect if it is no longer required by applicable law.

*[Signatures on Following Page – The remainder of this page has been intentionally left blank.]*

*[Signatures to Lease]*

|  |  |
| --- | --- |
| **LANDLORD:**  **STRIDE Academy Building Company**  **a Minnesota nonprofit corporation**  By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Title: President | **TENANT:**  **STRIDE Academy**  **a Minnesota nonprofit corporation**  By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Title: President |

**EXHIBIT A TO LEASE**

**Premises**

**EXHIBIT B**

**Exemplar Base Rent Memorandum**

MEMORANDUM CONFIRMING ANNUAL BASE RENT

This Memorandum Confirming Annual Base Rent (“**Base Rent Memorandum**”) is being made and entered into effective as of \_\_\_\_\_\_\_\_\_\_\_, 202\_\_ (the “**Effective Date**”) by and between by and between STRIDE Academy Building Company, a Minnesota nonprofit corporation (“**Landlord**”) and STRIDE Academy, a Minnesota nonprofit corporation (“**Tenant**”).

RECITALS

A. Landlord and Tenant are parties to that certain Lease dated as of \_\_\_\_\_\_\_\_\_\_, 20\_\_\_ (the “**Lease**”) pursuant to which Landlord leased to Tenant and Tenant leased from Landlord the real property described in the Lease.

B. Landlord and Tenant desire to execute this memorandum to confirm the annual Base Rent under such Lease for the current fiscal year.

AGREEMENT

In accordance with the foregoing, Landlord and Tenant hereby agree that Base Rent for Fiscal Year \_\_\_\_-\_\_\_\_ will be $\_\_\_\_\_\_\_\_\_\_\_\_\_\_, payable in monthly installments of $\_\_\_\_\_\_\_\_\_\_.

This Memorandum is being made solely for the purpose of confirming the Base Rent amount for the current fiscal year in accordance with the terms of the Lease. This Memorandum does not amend the Lease. All terms, covenants and conditions of the Lease shall remain in full force and effect.

|  |  |
| --- | --- |
| **LANDLORD:**  **STRIDE Academy Building Company**  **a Minnesota nonprofit corporation**  By:  Name:  Title: President | **TENANT:**  **STRIDE Academy**  **a Minnesota nonprofit corporation**  By:  Name:  Title: President |

**EXHIBIT C**

**MINIMUM BASE RENT**

|  |  |
| --- | --- |
| **Lease Year** | **Amount** |
| 2023-2024 |  |
| 2024-2025 |  |
| 2025-2026 |  |
| 2026-2027 |  |
| 2027-2028 |  |
| 2028-2029 |  |
| 2029-2030 |  |
| 2030-2031 |  |
| 2031-2032 |  |
| 2032-2033 |  |
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| 2057-2058 |  |