
OFFICE LEASE AGREEMENT

by and between

**I-LEAD Charter School, Inc.
a Pennsylvania not for profit corporation,**

as TENANT

and

**INSTITUTE FOR LEADERSHIP EDUCATION, ADVANCEMENT AND DEVELOPMENT,
INC., a Pennsylvania not for profit corporation,**

as LANDLORD

Dated as of April 1, 2014

PREMISES

**401 Penn Street
Reading, Pennsylvania**

OFFICE LEASE AGREEMENT

THIS OFFICE LEASE AGREEMENT is made and entered into as of April 1, 2014 (this “*Lease*”) by and between I-LEAD Charter School, as tenant hereunder (the “*Tenant*”), and the Institute for Leadership Education, Advancement and Development, Inc., or I-LEAD, Inc., with offices located at 1122 County Line Road, Bryn Mawr, PA 19010, as landlord hereunder (the “*Landlord*”).

Section 1. Premises.

(a) ***Premises.*** Except for any Premises or Property described on Exhibit A (“Exceptions from the Office Lease Agreement”), and subject to the terms, conditions, covenants, agreements, and provisions of this Lease, the Landlord hereby leases to the Tenant, and the Tenant hereby leases from the Landlord, the commercial office building (the “*Premises*”) with the street address of 401 Penn Street, Reading, Pennsylvania (the “*Building*”), situated upon the Real Property, any public areas and access ways in and to the Building and the Real Property (the Building, its equipment, fixtures and systems, and the Real Property shall be collectively referred to as the “*Property*”). The Premises and Property are described on Exhibit B (“Legal Description of Real Property and Premises”).

(b) ***Common Areas.*** Subject to the restrictions and limitations set forth in this Lease, the Landlord hereby grants to the Tenant the nonexclusive right to use, in accordance with their intended use and purpose, the lobby, elevators, hallways, stairways, sidewalks, restrooms located in the Building, and other similar public or limited public areas and access ways in and to the Building (collectively, the “*Common Areas*”).

(c) ***Parking.*** The Tenant understands that there are no parking areas located at the Property and the Tenant will be required to obtain parking outside the Real Property.

(d) ***Applicable Laws.*** As used in this Lease, the term “*Applicable Laws*” shall mean all applicable federal, state and local laws, statutes, codes, ordinances, orders, regulations, rules and other requirements of governmental authorities including, without limitation, municipal ordinances, rules and regulations, and health, safety, fire and police regulations.

Section 2. Use. The Tenant covenants to use the Premises in compliance with the applicable provisions of this Lease and all Applicable Laws. The Tenant covenants to use the Premises for purposes of its activities and related purposes. At its own expense, Tenant shall obtain all licenses and permits and fulfill similar requirements necessary to permit Tenant to occupy the Premises.

Section 3. Term. The term of this Lease (the “*Term*”) shall commence on April 1, 2014 (the “*Commencement Date*”) and shall expire at midnight on June 30, 2039 (the “*Expiration Date*”). The parties may upon mutual agreement, in writing, amend or terminate this Lease at any time.

Section 4. Condition of Premises. The Tenant accepts the Premises and all other portions of the Property in their “as is” condition and acknowledges and agrees that the Landlord has not made, nor does it make, any representations, warranties or promises with respect to the Premises or any other portion of the Property, nor does it have any obligation to improve or otherwise modify the Premises.

Section 5. Rent

(a) ***Rent.*** Subject to any of the Tenant’s rights of set off set forth in this Lease, the Tenant hereby covenants and agrees to pay to the Landlord the monthly rent specified on Exhibit C throughout

the Term (the “*Rent*”). In the event that the Tenant ceases educational operations at the premises or that I-LEAD, Inc. ceases to own the premises, Tenant shall pay to I-LEAD, Inc. as additional rent the remaining balance of the actual cost (undepreciated) paid by I-LEAD, Inc. of all improvements to the premises made for Tenant’s use plus the remaining balance of all amounts paid by I-LEAD, Inc. to receive title to the premises, including all real estate transfer taxes paid.

(b) Security Deposit. The Tenant will not be required to pay a security deposit under this Lease.

(c) Obligations of Successor in Title to I-LEAD, Inc. Any successor in title to I-LEAD, Inc. will pay to I-LEAD Charter School any amounts of additional rent for which I-LEAD Charter School becomes liable pursuant to Section 5(a). In addition, except as mutually agreed by I-LEAD Charter School and I-LEAD, Inc., any successor in title to I-LEAD, Inc. will reimburse to I-LEAD Charter School all of I-LEAD Charter School’s actual annual operating expenses related to occupancy of the premises as defined in Exhibit D of this Agreement.

Section 6. Access to Premises.

(a) Tenant’s Access. The Tenant and its employees shall have access to the Premises twenty four (24) hours a day, seven (7) days a week.

(b) Landlord’s Access. The Landlord and its employees shall have access to the Premises twentyfour (24) hours a day, seven (7) days a week. Landlord’s Access is defined to include any use of the premises consistent with or in support of Tenant’s use of the premises as mutually determined by Landlord and Tenant.

Section 7. Repairs and Maintenance. Landlord shall make all repairs and replacements to the to the roof, foundation, exterior walls, interior walls (structural or otherwise), and certain building systems such as mechanical, electrical, HVAC, and plumbing at the Building, not caused by Tenant or its invitees. All other repairs shall be the responsibility of the Tenant.

Section 8. Assignment and Subletting. The Tenant shall not assign this Lease or sublease any portion of the Premises without the prior written consent of I-LEAD, Inc. The terms of any sublease or assignment shall be negotiated between I-LEAD, Inc. and the person or organization entering into the sublease. If I-LEAD, Inc. ceases to own the premises, the Tenant in its sole discretion may assign or sublease any portion of the premises without prior consent and without approval of the assignment or sublease by the Landlord.

Section 9. Insurance; Waiver of Subrogation.

(a) Tenant’s Required Coverages. The Tenant shall maintain throughout the Term, at its sole cost and expense, the following insurance coverages: (a) a policy of commercial general liability insurance covering personal injury, bodily injury, property damage and contractual liability insurance covering the Tenant’s indemnity obligations hereunder with a combined single limit of not less than two million dollars (\$2,000,000.00) per occurrence and aggregates with following form excess or umbrella liability coverage with an amount not less than two million dollars (\$2,000,000.00); and (b) a workers’ compensation policy providing statutory benefits for Tenant’s employees and employers’ liability coverage if and as required by applicable law with a limit in an amount not less than five hundred thousand dollars (\$500,000.00) per employee by accident / \$500,000.00 per employee by disease / \$500,000.00 policy limit by disease. The

Tenant shall increase its insurance coverage upon thirty (30) days' prior notice from Landlord if, in the opinion of the Landlord, the Tenant's existing coverage is no longer adequate.

(b) Tenant's Policy Requirements. The Tenant's insurance coverages shall be effected under valid and enforceable policies issued by reputable insurers duly licensed to do business in the state of Pennsylvania and rated in the then most current version of *Best's Policyholders Guide* as having a policyholder's rating of at least A- and a financial rating of at least Class VII. Further, such policies shall be primary policies (*i.e.*, not as contributing with, or in excess of, any coverage Landlord may carry) and shall name the Landlord as an additional insured.

(c) Mutual Waiver of Subrogation. The Landlord and the Tenant each hereby endeavor to waive any rights each may have against the other on account of any loss or damage occasioned to each party's respective property located at the Property arising from any risk generally covered by "all risk" property insurance and each party, on behalf of its respective insurance companies insuring its personal property against any such loss, waives any right of subrogation that they may have against the Landlord or the Tenant, as the case may be.

Section 10. Indemnification.

(a) Indemnification of Landlord. The Tenant shall defend, indemnify and hold the Landlord harmless from and against any and all claims, demands, actions, proceedings, obligations, liabilities, suits, losses, damages, fines, penalties, assessments, amounts paid in settlement, costs, expenses, and fees including, without limitation, court costs and attorneys' fees, of any and every nature or character, incurred by the Landlord arising out of or connected in any way with: (1) any gross negligence or willful misconduct of the Tenant, its employees, contractors, vendors, subcontractors, representatives, invitees, clients and agents at the Property; or (2) any accident, injury or damage to property or persons occurring in or about the Property caused by or arising from any gross negligence, or willful misconduct of the Tenant, its employees, contractors, vendors, subcontractors, representatives, invitees, clients and agents, unless caused by or arising from the gross negligence or willful misconduct of the Landlord.

(b) Indemnification of Tenant. The Landlord shall defend, indemnify and hold the Tenant harmless from and against any and all claims, demands, actions, proceedings, obligations, liabilities, suits, losses, damages, fines, penalties, assessments, amounts paid in settlement, costs, expenses, and fees including, without limitation, court costs and attorneys' fees, of any and every nature or character, incurred by the Tenant arising out of or connected in any way with: (1) any gross negligence or willful misconduct of the Landlord, its employees, contractors, vendors, subcontractors, representatives, invitees, clients and agents at the Property; or (2) any accident, injury or damage to property or persons occurring in or about the Property caused by or arising from any gross negligence, or willful misconduct of the Landlord, its employees, contractors, vendors, subcontractors, representatives, invitees, clients and agents, unless caused by or arising from the gross negligence or willful misconduct of the Tenant.

Section 11. Casualty.

(a) Casualty Affecting Premises. If the Premises are damaged in whole or in part due to any fire or other casualty, within fifteen (15) days after the Landlord becomes aware thereof, the Landlord shall notify the Tenant of the Landlord's good faith estimate as to when the Premises can be substantially repaired or restored. If the Landlord estimates that the Premises cannot be substantially repaired and restored within the forty-five (45) day period from the date of the Landlord's notice using standard working methods and procedures, then either party may, within thirty (30) days from the date of Landlord's notice, terminate this Lease by providing notice thereof to the other party.

(b) Limits on Repair and Restoration. If this Lease is not terminated, the Landlord shall allow the Tenant a proportionate abatement of Rent during the time, and to the extent, the Premises are unfit for occupancy commencing on the date of such fire or other casualty. Notwithstanding any provision herein to the contrary, the Landlord shall not be liable for any inconvenience or annoyance to the Tenant or injury to the business of the Tenant resulting in any way from such damage or the repair thereof and the Landlord shall not be obligated to repair or restore damage to Tenant's trade fixtures, furniture, equipment, or any other personal property.

(c) Tenant's Notice. Immediately upon the occurrence of a fire or other casualty within the Premises, the Tenant shall notify the Landlord thereof.

Section 12. Condemnation.

(a) Definition of Condemnation. For purposes of this Lease, the term "Condemnation" shall mean any and all condemnations, eminent domain proceedings, takings for public or quasipublic use and private purchases in lieu thereof.

(b) Condemnation Affecting Premises. Within ten (10) days after the Landlord receives notice of a Condemnation affecting the Property, the Landlord shall provide a copy thereof to the Tenant. If a Condemnation occurs as to the entire Property, this Lease shall automatically terminate as of the date on which the Landlord is divested of its title thereto. If a Condemnation occurs as to a portion of the Property and such Condemnation materially interferes with the Tenant's use of the Property, the Tenant may terminate this Lease by providing notice thereof to the Landlord within thirty (30) days after the Landlord is divested of its title to the affected portion of the Property. If a Condemnation occurs as to a portion of the Premises and this Lease continues, the parties shall enter into a mutually acceptable amendment to this Lease which reflects the proportionate reduction in the size of the Premises and the amount of Rent. If a Condemnation occurs as to all or a portion of the Premises for a temporary limited period of time, this Lease shall continue to remain in full force and effect, although the Tenant's obligations with respect to the portion of the Premises thereby affected shall be proportionately abated during such period of time.

(c) Condemnation Awards. All amounts awarded as a result of any Condemnation affecting the Premises shall belong exclusively to the Landlord. Notwithstanding the foregoing, The Tenant may claim and recover from the condemning entity a separate award for the Tenant's moving expenses, business dislocation damages, the Tenant's personal property, the then unexpired Term, unamortized leasehold improvements and fixtures, and any similar awards. Each party shall seek its own award at its own expense.

Section 13. Default by Tenant. The Tenant shall be in default of this Lease upon the occurrence of any of the events described hereinbelow (each such event shall be referred to herein as a "Default"):

(a) The Tenant fails to pay Rent when due and such failure continues for more than ten (45) business days after the Landlord's delivery of notice thereof;

(b) The Tenant fails to perform or observe any of its non-monetary obligations under the terms and conditions of this Lease and fails to commence to remedy any such non-performance within thirty (30) days after the Landlord's delivery of notice thereof and to diligently prosecute such remedy in such manner as to complete such remedy within sixty (60) days after the Landlord's delivery of notice thereof.

Section 14. Remedies of Landlord.

(a) Remedies Available. Upon the occurrence of any one or more Defaults by the Tenant, the Landlord shall have the option to pursue any one or more of the following remedies: (a) terminate this Lease, in which event the Tenant shall immediately surrender the Property to the Landlord; or (b) terminate the Tenant's right to occupy the Property and re-enter and take possession of the Property, removing the Tenant and its property therefrom if necessary (without terminating this Lease). In the exercise of its remedies, Landlord shall engage in reasonable diligence to mitigate its damages.

(b) Re-Entry or Repossession. Notwithstanding any provision herein to the contrary, the Landlord may elect not to terminate the Tenant's right of possession of the Premises and to enforce against the Tenant all provisions of this Lease for the full Term. Further, the Landlord's exercise of any of its remedies or its receipt of the Tenant's keys or other access to the Premises shall not be considered an acceptance of the Tenant's surrender of the Premises or a termination of this Lease, as the foregoing may be effected only through a consent executed by the Landlord. In the event the Landlord elects to re-enter or take possession of the Premises after any Default, the Tenant hereby waives notice of such reentry or repossession and of the Landlord's intent to reenter or retake possession, and the Landlord may, without prejudice to any other remedy which the Landlord may have for possession or arrearages in Rent, expel or remove the Tenant and any other person who may be occupying the Premises or any part thereof by forcible entry and detainer proceedings or otherwise, all without being liable for prosecution or any claim for damages therefor.

(c) Non-Waiver. The failure of the Landlord to insist upon the strict performance of any provision of this Lease or to exercise any right hereunder, in any one or more instances, shall not be construed as a waiver or relinquishment of any such provision or right, but the same shall remain in full force and effect.

Section 15. Default by Landlord. If the Landlord shall default in fulfilling any of the covenants or provisions of this Lease on its part to be performed, the Tenant may send written notice thereof to the Landlord. If the Landlord fails to remedy such default within thirty (30) days after receipt of such notice, then the Tenant shall have the right to reduce the payment of Rent for the actual damages reasonably incurred by the Tenant as a result of such breach. The foregoing remedy is in addition to, and not in lieu of, any other rights and remedies that the Tenant might have at law or in equity.

Section 16. Subordination. The Landlord represents and warrants to the Tenant that the Property is not currently subject to any mortgage, indenture, deed of trust, ground lease, master lease or other lien (each a "*Mortgage*"). The Tenant shall not be required to subordinate and attorn its interest in this Lease and the Premises to the holder of any future Mortgage unless the Tenant receives non-disturbance protections reasonably acceptable to the Tenant, the Landlord and such holder which provide that (a) this Lease shall not be divested or the Tenant's rights materially altered by foreclosure or other default proceedings under the Mortgage so long as the Tenant has not committed a Default, and (b) the Tenant shall attorn to and recognize such holder, or any purchaser of such interest, as the Tenant's landlord for the remaining Term.

Section 17. Estoppel Certificates. The Tenant shall, from time to time within twenty (20) days after delivery of a written request from the Landlord, cooperate with and execute and deliver to such persons as the Landlord shall request an estoppel certificate certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease is in full force and effect as so modified), stating the dates to which Rent has been paid, stating that the Landlord is not in default hereunder (or if the Tenant alleges a default, stating the nature of such alleged default), and further stating such other matters as the Landlord shall reasonably require. The Tenant acknowledges and agrees that the Landlord and any such other persons as the Landlord shall request may rely upon such estoppel certificates.

Section 18. Recordation. The Tenant shall not record this Lease or any memorandum of this Lease.

Section 19. Surrender of Premises. On or before the Expiration Date or any earlier termination of this Lease, the Tenant shall immediately vacate and surrender the Property and remove therefrom all of Tenant's personal property. The Tenant shall then deliver the Property in the same condition as of the Commencement Date, with all leasehold improvements and damage caused by normal wear and tear or fire or other casualty excepted. In the event the Tenant fails to comply with the foregoing removal obligations or upon the Tenant being dispossessed by process of law or otherwise, any such property shall be deemed conclusively to be abandoned and Landlord may retain, sell, store, destroy or otherwise dispose of the same as the Landlord so elects in its sole discretion.

Section 20. Holdover. If the Tenant continues to occupy the Premises after the Expiration Date, any earlier termination of this Lease, or any other termination of the Tenant's right to occupy the Premises, the Tenant shall be deemed to be a tenant at sufferance. The Tenant shall, throughout the holdover period, pay Rent equal to the Rent immediately before the holdover began and shall be liable for any and all direct damages suffered by the Landlord as a result of the Tenant's holdover. The Tenant's failure to so vacate and surrender the Premises as and when required by this Section 20 shall not operate to renew the Term or to otherwise extend in any manner the Tenant's rights hereunder and the Landlord shall further be entitled to exercise any and all rights and remedies available at law or in equity.

Section 21. Environmental Liability. Throughout the Term, the Tenant shall not cause, permit or allow any chemical substances, asbestos or asbestos containing materials, formaldehyde, polychlorinated biphenyls, toxic, carcinogenic, radioactive, dangerous or hazardous material, substance, waste, contaminant, or pollutant regulated now or hereafter by any governmental entity or agency (collectively, "*Hazardous Materials*") to be placed, stored, dumped, dispensed, released, discharged, used, sold, transported, or located on, within or about any portion of the Premises or any other portion of the Property by itself or its servants, agents, employees, contractors, vendors, subcontractors, vendors, licensees, assignees, subtenants, invitees, visitors, clients or guests. Notwithstanding the foregoing, the term "*Hazardous Materials*" shall exclude minor quantities of the foregoing materials or substances that may be used or stored on, within or about the Premises for cleaning purposes or in connection with its normal business operations, so long as such quantities and the use thereof are permitted by or are exempt from applicable governmental regulation. The Tenant agrees to promptly clean up any Hazardous Materials which are placed on, within or about the Premises or any other portion of the Property that the Tenant or its servants, agents, employees, contractors, vendors, subcontractors, vendors, licensees, assignees, subtenants, invitees, visitors, clients or guests and to remediate and remove any such contamination relating to the Premises or any other portion of the Property, at the Tenant's cost and expense, in compliance with all applicable laws, ordinances, rules and regulations then in effect and to the Landlord's satisfaction, at no cost or expense to the Landlord. Additionally, the Tenant hereby agrees to indemnify and hold harmless the Landlord from and against all loss, cost, damage, liability and expense (including, without limitation, attorneys' fees and expenses) arising from or relating to any Hazardous Materials which are placed on, within or about the Premises or any other portion of the Property by the Tenant or its servants, agents, employees, contractors, vendors, subcontractors, vendors, licensees, assignees, subtenants, invitees, visitors, clients or guests.

Section 22. Force Majeure. Whenever a period of time is herein prescribed for the taking of any action by either the Landlord or the Tenant, other than the payment of money, the party obligated to perform shall not be liable or responsible for, and there shall be excluded from the computation of such period of time, any delays due to any condition, matter or circumstance beyond the reasonable control of the party

obligated to perform including, without limitation, the following: strikes; terrorist attacks; defaults or failures to perform by contractors, vendors or subcontractors; unavailability of materials; lockouts; acts of God; governmental restrictions, war, enemy action or invasion; civil commotion; insurrection; riot; mob violence; malicious mischief or sabotage; explosion; theft; flood, earthquake, fire or any other casualty; adverse weather conditions or unusual inclement weather; condemnation; failure of a governmental instrumentality to act in a timely fashion in connection with the issuance of any necessary or appropriate construction permits or otherwise; any applicable law, order or regulation of any governmental, quasi-governmental, judicial or military authority with proper jurisdiction; or any other similar cause (individually, a “*Force Majeure Matter*” and collectively, the “*Force Majeure Matters*”).

Section 23. Notices. Any request, notice, approval, consent, or other communication given or required under or in connection with this Lease shall be in writing and shall be effective for any purpose if served, with delivery or postage costs prepaid, by nationally recognized commercial overnight delivery service, by registered or certified mail, return receipt requested, or by facsimile (so long as a copy is contemporaneously sent by first-class mail) to the following addresses:

To Tenant: I-LEAD Charter School
401 Penn Street
Reading, PA 19601

To Landlord: Institute for Leadership Education, Advancement and
Development, Inc.
1122 County Line Road
Bryn Mawr, Pennsylvania 19010

Either party may change its address for the purposes of providing notices under this Lease by providing notice thereof in accordance with this Section 23. Notice deposited in the mail in the manner hereinabove described shall be effective and deemed received on the date which is delivered or upon the date delivery is first attempted but refused. Notice by nationally recognized commercial overnight delivery service shall be effective and deemed received on the first business day after said notice is sent. If the Landlord notifies the Tenant of the names and addresses of the holders of any Mortgages, the Tenant shall also provide such holders with copies of notices which the Tenant sends to the Landlord.

Section 24. Quiet Enjoyment. Subject to all other terms and conditions of this Lease, the Tenant’s peaceable and quiet enjoyment of the Premises shall not be disturbed during the Term by anyone claiming through the Landlord.

Section 25. Confidentiality. The parties agree to use their good faith, best efforts to keep the contents of this Lease confidential and not to disclose any information contained in this Lease to any third parties whatsoever, provided, however that the parties may disclose such information: (a) to their respective principals, legal counsel, employees and agents who have a need to know such information in order for a party to perform its duties and obligations under this Lease; (b) if such disclosure is required by legal, judicial, administrative, or regulatory process; (c) the non-disclosing party provides its consent, which consent shall not be unreasonably withheld, conditioned or delayed; or (d) if necessary in order to enforce a party’s rights or to perform a party’s duties and obligations under or in connection with this Lease.

Section 26. Governing Law; Severability; Interpretation. This Lease shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to conflict of law provisions. If any term or provision of this Lease, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, 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 Lease shall be valid and enforceable to the fullest extent permitted by law, notwithstanding the invalidity of any other term or provision hereof. The section headings used herein are for reference and convenience only, and shall not enter into the interpretation of this Lease. As appropriate to the text and context of this Lease, all references to the masculine shall include the feminine and neuter gender, all references to the singular shall include the plural, and all statements in the conjunctive shall also mean the disjunctive, and vice versa.

Section 27. Entire Agreement. This Lease **and** its Exhibits embody and constitute the entire agreement between the parties with respect to the subject matter hereof and transaction contemplated herein and supersede all prior representations, understandings and agreements, whether oral or written, with respect thereto.

Section 28. Counterparts; Amendments. This Lease may be executed in counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same instrument. Except as expressly provided in this Lease, this Lease may not be modified or amended except by a mutually executed written agreement.

Section 29. Authority of Parties; Binding on Successors. Each party hereby represents and warrants to the other that it has the authority to enter into this Lease, that the person signing on its behalf is duly authorized to execute and to enter into this Lease, and that no other signatures or approvals are necessary. Each party hereby further represents and warrants to the other that this Lease is binding on and shall inure to the benefit and liability of such party and its successors and permitted assigns, including any purchaser of the Property, whether by voluntary or involuntary sale, tax sale, judicial sale or other disposition.

Section 30. No Estate. This Lease shall create the relationship of landlord and tenant only between the Landlord and the Tenant and no estate shall pass out of the Landlord. The Tenant shall have only a leasehold estate, not subject to levy and sale and not assignable in whole or in part by the Tenant except as herein provided.

Section 31. Transaction Costs. Except as expressly provided in this Lease, each party shall pay its own expenses in connection with the negotiation and finalization of this Lease.

Section 32. Surplus Sharing. The parties may endeavor to attract additional tenants to the premises to occupy any space deemed not required the Tenant for its current or future operations. In the event that such additional tenants are engaged, any surplus of rent paid by such tenants over costs incurred by the Landlord as a result of their occupancy shall be shared equally between the Landlord and Tenant to support their respective charitable missions at 401 Penn Street. If I-LEAD, Inc. ceases to own the premises, any surplus of rent paid by such other tenants over costs incurred by the Landlord will be paid entirely to the Tenant.

Section 33. Mandatory Charitable Contribution. Within 90 days of the close of each annual term, Landlord will make a mandatory unrestricted charitable contribution of the amount described in Exhibit D, "Return of Defined Annual Operating Surplus as Charitable Contribution."

[Signature Page Follows]

IN WITNESS WHEREOF, the Landlord and the Tenant have entered into this Lease through their duly authorized representatives as of the date first above written.

TENANT:

I-LEAD Charter School

By: _____
Name: Robert S. Natalini
Its: Chair, Board of I-LEAD Charter School

LANDLORD:

**INSTITUTE FOR LEADERSHIP EDUCATION,
ADVANCEMENT AND DEVELOPMENT, INC.**

By: _____
Name: David Castro
Its: President & CEO

Exhibit A
Exceptions from the Office Lease Agreement

No exceptions.

Exhibit B
Legal Description of Real Property

Situated in the Commonwealth of Pennsylvania, County of Berks and City of Reading:

Parcel 1: ALL THAT CERTAIN tract or piece of land together with the improvements thereon erected, situate on the Northwesterly corner of North Fourth and Penn Streets, in the City of Reading, County of Berks and the Commonwealth of Pennsylvania, more fully bounded and described as follows, to wit:

BEGINNING at the intersection of the Northerly building line of Penn Street and the Easterly building line of North Fourth Street (60 feet wide and the Penn Street line as defined by the adopted Topographical Survey of the City of Reading and not as the proposed topographical building line by the Redevelopment Authority of the City of Reading); thence from said place of beginning, extending in a Northerly direction along the Easterly building line of North Fourth Street, forming an interior angle of 89 degrees 16 minutes with the Northerly building line of Penn Street, a distance of 233.54 feet to a point on the Southerly building line of Court Street (50 feet wide); thence extending in an Easterly direction along the Southerly building line of Court Street, forming an interior angle of 90 degrees 20 minutes with the last described line, a distance of 238.33 feet to a point; thence extending along the Westerly face at ground level of a brick wall, being land now or late of Berks County Industrial Development Authority, the following seven (7) directions and distances: (1) in a Southerly direction, forming an interior angle of 89 degrees 40 minutes 22 seconds with the Southerly building line of Court Street, a distance of 70.68 feet to a point; (2) in an Easterly direction, forming a right angle with the described line, a distance of 0.32 feet to a point; (3) in a Southerly direction, forming an interior angle of 90 degrees 15 minutes 50 seconds with the last described line, a distance of 80.99 feet to a point; (4) in a Westerly direction, forming a right angle with the last described line, a distance of 0.21 feet to a point; (5) in a Southerly direction, forming a right angle with the last described line, a distance of 23.13 feet to a point; (6) in an Easterly direction, forming a right angle with the last described line, a distance of 0.68 feet to a point; and (7) in a Southerly direction, forming a right angle with the last described line, a distance of 57.07 feet to a point on the Northerly building line of Penn Street; thence extending in a Westerly direction along the Northerly building line of Penn Street, forming an interior angle of 90 degrees 27 minutes 48 seconds with the last described line, a distance of 239.90 feet to the place of beginning.

Parcel 2: ALL THAT CERTAIN parcel or land situate on the Southerly side of Court Street, East of North Fourth Street, in the City of Reading, County of Berks and Commonwealth of Pennsylvania, more fully bounded and described as follows, to wit:

BEGINNING at a point on the Southerly building line of Court Street (50 feet wide), a distance of 238.33 feet from the intersection of the Southerly building line of Court Street with the Easterly building line of North Fourth Street (60 feet wide); thence extending in an Easterly direction along the Southerly building line of Court Street, a distance of 0.22 of a foot to a point; thence extending in a Southerly direction along land now or late of Berks County Industrial Development Authority forming an interior angle of 89 degrees 48 minutes with the Southerly building line of Court Street, a distance of 95.83 feet to a point; thence extending along the Westerly face at ground level of a brick wall, the following three (3) directions and distances: (1) in a Northerly direction, forming an interior angle of 0 degree 8 minutes 12 seconds with the last described line, a distance of 25.15 feet to a point; (2) in a Westerly direction, forming an interior angle of 269 degrees 44 minutes 10 seconds, a

distance of 0.32 of a foot to a point; and (3) in a Northerly direction, forming an interior angel of 90 degrees with the last described line, a distance of 70.68 feet to the place of beginning. The last described line forming an interior angle of 90 degrees 19 minutes 38 seconds with the Southerly building line of Court Street.

Parcel 3: ALL THAT CERTAIN sliver of ground situate South of Court Street and East of North Fourth Street in the City of Reading, County of Berks and Commonwealth of Pennsylvania, more fully bounded and described as follows, to wit:

BEGINNING at a point on the face at ground level of a brick wall (said place of beginning being South a distance of 151.66 feet measured along a line from the Southerly building line of Court Street and said line forming an interior angle of 89 degrees 48 minutes with the Southerly building line of Court Street, said point being 238.55 feet from the intersection of the Southerly building line of Court Street with the Easterly building line of North Fourth Street); thence from said place of beginning extending in a Southerly direction along land now or late of Berks County Industrial Development Authority, a distance of 23.13 feet to a point; thence extending along the Westerly face at ground level of a brick wall the three (3) following directions and distances: (1) in a Westerly direction, forming an interior angle of 90 degrees 8 minutes 12 seconds with the last described line, a distance of 0.02 of a foot to a point; (2) in a Northerly direction, forming a right angle with the last described line, a distance of 23.13 feet to a point; and (3) in an Easterly direction, forming a right angle with the last described line, a distance of 0.07 of a foot to the place of beginning. The last described line forming an interior angle of 89 degrees 51 minutes 48 seconds with the first described line.

Exhibit C
Rent

April 1 to July 31, 2014: \$0.00, zero dollars per month.

August 1 to December 31, 2014: \$33,307.80, thirty-three thousand, three hundred and seven dollars and eighty cents per month.

December 31, 2014 to June 30, 2016: \$40,225.05, forty thousand, two hundred twenty-five dollars and five cents per month.

July 1, 2016 and after: 44,247.50, forty-four thousand, two hundred forty-seven and fifty cents per month and additional rent sufficient to cover the Annual Operating Expenses related to occupancy of the premises as defined in Exhibit D of this Agreement.

Exhibit D
Return of Defined Annual Operating Surplus as Charitable Contribution

Definitions:

“Annual Operating Expenses” shall mean those actual annual costs and expenses of the Landlord attributable in any way to the operation or maintenance of the Premises, as follows: the cost of labor and materials; the cost of leasehold improvements; the cost of supplies which are used by the Tenant or its employees in connection with its use of the Premises; the cost of electricity, water, sewer, gas, fuel, lighting, heating, ventilating and air conditioning, and any other utilities for the premises leased to the Tenant; insurance; taxes, if any; depreciation expenses and any annual amortization of any costs incurred which benefit the Tenant in respect of its use of the Premises; legal fees or accounting fees incurred which benefit the Tenant in respect of its use of the Premises; and any other actual costs arising from or resulting from or associated with the Premises during the Term. Annual Operating Expenses shall also include carry over losses from previous fiscal years in which Annual Operating Expenses exceeded Annual Rent paid by the Tenant.

“Defined Annual Operating Surplus” shall mean the annual excess of Annual Rent paid by the Tenant, if any, over and above Annual Operating Expenses.

For each annual term of this lease, Landlord agrees to pay to Tenant as a mandatory unrestricted charitable contribution, the Defined Annual Operating Surplus, if any.