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When Recorded Mail To:

David S. Crossett
Chapman and Cutler
111 West Monroe
Chicago, Illinois 60603

CC 200812 1 of 3

SPACE ABOVE THIS LINE RESERVED FOR
RECORDER'S USE ONLY



LEASE CERTIFICATE

The undersigned, Barbara Castellán, in her capacity as Executive Director of Gads Hill Center, an Illinois not-for-profit corporation ("Gads Hill Center"), hereby certifies that attached hereto as Exhibit A are true and accurate copies of a Lease Agreement dated as of October 1, 2000, between Sinai Community Institute, Inc. and Illinois not-for-profit corporation and Gads Hill Center, and a Lease Agreement Rider dated as of June 6, 2001, between the same parties, with respect to property located at 2653 West Ogden Avenue, Chicago, Illinois (tax identification number 16-24-215-001 Volume 572).

GADS HILL CENTER

By: Barbara Castellán
Name: Barbara Castellán
Title: Executive Director

State of Illinois)
) SS
County of Cook)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that the foregoing instrument was acknowledged before me on the day and dated first above written by Barbara Castellán, Executive Director of Gads Hill Center, an Illinois not-for-profit corporation, on behalf of the said organization.

IMPRESS SEAL HERE

Suzanne E Maciejewski
Notary Public

This instrument was prepared by: David S. Crossett., Chapman and Cutler, 111 West Monroe, Chicago, Illinois 60603



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LEASE AGREEMENT

This Lease is entered into this 1st day of October, 2000 between Sinai Community Institute, an Illinois not-for-profit corporation ("Landlord") and Gads Hill Center, an Illinois not for profit corporation. ("Tenant").

WITNESSETH

Whereas Landlord owns property at 2653 W. Ogden Avenue, Chicago, Illinois; and

Whereas, Tenant desires to lease a portion of the second floor of the building; and

Landlord, for and in consideration of the covenants and agreements hereinafter set forth leases to Tenant, and Tenant hereby leases from Landlord the premises described herein, under the terms and conditions set forth in this Lease.

1. **The Premises.** Tenant leases a portion of the second floor of 2653 W. Ogden Avenue, Chicago, Illinois ("the Premises"). The Premises consist of approximately 12,834 square feet as described in Attachment A.

2. **Term/ Option to Renew.**

2.1 **Term.** The term of this lease is for twenty (20) years beginning on October 1, 2000 and concluding September 30, 2020 unless terminated earlier in accordance with Section 17.

2.2 **Option to Renew.** At the end of the Term, assuming that Tenant has complied with all the terms and conditions of this Lease, Tenant shall have the right to renew the Lease for two (2) terms of five (5) years upon giving Landlord six months written notice of its desire to exercise its option to renew. The rent during the renewal terms shall increase annually by the lesser of 3% of the current rental rate or the increase in the Consumer Price Index for the Chicago-Gary Metropolitan area.

3. **Rental.** For the first twelve (12) months of rental the rent shall be ~~\$10.50 per square foot or \$11,230.00 per month.~~ The rent

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shall increase annually at the end of twelve months by the lesser of 3% of the current rental rate or the increase in the Consumer Price Index for the Chicago-Gary Metropolitan area.

3.1 Tenant shall owe Landlord for rent from June 1, 2000. The rent from June 1, 2000 through September 30, 2000 of \$44,920 (\$11,230 x 4) shall be due in the event Tenant enters into the contract for construction of the Premises. Once that occurs the \$44,920 shall be amortized over 24 months and \$1871.66 (\$44,920 divided by 24) shall be added each month to the rent until the full \$44,920 has been paid. In the event Tenant is unsuccessful in raising funds to enter into the construction contract, then it may cancel the lease effective immediately and only owe the funds for rent through the date Landlord receives notice of cancellation, which shall only include rental from October 1, 2000.

3.2 The rent shall be payable in advance on the first day of each month of the Term. If the rent is received after the tenth (10th) day of the month there shall be a late fee of 1 1/2% of the months rent. In the event rent is more than thirty (30) days late interest shall accrue on the outstanding balance at the prime rate plus three percentage points as measured by American National Bank in Chicago.

3.3 The rental rate includes Tenant's pro rata share of all building expenses except for real estate property taxes. In the event Landlord leases space to a for profit entity which results in real estate taxes being assessed on the property, such taxes will not be passed on to the Tenant.

3.4 In the event real estate taxes are levied due to Tenant no longer serving a tax exempt purpose, then the full cost of such taxes for the building shall be paid by Tenant.

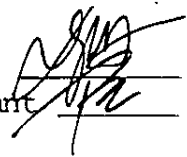
3.5 No payment by Tenant of a lesser amount of the monthly rent will be accepted as payment in full of the rent without a written acceptance of such lesser amount by Landlord.

4. Security Deposit.

4.1 Tenant has on deposit with Landlord the sum of one month's rent of \$11,230.00 to secure the faithful performance by Tenant of all of these terms, conditions and covenants contained in this

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Lease. Such deposit shall increase on every third anniversary of the Lease to the then current rental amount.

4.2 The security deposit shall not be considered an advance payment of Rent or a measure of Tenant's liability for damages. Such amount shall be held by Landlord without liability for interest as security for the performance of Tenant's obligations under this Lease.

4.3 Such security deposit shall be returned within sixty days of termination of the Lease if Tenant has faithfully performed all the covenants and conditions contained in this Lease and is not in default on any provision.

5. **Possession.** Tenant's taking possession shall be conclusive evidence that the Premises were in good order and satisfactory condition when Tenant took possession, except as to defects described in a written notice to Landlord within ten (10) days after Tenant takes possession. Tenant shall be deemed to have taken possession on the date of the construction contract referenced in Section 3.1 ["Date of Possession"]. No agreement of Landlord to alter, remodel, decorate, clear or improve the Premises or Building or no other representation respecting the condition of the Premises or the Building has been made by Landlord to Tenant other than as may be contained in this Lease or in a separate work letter between tenant and Landlord.

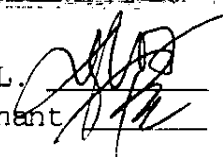
6. **Use.** Tenant shall only use the Premises as a not-for-profit agency serving the needs of the community, including providing child care services. Under no circumstances may Tenant provide medical or dental services within the Premises except in partnership with Landlord. In so using the Premises Tenant shall not do anything nor permit anything to be done which would:

6.1 Impair or obstruct the right of other Tenants to use of the Building or would interfere with any services provided to the Building;

6.2 Interfere with the business of any other Tenant or annoy any other Tenant;

6.3 Take any action which would increase the cost of any insurance upon the Premises, including fire insurance;

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6.4 Take any action which will cause or be likely to cause structural damage to the Building or any part thereof;

6.5 Violate any existing governmental laws or regulations or regulations of the Building.

6.6 Change its not for profit status, thereby endangering the tax exemption of the building.

7. Services Provided by Landlord. Landlord shall provide the following services to Tenant:

7.1 Housekeeping and janitorial services in and about the common areas. Tenant shall be responsible for the janitorial and housekeeping services within its Premises.

7.2 City water to the Premises from regular Building outlets;

7.3 Heat and air conditioning in the common areas. Tenant shall be responsible for the heat and air conditioning within its Premises including the maintenance and replacement of all HVAC equipment.

7.4 Window washing of the interior and exterior of all windows, at intervals to be determined by Landlord;

7.5 Adequate passenger elevator service;

7.6 Keep the outside of the building including the exterior walls, the roof, foundation, windows, and common areas in good repair

7.7 Provide snow clearance of entryways.

7.8 Make sure the common areas are accessible in accordance with the Americans With Disabilities Act and shall be in compliance with City of Chicago building codes.

7.9 Such additional services on such terms and conditions as Landlord may determine is appropriate from time to time.

7.10 All charges for services furnished by Landlord at Tenant's request other than those set forth in Sections 7.1 through 7.9 above shall be payable by Tenant within ten (10) days after

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receipt of the bill. Services provided by outside contractors will be billed by the Contractor directly to Tenant.

7.11 Landlord does not warrant that any of the services above mentioned will be free from interruptions caused by acts of God or events beyond the control of Landlord including acts caused by governmental action, repairs, improvements, accidents, or acts caused by Tenant or its employees, invitees, or agents. Any such interruption of service shall never be deemed an eviction or disturbance of the Tenant's use and possession of the Premises, or render the Landlord liable to Tenant for damages, or relieve Tenant from performance of Tenant's obligations to pay all rent when due under this Lease.

8. Responsibilities of Tenant. In addition to the responsibilities and obligations set forth in this Lease, Tenant shall be responsible for:

8.1 Arranging for telephone service and bearing the cost;

8.2 Be responsible for installing separate utility meters in the Premises and for paying all utility bills including gas, and electric. Landlord shall prepare the Premises at its cost so that the utilities may be separately metered. Landlord shall provide and pay for all water to the Premises.

8.3 The janitorial and housekeeping services within its own premises.

8.4 Security for its premises which shall include security for any playground area provided by Landlord. Tenant shall maintain all playground equipment in good repair.

8.5 Tenant may not arrange for any telegraphic, telephonic, burglar alarm, computer installations or signal service without the Landlord's prior written consent, which shall not be unreasonably withheld. Landlord shall advise Tenant where connections and wiriness for such services may occur within the Premises and the Building. Absent such directions, Tenant shall make no borings cuttings or installation of wires or cables in or about the Premises. Nor may Tenant arrange for any other contractors to work within the Premises in a manner which effects the permanent structure of the premises, including the floors, walls, windows, or the ceiling, including adding permanent cabinetry, without the ~~written consent of Landlord. Such consent shall not be unreasonably~~

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withheld. In seeking such consent, Landlord shall advise Tenant of applicable building standards.

8.6 Not permit the use or occupancy of the Premises by any party other than Tenant, its agents, employees, guests, invitees and licensees.

8.7 Keep its premises decorated and in good order and repair and promptly repair all damage to Premises caused by Tenant, its employees or guests including replacement or repair of broken or damaged glass, fixtures and appurtenances. If Tenant refuses to make such repairs, Landlord may make such repairs and costs shall be paid by the Tenant.

8.8 Follow the rules and regulations of the Building as set forth in Attachment C.

8.9 Not encumber in any fashion or permit any lien against the Premises. Notice of any lien or encumbrance of record shall be immediately satisfied and released by Tenant. If not so satisfied, Landlord shall have the right to pay any lien or encumbrance without investigation as to its validity and charge such expense to Tenant, except as required by the United States Department of Health & Human Services ["HHS"] in funding Tenant.

8.10 Remove all personal property at the end of the Lease. Any damage to the Premises caused by such removal shall be paid by Tenant. Any property left on the premises shall become the property of Landlord and Landlord may dispose of as it wishes with no further obligation to Tenant for the value of such personal property. Tenants shall bear the costs for such disposal. Any costs incurred herein may be deducted from the Security Deposit.

8.11 Make sure the Premises are accessible in accordance with the Americans With Disabilities Act or any other similar legislation.

9. Certain Rights Reserved to Landlord. Unless expressly waived in writing, Landlord shall have the following rights which may be exercised without notice, without any liability to Tenant for damage or injury to person, property or business, without being deemed an eviction or disturbance in any manner of Tenant's use or possession of the Premises and without relieving Tenant from its obligation to pay all rent when due or from any other obligation hereunder:

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- 9.1 to change the Building's name or street address;
- 9.2 to install, affix and maintain any and all signs on the exterior and/or interior of the Building;
- 9.3 to designate and/or approve prior to installation all types of window shades, blinds, drapes, awnings and other similar items, and all internal lighting, fixtures or equipment that may be visible from the exterior of the Building;
- 9.4 to erect, use and maintain pipes, ducts, wiring conduits and similar devices in and through the Premises; to enter the premises for the purposes of inspecting or repairing the same or making other necessary repairs; to perform janitorial and cleaning services for the common areas; to temporarily close doors, entryways and corridors of the building and the Premises and to interrupt or temporarily suspend Building Services upon reasonable advanced notice to Tenant. Landlord shall at all times exercise good judgment and attempt to minimize any interruptions of Tenant's operation.
- 9.5 to change the arrangement and/or location of entrances, doors, corridors, elevators, stairs, toilet or other public parts of the Building as long as such changes do not effect Tenant's space requirements for child care licensing.
- 9.6 to have and retain a paramount title to the Premises free and clear of any act of Tenant purporting to burden or encumber it, except as required by the Department of Health & Human Services in providing funding to Tenant.
- 9.7 to prohibit the placing of vending or dispensing machines of any kind in or about the Premises;
- 9.8 to close the Building after regular working hours and on Sundays and holidays, subject to Tenant's right to admission in accordance with the Rules and Regulations; Tenant shall have access through its own entrance to the building at the hours it deems appropriate.
- 9.9 to promulgate and periodically change Rules and Regulations of the Building to assure that all Tenants are able to enjoy their Premises and for the safety of all persons entering the Building or Premises;

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9.10 to retain master or passkeys to the Premises. Any interruption will be with reasonable notice and minimize the disruption of child care services.

10. Leasehold Improvements. Landlord shall provide the Premises to Tenant in vanilla box condition as of Date of Possession. Tenant shall have the right to build out whatever improvements it wishes with the prior written approval of Landlord which shall not be unreasonably withheld.

10.1 Tenant plans to build out the Premises as set forth in Attachment A which plans have been approved by Landlord.

10.2 All additional plans for work to be done for Tenant in the build out must be submitted to Landlord for prior written approval, however, Tenant may paint or decorate the Premises without the approval of Landlord. All such work must be done by contractors approved by Landlord after obtaining appropriate permits, which shall not be unreasonably withheld.

10.3 At the end of the term, Tenant shall be required to remove trade fixtures, unattached and movable equipment or furniture, or other personal items brought into the Premises by Tenant. Any improvements which are attached to the Premises shall belong to Landlord.

11. Repairs and Alterations.

11.1 Except to the extent such obligations are imposed upon Landlord hereunder, Tenant, at its sole cost and expense, shall perform all maintenance and repairs to the Premises as necessary to keep the Premises in good condition and repair throughout the Lease Term, reasonable wear and tear excepted. Tenant's maintenance obligations include but are not limited to:

- a. the floors and any carpeting
- b. the walls including periodically painting other than exterior or load bearing walls.
- c. any interior doors
- d. the plumbing within the Premises

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e. the HVAC within the Premises, including maintenance and replacement of the HVAC system.

11.2 Tenant shall not, without prior written consent of Landlord (which shall not be unreasonably withheld), make any alterations, improvements, additions or installations or perform any decorating, painting or other similar work in or about the Premises.

All such work shall be performed on terms and conditions reasonably prescribed by Landlord. All alterations, improvements, additions and installations to or on the Premises, other than trade fixtures, built-in furniture, and carpeting, shall become part of the Premises at the time of installation.

11.3 At any time Landlord may make repairs, alterations or improvements in or to the Building and during operations may close entrances, doors, corridors or any other facilities, all without liability to Tenant by reason of interference, inconvenience or annoyance. However, Landlord shall use its best efforts to minimize the disruption to Tenant during the Building's normal business hours any such interference, inconvenience or annoyance. Whenever possible, Landlord shall provide advance written notice of any planned repairs or alterations.

12. **Landlord's Access.** Tenant shall allow Landlord access to the Premises at all reasonable times for the purpose of examining the Premises or to make any needed repairs or alterations. Access shall also be permitted for Landlord to complete repairs or construction to space contiguous to Tenant's Premises. Landlord will seek to minimize any disruption of the child care services being provided when making repairs and alterations to Premises or contiguous space. Landlord may with one (1) days notice to Tenant show the Premises upon receiving notice that the Lease will not be renewed or it has been terminated. If Tenant shall not be present when access is sought, Landlord may use its master key, or in case of emergency may enter forcibly. During any such entry Landlord shall take reasonable care of Tenant's property.

13. **Assignment and Subletting**

13.1 Tenant may not assign the Lease without the written approval of Landlord which shall not be unreasonably withheld assuming the assignee can meet the credit standards of Landlord. Tenant shall not have a right to sublease or assign its rights without the written approval of the HHS.

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13.2 Tenant may not sublease the Premises or any portion thereof without the written approval of Landlord such consent will not be unreasonably withheld. It shall be reasonable for Landlord to withhold consent if:

(a) the proposed subleases does not meet the Landlord's standards regarding financial stability and resources;

(b) the proposed subleases is a for-profit operation or one which would compete with Landlord or affiliates of the Sinai Health System in the services provided or the proposed subleases is inconsistent with the other Tenants;

(c) Tenant is in default; or

(d) Any portion of the building would become subject to additional or different government laws or regulations as a consequence of the proposed subleases.

13.3 Notwithstanding any subletting or other transfer of Tenant's right under this Lease, Tenant hereby agrees to remain fully liable on this Lease and shall not be released from performing any of its terms and conditions.

13.4 If Landlord approves a sublease then Landlord shall be entitled to 75% of the excess amount Tenant receives for rental over its current rental rate.

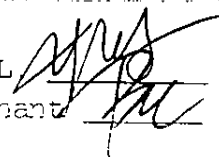
13.5 In the event DHHS assume or designates another entity to assume the Tenant's rights, obligations and liabilities under the Lease, the Tenant will relinquish to DHHS or its designee possession of all interests it might have in the leases Premises.

14. Insurance.

14.1 Landlord agrees to insure the Building for its full replacement costs against fire, sprinkler leakage and other damage which is generally included in an extended coverage policy. It shall also carry a public liability policy.

14.2 Tenant at its sole cost and expense shall maintain the following types of insurance during the term of the Lease:

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14.2.1 Commercial General Liability Insurance applicable to the Premises and its appurtenance providing, on an occurrence basis, a minimum combined single limit of \$2,000,000 with a contractual liability endorsement covering Tenant's indemnity obligations under this Lease.

14.2.2 All risks of physical loss insurance written at replacement cost value and with a replacement cost endorsement covering all of Tenant's Property in the Premises.

14.2.3 Workers' Compensation Insurance as required by the State of Illinois in amount required by Illinois law.

14.2.4 Plate glass insurance to cover damage due to any reason for any and all windows for its Premises.

14.3 All policies of insurance required hereunder shall be made available for inspection by the other party to this Lease upon request. Tenant's property damage and public liability insurance shall be with an insurer approved by Landlord and a copy of the policy binder shall be provided annually to Landlord.

14.4 Landlord and Tenant intend that the risk of loss or damage as described in Section 15 be borne by responsible insurance carriers, and Landlord and Tenant, hereby agree to look solely to, and to seek recovery only from their respective insurance carriers in the event of a loss to the extent that such coverage is agreed to be provided hereunder. For this purpose, an applicable deductible amount shall be treated as though it were recoverable under such policies.

14.5 Landlord shall have the right every five (5) years to increase the amounts of insurance coverage based on applicable standards for similarly situated buildings.

15. Damage By Fire or Other Casualty.

15.1 If the Building or the Premises are made substantially untenable by fire or other casualty which cannot be repaired within one hundred and twenty (120) days, Landlord may elect either to:

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15.1.1 terminate this Lease as of the date of such fire or casualty by delivery of notice of termination to Tenant; or

15.1.2 without termination of this Lease proceed with due diligence to repair Building or Premises at Landlord's expense.

15.2 If the Premises or the Building are damaged by fire or other casualty, but not made substantially untenable, then Landlord shall proceed with due diligence to repair and restore the Building or Premises, other than leasehold improvements paid for by Tenant. If the remaining term on the lease is less than one year, Landlord or Tenant shall have the option of terminating the Lease within thirty (30) days of such damage.

15.3 Rent shall abate on the per diem basis during any period the Premises are rendered untenable by fire or casualty. Except that if the fire was caused by Tenant, its employees, or invitees then Tenant shall remain fully liable for the rent.

16. Eminent Domain. If the Building or any portion thereof containing the Premises shall be taken or condemned by a competent authority for public use or purpose the Term of this Lease shall end upon the date when possession of the part so taken shall be required. Any award shall belong solely to Landlord. However, Tenant may file a claim at its sole cost and expense and receive an award for the Tenant's property, including all Tenant improvements to the Premises, and Tenant's reasonable relocation expenses.

17. Termination of Lease.

17.1 This Lease will be terminated at Lessor's option under any of the following circumstances:

17.1.1 As set forth in other provisions in this Lease;

17.1.2 Tenant shall immediately surrender the Premises upon default of other provisions in this Lease. In such circumstances HHS shall receive a copy of any notice of default issued to Tenant and may, at its option and in lieu of Tenant, cure such default within the applicable cure period. HHS shall also receive a copy of any notice of alleged default issued by Tenant to Landlord. If HHS

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notifies Landlord in writing that it or its designee is assuming the Tenant's rights and responsibilities, Landlord shall not consider the Tenant in default for ninety (90) days while HHS cures the default. In the event HHS does not provide a cure within the ninety days then the Tenant shall be in default.

17.1.3 At the end of the Lease Term.

17.1.4 When rent has not been paid within ten (10) days of receipt of the bill. Tenant shall be given written notice that Tenant is being evicted. Tenant shall have ten (10) days from the receipt of such notice to pay any outstanding balance in full. Landlord shall be entitled to all costs incurred in evicting Tenant, including reasonable attorneys fees and court costs.

17.1.5 When Tenant has filed for Bankruptcy or Reorganization under the Bankruptcy Code. No election by the Trustee or Debtor-In-Possession to assume this Lease, whether under Chapter 7, 11, or 13 of the Bankruptcy Code shall be effective unless Landlord agrees in writing to continue Lease.

17.1.6 When the Tenant has violated the Rules and Regulations of the Building and has not corrected such violation within five (5) days of receiving written notice.

17.1.7 When Tenant has not maintained the required insurance or has falsified or had an Agent falsify any information related to this Lease.

17.1.8 When Tenant is no longer a not-for-profit organization.

17.1.9 When Tenant has taken any action which would encumber the Building or any part thereof. Notwithstanding the foregoing, Landlord acknowledges and consents to the grant by Tenant of an interest in the Premises and the Leasehold Estate to the Federal Government pursuant to and in accordance with 45 CFR Part 74 (1997) of the U.S. Code of Federal Regulations and succeeding Federal Laws and Regulations concerning the

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rights and Federal interest of DHHS, and the filing of a notice thereof in applicable real estate records.

17.2 Tenant shall have the right to terminate the Lease, when it has lost ten percent (10%) or more of its funding leading to a decision that it can no longer operate the child care center. In such circumstances, Tenant shall owe Landlord six months of rent after termination of their program. Landlord shall be entitled to retain all improvements made to the Premises at no cost to it.

17.3 Upon termination, Tenant shall immediately surrender the Premises to Landlord in a good, clean tenantable condition, ordinary wear and damage by fire or other casualty excepted. In the event possession is not immediately delivered to Landlord or if Tenant shall fail to remove all its property which it is entitled or directed to remove, Tenant hereby grants to Landlord the process of law for the purpose of returning to Landlord the Premises, to expel or remove Tenant and any others who may be occupying the Premises and to remove any and all property therefrom. Such force as may be necessary may be used without being deemed guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to rent or any other right hereunder.

18. Landlord's Remedies.

18.1 All rights and remedies of Landlord herein enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law. No waiver of any default by tenant shall be implied from any omission by Landlord to take any action on account of such default if such default persists or is repeated. One or more waivers by Landlord of any breach of any covenant, term or condition of this Lease shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

18.2 If Tenant has breached this Lease, Landlord may elect to terminate the lease or without terminating this Lease, make such alterations and repairs as may be reasonably necessary as required to relet the Premises. Any reletting of the Premises shall be under terms and conditions as the Landlord in its sole discretion deems advisable. All rentals received from any such reletting shall first be applied to the payment of any indebtedness from Tenant to Landlord including costs for reletting, attorneys fees, and costs to repair any damage done by Tenant. The residue, if any, shall be held by Landlord and applied as payment of future rent as the same

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may be due and payable hereunder. If such rental is received from such reletting during any month is less than that to be paid by Tenant then Tenant shall pay Landlord the deficiency. Such amount shall be calculated and paid monthly.

18.3 Should Landlord at any time terminate this Lease for any breach, in addition to any other remedies it may have, it may recover from Tenant all damages it may incur by reason of such breach including the cost of recovering the premises and reasonable attorney's fees.

18.4 If Tenant shall default in the performance of any of its obligations hereunder and such default shall continue after the expiration of any notice or grace period herein provided, Landlord may perform such obligation for the account and expense of Tenant without notice and Tenant shall reimburse Landlord therefor upon demand.

19. Waiver of Claims and Indemnity.

19.1 Tenant hereby releases and waives all claims against Landlord, the managing agent of the building, Landlord's beneficiaries, affiliates, agents, employees and servants for injury or damage to person, property or business sustained in or about the Building or the Premises by Tenant, its agents, employees or invitees, which injury or damage results from any act, neglect, occurrence or condition on or about the Building or Premises, except to the extent that such injury or damage is caused by the negligence or willful or wanton act or omission of Landlord, its affiliates, the managing agent of the Building or said organization's agents, employees or servants.

19.2 Tenant agrees to indemnify and hold harmless Landlord, its affiliates, and said organizations' agents, employees and servants against any and all claims, demands, costs and expenses of every kind and nature, including reasonable attorney's fees for the defense thereof, arising from Tenant's occupancy of the Premises or from any breach or default on the part of Tenant in the performance of any agreement of Tenant to be performed pursuant to the terms of this Lease, or from any act or neglect of Tenant, its employees, agents, servants, invitees or customers in or about the Premises. In case any such proceeding is brought against any of said persons or entities, Tenant covenants to defend such proceeding at its sole cost and expense by legal counsel reasonably satisfactory to Landlord if requested by Landlord.

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19.3 Landlord hereby releases and waives all claims against Tenant, its agents, employees and servants for injury or damage to person, property or business sustained in or about the Premises by Landlord, its agents or employees which injury or damage results from any act, neglect, occurrence or condition on or about the Premises, except to the extent such injury or damage is caused by the negligence or willful or wanton act or omission of the Tenant, its agents, employees or servants.

20. Holding Over. If Tenant retains possession of the Premises or any part thereof after termination of this Lease by lapse of time or otherwise, Tenant shall pay to Landlord double the monthly rent payable before the lease was terminated for each month Tenant remains on the Premises. At Landlord's election such holding over shall constitute a renewal of the Lease on all the terms and conditions contained herein for a period of one year. The provisions of this Section 18 shall not be deemed to limit or exclude any of Landlord's rights of reentry or any other right granted to Landlord hereunder or under Law.

21. Estoppel Certificate. Tenant shall from time to time upon not less than ten (10) days written request by Landlord, deliver to Landlord a statement in writing certify:

21.1 that this Lease is unmodified and in full force and effect, or if there have been modifications that the Lease as modified is in full force and effect;

21.2 the dates to which rent and other charges have been paid; and

21.3 that a Landlord is not in default under any provision of this Lease, or if in default, a detailed description thereof.

Tenant hereby appoints Landlord as its attorney-in-fact to execute and deliver said certificate if Tenant fails to do so within the above-stated time period.

22. Subordination of Lease and Nondisturbance. This Lease and the rights of Tenant hereunder shall be and are hereby made expressly subject and subordinate at all times to the lien of any mortgage now or hereafter existing against the Property, and to all advances made or hereafter to be made upon the security thereof. ~~Tenant agrees to execute and deliver such further instruments~~

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subordinating this Lease to any lien of any such mortgage as may be requested in writing by Landlord and hereby appointed Landlord as its attorney-in-fact to deliver such instruments if Tenant fails to do so within ten (10) days of Landlord's written request. Tenant's rights under this Lease shall continue in full force and effect and its possession of the Premises shall remain undisturbed, except in accordance with the provisions of this Lease, so long as Tenant is not in default under the provision of the Lease to permit Lease termination. Tenant shall have the right to record a memorandum of lease and in the event the mortgage lender to Landlord changes during the term of the Agreement to seek a simple non-disturbance agreement from any new lender.

23. **Governing Law.** This Lease shall be governed by the law of Illinois and enforced in the Circuit Court of Cook County. In the event some portion is found to be invalid or unenforceable, it shall not effect the validity or enforceability of the remainder of the Lease.

24. **Notices.** All notices to be given under this Lease shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested or by fax to the following address:

Sinai Community Institute	Gads Hill Center
2653 W. Ogden Avenue	2653 W. Ogden Avenue
Chicago, IL 60608	Chicago, IL 60608
Att: Chief Executive Officer	Att: Executive Director

25. **Real Estate Brokers.** Tenant represents that it has not dealt with any real estate broker in connection with the Lease. Tenant hereby indemnifies and holds Landlord harmless from and against any and all claims of any real estate broker for commissions resulting from the foregoing representation.

26. **Legal Fees.** In the event the parties are forced to litigate the terms of this Lease and its enforcement, then the Prevailing Party in such litigation shall be entitled to have its legal fees including court costs and reasonable attorneys fees paid by the losing party.

27. **Signage.** Tenant shall have the right to have a sign outside the building and on its Premises. The size and design of any sign for the outside of the building must be approved in writing by Landlord before installation. The cost for any signs including installation shall be Tenant's.

L.L.

Tenant

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28. Playground. Tenant shall have access to the area designated in Attachment A for a playground. Tenant shall be fully responsible for maintaining the area including mowing the lawn, fencing it in, and equipping the area with appropriate equipment. All equipment shall be maintained in good order. Tenant shall hold Landlord harmless and defend Landlord for any claims brought against Landlord as a result injuries which occur on the playground which are not caused by the negligence of the Landlord its employees or agents.

During the term of the Lease, Landlord reserves the right to designate another area of similar size for the playground with the consent of Tenant, which shall not be unreasonably withheld, but which may require the consent of HHS or other appropriate childcare program licensing agency. In such event Landlord shall bear the cost for moving the playground and any of its equipment. If equipment cannot be moved, then Landlord shall replace such equipment at Landlord's cost.

29. Notice of Federal Interest; Subordination.

Notwithstanding any other provision of this Lease, this is to notify all potential assignors, assignees, sellers, purchasers, transferors, transferees, mortgagees, creditors, subtenants, concessionaires, licensees, occupants and any other person or entity who has or may seek to obtain an interest of any kind in the Premises or any portion thereof, of the Federal government's beneficial ownership interests (the "Federal Interest") in the Premises as defined in and/or regulated by the Head Start Act, 42 USC Sec. 9831 et. seq., 45 CFR Parts 74, 92, and 1309, and relevant decisions of the United States courts. The Federal Interest arises because Tenant shall receive and use Federal grant funds awarded by HHS to lease the Premises and construct the Project for use in connection with the Head Start program. Head Start grants incorporate conditions that include restriction on the use of the property and that provide for a Federal Interest in the property. In accordance with 45 CFR Parts 74, 92 and 1309 and relevant decisions of the United States courts, the Premises may not be used for any purposes that are inconsistent with the purpose(s) of the Federal grant. Notwithstanding anything to the contrary contained in this Lease, Tenant may not, without obtaining the prior written approval of HHS (i) assign its interest in this Lease or its ownership in the Premises, (ii) sublet the Premises or otherwise permit anyone other than Lessee to occupy the Premises or any portion thereof, (iii) sell, use as collateral, or otherwise ~~transfer or encumber Lessee's property interest in and to the~~

L.L. _____
Tenant _____

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Premises and the Project. The Head Start grant conditions cannot be altered or nullified through a transfer of ownership. Further information regarding the Federal government's interest in the property described herein can be obtained from the Regional Administrator, Administration for Children and Families Region V, 233 N. Michigan Avenue, Suite 600, Chicago, IL 60601-5502. Landlord and Tenant agree to execute and file of record with the Cook County Recorder's Office, a memorandum of this Lease in accordance with the requirements for such notices under 45 CFR Sec. 1309.21.

30. Miscellaneous Provisions

30.1 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 shall not be affected thereby, and each term and provision of this Lease shall be valid and enforced to the fullest extent permitted by Illinois law.

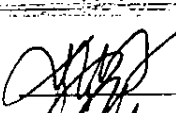
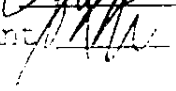
30.2 Tenant agrees not to record this Lease without Landlord's prior written consent, which shall not be unreasonably withheld.

30.3 Landlord shall have the right to transfer and assign, in whole or in part, all of its rights and obligations hereunder in the Building. Upon such transfer Landlord shall be released from further obligations hereunder and Tenant agrees to look solely to such successor in interest of Landlord for the performance of such obligations.

30.4 Tenant warrants that it has the authority from its Board of Directors to enter into this Lease.

31. Quiet Enjoyment. Landlord covenants that upon Tenant paying the rental and duly performing and observing all of Tenant's other obligations, covenants and agreements, Tenant may peacefully and quietly have, hold and enjoy the Premises for the initial term of this Lease and any extensions hereof, subject and subordinate to the terms provided in this Lease.

32. Entire Agreement. All of the representations, agreements and obligations are contained herein, and no modification, waiver or amendment of the provisions of this Lease shall be binding upon Landlord unless in writing and signed by Landlord or by a duly authorized agent of Landlord. This Agreement and the following attachments are the full agreement of the parties:

L.L. 
Tenant 

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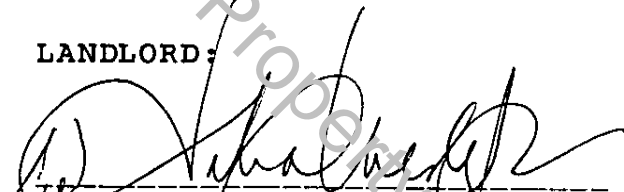
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Attachment A	Description of the Premises
Attachment B	Construction Work to Be Done
Attachment C	Rules and Regulations

IN WITNESS WHEREOF, the parties have duly executed this Lease on the day and year first above written.

LANDLORD:

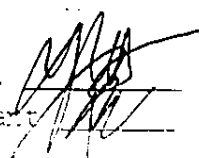
TENANT:


Sinai Community Institute
By Chief Executive Officer


Gads Hill Center
By Its Executive Director

Property of Cook County Clerk's Office

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L.L. 
Tenant

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ATTACHMENT A
TO LEASE AGREEMENT BETWEEN
SINAI COMMUNITY INSTITUTE AND GADS HILL CENTER
ENTERED INTO ON OCTOBER 1, 2000

Description of Premises

The Premises consists of 12,834 square feet of space situated on the 2nd floor of the building owned and operated by Sinai community Institute. The premises is in the northern half of the second floor. The building is located at 2653 W. Ogden Avenue, Chicago Illinois with its legal description as follows.

Lots 9 and 10 in block 5 in Cook and Anderson's subdivision of the West ½ of the Northeast 1/4 of section 24, township 39 North, range 13 East of the third principal meridian (except that part of lots 9 and 10 conveyed to City of Chicago for widening of Ogden Avenue and also excepting from said lots 9 and 10 that part thereof condemned or used for alley purposes) all in Cook County, Illinois.

Playground space provided consists of a city lot located directly south of the Sinai Community Institute building and is located on West 15th Street.

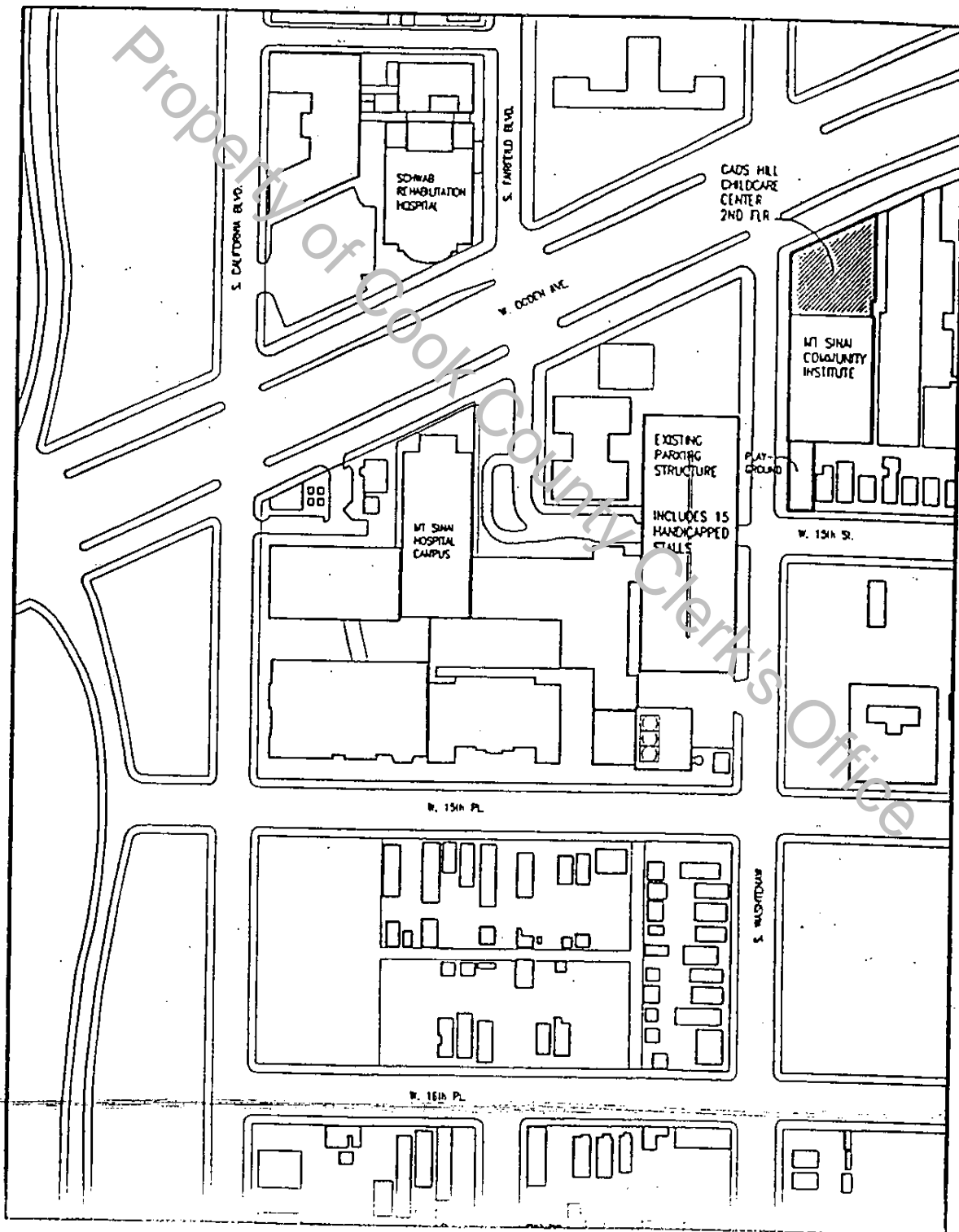
A Site Plan is attached (Attachment A1) denoting the above Premises and Playground.

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ATTACHMENT A1
TO LEASE AGREEMENT BETWEEN
SINAI COMMUNITY INSTITUTE AND GADS HILL CENTER
ENTERED INTO ON OCTOBER 1, 2000

SITE PLAN



OVERALL CONCEPTUAL SITE
MOUNT SINAI HEALTH SYSTEMS CAMPUS
9/17/96
SCALE: 1 TO 200'



STREET LAYOUT CONSULTING
ARCHITECTS
221 N. LaSalle St., Suite 700
Chicago, Illinois 60606
Tel: 312-691-0000

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JUL 16 1998
JUL 26 1998

10013680

BACK INK ONLY DO NOT WRITE IN SHADED AREA STOP ORDER # _____

Section No. _____

Page 1

Address: 253 WEST COPEN AVE
CHICAGO, IL 60608

Front BLDGS
Rear BLDGS

CITY OF CHICAGO DEPARTMENT of BUILDINGS PERMIT APPLICATION

Permanent Real Estate Index No. 16-2A-215-001

PERMIT NO. ISSUED 39692

Type of Permit: Alteration New Use ERAN
 Erect Addition Alteration Same Use
 Repair Department Repair-Order Miscellaneous

Not Survey House No. Ward 28

Description of Permit (Type or Print Clearly)

Driveway Permit

Barricade Permit

Work Code 24000 CACT 2915

TENANT BUILD-OUT
PARTIAL 2ND FLOOR OF
EXISTING BUILDING

8. Mason Cont. N/A Lic.# _____

Co. _____ City _____

Addr. _____ St. _____ Zip _____

Bldg. Owner: SINAL HEALTH SYSTEMS

9. Plumb. Cont. James Whalen Lic.# R9458

Co. O'Callahan Inc City Chicago

Addr. 215 Wacker St St. IL Zip 60601

fr. 1500 S FAIRFIELD AVE

Chic. CHICAGO St. IL Zip 60608

Genl. Cont. OWNER Reg.# _____

9g. No. of Water Heaters 2 No. of Plumbing Fixtures 30

Vch/Engr. STEPHEN PANKIN Lic.# 1009002

10. Elect. Cont. Thomas Dwyer Lic.# C62369

Co. ASHLEY ELECTRIC City Chicago

Addr. 3165 W 84th St. IL Zip 60652

Firm STEPHEN PANKIN ASSOC City CHICAGO

fr. 205 W WACKER #205 St. IL Zip 60606

Vent./Heat Cont. Jim Leary Reg.# 119610

11. Revised Cont. _____ Lic./Reg.# _____

Co. _____ City _____

Addr. _____ St. _____ Zip _____

Medical Energy Systems City Chicago

fr. 410 N KEDZIE St. IL Zip 60618

PLAN EXAMINATION

Const.	Stories	Basements	Width	Length	Height
<u>1B</u>	<u>3</u>		<u>112'-8"</u>	<u>246'-11 1/2"</u>	<u>45'-0"</u>

Code	Reusing	Date	Approval	Permit Fees
<u>19</u>	<u>Accessibility</u>	<u>2/10/01</u>		
<u>21</u>	<u>Special Programs</u>			
<u>29</u>	<u>Zoning</u>	<u>7/16/98</u>	<u>ARC</u>	<u>500.00</u>
<u>22</u>	<u>Amusement Buildings</u>	<u>7/16/98</u>	<u>ARC</u>	<u>475.09</u>
<u>20</u>	<u>Structural Iron</u>			
<u>23</u>	<u>Plumbing</u>	<u>7/16/98</u>	<u>T.O.</u>	<u>460.00</u>
<u>27</u>	<u>Furnace</u>			
<u>25</u>	<u>Ventilation</u>	<u>7/16/98</u>	<u>ARC</u>	<u>8165.00</u>
<u>26</u>	<u>Environmental</u>	<u>7/16/98</u>	<u>ARC</u>	<u>20.00</u>
<u>30</u>	<u>Refrigeration</u>			
<u>24</u>	<u>Fire Prevention</u>	<u>7/16/98</u>	<u>ARC</u>	<u>150.00</u>
<u>21</u>	<u>Electrical</u>	<u>7/16/98</u>	<u>ARC</u>	<u>957.00</u>
	<u>Sewers</u>			
<u>28</u>	<u>Water for Code</u>			

Bldg. Volume 1,245,825 cu. ft.

Est. Cost \$500,000

Use of Bldg: MIXED USE, DAYCARE/BUSINESS

Classification by Occupancy:

<input type="checkbox"/> Class A Residential	<input type="checkbox"/> Class G1 Indus. Low Hazard
<input type="checkbox"/> Class B Institutional	<input type="checkbox"/> Class G2 Indus. Mod. Hazard
<input type="checkbox"/> Class C Assembly <u>C3-TYPE IA</u>	<input type="checkbox"/> Class H1 Storage Low Hazard
<input type="checkbox"/> Class D Open Air Assm.	<input type="checkbox"/> Class H2 Storage Mod. Hazard
<input type="checkbox"/> Class E Business	<input type="checkbox"/> Class H3 Garage
<input type="checkbox"/> Class F Mercantile	<input type="checkbox"/> Class I Hazardous
<input type="checkbox"/> Private Garage	<input type="checkbox"/> Class J Misc. Building

Residential—Condominium Use: Yes No

Change: New Construction Exist. Bldgs.—Change in Units
x: Dw. Units New Units (+) More (+) Less (-)

Have you received a notice from the Department of Buildings? Yes No

Is work made necessary by Fire Loss? No
Percent of Loss _____ % Approved By _____

Landmark Building: Yes No

NO STOP ORDER	FEE SUBTOTAL
	<u>6311</u>
FEE	TOTAL DUE

JUL 22 1998

JUL 20 1998

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ATTACHMENT C

RULES AND REGULATIONS

1. Landlord reserves the right to change from time to time the format of the signs or lettering on the signs, and to require replacement of any signs previously approved pursuant to Section 27 to conform to Landlord's new standard sign criteria established pursuant to any remodeling of the building located at 2658 W. Ogden Ave, Chicago, IL. ("Building").

2. Tenant shall not, without the prior written consent of Landlord (i) paint, decorate or make any changes to the exterior of the Building; or (ii) install any exterior lighting, awning or protrusions, signs, advertising mailer, decoration or painting visible from the exterior of the Premises or any coverings on exterior windows and doors, excepting only dignified displays of customary type in Premises windows. If Landlord objects in writing to any of the foregoing, Tenant shall immediately discontinue such use.

3. Tenant shall not, (i) use or permit to be used, the sidewalks adjacent to such Premises, or any other area outside the Premises for solicitation or for the sale or display of any merchandise or for any other business, occupation or undertaking, or for outdoor public meetings, circus or other entertainment; (ii) use or permit to be used any sound broadcasting or amplifying device which can be heard outside of the Premises or any flickering lights; (iii) use or permit to be used any portion of the Premises for any unlawful purpose or use or permit the use of any portion of the Premises as regular living quarters, sleeping apartments or lodging rooms or for the conduct of any manufacturing business.

4. Tenant shall at all times keep the Premises at a temperature sufficiently high to prevent freezing of water pipes and fixtures. Tenant shall not, nor shall Tenant at any time permit, any occupant of the premises to: (i) use, operate or maintain the Premises in such a manner that any rates for any insurance carried by Landlord shall thereby be increases; or (ii) commit waste, perform and acts or carry on any practices which may injure the Building to be nuisance or menace to other tenants in the Building.

5. Tenant shall not obstruct any sidewalks, passages, exits, entrances, truck ways, loading docks, package pick-up stations, pedestrian sidewalk and ramps, first aid and comfort stations or stairways of the Building. No employee or invitee of Tenant shall go upon the roof of the Building, except that Tenant may, following best efforts by Tenant to notify Landlord, access the roof of the Premises to provide maintenance to or replacement of HVAC systems serving the Premises.

6. If Tenant requires telegraphic, telephonic, burglar alarm or similar services, it shall first obtain, and comply with Landlord's instructions in their installation.

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7. Tenant shall not place a load upon any floor which exceeds the designed load per square foot or the load permitted by law. Landlord shall have the right to prescribe the weight, size and position of all equipment, materials, furniture or other property brought into the Premises. Heavy objects shall stand on such platforms as determined by Landlord to be necessary to properly distribute the weight. Business machines and mechanical equipment belonging to Tenant which cause noise or vibration that may be transmitted to the structure of Tenant's Premises or to any other space to such a degree as to be objectionable to Landlord or to any tenants shall be placed and maintained by Tenant, at Tenant's expense, on vibration eliminators or other similar devices. The persons employed to move equipment in or out of Tenant's Premises must be acceptable to Landlord. Landlord will not be responsible for loss of, or damage to, any equipment or other property from any cause, and all damage done to the Building by maintaining or moving such equipment or other property shall be repaired at the expense of Tenant.

8. The toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed, no foreign substance of any kind whatsoever shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the Tenant, who, or whose employees or invitees, shall have caused such problem or occurrence.

9. Tenant shall not install any radio or television antenna, loudspeaker or other device on the roof or exterior walls of Tenant's store. Tenant shall not interfere with radio or television broadcasting or reception from or in the Building or the adjoining Sinai Health System Campus.

10. Tenant shall not install, maintain or operate upon the premises or in any Common Areas under the exclusive control of Tenant any vending machine (except for the exclusive use of employees of Tenant) or video game without Landlord's prior written consent.

11. Tenant shall store all its trash and garbage in containers within its Premises and/or in the portion of the Common Areas designated by Landlord. Tenant shall not place in any trash box or receptacle any material which cannot be disposed of in the ordinary and customary manner of trash and garbage disposal. All garbage and refuse disposal shall be made in accordance with directions issued from time to time by Landlord. Tenant shall utilize same disposal company as Landlord.

12. No cooking shall be done or permitted by Tenant on the Premises without Landlord's prior written consent, except for brewing coffee and similar beverage and use of a single microwave oven by employees provided that such use is in accordance with all applicable federal, state and city laws, codes, ordinances rules and regulations. Tenant will not permit odors to emanate from the Premises.

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13. Tenant shall not use in any space any hand trucks except those equipped with the rubber tires and side guards or such other material-handling equipment as Landlord may approve. Tenant shall not bring any other vehicles of any kind into Tenant's Premises.

14. Employees of Landlord shall not perform any work or do anything outside of their regular duties unless under special instructions from Landlord.

15. Landlord may reasonably waive any one or more of these Rules and Regulations for the benefit of any particular tenant or tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations against any or all of the tenants of the Building. Notwithstanding for foregoing, Landlord shall use its best efforts to enforce the Rules and Regulations uniformly among all tenants of the Building.

16. These Rules and Regulations are in addition to, and shall not be construed to in any way modify or amend, in whole or in part, the terms, covenant, agreements and conditions of any lease of Premises in the Building.

17. Tenant shall be responsible for the observance of all of the foregoing rules by Tenant's employees, agents, clients customers, invitees and guests.

18. Landlord shall deliver to Tenant notice (by certified mail) of any change in the Rules and Regulations. Any change in the Rules and Regulations shall be effective 30 days following delivery to Tenant of notice of such change.

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LEASE AGREEMENT RIDER

The provisions of this Lease Agreement Rider (this "Rider") are part of that certain Lease Agreement (the "Lease"), dated as of October 1, 2000, between Sinai Community Institute, Inc., an Illinois not-for-profit corporation ("Landlord") and Gads Hill Center, an Illinois not-for-profit corporation ("Tenant" or "Grantee"), to which Lease this Rider is attached. Landlord and Tenant are jointly and collectively referred to in this Rider as the "Parties." Tenant is a delegate agency of the City of Chicago (the "City") which is a federal Head Start grantee. For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant agree as follows:

1. Definitions. Under this Rider, the following terms are defined as follows:
 - (a) ACF means the Administration for Children and Families of the United States Department of Health and Human Services.
 - (b) DHHS and/or HHS means the United States Department of Health and Human Services.
 - (c) Federal Share has the same meaning as it is defined in 45 C.F.R. § 74.2.
 - (d) Interim Grantee has the same meaning as it is defined in 45 C.F.R. § 1303.2.
 - (e) Replacement Grantee means an entity designated by ACF to serve as the Head Start grantee subsequent to the end of the role of Tenant in that function.

2. Funding for the Project. Landlord owns and operates the building located at 2653 West Ogden Avenue, Chicago, Illinois (the "Real Estate") legally described in Exhibit A hereto. Pursuant to the Lease, Landlord has leased to Tenant approximately 12,834 square feet of space situated on the northern half of the second floor of the Real Estate (the "Premises") for a term beginning on October 1, 2000 and ending on September 30, 2020, with an option to renew the Lease for two terms of five (5) years (the "Lease Term").

The City, by and through its Department of Human Services, is providing federal Head Start funds authorized by ACF in the maximum aggregate amount of \$770,347 (the "Grant") to Tenant under that certain Grant Agreement between Tenant and the City (the "Grant Agreement") to renovate the Premises for use as a Head Start center which will serve approximately 170 children, of whom 100 children will be eligible for Head Start slots (the "Project").

The Project is further funded by a loan from the Illinois Facilities Fund, an Illinois not-for-profit corporation ("IFF"), to Tenant in the principal amount of \$500,000 (the "Loan"), evidenced by a Promissory Note dated as of the date hereof.

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3. Federal Interest. In accordance with the terms of the Grant Agreement, the Head Start Act, 42 U.S.C. § 9831 et seq., 45 C.F.R. Parts 74, 92 and 1309, and relevant decisions of the United States courts, the United States of America will have a Federal beneficial ownership interest (the "Federal Interest") in the leasehold estate created pursuant to the Lease, together with all other property built or installed by Grantee (i) on the Premises as part of the Project (collectively the "Leasehold Estate"), or (ii) used by Grantee under the Lease in the Premises, including but not limited to, all alterations, renovations, improvements, additions and installations funded by federal Head Start grant funds awarded by ACF to renovate the Premises or the Real Estate and to make principal and interest payments on the Loan. The Federal Interest in the Leasehold Estate shall not continue beyond the later of (1) September 30, 2020 or (2) the expiration of any extension of the Lease Term. Notwithstanding the foregoing, nothing herein shall be construed as negating or affecting the Federal Interest should Tenant, or another entity substituted by ACF as tenant, purchase the Premises or Real Estate or any part thereof. The Federal Interest will be evidenced by a Notice of Federal Interest recorded by the City in the appropriate official land records of the Office of the Cook County Recorder of Deeds, Illinois, as soon as practicable after the Grant Documents have been executed by Tenant and the City.

4. Preservation, Restoration and Use of Premises. Tenant shall maintain and use the Premises as a Head Start center for the Lease Term pursuant to the terms of the Lease.

5. No Rights to Third Parties. Tenant, for so long as the Lease is operative, shall not grant any rights to third parties to the Leasehold Estate for the entire remainder of the Lease Term without prior written approval from ACF.

6. Tenant's Agreement to Indemnify. Tenant's agreement to indemnify and hold harmless Landlord, its affiliates and said organizations' agents, employees and servants set forth in Section 19.2 of the Lease as a result of any of its acts or its neglects is the agreement of Tenant. Any liability of Tenant for its own acts or neglect will not be assumed by DHHS, ACF or any Interim or Replacement Grantee or other entity that assumes Tenant's obligations under the Lease, and Landlord, its affiliates and said organizations' agents, employees and servants agree not to make any such claim against them.

Nothing in this Rider shall be construed to create any obligation by Tenant to indemnify Landlord for any payments Landlord may make to ACF as a result of Landlord's Breach of the Lease pursuant to Section 14 hereof.

7. Merger. So long as any of the obligations of Tenant under the Grant Agreement shall remain unperformed, the fee title to the Real Estate and the Leasehold Estate shall not merge, but shall always be kept separate and distinct, notwithstanding the union of said estates in Landlord, Tenant or a third party, by purchase or otherwise. As stated in Section 3 hereof, if the Tenant purchases the Real Estate, the Federal Interest shall continue until it is satisfied pursuant to applicable Federal law.

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8. ACF's Rights in Event of Tenant's Default. If an event of default occurs under the Lease, the Parties agree that ACF or the City may, at their sole option, intervene to ensure that the default is cured by Tenant or another agency designated by ACF and that Landlord shall accept the payment of money or performance of any other obligation by ACF's designee, for Tenant, as if such payment of money or performance had been made by Tenant. Unless otherwise specified in Section 12 hereof, ACF shall have sixty (60) days from the date of receipt of notice of default that has been served in full compliance with Sections 15 through 18 hereof in which to intervene to attempt to cure the default.

9. ACF's Right to Substitute Another Entity Under the Lease. Notwithstanding any other provision of the Lease, Landlord and Tenant recognize and hereby consent that, in the event of a default, or the withdrawal or termination of Tenant as a delegate Head Start agency, the Lease may be assumed by an agency designated by ACF. Landlord will have the right to approve the entity designated by ACF to assume the Lease, but such approval will not be withheld except for good cause and will not be unreasonably delayed.

It shall constitute good cause for Landlord to withhold consent if:

- (a) the proposed assumption does not meet Landlord's reasonable standards regarding financial stability and resources; or
- (b) the proposed assumption is undertaken by a for-profit operation, but only if the for-profit operation does not agree to pay for all taxes for the Real Estate levied due to the assumption of the Lease by a for-profit operation, provided however that Landlord, at its sole discretion, may require (i) deposit in escrow of a sum equal to the annual taxes due on the Real Estate, which funds will be disbursed to pay said taxes as they become due, or (ii) a comparable guaranty of payment; or
- (c) the proposed assumption is undertaken by an entity which would compete with Landlord or its affiliates in the services provided; or
- (d) any portion of the building would become subject to additional or different government laws or regulations as a consequence of the proposed assumption and as a result Landlord would be required to incur additional expenses which ACF or the assuming entity refuse to reimburse to Landlord.

10. Tenant Shall Cooperate With Substitution. Tenant covenants and agrees that, in the event ACF designates an Interim Grantee, or a Replacement Grantee, or another entity to assume Tenant's rights, obligations and liabilities under the Grant Documents and the Lease, Tenant will relinquish to such Interim Grantee, Replacement Grantee or other entity possession and all property interests that Tenant might have in the Premises subject to any compensation that Tenant may be entitled to receive as provided in 45 C.F.R. § 74.32(c)(3), and succeeding laws and regulations.

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11. Substitution by ACF Shall Not Constitute an Event of Default. Notwithstanding any other provisions of the Lease, the Parties agree that any substitution of Tenants by ACF shall not constitute an event of default under the Lease. The Parties further expressly covenant and agree that any such substitution by ACF shall not trigger any acceleration clause or other remedy under the Lease.

12. Special Period for Curing Certain Non-Monetary Defaults. With respect to non-monetary defaults that cannot with due diligence be cured within sixty (60) days from the date of receipt of notice of default that has been served in full compliance with Sections 15 through 18, if ACF promptly commences to cure the default within the sixty (60) day period and thereafter continues to attempt to cure it with due diligence, then ACF shall have the right to such additional time as may be reasonably necessary to finish curing the default.

13. Delay of Exercise of Remedies Pending Cure. In the event of a default under the Lease, notwithstanding any other provision of the Lease, Landlord agrees that it shall not commence, eviction, or any other remedies that affect use or possession of the Premises until after: (i) ACF has been properly served, in full compliance with Sections 15 through 18, with notice of default and intent to exercise remedies; and (ii) one of the following events has occurred:

- (a) the responsible ACF official informs Landlord in writing that ACF has decided not to cure the default; or
- (b) ACF fails to timely cure the default within the period of time set forth in Sections 8 and 12.

14. Payment in Event of Landlord's Breach. In the event that Landlord breaches the Lease and, as a result, Tenant moves out of the Premises, or any part thereof, or is otherwise unable to operate a Head Start center on the Premises, or any part thereof, Landlord shall pay to ACF \$51,017.35 for each remaining year, or part thereof, of the twenty year lease term multiplied by the percentage of the Premises vacated or otherwise not usable for Head Start purposes as a result of Landlord's breach. Landlord shall not owe any payment to ACF until Landlord has been given notice of the breach by Tenant or ACF and sixty (60) days to cure such breach. If the breach cannot be cured within 60 days and Landlord is making diligent efforts to cure said breach, no payment to ACF will be due at that time; provided, however, that if the breach is not cured within 180 days of the date on which Landlord receives notice thereof then the foregoing payment shall be immediately due and payable to ACF by Landlord. No payment shall be due to ACF if the breach is a result of an act of God.

15. Notice. Tenant covenants and agrees to provide ACF and the City with notice:

- (a) of any default by Tenant under the Lease, on the date of the discovery of such default;

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- (b) that Landlord has notified Tenant of any default or its intent to exercise the remedy of eviction and/or other remedies, on the day that Tenant receives such notice from Landlord; and
- (c) Tenant will provide ACF and the City with a true and correct copy of any default notice from Landlord.

Landlord covenants and agrees to provide ACF and the City with notice:

- (a) of any default by Tenant under the Lease, as soon as practicable after the day that Landlord first knows of such default, and
- (b) that Landlord intends to exercise its remedy of eviction and/or other remedies, on the day that Landlord notifies Tenant that it intends to exercise such remedy or remedies, or, if Landlord does not notify Tenant, on the day that Landlord decides to exercise such remedy or remedies.

16. Addresses for Notice. Whenever notice to ACF or the City is required under this Rider, Landlord and Tenant covenant and agree to provide both telephonic and written notification (by registered mail, return receipt requested) to the following respective addresses.

If to ACF: Director
 Office of Family and Child Development
 Administration for Children and Families
 233 N. Michigan Ave., 4th Floor
 Chicago, IL 60601
 (312) 353-8462

and to: Associate Commissioner
 The Office of the Commissioner
 Administration for Children and Families
 Department of Health and Human Services
 P.O. Box 1182
 Washington, DC 20013
 (202) 205-8572

and to: Office of the General Counsel
 Department of Health and Human Services
 722A Humphrey Building
 220 Independence Avenue, S.W.
 Washington, DC 20201
 (202) 690-7741

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If to the City: City of Chicago
Department of Human Services
Attn: Commissioner
1615 West Chicago Avenue
Chicago, Illinois 60622
(312) 746-8545

and to: City of Chicago
Corporation Counsel
Attn: Finance and Economic Development Division
121 North LaSalle Street, Room 600
Chicago, IL 60602
(312) 744-0200

In addition, if one or more of the offices listed above has a change of name, address and/or telephone number, Tenant and Landlord further covenant and agree to take all reasonable action necessary to discover and notify the appropriate offices.

17. Contents of Notification to ACF and the City. Landlord and Tenant covenant and agree to include the following information in the written notice to ACF and the City whenever such notice is required under this Rider:

- (a) the full names, addresses, and telephone numbers of Landlord and Tenant;
- (b) the following statement, prominently displayed at the top of the first page of the notice:

The Federal Interest in certain real property or equipment used for the Head Start Program may be at risk. Immediately give this notice to the appropriate government official.

- (c) the date and nature of the default and the manner in which the default may be cured and/or an explanation of other circumstances which required the notice;
- (d) in the event that Landlord will be exercising the remedy of eviction and/or other remedies, the date or expected date of the eviction and/or exercise of other remedies.

Landlord and Tenant may use the form attached as Exhibit B hereto in their notification pursuant to Sections 15 through 17 of this Rider.

18. Tenant's Promise to Notify Landlord of Changes in ACF and the City's

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Addresses. Tenant covenants and agrees to give Landlord written and telephonic notice of any change of name, address and/or telephone number of a City, ACF or Office of General Counsel ("OGC") office listed in Section 16 hereof as soon as Tenant receives notice or has knowledge of such change. If one or more of the ACF and OGC offices listed in Section 16 stops operating, Tenant covenants and agrees to give Landlord written and telephonic notice of the name, address, and telephone number of the succeeding federal office(s) to which notice must be given as soon as Tenant receives notice or has knowledge of such change.

19. Binding on Assigns. Except as provided in Section 6 hereof, the Lease and this Rider shall bind and inure to the benefit of the Parties and their respective heirs, executors, administrators, successors and assigns. In the event of any sale of the Real Estate or any portion thereof by Landlord (including, but not limited to, any sale by foreclosure on any lien of any mortgage, deed of trust or other security interest, or any giving of a deed in lieu of foreclosure by Landlord), the purchasers/transferees and their successors and assigns will be deemed to have assumed all obligations of Landlord under the Lease, so as to establish direct privity of estate and contract between the Tenant and such purchasers/transferees, with the same force, effect and relative priority in time and right as if the Lease had initially been entered into between such purchasers/transferees and the Tenant. In addition, the Federal Interest, the Federal Share and the rights of DHHS and ACF shall not be affected or altered in any way by such sale or transfer.

20. Recordation. The Parties covenant and agree that they shall have the Lease and this Rider recorded in the appropriate official land records of the Office of the Cook County Recorder of Deeds, Illinois, as soon as practicable after the Grant Documents have been executed by Tenant and the City.

21. No Modification of the Lease. Other than as provided by this Rider, Tenant shall not, without the prior written consent of ACF and the City, surrender the Leasehold Estate created by the Lease; or assign, terminate or cancel the Lease or modify, extend, change, supplement, alter or amend the Lease, in any respect, or sublet the Premises or any part thereof either orally or in writing; or waive, excuse, condone or in any way release or discharge Landlord of or from the terms, covenants and conditions on the part of Landlord to be performed or observed. Termination by Tenant under Section 17.2 of the Lease shall not be effective until ACF notifies Landlord that Tenant has notified ACF of its intentions and that ACF has decided not to designate an Interim Grantee, Replacement Grantee or other entity to assume Tenant's rights, obligations and liabilities under the Lease.

If Tenant decides to terminate the Lease pursuant to Section 17.2 of the Lease, Tenant will notify ACF and the City of its intention to terminate the Lease at least 60 days prior to notifying Landlord of its intention to terminate the Lease. After receiving notification of Tenant's intent to terminate the Lease pursuant to Section 17.2, ACF may at its sole option designate an Interim Grantee, or a Replacement Grantee, or another entity to assume Tenant's rights, obligations and liabilities under the Grant Documents and the Lease subject to Landlord's approval pursuant to Section 9 hereof. Tenant will then stop any procedures to terminate the

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Lease under Section 17.2 and will instead relinquish to such Interim Grantee, Replacement Grantee or other entity possession and all property interests that Tenant might have in the Premises subject to any compensation that Tenant may be entitled to receive as provided in 45 C.F.R. § 74.32(c)(3), and succeeding laws and regulations, whereupon Tenant shall be released from all further obligations under the Lease.

Failure of ACF or the City to object to Tenant's proposed termination of the Lease pursuant to Section 17.2 or to any modification or amendment of the Lease proposed in writing by Landlord and Tenant in accordance with Notice Provisions of sections 16 and 17, within 90 days after receipt of such written proposal shall be deemed consent to such proposal.

22. Integration and Modification of this Rider. No modification, waiver, amendment or discharge of this Rider shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is sought. No provision hereof shall be modified or limited by course of conduct or usage of trade except by a written agreement executed pursuant hereto.

23. Severability. In the event that any of the covenants, agreements, terms or provisions contained in this Rider shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms and provisions contained herein shall not be in any way affected, prejudiced or disturbed thereby.

24. Due Authorization. The persons executing this Rider on behalf of a party hereto represent and warrant to the other party that he or she has been duly authorized by such party to so execute this Rider.

25. Warranties. Landlord warrants that it holds title on the Premises and the Real Estate and other property necessary for Tenant's access to the Premises and full use and enjoyment thereof in accordance with the Lease. Landlord will not enter into any lease, mortgage, deed of trust or other lien or security instrument that will adversely affect any right of Tenant or ACF under the Lease. Landlord will not use the Real Estate, or allow any use of the Real Estate in any manner that will adversely affect Tenant's ability to obtain or maintain the certifications, licenses or permits it needs to operate a Head Start center in the Premises pursuant to the federal regulations and statutes currently in force.

26. Rider Controls. In the event of any conflict between any provision of this Rider and any other provision of the Lease, the provision of this Rider shall control.

27. Governing Law. Federal law governs all issues relating to the rights of ACF and DHHS under this Rider, the Federal Interest and/or the Federal Share. Any suit brought relating to the rights of ACF, DHHS, the Federal Interest and/or the Federal Share shall be brought in the United States District Court for the Northern District of Illinois.

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28. Headings. The titles of the sections of this Rider are solely for the convenience of the Parties and shall not be used to explain, modify or aid in the interpretation of the provisions of this Rider.

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IN WITNESS WHEREOF, each party to this Lease Agreement Rider has caused it to be executed at Chicago, Illinois on June 6, 2001.

SINAI COMMUNITY INSTITUTE, INC., an Illinois not-for-profit corporation,

By: 

Name: Debra Wesley Freeman

Title: President & CEO

GADS HILL CENTER, an Illinois not-for-profit corporation,

By: 

Name: Barbara Castellani

Title: Executive Director

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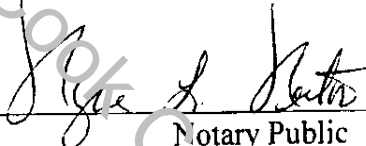
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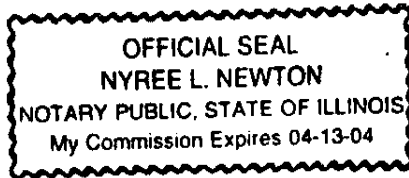
STATE OF ILLINOIS)
) SS.
COUNTRY OF COOK)

I, the undersigned, a Notary Public in and for the country and State aforesaid, do hereby certify that Debra Wesley Freeman, personally known to me to be the President & CEO of Sinai Community Institute, Inc., an Illinois not-for-profit corporation ("Landlord"), and known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Representative, he/she signed and delivered the said instrument pursuant to authority given by the Board of Directors of Landlord, and as his/her free and voluntary act and deed and as the free and voluntary act and deed of Landlord for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 11 day of July, 2001.



Notary Public



(SEAL)

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Debra Wesley Freeman
Cook County Clerk's Office

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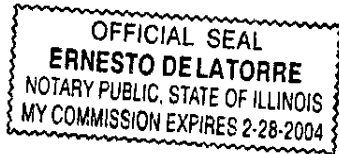
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that Barbara Costello, personally known to me to be the Executive Director of Gads Hill Center, an Illinois not-for-profit corporation ("Tenant"), and known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Representative, he/she signed and delivered the said instrument pursuant to authority given by the Board of Directors of Tenant, and as his/her free and voluntary act and deed and as the free and voluntary act and deed of Tenant for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 7 day of June, 2001.

Ernest Delatorre
Notary Public

(SEAL)



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EXHIBIT A

Legal Description:

Lots 9 and 10 in block 5 in Cook and Anderson's Subdivision of the West ½ of the Northeast ¼ of Section 24, Township 39 North, Range 13 East of the Third Principal Meridian (Except that part of lots 9 and 10 conveyed to the City of Chicago for widening of Ogden Avenue and also excepting from said lots 9 and 10 that part thereof condemned or used for alley purposes) all in Cook County, Illinois.

Address:

2653 West Ogden Avenue, Chicago, Illinois.

PIN:

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EXHIBIT B

Form of Written Notice to ACF and the City

NOTICE

The Federal Interest in certain real property or equipment used for the Head Start Program may be at risk. Immediately give this notice to the appropriate government official.

1. Full names, addresses, and telephone numbers of Landlord and Tenant

Landlord: _____
Address: _____
Telephone: _____

Tenant: _____
Address: _____
Telephone: _____

2. Date and nature of the default and the manner in which the default may be cured and/or an explanation of other circumstances which required this notice:

3. If Landlord will be exercising the remedy of eviction and/or other remedies, the date or expected date of the eviction and/or exercise of other remedies and a description of the remedies to be exercised:

4. Attach true and correct copies of any written communication by the parties prompting this Notice.

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5. Provide both telephonic and written notification (by registered mail, return receipt requested) to the following respective addresses:

If to ACF: Director
 Office of Family and Child Development
 Administration for Children and Families
 233 N. Michigan Ave., 4th Floor
 Chicago, IL 60601
 (312) 353-8462

and to: Associate Commissioner
 The Office of the Commissioner
 Administration for Children and Families
 Department of Health and Human Services
 P.O. Box 1182
 Washington, DC 20013
 (202) 205-8572

and to: Office of the General Counsel
 Department of Health and Human Services
 722A Humphrey Building
 220 Independence Avenue, S.W.
 Washington, DC 20201
 (202) 690-7741

If to the City: City of Chicago
 Department of Human Services
 Attn: Commissioner
 1615 West Chicago Avenue
 Chicago, Illinois 60622
 (312) 746-8545

and to: City of Chicago
 Corporation Counsel
 Attn: Finance and Economic Development Division
 121 North LaSalle Street, Room 600
 Chicago, IL 60602
 (312) 744-0200

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