

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE (this “**First Amendment**”) is executed on July 6, 2016 (the “**First Amendment Effective Date**”) by and between the **DISTRICT OF COLUMBIA**, a municipal corporation, by and through its Department of General Services (“**District**” or “**Landlord**”), and **PAUL PUBLIC CHARTER SCHOOL, INC.**, a District of Columbia non-profit corporation (“**Tenant**”). Landlord and Tenant are each referred to hereinafter as a “**Party**” and collectively referred to as the “**Parties**”.

WITNESSETH:

WHEREAS, District and Tenant entered into a Ground Lease Agreement dated June 31, 2013 (the “**Original Lease**”, and as amended by this First Amendment, the “**Lease**”), pursuant to which Tenant leases from the District the Leased Premises commonly known as the Paul School located at 5901 Ninth Street, NW, Washington, D.C., and

WHEREAS, the Parties desire to amend the Original Lease to amend the Annual Base Rent, and to make other modifications to the Original Lease as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Incorporation of Recitals, Exhibits, and Definitions.** The foregoing recitals are true and correct and are incorporated herein by reference. All exhibits annexed hereto are incorporated herein. Any capitalized terms used, but not defined, in this First Amendment shall have the meanings ascribed to them in the Original Lease. Except as expressly provided in this First Amendment, the Original Lease shall remain in full force and effect. All references in the Original Lease to “this Lease” or “the Lease” shall mean the Original Lease, as amended by this First Amendment.

2. **Date of Execution.** The Parties acknowledge and agree that the Date of Lease of the Original Lease is “June 30, 2013”.

3. **Annual Base Rent.** Section 1.01(H) is hereby amended by removing the chart showing the annual and monthly rent and replacing it with the following:

Commencing on July 1, 2016, the Annual Base Rent shall be Sixty Three Thousand One Hundred Thirty Six Dollars and Thirty-Six Cents (\$63,136.36), payable in equal monthly installments of Five Thousand Two Hundred Sixty-One Dollars and Thirty-Six Cents (\$5,261.36) and paid pursuant to Article V of this Lease.

4. **Insurance.** Section 8.03 of the Original Lease is hereby deleted in its entirety and replaced with the following:

“Tenant, at its sole cost and expense, shall keep the Leased Premises, the Building and all improvements, trade fixtures, machinery, equipment and personal property located thereon insured, and will name Landlord as an additional insured thereunder

during the Term against loss or damage by fire, windstorm, hazard, theft, vandalism, malicious mischief and sprinkler leakage, and such other insurable risks as Landlord may reasonably specify from time to time for no less than an amount equal to their replacement cost, without deduction for depreciation which replacement cost shall be determined, at Tenant's sole cost, at annual intervals by one or more of the insurers or by an architect, contractor, or appraiser selected by Tenant and reasonably approved by Landlord. Commencing on the First Amendment Effective Date and at all times thereafter, Tenant shall carry and maintain, at its sole cost and expense:

A. Commercial General Liability Insurance (ISO form or equivalent) naming Tenant as the named insured and Landlord as an additional insured, protecting Tenant and the additional insured against liability for bodily injury, death and property damage occurring upon or in the Leased Premises, with a minimum combined single limit of Two Million Dollars (\$2,000,000.00) and a general aggregate limit of Five Million Dollars (\$5,000,000.00).

B. "Special Form" property insurance covering the Building, the Leasehold Improvements and Tenant's Property written for at least the full replacement cost with a deductible of not more than Five Thousand Dollars (\$5,000.00).

C. Child Molestation/Sexual Misconduct liability insurance in the aggregate amount of not less than \$3,000,000.00.

D. Workmen's compensation insurance (in statutorily required amounts and policy forms).

E. Flood insurance (if the Leased Premises are determined to be within a flood hazard area) and such other policies of insurance covering other insurable perils which are customarily insured against in the case of comparable properties in the District of Columbia and in such amounts as may from time to time be reasonably required by Landlord or as may be required by law.

F. Appropriate employer's liability insurance in an amount not less than One Million Dollars (\$1,000,000.00) per accident; One Million Dollars (\$1,000,000.00) per employee; One Million Dollars (\$1,000,000.00) policy limit.

G. Notwithstanding the foregoing or anything to the contrary contained elsewhere in this Lease, the amount of such coverage shall be subject to Landlord's annual review. In the event Landlord, in its reasonable judgment, deems the coverage required under this Section 8.03 insufficient based on standard practice in connection with comparable properties and with comparable tenants in the District of Columbia after any such annual review, Tenant shall increase the amount or type of coverage required hereby by Landlord, provided such increase shall be commercially reasonable."

5. **Landlord's Notice Address.** Section 1.01.J of the Original Lease is hereby amended to provide that the Landlord's address for notices is as follows:

LANDLORD:

District of Columbia Department of General Services
2000 14th Street, N.W., 8th Floor
Washington, D.C. 20009
Attention: Director

and

District of Columbia Department of General Services
2000 14th Street, N.W., 8th Floor
Washington, D.C. 20009
Attention: General Counsel

In the event of an alleged Landlord default, with a copy to:

Office of the Attorney General for the District of Columbia
441 4th Street, N.W., Suite 1010 South
Washington, D.C. 20001
Attention: Deputy of the Commercial Division

6. **Waiver.** No failure or delay by a Party to insist upon the strict performance of any term, condition or covenant of the Lease, or to exercise any right, power or remedy hereunder shall constitute a waiver of the same or any other term of the Lease or preclude such Party from enforcing or exercising the same or any such other term, conditions, covenant, right, power or remedy at any later time.

7. **Brokers.** Tenant represents and warrants that it is not represented by any agent or broker and that there are no brokerage commissions or finders' fees of any kind due in connection with this First Amendment. In addition to any other indemnity provided under the Original Lease, Tenant shall indemnify the District and defend and save the District and all of its officers, agents and servants harmless from and against any and all claims, liabilities, or demands for payment made by any broker or agent claiming through Tenant, with respect to this First Amendment.

8. **Governing Law.** This First Amendment shall be construed and governed by the laws of the District of Columbia.

9. **Miscellaneous.** In the event of any conflict between any terms of this First Amendment and of the Original Lease, the terms of this First Amendment shall control. This First Amendment may not be amended, modified or otherwise changed in any respect whatsoever except by a writing duly executed by authorized representatives of Landlord and Tenant. Each Party acknowledges that it has read this First Amendment, fully understands all of this First Amendment's terms and conditions, and executes this First Amendment freely, voluntarily and with full knowledge of its significance. Each Party has had the opportunity to receive the advice of counsel prior to the execution hereof. This First Amendment shall be

binding upon and inure to the benefit of the parties, their respective heirs, legal representatives, successors and permitted assigns.

10. **Counterparts.** This First Amendment may be executed in counterparts and in facsimile or e-mail PDF transmission, and all such counterparts together shall constitute but one original of this First Amendment. Each counterpart shall be equally admissible in evidence, and each such counterpart shall fully bind each Party who has executed it.

11. **Agreement to Perform Necessary Acts.** Each Party agrees that upon demand, it shall promptly perform all further acts and execute, acknowledge, and deliver all further instructions, instruments and documents which may be reasonably necessary or useful to carry out the provisions of this First Amendment subject to the restrictions imposed by applicable laws and regulations.

12. **Captions and Headings.** The titles or headings of the various paragraphs hereof are intended solely for convenience of reference and are not intended and shall not be deemed to modify, explain or place any construction upon any of the provisions of this First Amendment.

13. **Authority.**

a. **Landlord's Representations.** By executing this First Amendment, Landlord represents to Tenant that: (i) Landlord is authorized to enter into, execute, and deliver this First Amendment and perform its obligations hereunder; (ii) this First Amendment is effective and enforceable against Landlord in accordance with its terms and limitations as set forth herein; (iii) the person signing this First Amendment on Landlord's behalf is duly authorized to execute same; and (iv) no other signatures or approvals are necessary in order to make all of the representations of the Landlord contained in this Section true and correct, in all material respects.

b. **Tenant's Representations.** By executing this First Amendment, Tenant represents to Landlord that: (i) Tenant is authorized to enter into, execute and deliver this First Amendment and perform its obligations hereunder; (ii) this First Amendment is effective and enforceable against Tenant in accordance with its terms and limitations as set forth herein; (iii) the person signing this First Amendment on Tenant's behalf is duly authorized to execute the same; (iv) no other signatures or approvals are necessary in order to make all of the representations of Tenant contained in this Section true and correct, in all material respects; (v) Tenant is in good standing in the District of Columbia; and (vi) to Tenant's best knowledge, Tenant is in compliance with all District of Columbia laws and regulations applicable to Tenant, including but not limited to laws and regulations pertaining to the District of Columbia Office of Tax and Revenue and the District of Columbia Department of Employment Services.

14. **Anti-Deficiency Acts.** (a) Whether expressly or impliedly qualified or limited in any Section of the Lease, the obligations of the District to fulfill any financial obligation pursuant to the Lease or any subsequent agreement entered into pursuant to the Lease, or referenced herein, to which the District is a party (each, an "**Other Agreement**") are and shall remain subject to the provisions of: (i) the federal Anti-Deficiency Act, 31 U.S.C. §§ 1341, 1342, 1349-1351 and 1511-1519 (2004), and D.C. Official Code §§ 1-206.03(e) and 47-105 (2001); (ii)

the District of Columbia Anti-Deficiency Act, D.C. Official Code §§ 47-355.01 – 355.08 (2006 Supp.) ((i) and (ii) collectively, as may be amended from time to time, the “**Anti-Deficiency Acts**”); and (iii) § 446 of the District of Columbia Home Rule Act, D.C. Official Code § 1-204.46 (2006 Supp.), as may be amended from time to time, to the extent applicable to the Lease or any Other Agreement (collectively, “**Any Agreement**”). To the extent required by the Anti-Deficiency Acts, nothing in Any Agreement shall create an obligation of the District in anticipation of an appropriation by the United States Congress (“**Congress**”) for such purpose, and the District’s legal liability for the payment of any financial obligation or any component thereof under Any Agreement shall not arise or obtain in advance of the lawful availability of appropriated funds for the applicable fiscal year as approved by Congress and the District of Columbia (references to the “District of Columbia” in this Section shall refer to the District of Columbia as a sovereign entity, and not as a landlord). During the term of the Lease, the District of Columbia agency authorized and delegated by the Mayor of the District of Columbia to administer the Lease shall, for each corresponding District of Columbia fiscal period, include in the then-current services funding level package (or then applicable agency submission) a request sufficient to fund the District’s known financial obligations under the Lease for such fiscal period. Tenant confirms that it has read and familiarized itself with the Anti-Deficiency Acts and has full knowledge of such laws and the impact on the District’s financial obligations hereunder.

(b) If no appropriation is made by the District of Columbia or Congress to pay any financial obligation under Any Agreement for any period after the District of Columbia fiscal year for which appropriations have been made, and in the event appropriated funds for such purposes are not otherwise lawfully available, the District shall not be liable to make any payment under Any Agreement upon the expiration of any then-existing appropriation. In such case, the District shall promptly notify Tenant and the Lease shall immediately terminate upon the expiration of any then-existing appropriation as if such expiration were the expiration date of the Lease, and the Tenant shall immediately vacate the Premises.

(c) Notwithstanding the foregoing, no officer, employee, director, member or other natural person or agent of the District (or of the District of Columbia) shall have any personal liability in connection with the breach of the provisions of this Section or in the event of a default by the District under Any Agreement.

(d) Any Agreement shall not constitute an indebtedness of the District of Columbia nor shall it constitute an obligation for which the District of Columbia is obligated to levy or pledge any form of taxation or for which the District of Columbia has levied or pledged any form of taxation. No agent of the District is authorized to obligate or expend any amount under Any Agreement unless such amount has been appropriated by Act of Congress and is lawfully available.

Signature Pages Follow

IN WITNESS WHEREOF, Landlord and Tenant have executed this First Amendment as of the First Amendment Effective Date.

TENANT:

PAUL PUBLIC CHARTER SCHOOL, INC., a District of Columbia non-profit corporation



By: _____


Printed Name: _____ Jami D. H. Dunham _____

Its: _____ Chief Executive Officer _____

Landlord's Signature Page Follows


LANDLORD:

DISTRICT OF COLUMBIA, a municipal corporation, by
and through its Department of General Services

By: 
Christopher E. Weaver, Director

The Form of this First Amendment Approved as to Legal Sufficiency for the District of
Columbia by:

Office of the General Counsel for the Department of General Services

By: 
Assistant General Counsel