

015657

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5191 W. Lincoln Highway
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CONTRACT OF LEASE

between

Tri-Creek Bldg. Corp.,

Lessor

and

Tri-Creek School Corporation,

Lessee

STATE TITLE INSURANCE
AND TRUST COMPANY
CROWN POINT, INDIANA 46307

LILLIAN A. BLASTICK
RECORDER, LAKE COUNTY
CROWN POINT, INDIANA 46307

STATE OF INDIANA, S. H.
LAKE COUNTY
FILED FOR RECORD

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Key 4-14-10
Arlene N. Antos
AUDITOR LAKE COUNTY

Dated

as of

November 10, 1988

[Handwritten signature]

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(The Index is not a part of the Lease but
for convenience of reference only.)

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ARTICLE III

RENT AND ADDITIONAL PAYMENTS

Section 3.1. Rent. The School shall pay Rent in advance on each Rental Payment Date in the amount set forth after the applicable rental payment number on Exhibit A hereto; provided, however, that the amount of Rent payable on each Rental Payment Date may be adjusted by virtue of the adjustment of Rent in accordance with the terms of the Letter Agreement. If the amount of Rent is so adjusted, it shall be set forth as adjusted in the applicable space in Exhibit A. The School shall be entitled to a credit against the installment of Rent next required to be paid to the extent that moneys in the Certificate Fund created under the Indenture are available for that purpose.

Section 3.2. Additional Payments. The School agrees to make Additional Payments as follows:

- (a) To Lessor, as reimbursement for any and all costs, expenses and liabilities paid by Lessor in satisfaction of any obligation of the School hereunder not performed in accordance with the terms hereof by the School.
- (b) To Lessor, as reimbursement for or prepayment of expenses paid or to be paid by Lessor and requested by the School or required by this Lease and not otherwise required to be paid by the School under this Lease.
- (c) To Lessor, as reimbursement for or prepayment of any amounts derived under this Lease which are paid or to be paid by Lessor to the United States of America pursuant to Section 148 of the Internal Revenue Code of 1986, as amended.

Section 3.3. Place of Payments. The Rent and any Additional Payments shall be paid directly to the Lessor at its Notice Address or to any bank or other financial institution designated by Lessor in a notice to the School.

Section 3.4. School's Obligations. The obligations of the School to pay Rent and Additional Payments and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional, except as provided in Section 6.4 hereof. For the period of the Lease Term, the School (i) will not suspend or discontinue payment of Rent or Additional Payments pursuant to this Lease, except as provided in Section 6.4 hereof, (ii) will perform and observe all of its other agreements contained in this Lease, and (iii) except upon exercise of its termination option as herein provided will not terminate this Lease for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Leased Premises, frustration of purpose, any change in the tax or other laws or administrative rulings of or administrative actions by or under authority of the United States of America or of the State or any failure of Lessor to perform and observe any agreement, whether expressed or implied, or any duty, liability or obligation, exclusive of the completion of the Project, arising out of or connected with this Lease. Nothing contained in this Section shall be construed to release Lessor from the performance of any of the agreements on its part contained in this Lease, and in the event Lessor should fail to perform any such agreement on its part, the School may

institute such action against Lessor as the School may deem necessary to compel performance or recover its damages for nonperformance so long as such action shall not impair the agreements on the part of the School contained in the preceding sentence. The School may, however, at its own cost and expense and in its own name or, to the extent lawful, in the name of Lessor, prosecute or defend any action or proceeding or take any other action involving third persons which the School deems reasonably necessary in order to secure or protect its right of possession, occupancy and use hereunder, and in such event Lessor hereby agrees to cooperate fully with the School, but at the School's expense, and to take all action necessary to effect the substitution of the School for Lessor in any such action or proceeding if the School shall so request.

Section 3.5. Prepayment of Rent and Additional Payments. There is expressly reserved to the School the right, and the School is authorized and permitted, at any time it may choose, to prepay all or any part of the Rent, or any Additional Payments, and Lessor agrees to accept such prepayment of Rent or of any Additional Payments when the same are tendered by the School. All Rent or Additional Payments so prepaid shall be credited on the Rent or Additional Payments, as the case may be, in the order in which they are payable.

Section 3.6. Past Due Rent and Additional Payments. In the event the School should fail to make any Rent payment or pay any Additional Payments, the payment in default shall continue as an obligation of the School until the amount in default shall have been fully paid and during the default period shall bear interest at the Interest Rate for Advances.

(End of Article III)

ARTICLE IV

CONSTRUCTION

Section 4.1. Construction. Lessor agrees to construct and equip the Project on the Leased Real Property as promptly as is feasible and practical in accordance with the Plans and Specification. Lessor agrees to diligently prosecute completion of the Project in accordance with the Plans and Specifications and in such a manner as to conform with all applicable zoning, planning, building, environmental and other regulations and governmental authorities having jurisdiction.

Section 4.2. Plans and Specifications. The Plans and Specifications have been submitted to and approved by the School and are at the date hereof on file with Lessor and the School and may be changed from time to time by mutual agreement of Lessor and the School provided that the Plans and Specifications shall not be changed to such an extent that the Lease Purposes are such as are not permitted under the Act or would otherwise permit the School to avoid its agreement under this Lease.

Section 4.3. Completion Date. Completion of the construction and equipping shall be evidenced to the School by a certificate of substantial completion of the work signed by the Authorized Lessor Representative specifically describing any personal property included in the Project and stating that (i) construction and equipping have been substantially completed in accordance with the Plans and Specifications and all costs then due and payable in connection therewith have been paid, (ii) construction and equipping have been substantially accomplished in such a manner as to conform with all applicable zoning, planning, building, environmental and other regulations of all governmental authorities having jurisdiction, and (iii) construction and equipping have been substantially completed to Lessor's satisfaction so as to make the Project ready for occupancy and operation for the Lease Purposes. Said certificate shall also specify the date by which the foregoing three events have occurred. Notwithstanding the foregoing such certificate shall state that it is given without prejudice to any rights against third parties which then exist or may subsequently come into being.

Section 4.4. Contingency Accounting. Lessor covenants that it will keep and maintain a strict accounting of all charges incurred in relation to the items properly included as part of the Contingency. As soon as practical after all settlements in relation to the Project are completed, a copy of said accounting shall be furnished to the School. Should such accounting show total charges relating to said items to be less than the amount of the Contingency, then the next succeeding payment of Rent shall be reduced by the amount of the excess of the Contingency over said items.

Section 4.5. Performance Bond. Concurrently with the execution of this Lease, Lessor has furnished to the School a performance bond, which has been approved by the School, conditioned upon the final completion of the Project within a period not to exceed one year from the date of this Lease, unavoidable delays excepted. Lessor will also require from each contractor a performance, payment and maintenance bond for each contract made by Lessor in connection with the construction and equipping of the Project in an amount equal to not less than 150% of the face amount of each respective contract.

Section 4.6. Remedies Against Contractors, Subcontractors and Sureties. In the event of default of any contractor or subcontractor under any contract made by it in connection with construction and equipping of the Project or in the event of a breach of warranty with respect to any materials, workmanship or performance guaranty in connection with the Project, Lessor will promptly inform the School of the steps it intends to take in connection with any such default, either separately or in conjunction with others, against the contractor or subcontractor so in default and against each such surety for the performance of such contract. If Lessor shall so inform the School, Lessor may, in its own name or, to the extent lawful, in the name of the School, prosecute or defend any action or proceeding or take any other action involving any such contractor, subcontractor or surety that Lessor deems reasonably necessary, and in such event the School hereby agrees to cooperate fully with Lessor and to take all action necessary to effect the substitution of Lessor for the School in any such action or proceeding.

Section 4.7. Installation of School's Own Personal Property. The School may from time to time,, in its sole discretion and at its own expense, install personal property including without limitation that which when installed becomes in whole or in part a fixture, on or upon the Leased Premises. All such property so installed by the School shall remain the sole property of the School in which, except to the extent provided in Section 5.3 hereof, Lessor shall have no interest, and may be purchased by the School on conditional sale, installment purchase or lease sale contract, or subject to vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof; provided no such lien or security interest shall attach to any part of the Leased Premises. The School shall pay as due the purchase price of, and all costs and expenses with respect to, the acquisition and installation of any such personal property installed by it pursuant to this Section.

(End of Article IV)

ARTICLE V

MAINTENANCE, MODIFICATIONS, TAXES AND INSURANCE

Section 5.1. Maintenance and Modifications of Leased Premises by the School. The School during the Lease Term shall keep and maintain the Leased Premises including all appurtenances thereto and any personal property therein or thereon in good repair and good operating condition at its own cost, and upon the expiration or termination of this Lease shall, unless it shall have purchased or become the owner of the Leased Premises pursuant to the terms hereof, surrender the Leased Premises and appurtenances thereto to Lessor in as good condition as prevailed at the time the School was put in full possession thereof, loss by fire or other casualty covered by insurance, ordinary wear and tear, obsolescence and acts of God excepted, subject to the provisions of the following paragraph and of Section 5.2 of this Lease.

The School shall have the privilege of remodeling the Project or making additions, modifications and improvements thereto or to the Leased Real Property, from time to time as it, in its discretion, may deem to be desirable for its uses and purposes, the cost of which remodeling, additions, modifications and improvements shall be paid by the School and the same shall be the property of the Lessor and be included under the terms of this Lease as part of the Leased Premises.

Section 5.2. Removal of Portions of the Project. Lessor shall not be under any obligation to renew, repair or replace any inadequate, obsolete, worn out, unsuitable undesirable or unnecessary portions of the Project. The School shall have the privilege from time to time of substituting personal property or fixtures for any portions of the Project, provided that the personal property or fixtures so substituted shall not impair the character or significance of the Leased Premises as furthering the purposes of the Act. Any such substituted property or fixtures shall become the property of Lessor and shall be included under the terms of this Lease, and the replaced portions of the Project shall become the property of the Lessor. The School shall also have the privilege of removing any portions of the Project, without substitution therefor; provided, that the School pays to Lessor a sum equal to the then fair market value of said portions of the Project.

Section 5.3. Removal of School's Own Personal Property. The School may at any time while it is not in default under this Lease remove from the Leased Premises any property purchased and installed by it pursuant to Section 4.7 of this Lease and not included as part of the Project.

In the event any removal of property pursuant to this Section 5.3 causes damage to any portion of the Leased Premises, the School shall restore the same or repair such damage at its sole expense.

Section 5.4. Documents to be Provided. The School shall file with Lessor during the first two weeks of the calendar month succeeding each anniversary of the Completion Date, commencing with the month succeeding the first anniversary of the Completion Date, a certificate of the Authorized School Representative setting forth the description of each item of personal property or fixtures which has become a part of the Leased Premises and of any other additions, remodeling, modification, substitution or improvements to the Leased Premises which have been made during the

twelve calendar months preceding the first of the month in which such certificate is filed, if such additions, remodeling, modifications substitutions or improvements during such twelve months have an aggregate cost in excess of \$5,000.

Lessor shall execute and deliver such documents (if any) as the School may properly request in connection with any action taken by the School in conformity with Section 5.1, 5.2, or 5.3 of this Article. Any action taken by the School pursuant to Sections 5.1, 5.2 or 5.3 of this Article shall not entitle the School to any abatement or diminution of the Rent or Additional Payments payable hereunder.

Section 5.5. Taxes, Other Governmental Charges and Utility Charges. The School shall pay, as the same respectively become due, all taxes, assessments, whether general or special, and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or on account of or with respect to the Leased Premised or any personal property or fixtures installed or brought by the School therein or thereon and all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Leased Premises; provided, that with respect to taxes, special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the School shall be obligated to pay only such installments as required to be paid during the Lease Term.

The School may, at its expense and in its own name and behalf or, to the extent lawful, in the name and behalf of Lessor, in good faith contest any such taxes, assessments and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless Lessor shall notify the School that, in the opinion of Independent Counsel, by nonpayment of any such items the interests of Lessor or the School in the Leased Premises will be materially endangered or the Leased Premises or any part thereof will be subject to loss or forfeiture, in which event such taxes, assessments or charges shall be paid promptly by the School. Lessor will cooperate fully with the School, but at the School's expense, in any such contest. Lessor will also cooperate fully with the School, but at the School's expense, in exempting the Leased Premises from taxation.

Section 5.6. Property Insurance. The School shall insure the Leased Premises in the amount and with the coverage of the Required Property Insurance Coverage by means of policies issued by reputable insurance companies. The School may also insure such property under a blanket insurance policy or policies which cover not only such property but other properties.

Section 5.7. Rental Value Insurance. The School shall insure, from and after the Completion Date, the Leased Premises in the amount and with the coverage at least equal to the Required Rental Value Insurance Coverage by means of a policy or policies issued by reputable insurance companies; or in the event at any time such policies are not available, then either (a) such insurance with such limits or amounts or other provisions as then obtainable for school corporations of the State leasing school buildings or school building additions under leases similar to this Lease, or (b) a plan, in compliance with the law of the State and satisfactory to Lessor,

which provides protection similar to the protection provided herein against the inability of the School to meet liabilities of the School that would otherwise have been satisfied by the proceeds of the rent or rental value insurance. In the case of either clause (a) or (b) of the preceding sentence, the limits, amounts and other provisions of such insurance or plan shall be such as are recommended by a recognized qualified independent Insurance Consultant satisfactory to Lessor and who shall annually, or for such longer interval specified by Lessor, review such plan and advise Lessor of changes required therein in order to adequately protect the financial position of the School, and Lessor shall be entitled to rely upon such advice to make its determination as to what is obtainable or most nearly provides protection similar to that herein required. The School may also insure such property under a blanket insurance policy or policies which cover not only such property but other properties.

Section 5.8. Additional Provisions Respecting Insurance. Any insurance policy issued pursuant to Sections 5.6 and 5.7 hereof shall be so written or endorsed, and any plan in substitution thereof shall be so written, as to make losses, if any, payable directly to Lessor or to such other person or persons as Lessor may designate. Each insurance policy provided for in Sections 5.6, 5.7, and 5.9 hereof shall contain a provision to the effect that the insurance company shall not cancel or substantially modify the same without first giving written notice thereof to Lessor at least thirty (30) days in advance of such cancellation or substantial modification. The School shall deliver to Lessor evidence of the insurance procured under said Sections by the School and agrees to keep such evidence up to date. Such insurance policies shall be countersigned by an agent of the insurer who is a resident of the State, and such policies, together with a certificate of the insurance commissioner certifying that the persons countersigning such policies are duly qualified in the State as resident agents of the insurers on whose behalf they have signed (or a certificate of insurance and proof of payment of premium satisfactory to Lessor) shall be deposited with Lessor.

Section 5.9. Public Liability Insurance. The School agrees that it will carry Required Public Liability Insurance with reference to the Leased Premises with one or more reputable insurance companies. Lessor and such other person or persons as Lessor may designate shall be made an additional insured under such policies, as their interests may appear. The insurance provided by this Section 5.9 may be by blanket insurance policy or policies. The proceeds of insurance required by this Section (after payment of expenses incurred in the collection of such proceeds) shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds are paid.

Section 5.10. Workers' Compensation Coverage. During the period from commencement of construction of the Project until delivery of the certificate of the Authorized Lessor Representative to the School pursuant to Section 4.3 hereof, Lessor shall cause each contractor for each contract made by Lessor in connection with the construction and equipping of the Project to maintain the workers' compensation coverage required by the applicable laws of the State and thereafter and throughout the Lease Term, the School shall maintain the workers' compensation coverage required by the applicable laws of the State or cause the same to be maintained.

(End of Article V)

ARTICLE VI

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 6.1. Damage and Destruction. If the Leased Premises shall be damaged or partially or totally destroyed by fire, flood, windstorm, or other casualty at any time during the Lease Term, (i) the portion of the Leased Premises damaged or destroyed shall be promptly repaired, rebuilt or restored with such changes, alterations and modifications (including the substitution and addition of other property) as may be designated by the School and as shall not impair the character and significance of the Leased Premises as furthering the purposes of the Act, and (ii) there shall be applied for such purpose so much as may be necessary of any net proceeds of insurance policies resulting from claims for such losses as well as any additional moneys of the School necessary therefor. In the event that such net proceeds are insufficient to pay in full the costs of such repair, rebuilding or restoration, to the extent permitted by law and the constitution of the State, the School shall complete such repair, rebuilding or restoration and shall provide for payment of the costs of such completion from its own moneys. Any balance of such net proceeds remaining in the insurance loss account after the payment of all costs of such repair, rebuilding or restoration, shall be paid to the School, upon delivery to Lessor of a certificate signed by the Authorized School Representative certifying that such repair, rebuilding restoration has been completed and that the costs of such repair, rebuilding or restoration have been paid in full and directing the transfer of the remaining moneys to the School.

Section 6.2. Eminent Domain. If title to or the temporary use of the Leased Premises, or any part thereof, shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, any net proceeds received from any award made in such eminent domain proceedings (after payment of expenses incurred in such collection) shall be paid to and held by Lessor.

Such proceeds shall be applied in one or more of the following ways:

- (a) The restoration of the Leased Premises to substantially the same condition as it existed prior to the exercise of said power of eminent domain, or
- (b) The acquisition, by construction or otherwise, of other improvements suitable for the School's operation on the Leased Premises and which are in furtherance of the purposes of the Act (which improvements shall be deemed a part of the Leased Premises and available for use and occupancy by the School without the payment of any Rent other than as herein provided, to the same extent as if such other improvements were specifically described herein and demised hereby).

Within ninety days from the date of entry of a final order in any eminent domain proceedings granting condemnation, the School shall direct Lessor in writing as to which of the ways specified in this Section the School elects to have the net proceeds of the condemnation award applied. Any balances of the net proceeds of the award in such eminent domain proceedings not required to be applied for the purposes specified in subsections (a) or (b) above shall become the property of the School.

Lessor shall cooperate fully with the School in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Leased Premises or any part thereof and will to the extent it may lawfully do so permit the School to litigate in any such proceedings in its own name or in the name and on behalf of Lessor. In no event will Lessor voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Leased Premises or any part thereof without the written consent of the School, which consent shall not be unreasonably withheld.

Section 6.3. Condemnation of School-Owned Property. The School shall be entitled to the proceeds of any condemnation award or portion thereof made for damages to or takings of its own sole property.

Section 6.4. Rent Abatement. In the event that the Leased Premises or a portion thereof are damaged or destroyed or are taken under the exercise of the power of eminent domain, the Rent payable by the School shall (i) be totally abated during that portion of the Lease Term that the Leased Premises are totally unfit for use or occupancy, and (ii) partially abated during that portion of the Lease Term that the Leased Premises are partially unfit for occupancy in the same proportion that the area of the Leased Premises so unfit for use or occupancy bears to the total area of the Leased Premises; provided, however, that the School, to the extent it may lawfully do so, shall pay an amount equal to the difference between the Rent payable in such year and the proceeds received by Lessor from the rent or rental value insurance required to be maintained by the School under Section 5.7 hereof. In the event that Rent is abated pursuant to this Section, the Lease Term shall be extended for a period of time equal to the period of time during which the Rent is so abated; provided, however, that in no event shall the Lease Term exceed a period of fifty years. Rent payable during such extended period of time shall be reduced by an amount equal to the proceeds of the aforesaid insurance policy actually received by Lessor and by an amount equal to Rent actually paid by the School during the period of abatement of Rent.

(End of Article VI)

ARTICLE VII

MECHANICS' AND OTHER LIENS

Section 7.1. Mechanics' and Other Liens. The School and Lessor shall not suffer or permit any mechanics' or other liens to be filed or exist against the Leased Premises, nor against the School's leasehold interest in the Leased Premises, nor against any special fund or account provided for in this Lease or any Rent paid or payable hereunder, by reason of work, labor, services or materials supplied or claimed to have been supplied to, for or in connection with the Leased Premises or to Lessor or the School or anyone holding the Leased Premises or any part thereof through or under the School. If any such liens shall at any time be filed, Lessor or the School, as appropriate, shall within one hundred twenty days after notice of the filing thereof but subject to the right to contest hereinafter set forth, cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. The School shall have the right in its or, to the extent lawful, Lessor's name, or both, but at the School's own cost and expense, to contest the validity or the amount of any such lien by appropriate proceedings timely instituted. Lessor will cooperate fully with the School, but at the School's expense, in any such contest (except as any such lien is asserted by Lessor in which event the School shall have the right to contest such lien as if it were the owner of the Leased Premises). If the School shall fail to cause such lien to be discharged, or to contest the validity or amount thereof, within the period aforesaid, then, in addition to any other right or remedy of Lessor, Lessor may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit or by bonding. Any amount paid by Lessor shall be reimbursed by the School on demand, and if not so reimbursed on demand may be treated as Additional Payments as provided in Article III hereof and shall be paid by the School with interest on the amount so paid by Lessor at the Interest Rate for Advance.

(End of Article VII)

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ARTICLE VIII

REPRESENTATIONS AND SPECIAL COVENANTS AND CONDITIONS

Section 8.1. Representations and Covenants of the School. The School warrants and represents that it is and during the Lease Term will be a duly organized and existing political subdivision under the laws of the State, that it is not in default under any of the provisions contained in the laws of the State in any manner which would impair its ability to carry out its obligations hereunder, that it has power to enter into the transactions contemplated by this Lease, that it has been duly authorized to execute this Lease and that it will do all things required of it in order to maintain its existence.

Section 8.2. Representations and Covenants of Lessor. The Lessor warrants and represents as follows:

- (a) It is duly incorporated and is in good standing under the laws of the State and duly qualified to do business in the State, and will remain so qualified so long as it is the Lessor under this Lease.
- (b) Construction and equipping in accordance with the Plans and Specifications will be accomplished in such manner as to conform with all applicable zoning, planning, building, environmental and other regulations of all governmental authorities having jurisdiction of the Leased Premises.

Section 8.3. Maintenance of Lessor. Lessor agrees that from the date of delivery of this Lease to the Termination Date there will always be an individual, partnership, corporation association or other entity acting as lessor under this Lease.

Section 8.4. Title of Leased Real Property. Lessor has caused to be furnished to the School written evidence as to the status of title to the Leased Real Property as of the date of acquisition of the Leased Real Property by Lessor. The School and Lessor agree that title is satisfactory and that all defects in and liens and encumbrances on such title, as set forth in such evidence as exclusions from coverage and exceptions, do not impair the School's use or the value of the Leased Premises.

Section 8.5. No Warranty of Condition or Suitability. Lessor does not make any warranty, either express or implied, as to the suitability or utilization of the Leased Premises for the Leased Purposes, or as to the condition of the Leased Premises or that they are or will be suitable for the School's purposes or needs. The School agrees that the Leased Premises as contemplated by the Plans and Specifications are useful to it and are in furtherance of the purposes of the Act.

Section 8.6. Quiet Enjoyment. Lessor covenants that it will not take any action to prevent the School, on paying the Rent and Additional Payments and performing the covenants and agreements herein on the School's part to be performed, from peaceably and quietly holding and enjoying the Leased Premises for the Lease Term and any extension thereof and that Lessor will, at the School's request and expense, defend the School's enjoyment and possession of the Leased Premises against all parties or permit the School in its own or, to the extent lawful, in Lessor's name, to defend such enjoyment and possession.

Section 8.7. Right of Access. The School agrees that subject to reasonable security and safety regulations and to reasonable requirements as to notice, Lessor and its duly authorized agents shall have the right at all reasonable times to enter upon the Leased Premises and to examine and inspect the same. The School further agrees that Lessor and its duly authorized agents shall have such rights of access to the Project as may be reasonably necessary to cause to be completed the construction and equipping provided for herein, and thereafter for the proper maintenance of the Project in the event of failure by the School to perform its obligations.

Section 8.8. Indemnification. The School releases Lessor from, agrees that Lessor shall not be liable for, and agrees to hold Lessor harmless against, any loss or damage to property, or any injury to or death of any person, that may be occasioned by any cause whatsoever pertaining to the Leased Premises or the use thereof; provided, that the indemnity in this sentence shall be effective only to the extent of any loss that may be sustained by Lessor in excess of the net proceeds received by Lessor from any insurance carried with respect to the loss sustained. The School further agrees to indemnify and save harmless Lessor against and from any and all cost, liability, expenses and claims arising from any breach or default on the part of the School in the performance of any covenant or agreement on the part of the School to be performed pursuant to the terms of this Lease, or arising from any act or negligence of or failure to act by the School, or any of its agents, contractors, servants, employees or licensees, or arising from any accident, injury or damage whatsoever caused to any person, firm or corporation occurring during the Lease Term, in or about the Leased Premises, and from and against all costs, liability and expenses incurred in or in connection with any such claim or action or proceeding brought thereon; and in case any action or proceeding be brought against Lessor by reason of any such claim, the School upon notice from Lessor covenants to resist or defend such action or proceedings at the School's expense.

Section 8.9. Termination. This Lease may be terminated by Lessor by giving written notice to the School (i) at any time after forty-five days from the date of this Lease and prior to the Effective Rental Date, as defined in the Letter Agreement, or (ii) at any time during the pendency of any action, suit or proceeding, at law or in equity, or before or by any court, public board or body which contests the validity of any of the terms and conditions of the Lease or which seeks to enjoin the performance of any of the terms and conditions of the Lease. Notwithstanding the foregoing, this Lease shall be terminated immediately upon the receipt by Lessor or the School of any final nonappealable order or adjudication which declares the Lease or any of its terms and conditions invalid or which enjoins the performance of any of the terms and conditions of the Lease.

Section 8.10. Covenant to Comply With Tax Reform Act of 1986 and to Restrict Use of Funds. The Lessor and the School each covenant that each of them will restrict the use of the proceeds realized under this Lease in such manner and to such extent, if any, as may be necessary so that this Lease and any participation certificates evidencing proportionate interests in the payments to be made under this Lease will not constitute arbitrage bonds under Section 148 of the Internal Revenue Code of 1986, as amended (the Code). The Authorized School Representative of the School and any officer of the Lessor, respectively, and any other appropriate officers shall each given an appropriate certificate, for inclusion in the transcript of proceedings for the Lease, setting forth the reasonable expectations of

the School and the Lessor, respectively, regarding the amount and use of all the proceeds of the Lease, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest component of payments under the Lease.

The School and the Lessor each covenant that each of them (a) will take or cause to be taken such actions which may be required of it for the interest component of payments under the Lease to be and remain excluded from gross income for federal income tax purposes, and (b) will not take or permit to be taken any actions which would adversely affect that exclusion, and that it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Lease to the governmental purpose of the Lease, (ii) restrict the yield on investment property acquired with those proceeds, (iii) make timely rebate payments to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Authorized School Representative of the School and any officer of the Lessor, respectively, and other appropriate officers are each hereby authorized and directed to take any and all actions, make calculations and rebate payments, and make or give reports and certifications, as may be appropriate to assure such exclusion of the interest component of payments under the Lease.

Section 8.11. Covenant to Supply Financial Information. The School hereby covenants to provide in a timely manner to Lessor or its assigns, or to such persons, corporations or other agencies designated by Lessor or its assigns, annual financial data, including all tax and other income, receipts and disbursements, budgets, tax levies, collections and delinquencies, and amortization schedules of all bond or lease transactions, and to advise of all matters, actions or causes of action to which the School may or has become obligated and all other pertinent information and changes thereto relative to the financial condition of the School and its continuing ability to make the Rental Payments due and payable under this Lease.

(End of Article VIII)

ARTICLE IX

RELEASE OF PORTIONS OF LEASED REAL PROPERTY

Section 9.1. Release of Leased Real Property. The parties hereto reserve the right, at any time and from time to time, to amend this Lease to effect the release of and removal from this Lease and the leasehold estate created hereby of any part of or interest in the Leased Real Property and the conveyance of such part of interest to a grantee designated by the School; provided, that such amendment shall not be effective until and unless there are deposited with Lessor the following:

- (a) An executed copy of the said amendment.
- (b) A certificate of the Authorized School Representative that the School is not in default, under any of the provisions of this Lease, (i) giving, if applicable, an adequate legal description of that portion of the Leased Real Property to be released, (ii) stating the purpose for which the release is desired, (iii) stating that the improvements, if any, to be constructed upon that portion of the Leased Real Property to be released will not interfere with the School's use of the Leased Premises, (iv) requesting such release and (v) approving such amendment.
- (c) Evidence of the authority of the officer of the School who executes such amendment.
- (d) A certificate of the President or a Vice President of Lessor or an opinion of counsel for Lessor stating that Lessor is not in default under this Lease.
- (e) If applicable, a copy of the instrument conveying the interest proposed to be released.
- (f) A certificate of an Engineer, acceptable to Lessor, dated not more than sixty days prior to the date of the release and stating that, in the opinion of such Engineer, (i) the release of the portion of the Leased Real Property so proposed to be released is necessary or desirable in order to benefit the Leased Premises, or such portion is not needed for the operation of the Leased Premises, and (ii) the release so proposed to be made will not impair the usefulness of the Project as furthering the purposes of the Act, and will not destroy means of ingress to and egress from the Project.

Lessor shall execute and deliver such documents as the School may properly request in order to effect any release pursuant to this Section and to convey the interests released to the designated grantee. Any release pursuant to this Section may be made for the purpose of conveying the part or interests released to the School.

Section 9.2. No Abatement or Diminution of Rent. No release or conveyance effected under any of the provisions of this Lease shall entitle the School to any abatement or diminution of the Rent payable hereunder. Any release or conveyance under Section 9.1 of this Lease shall be made only for consideration which the Authorized School Representative certifies is a fair and adequate consideration. Any moneys received as such consideration shall be paid to Lessor or its assignee.

(End of Article IX)

ARTICLE X

ASSIGNMENT AND SUBLEASING

Section 10.1. Assignment and Subleasing by School. This Lease may not be assigned in whole or in part, and the Leased Premises may not be subleased as a whole or in part, by the School except to a successor school corporation which is a political subdivision of the State and into which the School is merged or with which the School is consolidated and otherwise only with the consent of Lessor.

Section 10.2. Assignment and Mortgaging by Lessor. Lessor may mortgage the Leased Premises and assign its rights under and interest in, and pledge any moneys receivable under or pursuant to, this Lease, but each such mortgage, assignment or pledge shall be subordinate and subject to this Lease.

(End of Article X)

ARTICLE XI

OPTIONS IN FAVOR OF THE SCHOOL

Section 11.1. Option to Renew. The School shall have the option to renew this Lease for a further like or lesser term upon the same terms and conditions as herein provided. Such option shall be exercised by the School giving Lessor notice of the exercise of such option on any Rental Payment Date prior to the Termination Date.

Section 11.2. Option to Purchase Leased Premises. The School shall have, and is hereby granted, an option to purchase the Leased Premises on the seventeenth (17th) Rental Payment Date and on any Rental Payment Date thereafter, provided the School is not in default under any provisions of this Lease. In the event that the School elects to exercise such option to purchase, the School shall give notice of its intention to exercise such option not less than sixty days prior to such Rental Payment Date. In the event that the School exercises such option to purchase, the purchase price shall be the "Option Price" as shown on Exhibit A opposite the applicable rental payment number.

Section 11.3. Conveyance on Exercise of Option to Purchase. On exercise of the option to purchase granted herein, Lessor will upon payment of the purchase price deliver, or cause to be delivered, to the School documents conveying to the School all of Lessor's title to the property being purchased, as such property then exists, subject to the following: (i) those liens and encumbrances (if any) to which title to said property was subject when conveyed to Lessor; (ii) those liens and encumbrances created by the School or to the creation or suffering of which the School consented, and Liens for taxes or special assessments not then delinquent; and (iii) those liens and encumbrances resulting from the failure of the School to perform or observe any of the agreements on its part contained in this Lease.

Section 11.4. Transfer to School. In the event the School has not exercised the foregoing option to purchase the Leased Premises at the Termination Date, and has not exercised its option to renew in accordance with the provisions of Section 11.1 hereof, and upon the full discharge and performance by the School of its obligations under this Lease, the Leased Premise shall thereupon become the absolute property the School and upon the School's request Lessor shall execute proper instruments conveying to the School all of Lessor's title thereto.

Section 11.5. Duty of School. In the event of purchase of the Leased Premises by the School or conveyance of the same to the School under the provisions of Section 11.2 hereof, the School shall procure and pay for all surveys, title searches, abstracts, title policies and legal services that may be required, and shall furnish at the School's expense all documentary stamps or other tax payments required for the transfer of title.

Section 11.6. Duty of Lessor. Upon written request of the School, made not less than sixty (60) days prior thereto, the Lessor agrees to furnish an itemized statement setting forth the amount required to be paid by the School on the next Rental Payment Date in order to purchase the Leased Premises in accordance with Section 11.2 hereof.

(End of Article XI)

ARTICLE XII

EVENTS OF DEFAULT AND REMEDIES

Section 12.1. Events of Default. The following shall be "events of default" under this Lease and the terms "events of default" or "default" shall mean, whenever they are used in this Lease, any one or more of the following events:

- (a) Failure by the School to pay the Rent required to be paid hereunder on or prior to the Rental Payment Date and continuing for the Rent Cure Period except as provided in Section 6.4 hereof.
- (b) Failure by the School to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Lease, other than as referred to in paragraph (a) of this Section, for a period of sixty days after notice of such failure requesting such failure to be remedied, given to the School by Lessor unless Lessor shall agree in writing to an extension of such time prior to its expiration; provided, however, that if and so long as the School is proceeding with due diligence to cure the default such period shall be extended to such period as is required to permit the School's proceeding with due diligence to cure such default.

The provisions of paragraph (b) of this Section are subject to the following limitations: If by reason of acts of God; fires; epidemics; landslides; floods; strikes; lockouts or other industrial disturbances; acts of public enemies; acts or orders of any kind of any governmental authority; insurrections ; riots; civil disturbances; explosions; breakage or accident to machinery, transmission pipes or canals; partial or entire failure of utilities; or any cause or event not reasonably within the control of the School, the School is unable in whole or in part to carry out the agreements on its part herein contained, other than the obligations on the part of the School to pay Rent, Additional Payments and taxes and to carry insurance, the School shall not be deemed in default during the continuance of such inability. The School shall, however, use its best efforts to remedy with all reasonable dispatch the cause or causes preventing the School from carrying out its agreements; provided, that the School shall in no event be required to settle strikes, lockouts or other disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the School, unfavorable to the School.

Section 12.2. Remedies on Default. Whenever any event of default under Section 12.1 of this Lease shall have happened and be subsisting, any one or more of the following remedial steps may be taken:

- (a) Lessor may reenter and take possession of the Leased Premises without terminating this Lease, sublease the Leased Premises for the account of the School, holding the School liable for costs, if any, not reimbursed to Lessor from the difference between the rent and other amount payable by such sublessee in such subleasing and the Rent, Additional Payment and other amount payable by the School hereunder.
- (b) Lessor may terminate this Lease, exclude the School from possession of the Leased Premises, and lease the Leased Premises to another, but holding the School liable for costs, if any, not reimbursed to Lessor from the proceeds for all Rent and other payments due up to the effective date of such leasing.
- (c) Lessor may take whatever action at law or in equity may appear necessary or desirable to collect the Rent and Additional Payments then due and thereafter to become due, or to enforce performance and observance of any obligation,, agreement or covenant of the School under this Lease.

Section 12.3. No Remedy Exclusive. No remedy conferred upon or reserved to Lessor by this Lease is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now and hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice other than such notice as may be expressly required herein.

Section 12.4. Agreement to Pay Attorneys' Fees and Expenses. In the event the School should default under any of the provisions of this Lease and Lessor should employ attorneys or incur other expenses for the collection of Rent or the enforcement of performance or observance of any obligation or agreement on the part of the School contained in this Lease, the School shall on demand therefor, to the extent permitted by law, reimburse the reasonable fees of such attorneys and such other expenses so incurred.

Section 12.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Lease should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 12.6. In Waiver of Appraisement, Valuation, Etc. In the event the School should default under any of the provisions of this Lease, the School agrees to waive, to the extent it may lawfully do so, the benefit of all appraisement, valuation, stay, extension or redemption laws now or hereafter in force, and all right of appraisement and redemption to which it may be entitled.

Section 12.7. Reinstatement. Notwithstanding any termination of this Lease in accordance with the provisions of Section 12.2 hereof, unless and until Lessor shall have entered into a valid and binding agreement providing for the reletting of the Leased Premises, the School may at any time after such termination pay all accrued unpaid Rent plus any costs to Lessor and fully cure all other defaults then capable of being cured. Upon such payment and cure, this Lease shall be fully reinstated, as if it had never been terminated, and the School shall be restored to the use, occupancy and possession of the Leased Premises.

(End of Article XII)

ARTICLE XIII

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ARTICLE XIII

MISCELLANEOUS

Section 13.1. Surrender of Leased Premises. In the event the School should default under this Lease and this Lease is terminated or if this Lease is terminated by Lessor pursuant to Section 8.9 hereof, the School agrees to surrender, subject to reinstatement pursuant to Section 12.7 of this Lease, possession of the Leased Premises peaceably and promptly to Lessor in as good condition as prevailed at the time the School was put in full possession thereof, loss by fire and other casualty covered by insurance or by eminent domain, ordinary wear and tear, obsolescence and acts of God excepted.

Section 13.2. Notices. All notices, certificates, requests or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate Notice Address. Lessor and the School may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 13.3. Net Lease. This Lease shall be deemed and construed to be a "net lease," and the School shall pay absolutely net during the Lease Term the Rent, Additional Payments and all other payments required hereunder, free of any deductions, and without abatement, deduction or setoff other than those herein expressly provided.

Section 13.4. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon Lessor, the School and their respective successors and assigns, subject, however, to the specific provisions hereof.

Section 13.5. Execution Counterparts. This Lease may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same Lease.

Section 13.6. Construction of Covenants. Lessor has the corporate power as required for the purpose of constructing and erecting the Project and leasing the same to the School under the provisions of the Act. All provisions herein contained shall be construed in accordance with the provisions of the Act and to the extent of inconsistencies, if any, between the covenants and agreements in this Lease and the provisions of the Act, the provisions of the Act shall be deemed to be controlling and binding upon Lessor and the School.

Section 13.7. Severability. In case any section or provision of this Lease, or any covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof, made, assumed, entered into or taken thereunder, which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof, shall be deemed to be effective operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 13.8. Captions. The captions or heading in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Lease.

IN WITNESS WHEREOF, Lessor and the School have caused this Lease to be executed in their respective names by their duly authorized officers all as of the date hereinbefore written.

TRI-CREEK BLDG. CORP.

By Thomas B. Summers
Thomas B. Summers, President

ATTEST:

O. Roderick Wilson
O. Roderick Wilson, Secretary

TRI-CREEK SCHOOL CORPORATION

By John H. Bryant, Jr.
John H. Bryant, Jr., President
Board of School Trustees

ATTEST:

By Mary E. Dahl
Mary E. Dahl, Secretary
Board of School Trustees

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, a Notary Public in and for said County and State, this 10th day of November 1988, personally appeared Tri-Creek Bldg. Corp. by Thomas B. Summers and O. Roderick Wilson, its President and Secretary, respectively, and acknowledged the execution of the foregoing instrument and that the same is their voluntary act and deed for and on behalf of said corporation and the voluntary and corporate act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official notarial seal on the day and year aforesaid.

Jenny L. Baker
Notary Public

County of Residence: Allen

My Commission expires:

JENNY L. BAKER, Notary Public
Resident of Allen County, Indiana.
My commission expires January 8, 1990.

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Before me, a Notary Public in and for said County and State, this 10th day of Nov., 1988, personally appeared Tri-Creek School Corporation by John H. Bryant, Jr. and Mary E. Dahl, its President and Secretary, respectively, and acknowledged the execution of the foregoing instrument and that the same is their voluntary act and deed for and on behalf of said school corporation and the voluntary and corporate act and deed of said school corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official notarial seal on the day and year aforesaid.

Gertrude M. Sullivan
Gertrude M. Sullivan, Notary Public

County of Residence: Lake

My Commission expires: 06/07/90

This instrument was prepared by: Richard D. Robinson
Attorney at Law
Barrett & McNagy
215 E. Berry Street
Fort Wayne, IN 46802

Tri Creek School Corporation

Exhibit A to Lease Dated as of November 10, 1988

Original Purchase Price: \$6,560,000

Original Rental Factor: 7.574%

Pmt No.	Date	Lease Payment	Option Price	Principal Portion	Interest Portion
1	12-Jul-90	337,135	The Lease is	95,000.00	242,135.00
2	12-Jan-91	334,095	not subject	95,000.00	239,095.00
3	12-Jul-91	336,055	to Purchase	100,000.00	236,055.00
4	12-Jan-92	337,855	prior to the	105,000.00	232,855.00
5	12-Jul-92	334,443	eighteenth	105,000.00	229,442.50
6	12-Jan-93	336,030	Rent Payment.	110,000.00	226,030.00
7	12-Jul-93	337,400	N/A	115,000.00	222,400.00
8	12-Jan-94	338,605	N/A	120,000.00	218,605.00
9	12-Jul-94	334,585	N/A	120,000.00	214,585.00
10	12-Jan-95	335,565	N/A	125,000.00	210,565.00
11	12-Jul-95	336,315	N/A	130,000.00	206,315.00
12	12-Jan-96	336,895	N/A	135,000.00	201,895.00
13	12-Jul-96	337,238	N/A	140,000.00	197,237.50
14	12-Jan-97	337,408	N/A	145,000.00	192,407.50
15	12-Jul-97	337,333	N/A	150,000.00	187,332.50
16	12-Jan-98	337,083	N/A	155,000.00	182,082.50
17	12-Jul-98	336,580	4,880,680	160,000.00	176,580.00
18	12-Jan-99	335,900	4,711,700	165,000.00	170,900.00
19	12-Jul-99	334,960	4,537,360	170,000.00	164,960.00
20	12-Jan-2000	333,840	4,357,740	175,000.00	158,840.00
21	12-Jul-2000	337,453	4,172,653	185,000.00	152,452.50
22	12-Jan-2001	335,700	3,977,100	190,000.00	145,700.00
23	12-Jul-2001	333,575	3,776,075	195,000.00	138,575.00
24	12-Jan-2002	336,263	3,569,663	205,000.00	131,262.50
25	12-Jul-2002	338,370	3,352,470	215,000.00	123,370.00
26	12-Jan-2003	335,093	3,124,793	220,000.00	115,092.50
27	12-Jul-2003	336,623	2,891,723	230,000.00	106,622.50
28	12-Jan-2004	337,768	2,648,068	240,000.00	97,767.50
29	12-Jul-2004	333,528	2,393,928	245,000.00	88,527.50
30	12-Jan-2005	334,095	2,134,395	255,000.00	79,095.00
31	12-Jul-2005	334,150	1,864,150	265,000.00	69,150.00
32	12-Jan-2006	333,815	1,583,315	275,000.00	58,815.00
33	12-Jul-2006	338,090	1,291,790	290,000.00	48,090.00
34	12-Jan-2007	336,780	984,480	300,000.00	36,780.00
35	12-Jul-2007	335,005	666,505	310,000.00	25,005.00
36	12-Jan-2008	337,838	337,838	325,000.00	12,837.50

EXHIBIT B

The exact description of the land covered by this lease is an area five feet (5') outside the footprint of the proposed building shown on page G1 "Site Layout Plan" of the plans dated September 15, 1988 and prepared by Fanning/Howey Associates Inc. described as follows:

The West one half ($\frac{1}{2}$) of the Northwest one quarter of the Southeast one quarter of Section 25, Township 33 North, Range 9 West of the second Principal Meridian Lake County, Indiana. Containing 19.999 acres and subject to all legal highways and easements.

Together with an easement for utilities, ingress and egress from South Burr Street.

It is acknowledged that the above description describes the lease premises and at such time as a survey is completed in compliance with the requirements for a surveyors minimum standard certificate such new legal description shall be substituted for the above legal description.

See page 2 of Exhibit B for exact legal description.

1
2
3

EXHIBIT C

The project is an elementary school building designed to house two (2) sections of kindergarten and three (3) sections of grades one through six. The building contains approximately 69,411 square feet and will be constructed of reinforced brick and concrete block on concrete slab. The roof will consist of shingles on a steel deck spanning open web steel joists.

In addition to the twenty-one (21) classrooms, additional area will be available for special education, art, music, science, computers, physical education instruction. The balance of the building will contain a media center, food service and kitchen facilities, administrative offices, and plumbing and support areas. All areas will be approximately equipped with cabinets and casework, and the project further consists of providing loose equipment for the facility so that it is useful as an elementary school.

Easements for ingress, egress and utilities are part of the land conveyed to the Lessor.

D E S C R I P T I O N

All that part of the West one half of the Northwest one quarter of the Southeast one quarter of Section 25, Township 33 North, Range 9 West of the Second Principal Meridian, Lake County Indiana described as follows: Commencing at the Northwest corner of said West 1/2 of the Northwest 1/4 of the Southeast 1/4, thence S 00°00'01" W along the West line of said West 1/2 of the Northwest 1/4 of the Southeast 1/4 753.38 feet; to the POINT OF BEGINNING; thence S 89°59'59" E 289.42 feet; the following courses are 5 feet outside of and parallel with the building, thence N 00°00'01" E 46.00 feet; thence S 89°59'59" E 4.00 feet; thence N 00°00'01" E 14.74 feet; thence N 45°00'01" E 15.46 feet; thence S 89°59'59" E 62.47 feet; thence S 44°59'59" E 23.94 feet; thence S 00°00'01" W 23.07 feet; thence S 89°59'59" E 23.67 feet; thence N 00°00'01" E 17.67 feet; thence S 89°59'59" E 146.33 feet; thence S 00°00'01" W 29.00 feet; thence S 89°59'59" E 5.00 feet; thence S 00°00'01" W 27.67 feet; thence N 89°59'59" W 5.00 feet; thence S 00°00'01" W 29.00 feet; thence N 89°59'59" W 95.00 feet; thence S 00°00'01" W 36.33 feet; thence S 89°59'59" E 95.00 feet; thence S 00°00'01" W 29.00 feet; thence S 89°59'59" E 5.00 feet; thence S 00°00'01" W 27.67 feet; thence N 89°59'59" W 5.00 feet; thence S 00°00'01" W 29.00 feet; thence N 89°59'59" W 95.00 feet; thence S 00°00'01" W 104.00 feet; thence N 89°59'59" W 29.00 feet; thence S 00°00'01" W 5.00 feet; thence N 89°59'59" W 27.67 feet; thence N 00°00'01" E 5.00 feet; thence N 89°59'59" W 29.00 feet; thence N 00°00'01" E 71.67 feet; thence N 89°59'59" W 40.33 feet; thence S 00°00'01" W 71.67 feet; thence N 89°59'59" W 29.00 feet; thence S 00°00'01" W 5.00 feet; thence N 89°59'59" W 27.67 feet; thence N 00°00'01" E 5.00 feet; thence N 89°59'59" W 29.00 feet; thence N 00°00'01" E 69.33 feet; thence N 89°59'59" W 15.33 feet; thence N 00°00'01" E 26.17 feet; thence N 89°59'59" W 3.00 feet; thence N 00°00'01" E 25.67 feet; thence S 89°59'59" E 3.00 feet; thence N 00°00'01" E 10.17 feet; thence N 89°59'59" W 15.00 feet; thence N 00°00'01" E 39.00 feet; thence S 89°59'59" E 15.00 feet; thence N 00°00'01" E 72.00 feet; thence N 89°59'59" W 231.75 feet; thence N 00°00'01" E 20.00 feet, to the Point of Beginning. Containing 2.008 acres more or less and subject to all legal highways and easements.

Exhibit B

Page 2

LEASE

Tri-Creek Bldg. Corp.

TO

Tri-Creek School Corporation

THIS CONTRACT OF LEASE (hereinafter called "Lease") made and entered into as of the 10th day of November, 1988, between Tri-Creek Bldg. Corp. (hereinafter with its successors and assigns as provided by this Lease called "Lessor"), a corporation duly organized and existing under the laws of the State of Indiana and qualified to do business in said State, and Tri-Creek School Corporation (hereinafter called "School" or "School Corporation"), a school corporation and political subdivision organized and existing under the laws of the State of Indiana and located in the County of Lake, Indiana.

WITNESSETH:

WHEREAS, I.C. 21-5-9 and 21-5-12 as amended to the date hereof, provides for the leasing of school buildings, including School Buildings by school corporations of the State of Indiana from corporations organized under the laws of the State of Indiana or duly admitted to do business in that State, under certain terms and conditions provided in said Act, including the provision for the title to the building leased to the School Corporation to vest in said School Corporation at the conclusion of the lease term with the School Corporation required to levy taxes upon all taxable property within such School Corporation during the term of the lease to pay the rental payments under such lease; and

WHEREAS, after investigation, the Board of School Trustees of the School has determined that a need exists for the Project as hereinafter defined and that such Project is not designed for and to be used exclusively for interschool athletic contests; and

WHEREAS, the plans and specifications referred to in Section 4.2 of this Lease have been heretofore received and approved by the School and have also been submitted to the State Board of Health, State Fire Marshal and such other agencies as are designated by law to pass on plans and specifications for school buildings or school building additions; and

WHEREAS, the School and Lessor each have full right and lawful authority to enter into this Contract of Lease (hereinafter when the context permits, references herein to this Lease shall be deemed to include amendments hereto) and to perform and observe the provisions hereof on their respective parts to be performed and observed.

NOW THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto covenant, agree and bind themselves as follows:

ARTICLE I

DEFINITIONS

In addition to the words and terms elsewhere defined in this Lease, the following words and terms as used in this Lease shall have the following meanings unless the context or use indicates another or different meaning or intent and such definitions shall be equally applicable to both the singular and plural forms of any of the words and terms herein defined.

"Act" means I.C. 21-5-9 and 21-5-12, as amended to the date hereof.

"Additional Payments" means the amounts required to be paid by the provisions of Section 3.2 hereof.

"Architect" means Fanning/Howey Associates, Inc., P.O. Box 584, Michigan City, Indiana, 46360, who has prepared the plans and specifications for the construction of the Project.

"Authorized Lessor Representative" means the person at the time designated to act on behalf of Lessor by written certificate furnished to the School, containing the specimen signature of such person and signed on behalf of Lessor by its President or a Vice President. Such certificate may designate an alternate or alternates who shall have the same authority, duties and powers as the Authorized Lessor Representative.

"Authorized School Representative" means the person at the time designated to act on behalf of the School by written certificate furnished to Lessor, containing the specimen signature of such person and signed on behalf of the School by the President or Secretary of the Legislative Authority. Such certificate may designate an alternate or alternates who shall have the same authority, duties and powers as the Authorized School Representative.

"Completion Date" means the date specified in the certificate of the Authorized Lessor Representative to be furnished pursuant to Section 4.3 hereof.

"Contingency" means the sum of \$257,518 which is included in the Original Purchase Price and which is to be used to pay for any increases in construction cost due to changes, modifications or additions to the construction contracts or the Plans and Specifications.

"Engineer" means an engineer or engineering firm or an architect or architectural firm qualified to practice the profession of engineering or architecture under the laws of the State and who or which is not a full-time employee of Lessor or the School.

"School Building" means any "school building" as defined under I.C. 21-5-12 as amended to the date hereof and may include more than one building, but shall not include a portable or relocatable building or classroom.

"I.C." means the Indiana Code as amended to the date hereof.

"Indenture" means the Trust Indenture dated as of December 15, 1988 by and between the Lessor and Trustee.

"Independent Counsel" means any attorney duly admitted to practice law before the highest court of any state and not a full-time employee of Lessor or the School.

"Insurance Consultant" means a recognized independent insurance consultant qualified under the laws of the State and satisfactory to the School and the Lessor.

"Interest Rate for Advances" means the rate of eight percentum per annum or a rate which is one percent in excess of the interest rate then charged by the Trustee to its most creditworthy commercial borrowers in its lending capacity as a bank, whichever is, in whole or part, greater and lawfully chargeable.

"Leased Premises" means the Leased Real Property and the Project.

"Lease Purposes" means the construction and equipping of a new elementary school building to be used by the School and to be operated as part of the public school system of the State of Indiana, together with related and incidental uses, but in no event to be used exclusively for interschool athletic contests.

"Leased Real Property" means the interests in real estate described in Exhibit B hereto, together with any substitutions or additions thereto but less any removals therefrom from time to time as provided for in this Lease.

"Lease Term" means the period commencing on the Completion Date and ending on the Termination Date.

"Legislative Authority" means the Board of School Trustees of the School.

"Letter Agreement" means the agreement between Lessor and the School dated as of October 25, 1988, in the form of a letter from Lessor accepted by the School, setting forth the Lessor's proposal to erect and lease the Project and formulae for adjusting Option Price and Basic Rent.

"Notice Address" means:

- (a) As to Lessor: Tri-Creek Bldg. Corp.
 1000 Commerce Building
 Fort Wayne, Indiana 46802
 Attention: President

(b) As to the School: Tri-Creek School Corporation
690 South Burr Street
Lowell, Indiana 46356
Attention: Superintendent

"Original Purchase Price" as shown on Exhibit A hereto means the sum of \$6,560,000.

"Plans and Specifications" means the plans and specifications for the Project prepared by the Architect and now on file with the School, as changed from time to time as in this Lease provided.

"Project" means the real, personal or real and personal property identified in Exhibit C hereto or in or pursuant to any amendments hereto or in the certificate given pursuant to Section 4.3 hereof, or acquired, constructed or installed as replacement or substitution therefor or addition thereto.

"Rent" means the Rent payable pursuant to Section 3.1 hereof and Exhibit A hereto. Rent may be adjusted in accordance with the terms of the Letter Agreement. Rent, as adjusted, shall be set forth in the applicable space in Exhibit A hereto.

"Rent Cure Period" means a period of three calendar days commencing with the day on which Lessor gives notice to the School of failure of the School to pay the Rent.

"Rental Payment Date" means each July 12th and January 12th commencing July 12, 1990 or on the Completion Date, whichever is later, and at semiannual intervals thereafter.

"Required Property Insurance Coverage" means a policy or policies of insurance against physical loss or damage to the Leased Premises, however caused, with such exceptions only as are ordinarily required by insurers of buildings or facilities of a similar type, in an amount equal to 105% of the full replacement cost of the Leased Premises. The full replacement cost of the Leased Premises shall be certified by an Insurance Consultant at the School's expense on or before the effective date of this Lease, and thereafter, if requested by Lessor on or before the first day of January of each year, shall be certified by the Authorized School Representative at the School's expense and setting forth the method or methods by which such replacement cost was determined. If approved by Lessor, such policy or policies may provide for such deductible amounts as are then customary for school corporations of the State leasing school buildings or school building additions under leases similar to this Lease.

"Required Public Liability Insurance" means such insurance in a minimum amount of \$3,000,000 combined single limit of liability protection for death, bodily injury or property damage resulting from each occurrence, provided, however, if approved by Lessor, the policy or policies of such insurance may provide for such deductible amounts as are then customary for school corporations of the State leasing school buildings or school building additions under leases similar to the Lease, and further provided that the minimum amounts of coverage shall be, and any deductible amount may be, increased as recommended by an Insurance Consultant who shall annually, or for such longer interval specified by the School and approved by Lessor, review such coverage and advise the School of increases in the amount of

coverage required therein in order to protect adequately the financial position of the School and Lessor.

"Required Rental Value Insurance Coverage" means a rent or rental value insurance policy (i) in an amount equal to four semi-annual Rent payments and (ii) to the extent that the School can obtain such coverage, in an additional amount equal to the expenses, as estimated by the School, of operating and maintaining the Leased Premises for a period of two years. Such policy shall insure against loss of Rent and the expenses of the Lessor operating and maintaining the Leased Premises during a period in which the Rent of the School is abated as a result of physical loss or damage to the Leased Premises, however caused, with such exceptions only as are ordinarily required by insurers of buildings or facilities of a similar type.

"State" means the State of Indiana.

"Termination Date" means the earlier of (i) the date of termination of this Lease by Lessor pursuant to Section 8.9 hereof, (ii) the day on which Lessor's title to the Leased Premises vests in the School pursuant to Section 11.4 hereof, including any renewals of this Lease pursuant to Section 11.1 hereof (which date is June 11, 2008 unless the Lease is renewed pursuant to Section 11.1 hereof), or (iii) the day following the final date for payment of the option price and delivery of documents as provided in Section 11.3 hereof.

"Trustee" means The Lowell National Bank, Lowell, Indiana.

Any reference herein to the School or its Legislative Authority shall include those which succeed to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions. Any reference herein to Lessor shall include any individual, corporation, association, partnership or other entity which succeeds to Lessor's rights and obligations under this Lease by reason of conveyance, assignment or other transfer or by operation of law. Any reference to a section or provision of the Constitution of the State or to a section, provision or chapter of the Indiana Code shall include such section or provision or chapter as from time to time amended, modified, revised, supplemented or superseded.

(End of Article I)

ARTICLE II

LEASED PREMISES - TERM OF LEASE -
PURPOSES

Section 2.1. Leased Premises and Possession. Lessor, in consideration of the rents, covenants and agreements herein stated, agrees to and does hereby lease to the School, and the School does hereby lease from Lessor, for the Lease Term subject to the provisions of this Lease, the Leased Premises.

TO HAVE AND TO HOLD the Leased Premises unto the School for the Lease Term.

Possession of the Leased Premises constructed and equipped pursuant to Section 4.1 hereof, shall be delivered to and shall be accepted by the School on delivery of Lessor's certificate pursuant to Section 4.3 of this Lease.

Section 2.2. Purposes. The School will use and occupy the Leased Premises for the Lease Purposes. The School does not now know of any reason why the Leased Premises will not be so used and occupied by it from receipt of possession to the Termination Date and any extensions and renewals of this Lease and now anticipates that it will be so used and occupied. Failure to use and occupy as aforesaid shall in no way abate or reduce Rent payable under this Lease and shall not be deemed a breach of this Lease in any respect so long as the other agreements and covenants of this Lease are fulfilled.

Section 2.3. Use of Leased Premises. The School has not entered into and will not enter into any contract which is unlike contracts for the general public use of or service from the Leased Premises whereby any private person will be a lessee or tenant of any portion of the Leased Premises or manage any operation within the Leased Premises. For purposes of this Section, "private person" means any natural person or any artificial person, including a corporation, partnership, trust or other entity, that is not a governmental unit and that is not acting solely as an officer or employee of the School.

(End of Article II)