

**QUIXOTE FOUNDATION, a South Carolina nonprofit corporation
(LANDLORD)**

&

**Liberty STEAM Charter School, Inc., a South Carolina nonprofit corporation
(TENANT)**

COMMERCIAL LEASE AGREEMENT

STATE OF SOUTH CAROLINA, COUNTY OF SUMTER

This Lease Agreement is made this 17th day of February 2022 by and between **QUIXOTE FOUNDATION, a South Carolina nonprofit corporation**, (the "Landlord") and **Liberty STEAM Charter School, Inc., a South Carolina nonprofit corporation**, (the "Tenant").

WITNESSETH

The parties hereto agree for themselves, their successors, heirs and assigns as follows:

1. **THE PREMISES.** The Landlord hereby leases to the Tenant and the Tenant hereby accepts and rents from the Landlord that certain property located at **15 School Street, Sumter, SC** (the "Premises").
2. **TERM.** The term of this Agreement shall be as follows:
 - a. **Initial Term.** The Initial Term of this Agreement shall commence on the 1st day of January 2022 and shall continue for a period of TWENTY (20) years, ending on December 31, 2042 (Initial Term). During the Initial TWENTY (20) year term, this Lease Agreement may be terminated, by either party, by delivering a written Three Hundred Sixty-Five (365) day Notice of Termination, to the other party.
 - b. **Automatic Renewal.** Upon the expiration of the initial term or any renewal term of this Lease, provided this Lease has not been previously terminated pursuant the provisions of this Lease as may be set forth elsewhere herein, this Lease shall automatically renew for a twenty (20) year period, unless on or before 365 days prior to the then current Expiration Date of this Lease, either party provides to the other written notice of such party's intention not to renew this Lease for an additional five (5) year Renewal Term.
 - c. **Term.** All references in this agreement to the "Term of this Agreement" or the quote "Term" shall be deemed to refer to the initial term and any automatic renewal terms, if applicable.
3. **PAYMENT OF RENT.** The Tenant agrees to pay the Landlord **One Dollar (\$1.00)** every year as rent. The rent shall be payable upon the beginning and every subsequent anniversary of this Lease.
4. **TAXES.** If any taxes are assessed, the Tenant covenants and agrees to pay promptly all taxes and assessments of every kind or nature which are now or hereafter may be imposed or assessed

upon the Premises. The Landlord shall not be required to pay any taxes or assessments of any nature imposed or assessed upon fixtures, equipment, merchandise, or other property installed in the Premises or brought thereon by the Tenant or any other person, but such shall be the obligation of the Tenant.

5. **USE.** It is understood and agreed that the Premises shall be used and occupied by the Tenant for charter school purposes only.
6. **INSURANCE AND INDEMNITY.** The Tenant shall be responsible for carrying fire insurance with extended coverage on the Tenant's contents in the building, which include, but are not limited to, the Tenant's inventory, furniture, fixtures, equipment, leasehold improvements, and decor package. This insurance shall provide coverage for breakage of exterior and interior glass in the Premises. In addition, the Tenant shall carry general liability insurance naming the Landlord as an insured and having a minimum coverage of One Million (\$1,000,000.00) dollars combined single limit coverage and One Million (\$1,000,000.00) dollars property damage coverage. The Tenant shall furnish the Landlord with a certificate of said insurance upon demand.

Landlord shall obtain "all risk" property insurance on the building for the full replacement value thereof, exclusive of leasehold improvements, and liability insurance equivalent and coverage to that required of Tenant. Tenant and Landlord hereby release each other for any loss or damage with is covered by fire or extended coverage insurance as hereinbefore provided, or which would be covered by such insurance were such insurance so maintained by the parties as required hereunder, even though such loss or damage might have been occasioned by the negligence of Tenant or of Landlord or their respective employees, contractors, or agents. Each party shall therefore look to its own insurance for reimbursement for any such insurable loss to real or personal property. Each party will obtain a corresponding waiver of subrogation provision on behalf of the other party in all of its fire and extended coverage insurance policies.

The Tenant covenants and agrees that it will defend, indemnify, protect, and save harmless the Landlord from the claims of all persons arising from negligence or recklessness on the part of the Tenant, its agents, servants, or employees, in its use of the Premises. Nothing in this Agreement, however, shall be interpreted to indemnify the Landlord for its own negligence and recklessness. The Landlord covenants and agrees that it will defend, indemnify, protect, and save harmless the Tenant from the claims of all persons arising from negligence or recklessness on the part of the Landlord, its agents, servants, or employees, in its use of the Land, exclusive of the Premises. Nothing in this Agreement, however, shall be interpreted to indemnify Tenant for its own negligence and recklessness.

7. **UTILITIES.** The Tenant will pay for all janitorial services, sewer, water, electricity, gas, heat, air conditioning, telephone and other utilities supplied to the Premises at the actual costs thereof, and, where applicable, as determined metering of usage.
8. **INJURY TO THE PREMISES.** The Landlord and the Tenant hereby expressly agree to the following with respect to injury to the Premises:
 - a. If the Premises are injured by fire or other casualty, within ten (10) days after the date on which the injury occurs (the "Injury Date") the Landlord shall ascertain and advise the Tenant in writing whether the damage caused by the injury (the "Damage") could reasonably be repaired within ninety (90) days after the Injury Date (the "Repair Period").

- b. If the Damage could reasonably be repaired within the Repair Period, then (1) the Tenant shall not be entitled to terminate this Agreement, (2) the Landlord shall repair the Damage with all reasonable speed and shall complete such repair within the Repair Period and (3) the Tenant's rent shall be reduced, pro rata for time and space, to the extent that the Tenant is deprived of the occupancy of any portion of the Premises for the Tenant's purposes by reason of the injury and the making of the repairs. If the Landlord fails to complete the repair of the Damage within the Repair Period (as it may have been extended pursuant to the subsequent provisions of this subsection) the Tenant may, at the Tenant's option and in addition to any remedies that the Tenant may have against the Landlord as a result of such failure, at any time after the expiration of the Repair Period (and any extension thereof) and prior to the completion of the repair of Damage, terminate this Agreement by written notice to the Landlord. If the repair of the Damage by the Landlord is interrupted as a result of any strike or other labor disturbance, governmental restrictions or materials or physical forces beyond the control of the Landlord, the Landlord shall take all reasonable steps to minimize any delay in the completion of the repair of the damage by reason of any such interruption and the Repair Period shall be extended by the number of days that such interruption or interruptions persist in spite of such efforts of the Landlord.
- c. If the Damage cannot reasonably be repaired within the Repair Period, then the Tenant may terminate this Agreement by written notice to the Landlord within thirty (30) days after the Injury Date. If the Tenant elects not to terminate this Agreement, the Landlord shall repair the Damage with all reasonable speed and the Tenant's rent shall be reduced, pro rata for time and space, to the extent that the Tenant is deprived of the occupancy of any portion of the Premises for the Tenant's purposes by reason of the injury and the making of the repairs.
- d. If the Tenant elects to terminate this Agreement pursuant to the provisions of subsection (b) of this Section, the Tenant's liability for payment for the rent provided for herein shall cease as of the date that notice of the termination is given by the Tenant and the Tenant shall be entitled to a refund of any rent paid with respect to any period subsequent to the termination date. If this Agreement is terminated pursuant to the provisions of subsection (c) of this Section, the Tenant's liability for the payment of the rent provided for herein shall cease as of the Injury Date and the Tenant shall be entitled to a refund of any rent paid with respect to any period subsequent to that date.

9. **REPAIRS TO THE PREMISES.** The Landlord shall maintain and make all necessary major repairs. The Landlord will not be responsible, however, to make any repairs which may have been occasioned or necessitated by the negligence of the Tenant, its agents, employees or invites, but this shall be the responsibility of the Tenant, subject to the provisions of Section 8 above. The Tenant will, at its own expense, keep by routine maintenance, repair, and replacement, at its sole cost and expense, the interior of the Premises, including, without limitation, the entire interior and all window glass, plate glass, doors, non-load bearing walls, floor coverings and lights, all electrical, plumbing, heating, ventilating, air conditioning, sprinkler systems, and any other mechanical installations serving the Premises or located therein whether or not in or under the floor slab or on the roof of the Premises, and the Tenant will at the end of the Term of this Agreement deliver the Premises to the Landlord in as good a condition as the

same were when received by it, excepting only normal wear and tear, loss by casualty and condemnation, and repairs required to be made by the Landlord.

Tenant agrees to employ a suitable contractor approved by Landlord to perform Tenant's obligations for maintenance of the heating, cooling, and ventilating units of the Premises, including at least semi-annual inspections and cleaning of the system together with such servicing as each such inspection shall disclose, or as shall otherwise be reasonably required by landlord. In the event Tenant fails to perform its maintenance, repair, or replacement obligations as provided herein, Landlord may, at its option, perform such remedial action on behalf of Tenant, and Tenant agrees to pay to Landlord, as Additional Rent, the cost thereof plus fifteen (15.0%) percent overhead, promptly upon demand by Landlord.

10. **ALTERATIONS AND INSTALLATIONS.** The Tenant may from time to time, at its expense and with the Landlord's approval, paint and decorate the Premises and make such non-structural changes, alterations, additions, and improvements as will, in the judgment of the Tenant, better adapt the same for purpose of its business. The Tenant may make structural alterations or additions only with the written approval of the Landlord, which approval shall not be unreasonably withheld.
11. **MECHANIC'S LIEN.** If the Tenant alters or improves the Premises, the Tenant shall, at its own expense, cause to be discharged or released of record within thirty (30) days after filing, all notices of mechanic's liens filed with respect to such alteration or improvements in the Premises or any part thereof, for work or material furnished, which discharge or release of record shall include a discharge or release by bond where, in the Landlord's option, such is deemed appropriate. Should the Tenant fail to comply with any requirement on the Tenant's part to be performed as herein provided, within the time limit for such compliance, the Tenant shall take whatever action the Landlord deems appropriate to cure the default, and the Tenant agrees to pay to the Landlord the reasonable cost to the Landlord of curing any such default, including reasonable attorneys' fees.
12. **RIGHT OF ENTRY.** The Landlord or his agents shall have the right to enter upon the Premises at all reasonable times and upon reasonable prior notice (except in the event of an emergency) during the Term of this Agreement for the purpose of inspection, maintenance, repair, and alteration and to show the same to prospective tenants or purchasers. Tenant shall have the right to be present during any non-emergency entry onto the Premises.
13. **FIXTURES AND PERSONAL PROPERTY.** At the commencement of the Initial Term and during the Term of this Agreement, the Tenant shall have the right, at its own expense, to install and maintain all necessary fixtures, equipment, and property. Any trade fixtures, equipment and other property installed in or attached to the Premises by and at the expense of the Tenant shall remain the property of the Tenant, and the Landlord agrees that the Tenant shall have the right, at any time, and from time to time, to remove any and all of its trade fixtures, equipment and other property which it may have stored or installed in the Premises so long as all payments of rent are current. The Tenant agrees to repair any damage to the Premises caused by the removal of its fixtures or personal property.
14. **WATER DAMAGE.** It is expressly agreed and understood by and between the Landlord and the Tenant that the Landlord shall not be liable for any damage or injury by water, which may be sustained by the Tenant resulting from the carelessness, negligence, or improper conduct on the part of any other tenant, its agents, servants, or employees, or by reason of the unexpected breakage, leakage, or obstruction of water or sewer pipes.

15. **SIGNS.** The Landlord and the Tenant accept, acknowledge, and agree that any exterior awnings, signs, or advertising to be used by the Tenant in connection with the Premises shall be first submitted to the Landlord for approval, which approval shall not be unreasonably withheld and must meet city and county sign ordinances and codes.
16. **CARE OF THE PREMISES---RULES AND REGULATIONS.** The Tenant shall not perform any acts or carry on any practices which injure the Premises or are a nuisance or menace to other tenants in the vicinity and shall keep the Premises under its control clean and free from rubbish and dirt at all times and shall store all trash and garbage within the Premises and arrange for the regular removal of such trash and garbage. The Tenant shall, at all times, keep the Premises in a clean and sanitary condition in accordance with the laws, directions, rules, and regulations of the governmental agencies having jurisdiction, at the sole cost and expense of the Tenant; and in all respects, the Tenant shall comply with all requirements of law applicable to the Premises.
17. **DEFAULT.** The Landlord and the Tenant accept, acknowledge and agree that in the event that the Tenant is in default of its obligations or covenants pursuant to this Agreement, other than the covenant for the payment of rent which is set forth in Section 3 of this Agreement, and said default shall continue for a period of thirty (30) days after the service of written notice of such default by the Landlord on the Tenant (unless the default cannot be cured within such thirty (30) day period, in which event Tenant will not be in default provided Tenant commences the cure of such default within such thirty (30) day period and thereafter pursues the cure of the default to completion with diligence and without material interruption or delay), then the Landlord may enter into and upon the Premises or any part thereof and repossess the same, with or without terminating this Agreement, and without prejudice to any of their remedies for rent or breach of covenant.
18. **EMINENT DOMAIN.** If the whole of the Premises or such portion thereof as will make the same unsuitable for use by the Tenant is condemned for any public use or purpose by any legally constituted authority, then in either of such events this Agreement shall cease and terminate from the time when possession is taken by such public authority and the rent shall be accounted for between the Landlord and the Tenant as of the date of the surrender or possession. Such terminations shall be without prejudice to the rights of either the Landlord or the Tenant to recover compensation from the condemning authority for any loss or damage caused by such condemnation.

If the Premises is subjected to condemnation as mentioned above, but not to such degree as would make the same unsuitable for the purposes for which the Tenant is using same, as determined by Tenant, then the rent which the Tenant shall pay monthly to the Landlord shall be reduced in the proportion that the part taken bears to the Premises as a whole.

19. **WARRANTY.** The Landlord covenants and agrees that it has a record fee simple title to the Premises and all easements, rights of way, and appurtenances, and has full right and authority to lease the same upon the conditions herein set forth; and the Tenant shall peacefully and quietly hold and enjoy the Premises for the Term of this Agreement, so long as it does not default in the performance of its obligations pursuant to this Agreement beyond the expiration of any applicable period of notice and cure.
20. **EXERCISE OF RIGHTS.** No remedy herein or otherwise conferred upon or reserved to the Landlord, or the Tenant shall be distinct, separate, and cumulative and shall be in addition to every

other remedy given hereunder, or now or hereafter existing at law or in equity or by statute; and every power and remedy given by the lease to the Landlord, or the Tenant may be exercised from time to time as often as the occasion may arise, or as may be deemed expedient. No delay or omission of the Landlord or the Tenant to exercise any right or power arising from any default on the part of the other shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence thereto.

21. **BANKRUPTCY.** In the event the Tenant shall be adjudicated a bankrupt, or a temporary or permanent receiver is appointed for the Tenant in any Federal or State Court, or the Tenant shall otherwise become involved in insolvency or liquidation proceedings which are not dismissed or stayed within sixty (60) days, the Landlord shall have the right, at its option, to immediately terminate this Agreement and resume possession of the property.
22. **NO ASSIGNMENT.** The Tenant may not assign this Agreement nor sublet the Premises or any portion thereof without the prior written consent of the Landlord, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Tenant shall have the right without Landlord's prior consent, to assign this Lease or to sublet all or any portion of the Premises to any affiliate of Tenant or to any entity controlling, controlled by or under common control with Tenant or to any successor to Tenant by merger or the sale of stock or assets provided the assignee, successor or survivor shall continue to operate the business of Tenant as a going concern.
23. **SHORT FORM LEASE.** Upon the commencement of the Initial Term, the Landlord and the Tenant shall execute a memorandum or short form lease agreement, in recordable form, specifying the commencement and termination dates of this Agreement and including any such other provision hereof as either party may desire to incorporate therein.
24. **BINDING EFFECT.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, assigns, subleases, successors, and legal representatives.
25. **NOTICES.** Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by registered or certified mail to Landlord at the address then fixed for the payment of rent, and either party may by like written notice at any time designate a different address to which notices shall subsequently be sent. Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by registered or certified mail to Tenant as follows: _____.

Landlord and Tenant each warrant that they have dealt with no other real estate brokers in connection with this transaction other than _____ who represents Tenant.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement as of the 11th day of February, 2022.

Alicia McLeod
Witness as to Landlord

Gifford M. Shaw
Quixote Foundation, Landlord
By: Gifford M. Shaw
Its: Board Member

Kevin Dwyer
Witness as to Tenant

Ben E. Griffith
Liberty STEAM Charter School, Inc., Tenant
By: Ben E. Griffith
Its: Board Secretary

