

Draft

LEASE AGREEMENT

THIS LEASE is made this ____ day of _____, 2010, by and between the BOARD OF EDUCATION OF THE GADSDEN INDEPENDENT SCHOOL DISTRICT, (Lessor), and The Bi-National Sustainability Laboratory (Lessee).

WHEREAS, Lessee proposes to repair and maintain said tract of land and premises located thereon for the purposes of operating office space.

NOW, THEREFORE, in consideration of the foregoing, the rent herein reserved, the covenants herein contained, and for the good and valuable consideration, Lessor does hereby lease, demise and let unto Lessee the property herein described for the term and in accordance with the conditions herein set forth. The parties agree as follows:

1. Description: Office space (502 sq. ft.).
Premises located at 4950 McNutt Road,
Sunland Park, New Mexico, 88021, as designated
and highlighted on the site map attached hereto as
Exhibit A.
2. Term: The base term shall be for () months, beginning the ____
day of _____, 2010, and ending the ____ day of _____ 2010.
3. Rent: Lessee agrees to pay Lessor and Lessor agrees to accept
as rent for the premises the sum of (\$418.33) per month payable (monthly), the first
installment to be paid on or before _____, and each succeeding installment to
be paid (monthly) thereafter throughout the term of the lease.

4. Prior Inspection: A joint physical survey and inspection report of the leased premises shall be made as of the effective date of this lease reflecting the then present condition and will be signed by the parties hereto. Lessee hereby acknowledges that it knows the conditions of said premises, that no representations as to same have been made by Lessor, and Lessee hereby accepts the demised premises in their present condition.

5. Ownership of Improvements: All improvements which are placed on the Premises during the term of the lease by the Lessee shall be owned by Lessee during the term of this Lease; upon expiration of the term (Specify Ownership).

6. Utilities: Lessee will pay for the extension of all necessary utilities to the Premises and will pay promptly all utility charges which may be incurred in connection with Lessee's use of the Premises, and will save Lessor harmless therefrom. Lessee agrees to pay and Lessor agrees to accept as payment for utilities the sum of \$80.00 per month payable monthly, the first installment to be paid on or before _____, 2010, and each succeeding installment to be paid monthly thereafter throughout the term of the lessee.

7. Maintenance: Lessee shall, at Lessee's sole expense, keep and maintain the Premises and all improvements thereon in a reasonable state of repair and preservation, and shall not suffer or permit any continuing nuisance thereon.

8. Assignment and Subletting: Lessee may not assign, sublet, mortgage, subordinate, alienate or hypothecate the Premises, or any part thereof, without the express written consent of Lessor.

9. Signs and Personal Property: Lessee may place signs on the Premises only with the advance written approval of Lessor, which approval shall not be unreasonably withheld. All personal property, signs and improvements of Lessee, its employees, agents, customers and invitees shall be kept on or near the Premises at the sole risk of the Lessee, and Lessor shall not be liable for any damage thereto.

10. Inspection: Lessee will permit Lessor to come upon the Premises at all reasonable times in order to inspect the condition, use, safety or security of the Premises.

11. Laws: Lessee will comply with all applicable federal, state and local laws and with all applicable rules and regulations of Lessor, and will insure that those persons using the premises so comply. Lessee shall indemnify Lessor and hold it harmless from and against any and all claims, damages, loss and liability (including, but not limited to attorney's fees and costs of litigation) suffered by Lessor by reason of Lessee's failure to comply with the foregoing terms of paragraph 10.

12. Indemnity: Lessee shall indemnify and hold harmless Lessor from all loss, cost, damage, liability and expense, including but not limited to attorney's fees, and cost of litigation, incurred by Lessor by reason of any claim against Lessor arising out of the operation of the premises, except those claims arising out of the active conduct or negligence of Lessor's employees acting in the course of their employment for the benefit of Lessor and not Lessee.

13. Notice: All notices relating to the Lease shall be in writing and shall be delivered to the following addresses and if mailed, sent certified or registered

mail:

LESSOR: Superintendent Cynthia Nava,
Gadsden Independent School District
P.O. Drawer 70
Anthony, New Mexico 88021

LESSEE:

Dr. Paul Maxwell,
2660 Airport Rd, Suite 1100
Santa Teresa, New Mexico 88008

or to such other addresses as either party may give to the other party by notice as set forth above.

14. Waiver: No failure on the part of Lessor to exercise and no delay in exercising any right, power or privilege hereunder shall preclude other or further exercise thereof, or the exercise of any other right, power or privilege. The rights or limitations herein provide are cumulative and not exclusive of any rights and remedies otherwise provided by law or equity.

15. Expiration: Upon termination of this Lease by reason of the expiration of the term or any renewal thereof, Lessee will peaceably surrender to Lessor possession of the Premises and all improvements thereon in good condition and repair,

reasonable wear and tear excepted.

16. **Insurance:** Lessees shall carry and maintain in full force and effect during the term of this Lease and any extension thereof at Lessee's sole cost and expense and as additional rent hereunder, public liability insurance covering bodily injury, disease, illness or death and property damage liability, in a form and with an insurance company acceptable to Lessor, with limits of coverage not less than \$300,000 for each person and \$500,000 in the aggregate for bodily injury, disease, illness or death with respect to any one occurrence, and \$100,000 for each accident for property damage liability, for the benefit of both Lessor and Lessee as protection against all liability claims arising from the Premises, causing Lessor to be named as an additional-named insured on such policy of insurance, and delivering a copy thereof to Lessor upon the commencement of the term of this Lease. Lessees shall carry and maintain in full force and effect during the term of this Lease and any renewal thereof, at Lessees' sole cost and expense, fire and extended coverage insurance upon all buildings, alterations, additions and improvements in an amount equal to the replacement value of such buildings, alterations, additions and improvements. In the event that such buildings, additions or improvements should be destroyed or substantially damaged in whole or in part, and such loss is covered by fire and extended coverage insurance, Lessee shall have the option to either continue this Lease and use the proceeds to replace or repair such buildings, additions or improvements or terminate this Lease and tender to the Lessor such proportion of the proceeds as well as compensate Lessor for the value of its lost or destroyed buildings,

additions, and improvements, including the costs required to clear the leased Premises of all such buildings, additions and improvement including foundations.

17. Default of Lessee and Remedies of Lessor: If any of the following events (Events of Default) shall occur:

- A. Lessee's abandonment of the Premises for a period of thirty (30) continuous days;
- B. Lessee's breach or default under any other term, covenant or condition of this Lease;
- C. Lessee's failure to pay when due any rental payment or insurance premiums required to be paid hereunder;

then Lessor may give Lessee written notice by certified or registered mail specifying such event of default. Unless the event of default is remedied or obviated by Lessee within thirty (30) days after its receipt of such notice, or unless within such thirty (30) days period Lessee shall have commenced and shall continue to take action for the purpose of remedying or obviating such event of default and shall thereafter in good faith prosecute such action to completion, Lessor may declare the forfeiture of the interest of Lessee in this Lease by giving Lessee written notice thereof by certified or registered mail, and this Lease shall terminate forthwith.

Upon receipt of such notice of forfeiture, Lessees shall immediately peacefully surrender the Premises together with all improvements, buildings and fixtures thereon. If Lessee fails to surrender the Premises, Lessor may forthwith take possession of the Premises, together with all improvements, buildings and fixtures thereon, either by force, summary proceedings or by any other suitable action or

proceedings at law or otherwise, without being liable for damages. Lessee agrees that in the event of forfeiture hereunder it shall, upon request of Lessor, assign, convey and transfer to Lessor the title to all improvements, buildings and fixtures on the premises. Under this remedy Lessee shall be liable for the costs, expenses and attorneys' fees of Lessor in enforcing its rights under this Lease, including injunctive relief or the obtaining of possession, and Lessor shall have a lien on all property of Lessee on the Premises as security for the payment of such rental, costs, expenses and attorneys' fees. Lessee shall not be liable for any future rental from the date of termination if this remedy is pursued, and Lessor shall have no further obligation to Lessee under this Lease.

18. Uses to be Made of Premises: The Premises shall be used for the conduct and operation of office space and ordinary attendant uses and for such other lawful purposes as the Lessor shall consent, to in writing. Should Lessee use the premises for any other purpose, the lease shall terminate automatically. In no event shall the premises be used for any unlawful purpose or other purpose constituting or creating a public or private nuisance.

19. Termination: This Lease may be terminated by either party on 30 days' prior written notice to the other party as provided in paragraph 15, which notice shall state the effective date of such termination. The parties shall perform all obligations incurred or accrued through the date of termination, including the payment of rent. Thereafter, all rights, duties, obligations, and liabilities pursuant to the terms of this Agreement shall cease.

20. Succession: This Agreement shall extend to and be binding upon

the heirs, successors and assigns of the parties.

21. Condemnation: In the event that all or any portion of the Premises is condemned by any governmental body or agency, Lessor shall be entitled to all compensation awarded or paid without participation by Lessee.

22. Renewal: Upon the termination of this lease, Lessee shall have the right to renew the lease, upon the same terms and conditions as are contained herein, for an additional period of (3) months. Additional renewals shall be at the discretion of the Lessor.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals.

LESSOR:

GADSDEN BOARD OF EDUCATION OF THE
GADSDEN SCHOOL DISTRICT

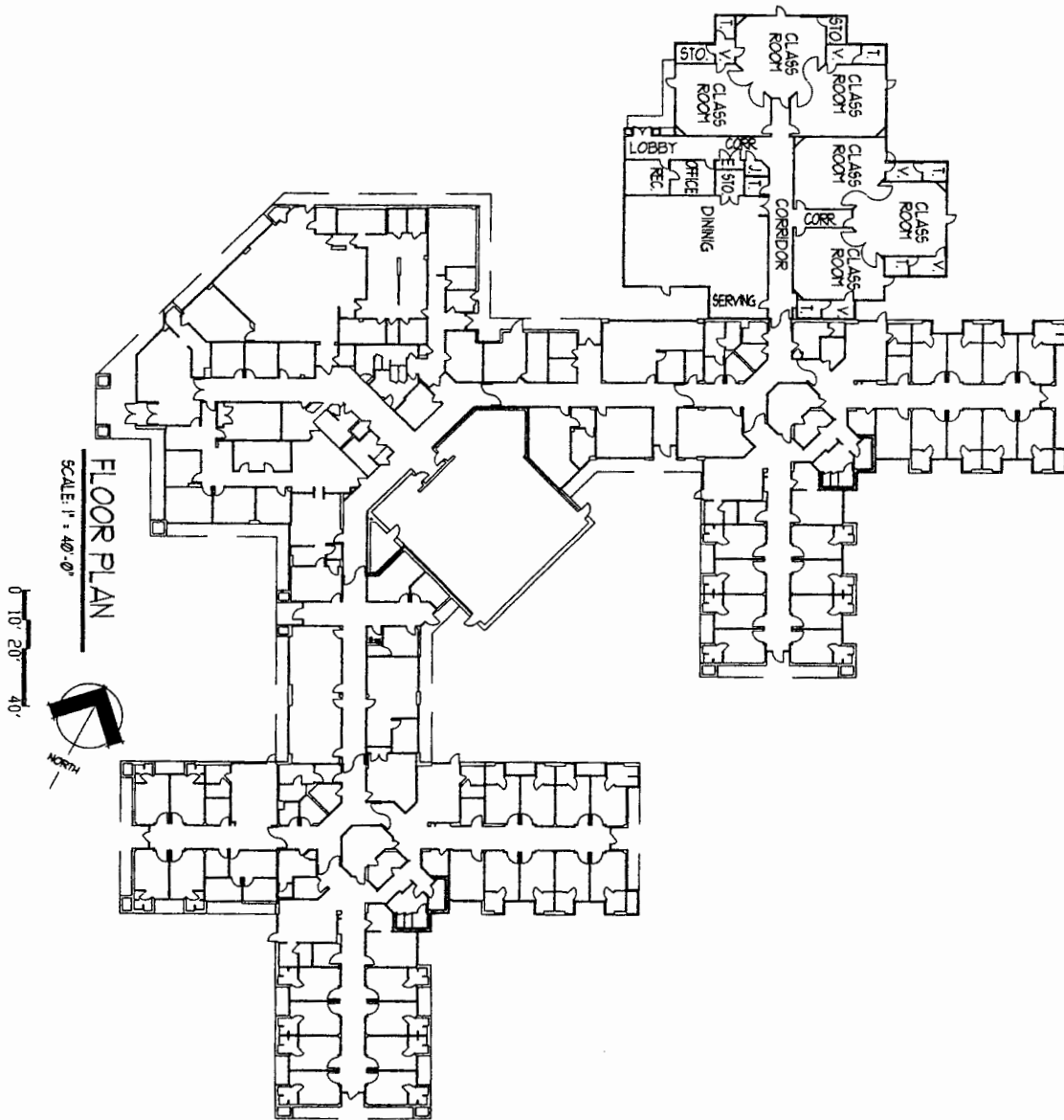
By: _____
Superintendent and
authorized representative

LESSEE:

THE GOVERNING BODY OF
ANTHONY CHARTER SCHOOL

By: _____
Its Board Chair and
Authorized representative

STATE OF NEW MEXICO)
)ss.



FLOOR PLAN
SCALE: 1" = 40'-0"

0 10' 20' 40'



CENTRAL ADMINISTRATION (G.I.S.D.)/PRE KINDER
GADSDEN INDEPENDENT SCHOOL DISTRICT

