

NONBINDING LETTER OF INTENT

Fort Thomas Properties – 20 Grand, LLC
1407 Grand Avenue
Newport, KY 41071

RE: Proposed Student Space located at 20 N Grand Ave, Second Floor
Proposed Board Room/Training Space, 20 N Grand Ave, Suite 100

Please find the following proposal for a Student Space and Board Room Space to lease a commercial space in the soon to be fully rehabbed commercial project located at the above referenced address in Fort Thomas, Kentucky. This letter is intended to outline initial terms for both parties' consideration and will not obligate either party unless and until a lease is entered into and executed by the respective parties. Notwithstanding any indication of assent to any matters under negotiation, neither Landlord nor Tenant shall be under any legal obligation until each party has obtained all approvals necessary for such a lease agreement and such a lease has been executed by the parties.

Landlord:	Fort Thomas Properties – 20 Grand, LLC
Tenant:	Fort Thomas Independent Schools (FTIS)
Guarantor:	N/A
Use:	The Premises shall be used to operate a Student Space and Board Room/Training Space and for no other purpose whatsoever.
Premises:	Leasable floor area of approx. 5,600 SF for the Student Space, and 1950 SF for the Board Room Space
Base Term:	Five (5) years with two five year options to renew. If FTIS is unable to execute a five year lease, then a One (1) year lease will be executed with a Memorandum of Understanding that the non-binding intention of FTIS is to lease the space for at least four additional years
Minimum Rent:	

Years	Rate	Board Room	Student Space	Total		Final
1-5	\$13/sf	\$2,110	\$6,067	\$8,177		\$7,600
6-10	\$14/sf	\$2,437	\$6,533	\$8,970		\$8,500
11-15	\$15.50/sf	\$2,518	\$7,233	\$9,751		\$9,500

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Tenant shall pay separate utilities (except water). The undersigned acknowledges that the water may be sub-metered in the future and it will be Tenant's responsibility to pay its portion of the water usage.

Landlord acknowledges that the total rent of "approximately \$7,000 and \$8000 per month" was discussed during the initial meetings, but the conversations have gravitated toward the \$7,000/month range during discussions with community stakeholders. Landlord is willing to discount the rent to bring it more in line with the prices already discussed with these stakeholders.

Delivery Date:

90 days after lease execution

Rent Commencement Date:

Rent payments shall commence when construction is completed, approximately 90 days after lease execution.

Additional Rent, CAM, Taxes, Insurance:

Tenant shall provide own premises liability insurance and a policy insuring its contents. Landlord shall be responsible for paying all other costs associated with maintaining the property. Landlord shall maintain a commercial property and liability insurance policy. There shall be no common area maintenance reimbursement expected from the Tenant.

Landlord's Work:

Landlord will finish space in the following manner:
 *Open floorplan with exposed ceiling, all painted with tenant's color preferences
 *Two glass walls, each with a glass door, on in each corner of the space in Student Space
 *Drywall/glass hallway with glass entry door to the space on Second Floor
 *Combination of carpet squares and tile, budget \$7/sf for materials and labor
 *Simple kitchen (not including appliances)
 SITE WORK:

- *Parking lot re-sealed and striped before Tenant takes occupancy
- *A “branded” entrance will be created on the side of the building for the majority of students to enter and exit. Appearance of staircase will be improved
- *Signage: FTIS will be clearly identified on the monument sign on Grand Avenue

Tenant’s Work:

- *Tenant will install all fiber optic and/or ethernet lines, Landlord may assist
- *Tenant will pay for additional build out in future, and Landlord will allow these costs to be amortized over the remaining term of the lease.
- *Tenant may “brand” the building with a lighted sign on the left side of the front of the building

Additional Provisions:

TBD

HEREBY AGREED UPON AND ACCEPTED BY AND BETWEEN FORT THOMAS INDEPENDENT SCHOOLS (TENANT) AND FORT THOMAS PROPERTIES –20 GRAND, LLC (LANDLORD).

Fort Thomas Properties – 20 Grand LLC

Entity: Fort Thomas Independent Schools

By: Dan Gorman

By:

Date:

Date: