



APPENDIX 1.2: FACILITIES

1.2d: Letters of Intent

Lease Term Sheet

Date prepared or revised:	7/31/20
Prepared by:	Brian Coleman, Real Estate Department, Archdiocese of Chicago
Legal name of Tenant. In addition, any “a/k/a” or “d/b/a” names of Tenant:	Chicago Preparatory Charter Middle School, an IL non-profit corporation.
Parish site/campus:	70150 St Ambrose
Property administered by:	Same
Buildings/address(es) of Landlord’s Property at that site/campus:	<ul style="list-style-type: none"> • Church: 1000 E. 47th St., Chicago • School: 1014 E. 47th St. • Rectory: 1012 E. 47th St. • Garage: 1012 E. 47th St.
Exhibit A – Landlord’s Property:	Attached hereto or sent simultaneously with this term sheet.
Leased Premises:	School building and outdoor playground adjacent (south) to school.
Description of leased Premises:	<ul style="list-style-type: none"> • First floor of the school building including classrooms, offices, gymnasium and any ancillary rooms
Landlord’s reserved spaces/uses/times:	<ul style="list-style-type: none"> • Landlord reserves use of the gymnasium outside Tenant’s use time.
Access to other parts of Landlord’s Property other than the Premises:	<ul style="list-style-type: none"> • None.
Use:	Educational programs
Days and hours of Use:	Monday – Friday, 6:00 a.m. – 8:00 p.m. Saturday, 8:00 a.m. – 1:00 p.m
Commencement date:	7/1/21
Expiration date:	6/30/26

Rent:

Period	Annual Amount	Monthly Amount
7/1/21 – 6/30/22	108,200.00	9,016.67
7/1/22 – 6/30/23	108,200.00	9,016.67
7/1/23 – 6/30/24	108,200.00	9,016.67
7/1/24 – 6/30/25	108,200.00	9,016.67
7/1/25 – 6/30/26	108,200.00	9,016.67

Security deposit:	<ul style="list-style-type: none">• Amount equal to monthly rent figure to be delivered with signed copies of lease
Rent payable to and delivered to:	St Ambrose Parish 1012 E. 47 th Street Chicago, IL 60653 Attention: Pastor
Electricity:	<ul style="list-style-type: none">• Premises separately metered; Tenant responsible for 100% of charges and arrange billing in Tenant's name.
Gas:	<ul style="list-style-type: none">• Premises separately metered; Tenant responsible for 100% of charges and arrange billing in Tenant's name.
Water & Sewer:	<ul style="list-style-type: none">• Premises separately metered; Tenant responsible for 100% of charges and arrange billing in Tenant's name.
Property Insurance:	<ul style="list-style-type: none">• Tenant responsible for 100% of costs

<p>Insurance:</p> <p>Certificate reflecting this coverage to be delivered to Real Estate Department, Archdiocese of Chicago no later than the Commencement Date.</p> <p>Certificate should name as additional insured “The Catholic Bishop of Chicago, an Illinois corporation sole, and it’s successors on primary and non-contributory basis for the school Building at 1014 E. 47th Street, Chicago”.</p>	<ol style="list-style-type: none"> 1) Broad form Commercial General Liability insurance policy naming Landlord as an Additional Insured with a policy limit of \$1,000,000 per occurrence, \$2,000,000 in the aggregate. 2) Excess liability insurance, naming Landlord as an Additional Insured, with a minimum policy limit: \$20,000,000 per occurrence and in the aggregate 3) If the Tenant owns an automobile, automobile liability insurance for each automobile owned or leased by Tenant, with a \$1,000,000 per occurrence policy limit naming Landlord as Additional Insured. 4) Workers’ Compensation/Employer’s Liability with statutory coverage with a \$500,000/accident, \$500,000/Disease-Policy, \$500,000/Disease-per employee. 5) Personal property damage insurance, together with insurance against vandalism and malicious mischief, with coverage limits of not less than (i) the full replacement value of all leasehold improvements, additions, alterations, and fixtures installed in the Premises by Tenant; and (ii) the full replacement value of Tenant’s personal property located in or around the Premises.
<p>Repairs and maintenance which Tenant must perform:</p>	<ul style="list-style-type: none"> • Keep premises in good condition and repair • Cleaning • Waste and recyclable removal • Landscaping around premises • Snow and ice removal from around premises • Trash, debris removal from parking area • Boiler inspection, maintenance • Asbestos inspection, maintenance • If tenant is a school: asbestos management program • Fire protection system, including alarms, smoke detectors, panels, pumps, fire escapes • Carbon monoxide detectors • Security alarm system • Pest control • Provision of janitorial supplies • Anything required to make the Premises comply with law (environmental law, building code) • Water, sewer, electricity and gas conduits or pipes serving the Premises

Capital improvements:	<ul style="list-style-type: none"> • Landlord responsible for performing all capital improvements, excluding: <ul style="list-style-type: none"> -capital improvements which relate to tenant's specific use -tenant's obligation to comply with law (including building code, ADA, environmental law) -tenant repair and maintenance obligations (see above) • Tenant will contribute 50% toward each instance of capital improvements per lease year. Landlord will pay for the balance. • Landlord may terminate the lease if cost of capital improvements to Landlord exceed 33% of total rent due for the remaining lease year
Tenant initial work:	To be agreed
Landlord initial work:	<ul style="list-style-type: none"> • None.
Parking rights:	<ul style="list-style-type: none"> • Non-exclusive rights to parking, on a first come, first serve basis in area adjacent to school along alley
Personal property at the Premises which Tenant may use:	<ul style="list-style-type: none"> • To be agreed
Tenant notice address/title/fax:	Chicago Preparatory Charter Middle School 1441 W. Cullerton St. #GF Chicago, IL 60608 Attention: Executive Director
Other:	<ul style="list-style-type: none"> • Tenant is responsible for compliance with applicable laws, including zoning. • In the event Landlord determines in its sole discretion that the Parish, the Premises or Landlord's Property must be closed, merged, consolidated or united into another parish, or redeveloped, sold or otherwise returned to an Archdiocesan use, Landlord shall have the express right to terminate the Lease upon six (6) months prior written notice to Tenant.

This term sheet is **not contractually binding** on the parties and is only an expression of the basic terms and conditions to be incorporated in a formal written agreement. This term sheet does not obligate either party to negotiate in good faith or to proceed to the completion of a formal written lease agreement. The parties shall not be contractually bound unless and until a formal written lease agreement is executed by the parties, which must be in form and content satisfactory to each party and its counsel in their sole discretion. Neither party may rely on this term sheet as creating any legal obligation of any kind, except that by initialing below, the tenant herein named agrees that it shall hold all of the terms contained in this term sheet in strict confidence and will not disclose those terms to third parties other than its employees, attorneys, accountants, lender(s), government funding sources and government licensing agencies who have a need to know such information, or except as expressly authorized in writing by the Archdiocese of Chicago.

Furthermore, the Premises shall be leased in **AS IS, WHERE IS** condition. It is Tenant's sole responsibility to investigate and determine the condition of the Premises.

Please **initial** to signify review and acceptance of this term sheet subject to the above paragraph.

Real Estate _____ Pastor _____ Tenant _____

For information purposes only:

	Pastor	Parish Business Manager	Real Estate Dept. Contact Person
Name	Fr John Owusu	Karen Rogers	Brian Coleman
Telephone	773 624 3695	773 624 3695	312 534 8262
Fax			
E-mail	Ambrose47@aol.com	Ambrose47@aol.com	bcoleman@archchicago.org

	Tenant Contact Person	Tenant Attorney
Name	Mary Griffin	
Telephone		
Fax		
E-mail	mgriffin@bes.org	



Strengthening
nonprofits and
the communities
they serve.

Sharing a mission of change
SINCE 1988 CELEBRATING 30 YEARS

Illinois

333 South Wabash Ave.
Suite 2800
Chicago, IL 60604
312 629 0060

Indiana

The Platform
202 East Market St.
Indianapolis, IN 46204
317 860 6900

Michigan

3011 West Grand Blvd.
Suite 1715
Detroit, MI 48202
313 309 7825

Missouri

911 Washington Ave.
Suite 203
St. Louis, MO 63101
314 588 8840

3105 Gillham Road
Suite 200
Kansas City, MO 64109
816 335 4200

Ohio

500 South Front St.
Suite 125
Columbus, OH 43215
614 484 1811

Wisconsin

215 North Water St.
Suite 225
Milwaukee, WI 53202
414 563 1100

July 30, 2020

Ms. Mary Griffin
Lead Founder
Chicago Prep Middle School

Dear Ms. Griffin:

Pursuant to our recent conversation, please accept the following letter of interest from IFF as it relates to basic terms and conditions of financing you have requested. Please note that this is not a commitment to lend. A firm commitment would be subject to a completed application, full underwriting and appropriate approval.

Proposed basic terms and conditions would be as follows:

1. **Borrower:** Chicago Preparatory Middle School
2. **Loan Amount:** A loan amount not to exceed \$1,000,000. Borrower must contribute at least 5% of total project costs as equity (in the form of cash or a capital grant. In addition, expenses paid out of pocket to date may be credited as Borrower equity).
3. **Purpose:** The purpose of the loan is to fund leasehold improvements.
4. **Term:** Up to 15 years.
5. **Interest rate:** TBD at the time of approval. IFF's current rate for the proposed collateral is 6.25%.
6. **Loan fee:** 1% of closed loan amount.
7. **Collateral:** A leasehold mortgage.
8. **Prepayment penalty:** None.
9. **Other costs:** All out-of-pocket closing costs are the responsibility of the Borrower.
10. **Additional contingencies:** Approval of the Loan shall be contingent upon evidence of revised "in-balance" project budget at closing.



Strengthening
nonprofits and
the communities
they serve.

Sharing a mission of change
SINCE 1988 CELEBRATING 30 YEARS

Please feel free to contact me with any questions. We look forward to assisting your organization with this important project.

Sincerely,

A handwritten signature in black ink that reads "Jocelyn Velazquez". The signature is written in a cursive, flowing style.

Jocelyn Velazquez
Associate Lender
jvelazquez@iff.org