

RATIFY A MONTH TO MONTH RENEWAL OF LEASE AGREEMENT WITH STANDARD BANK AND TRUST CO., AS TRUSTEE FOR LEASE OF SPACE AT THE AVONDALE OFFICE CENTER

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Ratify a Month to month lease renewal of lease agreement with Standard Bank and Trust Co., not personally, but solely as Trustee under Trust Agreement known as Trust Number 01-14647 for lease of suites B-226, B-228, B-232, B-235, B-236 and B-242 at 6323 North Avondale (Avondale Office Center). No written renewal document is necessary. Information pertinent to this lease renewal is stated below.

LANDLORD: Standard Bank and Trust Co, as Trustee
c/o Avondale Properties Partnership
Avondale Office Center
6323 N. Avondale
Chicago, IL 60631
Contact Person: Property Manager
Phone: 773-631-2200

TENANT: Board of Education of the City of Chicago

PREMISES: Suites B-226, B-228, B-232, B-235, B-236 AND B-242, consisting of approximately 10,851 rentable square feet, in the Avondale Office Center located at 6323 N. Avondale, Chicago, IL.

USE: Office space for the Region I Cluster Office

ORIGINAL LEASE: The original lease agreement (authorized by Board Report 96-0724-OP04) is for a term commencing September 1, 1996 and ending August 31, 2001.

MONTH TO MONTH RENEWAL TERM: The month to month renewal of the lease commenced as of September 1, 2001.

RENT: The base rent for the month to month renewal shall be as follows:

| Period | Annual Base Rent | Monthly Base Rent | Annual Rate per Square Foot |
|----------------|-------------------------|--------------------------|------------------------------------|
| 9/1/01-8/31/02 | \$138,370.95 | \$11,530.91 | \$11.592 |
| 9/1/02-8/31/03 | \$142,522.08 | \$11,876.84 | \$11.940 |
| 9/1/03-8/31/04 | \$146,797.74 | \$12,233.15 | \$12.298 |
| 9/1/04-8/31/05 | \$151,201.67 | \$12,600.14 | \$12.667 |
| 9/1/05-8/31/06 | \$155,737.72 | \$12,978.14 | \$13.047 |

All such Base Rent and all Additional Rent shall be payable in accordance with the terms of the original Lease.

ADDITIONAL RENT: Tenant shall continue to pay its proportionate share of building expenses.

AUTHORIZATION: Authorize the General Counsel to execute all ancillary documents required to administer or effectuate the month to month renewal of the Lease.

AFFIRMATIVE ACTION: Exempt

LSC REVIEW: Local School Council is not applicable to this report.

FINANCIAL: Charge: \$ 258,610 Fiscal Year
Budget Classification: 0944-552-000-6000-5480 2004

GENERAL CONDITIONS:

Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

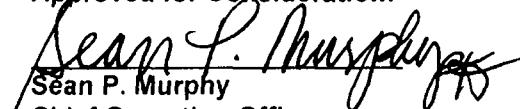
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness - The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

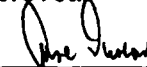
Ethics - The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).


Approved for Consideration:


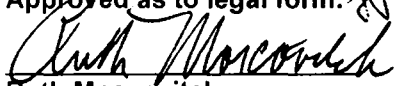

Sean P. Murphy
Chief Operating Officer

Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


John Maiorca
Chief Financial Officer

Approved as to legal form: 

Ruth Moscovitch
General Counsel