

**RATIFY A LEASE AGREEMENT WITH TISHMAN CONSTRUCTION CORPORATION OF ILLINOIS
FOR USE OF SPACE AT 125 SOUTH CLARK**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Ratify a lease agreement with Tishman Construction Corporation of Illinois for use of space at 125 S. Clark Street. A written lease is currently being negotiated. The authority granted herein shall automatically rescind in the event a written lease agreement is not executed within 90 days of the date of this Board Report. Information pertinent to the lease agreement is stated below.

TENANT: Tishman Construction Corporation of Illinois
One South Wacker Drive
Suite 2300
Chicago, IL 60606
Contact Person: James E. McLean
Phone: 312-577-2310

LANDLORD: Board of Education of the City of Chicago

PREMISES: Office space allocated to Tenant for use by Tenant in performance of its consultant duties under the Owner's Representative Services Agreement between Landlord and Tenant.

TERM: The term of this Lease shall run concurrently with the term of the Owner's Representative Services Agreement and any extensions thereto.

EARLY TERMINATION RIGHT: If, for any reason, the Owner's Representative Services Agreement between Landlord and Tenant is terminated, this Lease shall also terminate.

RENT: The rent for the term of this agreement or any extensions thereof shall be \$19.42 per square foot, payable in monthly installments.

INSURANCE/INDEMNIFICATION: Tenant will maintain (1) general liability insurance with limits of not less than \$1 Million including Landlord and its employees as additional insured and (2) special perils property insurance covering its contents and the Landlord's interest in leasehold improvements. Tenant will provide Landlord with a Certificate of Insurance, with the provision that Tenant must provide 30 days prior written notice to Landlord of its intention to cancel.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the lease and termination agreements. Authorize the President and Secretary to execute the lease agreement and the termination agreements. Authorize the General Counsel to execute all ancillary documents required to administer or effectuate the lease agreement.

AFFIRMATIVE ACTION: Exempt.

LSC REVIEW: LSC approval is not applicable to this action.

FINANCIAL: Credit rent income to the General Fund ~ 210 Rental Income.

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.

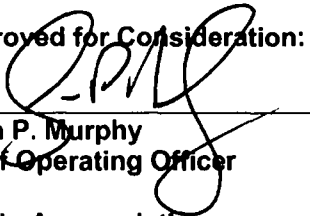
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

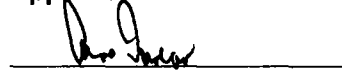
Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Sean P. Murphy
Chief Operating Officer

Approved:



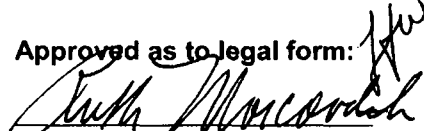
Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to legal form:



Ruth M. Moscovitch
General Counsel