

## SUBLEASE

**THIS SUBLEASE** (“*Sublease*”), dated as of August \_\_\_, 2016, is by and between DICKINSON WRIGHT PLLC (“*Sublessor*”), a Michigan professional limited liability company, and CORAL ACADEMY OF SCIENCE LAS VEGAS (“*Sublessee*”), a Nevada Public Charter School organized and operated pursuant to NRS Chapter 388A.

## BACKGROUND

Sublessor is the Tenant of Suite 280 (the “*Premises*”) of the building commonly known as THE BELTWAY CORPORATE CENTER and located at 8965 S. Eastern Avenue, Las Vegas, Nevada and comprising a portion of Clark County APN 177-23-514-008 (the “*Building*”), pursuant to that certain lease (the “*Lease*”), dated April 20, 2009, between 8965 Eastern, LLC, a Nevada limited liability company (“*Landlord*”), and Eric Dobberstein, A Professional Legal Corp., a Nevada professional corporation, as amended on June 30, 2013 and March 21, 2014 and assigned on May 2, 2012 and March 31, 2014 (collectively, the “*Lease*”). True and complete copies of the Lease, including the amendments thereto and the assignments pursuant to which Sublessor has acquired the right, title and interest of the Tenant thereunder, are annexed hereto as Exhibit A.

Sublessor and Sublessee have agreed to enter into a sublease of the Premises, upon the terms and conditions hereinafter set forth.

In accordance with NRS 47.420(2), these Recitals form an integral part of this Sublease.

## AGREEMENT

**NOW, THEREFORE**, in consideration of the covenants and agreements of the parties hereto, and subject to the terms and conditions of the Lease that are incorporated herein by reference, it is hereby agreed as follows:

1. **Demise of Premises.** Sublessor hereby subleases to Sublessee, and Sublessee hereby subleases from Sublessor, the Premises. The parties agree that the Premises contain 3,908 square feet of Rentable Area.
2. **Term.** The term of this Sublease shall commence at 8:30 a.m. on September 1, 2016 (the “*Commencement Date*”) and terminate at 8:30 a.m. on July 31, 2019, unless sooner terminated under the provisions hereof. This Sublease contains no options to renew or extend the Sublease Term. Sublessor shall deliver quiet possession of the Premises to Sublessee as of the time set forth above on the Commencement Date.
3. **Furniture.** On the Commencement Date, the personal property of Sublessor identified in Exhibit B annexed hereto (the “*Furniture*”) will be delivered to Sublessee in the Premises and will be conveyed to Sublessee by bill of sale, without charge and without any warranty whatsoever, except Sublessor represents and warrants that as of the date hereof and on

the Commencement Date, Sublessor is and will be the owner thereof, free and clear of any liens or encumbrances.

4. **Acceptance and Use of Premises.**

(a) *As Is.* Subject to any representations set forth herein, Sublessee agrees to accept the Premises and the Furniture on the Commencement Date, “AS IS”, so long as materially in the condition existing on the date of execution of this Sublease. Sublessor agrees and acknowledges that the Premises and the Furniture in such condition are acceptable for Sublessee’s use and Sublessee acknowledges that neither Sublessor nor any broker or agent has made any representations or warranties in connection with their physical condition or their fitness for Sublessee’s use upon which Sublessee has relied directly or indirectly for any purpose. Sublessee shall use the Premises only for general office purposes.

(b) *No Known Serious Defects.* Sublessor has no actual knowledge of the Premises or Furniture containing any latent or patent defect which would pose a risk of harm of bodily injury or death to any person present on the Premises, or of any substantial damage to property, on or after the Commencement Date. In this Sublease, Sublessor’s “actual knowledge” is defined as the knowledge of (i) the office manager in its Las Vegas office, (ii) Mr. Gorzalski, and (iii) Mr. Candler.

(c) *Carpet Cleaning; Painting.* Prior to the Commencement Date, Sublessor shall have all of the carpets on the Premises professionally cleaned. If Sublessor fails to do so, Sublessee may procure the professional cleaning of the carpets and withhold the reasonable cost of the same from its first payment of Base Subrent (for December 2016). If Sublessee desires to paint the Premises, it may do so at its expense any time during the Term, applying a color pre-agreed upon by the parties.

(d) *HVAC.* Notwithstanding Section 11 of the Lease, Sublessor acknowledges and agrees that if Landlord does not assume all obligation for maintaining the HVAC systems, at Landlord’s sole cost and expense (subject to folding such costs and expenses into the Operating Expenses and redistributing them to all Building / Center tenants as Additional Rent), then Sublessor will promptly reimburse Sublessee for such costs and expenses incurred by Sublessee in maintaining the HVAC systems or paying for the same.

5. **Rent.**

(a) *Base Subrent.* Sublessee agrees to pay Sublessor for the sublease of the Premises, at 500 Woodward Avenue, Detroit, Michigan 48226, or such other place as Sublessor shall designate from time to time, monthly installments of subrent (“*Base Subrent*”) in the fixed, non-adjusting amount of \$5,080.00 on the first day of each and every month thereafter during the Term. Notwithstanding the foregoing, Base Subrent shall be abated for the months of September, October and November, 2016. In the final month of the Sublease, Base Subrent shall be reduced in proportion to the number of days during that month in which Sublessee is not occupying the Premises.

(b) *Additional Rent.* In addition to Base Subrent, from and after the Commencement Date and throughout the Term (without any abatement), Sublessee shall pay to

Sublessor all Additional Rent payable by Sublessor to Landlord pursuant to Section 5(c) of the Lease, as and when payable by Sublessor. Sublessor hereby represents and warrants that prior to the date hereof, it has given Sublessee true and correct statements of Additional Rent paid by Sublessor during its entire period of occupancy of the Premises (for the purpose of Sublessee forecasting its Additional Rent liability during the Term, but Sublessor is not warranting that the Additional Rent will remain substantially the same).

(c) *Property Taxes.* Notwithstanding Section 5(b), Sublessee shall not be liable to pay Additional Rent solely to the extent that the same consists of Real Property Taxes (as defined in the Lease). Sublessee shall promptly file an application to the Clark County Assessor's Office for a property tax exemption for the Premises, and undertake such other actions (at Sublessee's sole cost and expense) as are commercially reasonable to obtain such exemption, provided it receives the reasonable cooperation of the Landlord and Sublessee in that process.

6. **Utilities.** Beginning on the Commencement Date, Sublessee shall pay the cost of all electricity used in the Premises. The Premises are currently submetered. Sublessee shall make arrangements for electrical service direct from Nevada Power (or any other relevant supplier of electricity, from time to time) and shall pay all metered charges directly to the utility company providing the service.

7. **Insurance.** Sublessee shall furnish the insurance required by Section 19 of the Lease. Such insurance shall name Sublessor and Landlord as additional insureds, shall specifically include the indemnification liability assumed hereunder by Sublessee, shall provide that it is primary insurance and not excess over, or contributory with, any other valid, existing and applicable insurance in force for and on behalf of Sublessor, and shall provide that Sublessor shall receive 30 days' notice from the insurer prior to any cancellation or change of coverage.

8. **Maintenance and Repair.** Sublessee shall, in the same manner as the Lease requires of the Sublessor, maintain the Premises in like good condition and repair as exists on the Commencement Date, reasonable wear and tear excepted. Sublessor and its agents and contractors shall have the right to enter upon the Premises to inspect the same (during normal business hours, except in the event of an emergency) and, if Sublessee shall fail to properly maintain and repair the Premises, Sublessor may elect to cause the repairs to be done and shall charge the expense thereof against Sublessee, to be paid immediately (within 30 days) upon presentation of an invoice therefor. Sublessor shall not be liable or responsible for any loss that may accrue to Sublessee's business by reason thereof unless occasioned by the negligence or willful misconduct of Sublessor, its agents, employees or contractors.

9. **Damage or Destruction of Premises.** If the Premises shall be rendered untenable by fire or other casualty, then Sublessee shall make the Premises tenantable as speedily as possible in the same manner as the Lease requires of Sublessor. Sublease Rent shall be abated in whole or in part, according to the portion of the Premises which is rendered untenable, during the period of unusability. There shall be no such abatement if such fire or other casualty shall be caused by the negligence of Sublessee or its agents, employees, invitees or licensees, and there shall be no abatement for the time required for the replacement or repair of any property of Sublessee, in excess of the time required to make the Premises tenantable. If

the Building shall be so damaged by fire or other casualty that substantial alteration or reconstruction is required, and if Landlord terminates the Lease pursuant to Section 21 thereof, Sublessor shall provide immediate notice to Sublessee and this Sublease shall terminate on the same day as the Lease is terminated.

10. **Improvements and Alterations.** Sublessee may not make significant alterations to the Premises (defined as any alterations costing in excess of \$1,500 to install or reasonably reverse or undo) without Sublessor's and Landlord's (if required under the Lease) prior written approval, not to be (in Sublessor's case) unreasonably withheld, delayed, or conditioned. Any such approved alterations shall be at Sublessee's own expense and shall further be in compliance with the Lease.

11. **Assignment or Subletting.** Sublessee may not, without Sublessor's prior written consent, which consent may be withheld or conditioned in its sole discretion, assign, transfer, or encumber this Sublease or any interest therein, or sublet all or any portion of the Premises. Sublessee will remain liable for the performance and observance of all of its obligations and covenants under this Sublease notwithstanding any assignment, transfer, or encumbrance of this Sublease or any interest therein, or any sublease of all or any portion of the Premises, regardless of whether Sublessor has consented to the same.

12. **Surrender of Premises.** Upon the expiration or earlier termination of this Sublease, Sublessee shall quit and surrender the Premises to Sublessor in like good order and condition as existed on the Commencement Date, ordinary wear and tear and insured casualties excepted. In either event, Sublessee shall remove all of its personal property and trade fixtures (if any) and shall repair any damage to the Premises caused by such removal.

13. **Incorporation of Lease Provisions.**

(a) All of the noneconomic terms and conditions contained in the Lease are incorporated herein as if set forth at length, and Sublessee agrees to be bound by, perform, and observe such terms and conditions, except to the extent they are inconsistent with the express terms and conditions hereof. The parties agree that the Sublessor is not conveying any rights greater than it has with regard to the Premises under the Lease.

(b) For the avoidance of doubt, Sublessee hereby agrees to indemnify both Landlord and Sublessor to the full extent contemplated by Sections 20 and 23 of the Lease (corresponding to Sublessee's, not Sublessor's, use, conduct of business, activities, and breaches, as the case may be). Sublessor hereby agrees to indemnify Sublessee to the full extent contemplated by Sections 20 and 23 of the Lease (corresponding to Sublessor's, not Sublessee's, use, conduct of business, activities, and breaches, as the case may be).

(c) Sublessor represents and warrants as of the date hereof and the Commencement Date that:

(1) Sublessor has not committed any breach or Event of Default of the Lease, nor to Sublessor's actual knowledge, has Landlord committed any breach of the Lease. Sublessee has paid all monetary sums due under the Lease for the Premises, including but not limited to Base Rent and Additional Rent. The Lease is valid and in full force and effect,

enforceable in accordance with its terms. Sublessor's leasehold interest is free and clear of any liens, encumbrances, or adverse interests of third parties.

(2) Sublessor has given Sublessee a true and complete copy of the current Building Rules, if any.

14. **Subordination to Lease.** This Sublease is subject and subordinate to, and Sublessee accepts this Sublease subject and subordinate to, the Lease and all matters to which the Lease is subordinate. Each party covenants and agrees that neither it nor any of its agents, contractors, employees or invitees, will do, or permit to be done, anything which would constitute a default, breach or violation of any term or provision of the Lease or might cause the Lease or the rights of the other party thereunder or hereunder to be canceled, terminated or forfeited or might make the other party liable for any damages, claims or penalties. Sublessee acknowledges that termination of the Lease prior to expiration of its term will cause this Sublease to be terminated as of the same effective date. To Sublessor's actual knowledge, there is only one Mortgagee with respect to the Center, that Mortgagee being Wells Fargo.

15. **Right to Cure.** Each party shall, immediately upon receipt, provide to the other party copies of all notices of default received by it from Landlord with respect to any claim of default in the performance of the party's obligations under the Lease or this Sublease, pursuant to the terms of the Lease or this Sublease. Sublessee shall have the right, but not the obligation, to cure any defaults by Sublessor in the terms and conditions of the Lease within any grace period applicable thereto and to deduct its actual cost of cure from the Sublease Rent then due or to become due during the remainder of the Term.

16. **Sublessor's Remedies.** In the event Sublessee shall breach any provision of this Sublease, Sublessor shall have all rights and remedies as against Sublessee as are available to Landlord under the Lease upon the occurrence of an Event of Default thereunder.

17. **Security Deposit.** Upon execution of this Sublease, Sublessee shall pay to Sublessor a security deposit in the amount of \$3,764.25, as the security for the reasonable cost of maintenance and repair upon termination of this Sublease. The unused portion of the Security Deposit, if any, shall be returned to Sublessee within thirty (30) days following the termination of this Sublease.

18. **Commission.**

(a) *Brokers.* Mendicino Commercial Realty (through Ron Mondicino and Adam Aktas) represents Sublessee and Newmark Grubb Knight Frank (through Larry Singer) represents Sublessor. Sublessor agrees to pay Newmark Grubb Knight Frank a commission as provided in a separate written agreement, and Newmark Grubb Knight Frank will pay Mendicino Commercial Realty a commission as provided in a separate written agreement. Sublessee acknowledges that Sublessor has no obligation to pay a commission to Mendicino Commercial Realty.

(b) *Indemnity.* Sublessor and Sublessee each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges claimed by any such unnamed broker, agent, finder or similar party by reason of any

dealings or actions of the indemnifying party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

19. **Jury Trial Waiver.** THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, UNCONDITIONALLY AND IRREVOCABLY WAIVE ANY RIGHT EACH MAY HAVE TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER ARISING IN TORT OR CONTRACT) BROUGHT BY EITHER AGAINST THE OTHER ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS SUBLEASE OR ANY OTHER DOCUMENT EXECUTED AND DELIVERED BY EITHER PARTY IN CONNECTION HEREWITH OR ANY COURSE OF DEALING OR CONDUCT OF THE PARTIES, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY PERSON. THIS WAIVER IS A MATERIAL INDUCEMENT TO EACH PARTY TO ENTER INTO THIS SUBLEASE.

20. **Governing Law; Venue; Fees.** This Sublease Agreement shall be governed, construed, and interpreted by, through and under the Laws of the State of Nevada. The parties agree to the state and federal courts within the County of Clark, State of Nevada as the sole and exclusive jurisdiction for any and all claims or causes of action arising under or relating to this Sublease. If any action, suit or proceeding is commenced under or in connection with this Sublease, including any insolvency or bankruptcy proceeding, the losing party shall pay to the prevailing party (on the matter as a whole) the reasonable attorneys' fees incurred by the prevailing party in connection therewith, together with all reasonable costs and expenses of the prevailing party.

21. **Severability.** If any term, covenant or condition of this Sublease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, (i) the remainder of this Sublease, or the application of such term, covenant or condition to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby; (ii) each term, covenant or condition of this Sublease shall be valid and be enforced to the fullest extent permitted by law; and (iii) the parties shall negotiate in good faith a provision which is valid and enforceable and most reasonably fulfills the intention of the parties in the invalid or unenforceable provision.

22. **Entire Agreement; Amendments.** There are and were no oral or written representations, warranties, understandings, stipulations, agreements, or promises made by either party, or by any agent, employee, or other representative of either party, pertaining to the subject matter of this Sublease which have not been incorporated into this Sublease. This Sublease shall not be modified, changed, terminated, amended, superseded, waived, or extended except by a written instrument executed by the all parties hereto to this Sublease.

23. **No Waiver.** The failure of either party to enforce any covenant or condition of this Sublease shall not be deemed a waiver thereof or of the right of either party to enforce each and every covenant and condition of this Sublease. No provision of this Sublease shall be deemed to have been waived unless such waiver be in writing.

24. **No Partnership.** Nothing in this Sublease shall be deemed or construed by the parties or by any third person to create or evidence a relationship of (i) principal and agent, (ii) partners, joint venturers, or parties in an association, or (iii) employer and employee.

25. **Counterparts.** This Sublease may be executed in counterparts, each of which shall be deemed to be an original, but all of which together constitute one and the same document.

26. **Conditions Precedent.** Notwithstanding anything to the contrary contained in this Sublease, this Sublease shall not become effective unless, and it shall be a condition precedent hereto that each of the following is satisfied in full prior to August 30, 2016, as such date may be extended by mutual written agreement of the parties hereto:

(a) Sublessor's approval (in its reasonable discretion) of Sublessee's most recent financial statements;

(b) Landlord executes and delivers to Sublessor and Sublessee the consent in substantially the form attached hereto as Exhibit C, and Sublessor pays Landlord any administrative fees required in connection therewith;

(c) Landlord's approval of signage for Sublessee on the building exterior;

(d) the independent Governing Board of Coral Academy (in its sole and absolute discretion) approves this Sublease at a duly-called public meeting;

(e) the independent State Public Charter School Authority of the State of Nevada (the "SPCSA") approves the subleasing of the Premises by Coral Academy. Coral Academy shall use commercially reasonable efforts, at its own cost and expense, to timely gain the SPCSA's approval; and

(f) all representations and warranties of the parties being true and correct in all material respects.

27. **State-Mandated Language.** This Sublease is entered into by Coral Academy for itself alone and not on behalf of, or as an agent for, any other entity, agency, school, or school district. For the avoidance of doubt, all obligations hereunder on the part of Coral Academy are not the obligations, directly or indirectly, in whole or in part, of the State of Nevada, Nevada State Public Charter School Authority, or Nevada State Department of Education.

28. **Notices.** Any notice, demand or request required or permitted to be given under the provisions of this Sublease shall be in writing and shall be deemed given (a) when personally delivered to the party to be given such notice or other communication, (b) on the third business day following the date of its acceptance by the U. S. Postal Service for delivery by certified mail, postage prepaid and return receipt requested, or (c) on the first business day following the date of its acceptance by a nationally recognized overnight courier, in each case addressed as follows (or to such substitute address(es) as either party may deliver to the other party from time to time, effective upon receipt):





**IN WITNESS WHEREOF**, Sublessor and Sublessee have executed this Sublease as of the date first above written.

**SUBLESSOR:**

Dickinson Wright PLLC

By: \_\_\_\_\_

John D. Gorzalski

Its: Chief Administrative Officer

**SUBLESSEE:**

Coral Academy of Science Las Vegas

By: \_\_\_\_\_

Hasan Deniz, PhD.

Its: President of the Governing Board

**EXHIBIT A**

**LEASE**

The Lease, the First and Second Amendments thereto and the First and Second Assignments thereof follow this page

**EXHIBIT B**

**FURNITURE INVENTORY SCHEDULE**

6 black leather conference room chairs  
10-12 rolling secretarial chairs  
6 waiting area chairs  
1 attorney desk w/ attached bookcase  
1 attorney desk  
1 desk  
3 light brown desks, w/ drawers  
1 desk w/ curved cutout  
1 desk w/ side drawers  
1 credenza  
1 light bookcase  
1 small dark bookcase  
1 mounted to wall sectional (for mail).

**EXHIBIT C**

**CONSENT TO SUBLEASE**

8965 Eastern, LLC, as Landlord, hereby consents to the attached Sublease between Dickinson Wright PLLC (“*Sublessor*”) and Coral Academy of Science Las Vegas (“*Sublessee*”) for the Premises identified as Suite 280 of The Beltway Corporate Office Center located at 8965 S. Eastern Avenue, Las Vegas, Nevada, on the express conditions that (1) Sublessor will remain liable for the performance of each and every one of its obligations under the Lease; and (2) this Consent will not be deemed a consent to any subsequent sublease or assignment, but rather any subsequent sublease or assignment will require the consent of the undersigned pursuant to the Lease.

Landlord has not committed any breach of the Lease, nor to Landlord’s actual knowledge, has Sublessor committed any breach or Event of Default of the Lease. The Lease is valid and in full force and effect, enforceable in accordance with its terms. Sublessor’s leasehold interest is free and clear of any liens, encumbrances, or adverse interests of third parties.

Notwithstanding Section 12 of the Lease, without Landlord’s prior consent, Sublessee may make nonstructural alterations that do not affect the operation of Building Systems and do not cost more than \$1,500 to install or reasonably reverse or undo.

Notwithstanding Section 17(c) of the Lease, Sublessor may collect and retain all Base Subrent, Additional Rent and other amounts payable to Sublessor pursuant to the terms of the Sublease, unless and until an Event of Default (as defined in Section 24 of the lease) shall occur and Landlord shall elect to terminate the Lease.

Landlord has no current plans to relocate Sublessee to a Relocation Space pursuant to Section 27 of the Lease. (This does not constitute a waiver of Section 27.)

Landlord agrees that Sublessee may use the Premises for general office purposes and further acknowledges that there are no improvements presently installed on the Premises that must be removed upon expiration or earlier termination of the Term.

**LANDLORD:**

8965 Eastern, LLC,  
By: DSA Development Corp  
Its: Manager

By: \_\_\_\_\_  
Daryl S. Alterwitz, President

Date: August \_\_\_\_\_, 2016