

**NOTICE OF HEARING ON PROPOSED LEASE
SOUTH ADAMS SCHOOLS**

You are hereby notified that a public hearing will be held before the Board of School Trustees (the "Board") on June 14, 2022 at the hour of 6:00 p.m. (Local Time) in the Community Room at the High School #723, 1000 Parkway Street, Berne, Indiana, upon, a proposed lease agreement (the "Lease") to be entered into between South Adams School Building Corporation (the "Building Corporation"), as lessor, and South Adams Schools (the School Corporation"), as lessee.

The proposed Lease upon which hearing will be held is for a term of twenty-two (22) years, commencing with regard to Tract I which is a portion of the high school, on the date on which the Lessor acquires fee simple title to real estate, and with regard to Tract II which is the multi-function addition to be constructed, on the date the building is ready for occupancy by the Building Corporation. The Lease provides for rental during renovation of Tract I in the amount of up to \$572,500 per payment payable on June 30 and December 31 beginning on June 30, 2023 until completion of renovation of Tract I. Thereafter, the Lease provides for a maximum annual rental of \$1,145,000, payable on June 30 and December 31 of each year during the term of the Lease, commencing with the completion of the building or June 30, 2024, whichever is later. As additional rental, the School Corporation shall maintain insurance on the buildings as required in the Lease, shall pay all taxes and assessments against such property, as well as the cost of alterations and repairs, and shall pay rebate amounts to the United States Treasury, as necessary.

After the sale by the Building Corporation of its ad valorem property tax first mortgage bonds to pay for the cost of the buildings, including the acquisition of the sites thereof and other expenses incidental thereto, the annual rental shall be reduced to an amount equal to the multiple of \$1,000 4865-3688-4253.1 next higher than the sum of principal and interest due on such bonds in each twelve-month period ending on January 15 plus \$5,000, payable in equal semiannual installments.

The Lease gives an option to the School Corporation to purchase the property on any rental payment date.

The building to be renovated will be South Adams High School located at 1000 Parkway Street, Berne, Indiana and real estate on which an addition will be constructed to the South Adams Middle/Elementary School located at 1012 Starfire Way, Berne, Indiana. Both located within the School Corporation

The plans and specifications, including the estimates for the cost of said renovation and construction as well as a copy of the proposed Lease, are available for inspection by the public on all business days, during business hours, at the Administration Building of the School Corporation, 1075 Starfire Way, Berne, Indiana.

At such hearing all persons interested shall have a right to be heard upon the necessity for the execution of the Lease, and upon whether the Lease rental provided for therein to be paid to the Building Corporation is a fair and reasonable rental for the proposed buildings. Such hearing may be adjourned to a later date or dates, and following such hearing the Board of the School Corporation may either authorize the execution of the Lease as originally agreed upon or may make modifications therein as may be agreed upon with the Building Corporation.

Dated this 11th day of May, 2022.

Landon Patterson
Secretary
Board of School Trustees
South Adams Schools