

**NOTICE OF HEARING ON PROPOSED LEASE  
NORTHWEST ALLEN COUNTY SCHOOLS**

You are hereby notified that a public hearing will be held before the Board of School Trustees (the "Board") on October 30, 2023 at the hour of 6:00 p.m. (Local Time) at Perry Hill Elementary School, 13121 Coldwater Road, Fort Wayne, Indiana, upon, a proposed Lease Agreement (the "Lease") to be entered into between Northwest Allen School Building Corporation (the "Building Corporation"), as lessor, and Northwest Allen County Schools (the "School Corporation"), as lessee.

The proposed Lease upon which the hearing will be held is for a term of twenty-five (25) years, commencing with regard to Tract I and Tract II (as each are defined in the Lease), with the completion of the buildings to be constructed upon such Tract I and Tract II, and commencing with regard to Tract III and Tract IV (as each are defined in the Lease), with the acquisition of title to the real estate described in the Lease as Tract III and Tract IV. The Lease provides for interim lease rental payments in the amount of \$7,500,000 per payment payable on June 30, 2025, and December 31, 2025, and in the amount of \$8,250,000 per payment payable on June 30, 2026, until completion of construction of the buildings upon Tract I and Tract II. Upon the completion of construction of such buildings upon Tract I and Tract II, the Lease provides for a maximum annual rental of \$16,500,000, payable on June 30 and December 31 of each year during the term of the Lease, commencing with the completion of the building or December 31, 2026, whichever is later. Also upon the completion of construction of such buildings upon Tract I and Tract II, the Building Corporation and School Corporation will terminate the Lease, solely as to Tract III and Tract IV.

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 construction and renovation, including the acquisition of real estate and other expenses incidental thereto, the annual rental shall be reduced to an amount equal to the multiple of \$1,000 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 properties identified as the Leased Premises (as defined in the Lease) on any rental payment date.

The buildings to be constructed and renovated pursuant to the Lease will be (i) the real estate upon which a new administration building will be constructed located in Fort Wayne, Indiana; (ii) the real estate upon which a new middle school building will be constructed located in Fort Wayne, Indiana; (iii) a portion of the Perry Hill Elementary School building located at 13121 Coldwater Road, Fort Wayne, Indiana; and (iv) a portion of the Oak View Elementary School building located at 13123 Coldwater Road, Fort Wayne, Indiana; all such real estate being located within the boundaries of the School Corporation.

The plans and estimates for the cost of said construction and renovation, 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, 13119 Coldwater Road, Fort Wayne, 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 13<sup>th</sup> day of September, 2023.

Kristi Schlatter  
Secretary, Board of School Trustees  
Northwest Allen County Schools