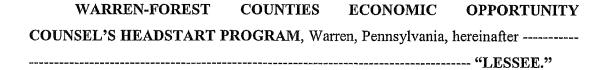


LEASE AGREEMENT

AND



The Lessor is the owner of premises in Youngsville, Warren County, Pennsylvania, known as Youngsville High School. The Lessee operates a federally funded Headstart Program and requires facilities for its program in the area which includes Youngsville and the surrounding areas.

In consideration of the annual charge of Five Dollars (\$5.00) per square foot per year for space payable in one installment in September, and the benefits to the public, and, in particular, to preschool children in Youngsville and surrounding areas, Lessor does demise and lease unto the Lessee for its Headstart Program the use of classroom space located at Youngsville High School with the appurtenances for the sole and only purpose of the conduct by the Lessee of its Head Start Program, under the Agreement as follows:

- 1. The current dimensions of each of two rooms shall be recorded as twenty-one (21) feet, ten (10) inches by thirty-four (34) feet, six (6) inches for a total square footage of the leased space to be one thousand five hundred and six (1,506) square feet. In consideration of the annual charge of Five Dollars (\$5.00) per square foot per year, with the total of the leased space being one thousand five hundred and six (1,506) total square feet, the total annual charge is Seven Thousand Five Hundred and Thirty-One Dollars (\$7,530).
- 2. The term of this Lease expires August 31, 2007, and it shall automatically renew annually thereafter unless terminated by either party upon ninety (90) days' written notice before the beginning of the next contract year (August 31 of each respective year).
 - 3. The Lessee shall use the premises solely for educational purposes.
- 4. The Lessee shall and may use such facilities of the Lessor in connection with this Lease as will permit it to properly operate its program at Youngsville High School.
- 5. The Lessor shall provide and pay for utilities, routine maintenance, and trash removal.
- 6. The Lessee assumes all risk of accident and damage to Lessee, Lessee's equipment and all other persons and their equipment who may be associated with Lessee during the term of this Lease, and who are invited or permitted upon the premises by Lessee. Lessee also agrees to indemnify and hold Lessor, its agents, representatives, directors, or employees harmless from all claims, suits and demands of every nature and description, including attorney's fees, made or brought by any third parties against the Lessor, its agents, representatives, directors or employees, on account of the conduct or actions of the Lessee during the term of this Agreement.

- 7. The Lessor reserves the right to inspect the premises at any time, with no prior notice required to be given to the Lessee.
- 8. No part of the premises shall be assigned or sublet without prior written consent of the Lessor.
- 9. Any alterations made to the premises by the Lessee must be approved in writing by the Lessor prior to the commencement of the alterations.
- 10. The Lessee agrees to keep the premises in a clean, safe and well-maintained condition, and upon the termination of this Agreement, will ensure that the premises are left in said condition. In the case of any damage by reason of Lessee's occupancy that cannot be repaired through the routine maintenance described in Paragraph 4 of this Agreement, Lessee shall promptly repair the premises at its sole expense.
- 11. During the term of this Lease, the Lessee agrees to comply with all applicable federal, state and local laws, rules and regulations, and the Lessor shall in no event be liable and shall be indemnified and held harmless for any violation of any law committed by Lessee.
- 12. In the event that Lessee shall breach any term or condition of this Lease, the Lessor shall have the right to, after giving Lessee thirty (30) days' written notice of the conditions that constitute the breach, terminate this Agreement and immediately repossess the premises. No termination of this Agreement nor recovery of possession or damages shall release the Lessee from liability for the breach of any covenant herein contained.

13. The Lessee acknowledges that the Lessee has had full opportunity to inspect and examine the subject premises, and the Lessee accepts this lease for the premises in "AS IS" condition, with any and all defects that presently exist or that may arise in the future on account of any cause or reason.

14. The parties agree to execute any documents and to take such further action as may be necessary to fulfill the intent of this Agreement.

15. There are no understandings between the parties regarding this Agreement other than those set forth in this Agreement, and there have been no promises, inducements, or commitments made in conjunction with this Agreement which are not explicitly set forth herein. This Agreement may be amended, modified, or waived only by a written addendum signed by Lessor and Lessee.

16. If any paragraph or term of this Agreement is deemed to be unlawful, invalid, or unenforceable, the remainder of this Agreement shall remain in full force and effect and shall remain binding on the parties hereto.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

ATTEST:

Ruth Huck, Secretary Board of School Directors

WITNESS:

WARREN COUNTY SCHOOL DISTRICT

Jacque line Nuttall, President Board of School Directors

WARREN-FOREST COUNTIES ECONOMIC OPPORTUNITY COUNSEL'S HEADSTART PROGRAM

By: Payanne Carefor Head Start Educator