

**NOTICE OF HEARING ON PROPOSED SECOND AMENDMENT TO LEASE
KNOX COMMUNITY SCHOOL CORPORATION**

You are hereby notified that a public hearing will be held before the Board of School Trustees (the "Board") of Knox Community School Corporation (the "School Corporation") on February 20, 2018 at the hour of 6:30 p.m. (Local Time) at #2 Redskin Trail, Board Room Knox, Indiana, upon a proposed Second Amendment to Lease (the "Second Amendment") to be entered into between Knox Middle School Building Corporation (the "Building Corporation"), as lessor, and the School Corporation, as lessee.

The proposed Second Amendment upon which the hearing will be held amends the existing Lease Agreement originally dated October 18, 2010 (the "Original Lease", and together with the Original Lease, the "Lease"). The Second Amendment extends the term of the Original Lease and increases the rent payable thereunder in exchange for the renovation of and improvements to the property subject to the Lease (the "Leased Premises"). The Second Amendment extends the term of the Original Lease to December 31, 2027 and increases the annual lease rental by a maximum of \$893,000, payable on June 30 and December 31 beginning with the completion of the renovation of and improvements to the Leased Premises or June 30, 2019.

As additional rental, the School Corporation shall maintain insurance on the Leased Premises as required in the Lease, shall pay all taxes and assessments against such Leased Premises, as well as the cost of alterations and repairs, and shall pay rebate amounts to the United States Treasury, if necessary. After the sale by the Building Corporation of its bonds (the "Bonds") to pay for the cost of the renovation and improvements, including any other expenses incidental thereto, the increased annual Lease rental stated above shall be reduced to an amount equal to the multiple of \$1,000 next higher than the sum of principal and interest due on the

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 Leased Premises on any lease rental payment date.

The Leased Premises consists of a portion of Knox Community High School, located at 1 Redskin Trail, Knox, Indiana, in the School Corporation.

The plans and specifications, including the estimates for the cost of the renovation and improvement, as well as a copy of the proposed Second Amendment, are available for inspection by the public on all business days, during business hours, at the Administration Building of the School Corporation, 2 Redskin Trail, Knox, Indiana.

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

Dated this 18th day of January, 2018.

/s/ Mary Lynn Ritchie
Secretary, Board of School Trustees
Knox Community School Corporation