



Archdiocese of Los Angeles

Real Estate Department
Office (213) 637-7505
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3424
Wilshire
Boulevard

Los Angeles
California
90010-2241

July 12, 2002

St. Joseph Center
204 Hampton Drive
Venice, CA 90291-8633

Attn: Rhonda Meister

Dear Rhonda:

Enclosed please find a copy of the fully-executed original copy of the Lease with St. Clement for your files.

Should you have any questions or concerns you may reach me at 213-637-7270.

Thank you for your assistance.

Sincerely,

Adriana Lopez
Real Estate Representative

Cc. Lease file
Enclosure

LEASE

THIS LEASE ("Lease") is made as of the 1st day of April 2002 at Los Angeles California, by and between ARCHDIOCESE OF LOS ANGELES EDUCATION & WELFARE CORPORATION ("Lessor"), and ST. JOSEPH CENTER ("Lessee").

Recitals

Whereas, Lessor owns the property located at 204 Hampton Drive, Venice, California.

Whereas, Lessee currently rents and occupies the space from lessor. Lessee currently provides various services to low income clients from the space: and

Whereas, lessee desires to make improvements to the site to enhance the facilities for its services and use: and

Whereas, additionally, lessee is starting a capital campaign project to assist in raising funds for the proposed improvements: and

Whereas, lessee has expertise in its core business of service to the poor, and has expertise necessary to assume the responsibilities hereunder: and

Whereas lessor is supportive of lessee efforts and vision with respect to the proposed project: and

Whereas lessor and lessee have mutually agreed to create a new longer term lease agreement: and

Whereas, the parties have reached an understanding as to their respective rights and obligations.

1. Premises. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor that certain improved real property, together with all fixtures, appurtenances and improvements located thereon (Premises), known as St. Clement School located 204 Hampton Drive, Venice, CA 90291. The Premises are more particularly outlined on the map attached hereto as Exhibit A and made a part hereof.

2. Term. The terms of this Lease shall be for 50 years commencing from the start of construction of improvements located thereon (Premises), known as St. Clement School located at 204 Hampton Dr., Venice, CA. 90291. The Premises are more particularly outlined on the map attached hereto as Exhibit A and made a part thereof.

3. Rent. Lessee agrees to pay Lessor a \$1.00 per year. Rent shall be paid to St. Clement or to such other payee or address as Lessor may from time to time specify in writing by notice to Lessee.

4. Improvements, Alterations and Maintenance. Lessor shall not at any time be required to make any improvements, alterations, additions, repairs, and replacements to the Premises of any kind. Lessee has examined the Premises, has investigated the condition thereof and is taking the Premises in their present "as is" condition, with all faults. It is agreed, that lessee is proposing changes to the structure, with new improvements. Lessee and Lessor will work together to agree on said changes, as presented by lessee. Lessee shall be solely responsible for the making and the cost of all improvements, alterations, additions, repairs or replacements to the Premises which Lessee elects to make, or which are required in order to be in compliance with law, or which are needed to keep the Premises in a safe condition and in good repair, except that Lessee shall not make any structural changes, alteration or additions to the Premises without obtaining Lessor's written consent thereto in each instance. Lessee shall at all times maintain the entirety of the Premises in a safe condition, in good repair and working order, neat and clean appearance and free from litter debris and graffiti. Lessee shall be responsible for all maintenance costs of the Premises. All Architectural designs must be approved in writing by Lessor, which shall not be unreasonably withheld. All work will receive and conform appropriate governmental approval including but not limited to zoning, planning and building permits.

5. Signs. Lessee may, at its expense, install and maintain such identification signs on the Premises as Lessee requires, provided that each such sign shall conform to all applicable laws and shall have first been approved in writing by the Pastor of St. Clement Church.

6. Utilities. Lessee shall pay all utility installation and service charges for the Premises, including without limitation electricity, water, gas, sewer, storm drain, trash service and telephone and cable charges.

7. Use. Lessee shall use the Premises for providing services to no and low income people, and all uses related thereto, and for no other purpose without obtaining the prior written consent of Lessor. Lessor makes no representation that the Premises may be used for the purposes which Lessee intends. Lessee shall be solely responsible for determining that the Premises may be used for the purposes authorized by this Lease and for complying at its sole expense with all conditions and requirements of any governmental authority having jurisdiction over such use.

8. Compliance. Lessee shall at its sole expense comply with all rules, laws, regulations or ordinances applicable to the Premises or to Lessee's use thereof. Lessee shall not commit nor suffer to be committed nor permit any of the following:

- a) Any waste on the Premises;
- b) Any nuisance thereon;
- c) Any structural alteration of the Premises without the prior written consent of Lessor. (Non-structural alterations which may comply with all applicable laws and for which Lessee pays all costs are hereby permitted, subject to Lessee's obligation to remove same at the termination of this Lease in accordance with the provisions of paragraph 17 of this Lease);
- d) Any mechanic's, material man's or other lien to be filed against the Premises by reason of any work, labor, service or material supplied or claimed to have been supplied to Lessee or anyone holding the Premises or any part thereof through or under Lessee; and
- e) Anything which will in any way conflict with any law statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Lessee shall at Lessee's sole cost, promptly comply with the requirements of any board of fire insurance underwriters relating to the condition, use or occupancy of the Premises.

9. Property Taxes. Lessee shall pay to Lessor ten (10) days before delinquency all real and personal property taxes and assessments as shall be levied or assessed against the Premises, including all general or special assessments made against the Premises. Subject to receipt of funds from Lessee, Lessor shall make all payments due to the Tax Collector on a timely basis.

10. Assignments and Subletting. Except with the sublease with St. Clement Church Lessee shall not assign this Lease, nor any interest therein nor shall Lessee sublet the Premises or any part thereof, without first obtaining the written approval of Lessor. Lessor in its sole discretion reserves the right of rejecting a proposed assignee or Sub lessee, or, alternately, of renegotiating the rent for the Premises based on the rent to be paid by a proposed assignee or Sub lessee. Unless expressly so stated in writing, no such approval by Lessor shall relieve Lessee of Lessee's primary liability for the performance of all of Lessee's obligations hereunder in a timely manner.

11. Reservations by Lessor. With respect to the Premises, Lessor reserves exclusively to itself the following rights:

- a) All subsurface oil, gas and mineral rights, including the right of exploration therefor;
- b) All billboard or other advertising rights;
- c) All cellular telephone, PCS facilities and other antenna and/or transmission therefor;

- d) All film and photography rights. The consent of both Lessor and Lessee, however, shall be required prior to the granting of any permission to any third party to use the Premises or any part thereof, for any filming or photography purposes. If such mutual consent is given, all proceeds received from such photography or filming shall be shared equally between Lessor and Lessee.

12. Indemnity. To the fullest extent permitted by law, Lessee shall indemnify, defend and hold harmless Lessor, its agents and employees from and against all claims, damages, losses and expenses, including but not limited to attorneys fees, and other costs and expenses incurred as an incident thereto, arising out of, based on or relating to Lessee's use or occupancy of the Premises or the performance by Lessee of this Agreement, including any such claims, damages, loss or expense attributable to bodily injury, sickness, disease or death, or to injury to or destruction of real or personal property, including loss of use resulting therefrom, to the extent caused in whole or in part by any acts or omissions of Lessee, its agents, employees, vendors, subcontractors, guests, students or invitees, and anyone for whose acts Lessee may be liable. In case any action or proceeding is brought against Lessor because of any such claim, Lessee shall defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor. Lessee, as a material part of the consideration to Lessor, hereby assumes all risk of damage to property and injury to persons in, on or about the Premises arising from any cause, and Lessee hereby waives all claims in respect thereof against Lessor.

13. Insurance. Lessee shall at all times during the term of this Lease, at its own cost and expense, maintain in full force and effect the following insurance:

- a) Worker's Compensation Insurance in full compliance with all requirements of the laws of the State of California; and
- b) Comprehensive General Public Liability Insurance on an occurrence basis in the amount of \$2.0 million dollars combined single limit with a carrier admitted in the state of California. Lessor shall be named as an additional insured under such insurance, and the policy or policies evidencing same shall be endorsed to provide that such insurance is primary with respect to the Premises, and no other insurance is to be considered as contributory or as co-insurance. At all times during the term of this Lease, Lessee shall provide to and maintain with Lessor a certificate or certificates evidencing that the insurance required hereunder is in full force and effect with insurance companies which are reasonably acceptable to Lessor. Each such certificate shall provide that Lessor shall be given thirty - (30) day's prior written notice in the event of cancellation or material change.
- c) Property and Casualty Insurance, insuring the building and all improvements located on the Premises against fire, flood, earthquake and all other perils covered under an all-risk policy, in the amount of 100% of the full

replacement cost thereof, subject to such amount of self-insurance or retention as Lessor shall from time to time reasonably approve.

- d) A Self-Insured policy which meets the requirements outlined in this lease and reasonably acceptable to Lessor

14. Hazardous Material. Lessee shall not bring onto, nor store, nor create on the Premises, nor permit others to do so any hazardous material of any kind. If any such material is found on the Premises either during the term of this Lease or subsequently as having originated during the term of this Lease, Lessee shall be responsible at Lessee's sole cost for the prompt removal of same in compliance with all applicable governmental rules, regulations, and ordinances and Lessee shall indemnify, protect, defend (with counsel reasonably satisfactory to Lessor) and hold harmless Lessor, its officers, agents, directors, employees and representatives from all claims and liabilities which may arise therefrom.

15. Bankruptcy. This Lease shall automatically terminate if a petition or arrangement in bankruptcy is filed by or against Lessee and such petition is not revoked or withdrawn within sixty (60) days of said filing.

16. Condemnation. If any portion of the Premises is taken in any condemnation proceeding, or sold after any threatened condemnation to any entity having the power of eminent domain, this Lease shall cease and terminate as to the part so taken or sold on the day that possession is taken by the condemnor or such purchaser. Lessee shall not be entitled to any award or any sharing therein based on the value of the Premises or on any improvement or alteration made thereto by Lessee, not based on the existence or the value of the leasehold estate created by this Lease. Nothing herein shall be construed as denying an award to Lessee for any taking of Lessee's personal property located on the Premises, or for the disruption of Lessee's business or for relocation expenses.

17. Surrender. Upon the termination of this Lease for any reason, Lessee agrees to quit the Premises and surrender the same in good and safe order, neat and clean and in as good condition as existed at the commencement of this Lease, subject to reasonable use and wear. Within thirty (30) days following written notice from Lessor, to be given within thirty (30) days of the termination date of this Lease, Lessee shall remove any improvements, fixtures or alterations to the Premises made by Lessee as shall be specified in Lessor's notice, and Lessee shall repair any damage to the Premises caused by such removal and shall restore the Premises to the condition existing prior to the installation of such removed improvement, fixture or alteration. To the extent Lessor in its notice does not specify Lessee-installed improvements, fixtures or alterations to be removed, to the extent Lessee shall be obliged to surrender the Premise complete with such improvements, fixtures or alterations in place and in good condition, reasonable use and wear excepted.

18. Default. If any rent or other charges shall be due from Lessee hereunder and shall remain unpaid ten (10) days after written notice of delinquency, or if Lessee shall breach any other covenant or provision of this Lease and not cure such breach within thirty (30) days following written notice thereof, Lessor after giving the proper notice required by law, may re-enter the Premises and remove any property and any and all persons therefrom in the manner allowed by law. Lessor may, at its option either maintain this Lease in full force and effect and recover the rent and other charges as they become due or, in the alternative, terminate this Lease. In addition, Lessor may recover all rent and any unpaid charges or other damages due from Lessee including all costs and attorney fees, and may pursue any and all other rights and remedies which Lessor may have against Lessee by reason of such default as provided by law, specifically including the right of bringing an action to recover from Lessee the worth at the time of the award of:

- (a) The unpaid rent which would have been earned at the time of the termination of the Lease; plus
- a) The amount by which the unpaid rent which would have been earned after termination of this Lease until the time of the award exceeds the amount of rent loss that Lessee proves could have been reasonably avoided; plus
- b) The amount by which the unpaid rent for the balance of the term, or any exercised extension thereof, after the time of the award exceeds the amount of rent loss that Lessee proves could have been reasonably avoided; plus
- c) Any amount necessary to compensate Lessor for all detriment proximately caused by Lessee's failure to perform its obligation under this Lease.

19. Notices. All notices to be given under this Lease shall be in writing and shall be served whether in person or by recognized overnight courier or by deposit in the United States mail, registered or certified, with postage prepaid and addressed as follows:

If to Lessee:

St. Joseph Center
204 Hampton Drive
Venice, CA. 90291
Attn: Executive Director

If to Lessor:

Archdiocese of Los Angeles
Education & Welfare Corporation
3424 Wilshire Blvd
Los Angeles, CA 90010-2241
Attn: Real Estate Dept.

With a copy to:

St. Clement Church
3102 Third St.
Santa Monica, CA 90405-5412
Attn: Pastor

Either party may change its address for notice by giving written notice as provided herein to the other party.

20. Binding Arbitration. In the event of a dispute between the parties under this Lease, Lessor shall have the right, but not the obligation, by giving written notice to Lessee, of requiring the disputed matter to be resolved by binding arbitration. Within fifteen (15) days of the receipt of such notice, each party shall select its own arbitrator, and when both arbitrators have been selected, the two arbitrators shall, within fifteen (15) days thereafter, mutually agree upon and select a third arbitrator. When the third arbitrator has been selected, within thirty (30) days thereafter, the parties shall present the disputed matter to the arbitrators. All proceedings shall be in compliance with the applicable rules of arbitration, except the reasonable discovery shall be allowed. The parties agree that a written decision about the disputed matter, concurred in by at least two of the arbitrators, shall be binding, and each party hereby agrees promptly and fully to comply with such decision. Each party shall pay the fees and expenses of arbitration incurred by it, including its own attorney's fees, if any, the fees of the arbitrator selected by it, and one-half the fees of the third arbitrator.

21. Attorneys' Fees. If this Lease or any provision hereof or any dispute hereunder is litigated, each party hereto shall be responsible for paying its own attorneys' fees and expenses, including court costs, if any, subject to 20.

22. Miscellaneous.

- a) Time is of the essence of this Lease.
- b) This Lease contains all of the agreements between the parties on the subject matter of this Lease, and supersedes all prior understandings, correspondence or agreements of the parties with respect thereto. This Lease may be amended but only in writing and only if signed by both parties.
- c) This Lease inures to the benefit of and burdens the parties hereto and their respective heirs, representatives, successors and assigns.
- d) This Lease and its interpretation shall be governed by the laws of the State of California.
- e) Each party hereto represents to the other that it has the proper authority to enter into this Lease and that, once executed and delivered, this Lease is a binding and enforceable agreement against the signing party in accordance with its terms.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease to be executed and delivered by their proper officer(s) respectively thereunto duly authorized as of the day and year first above written.

LESSOR:

ARCHDIOCESE OF LOS ANGELES
EDUCATION & WELFARE CORPORATION

By:

Terrance L. Fleming
Rev. Msgr. Terrance L. Fleming
Attorney in Fact

LESSEE:

ST. JOSEPH CENTER

By:

Rhonda Meister
Rhonda Meister
Executive Director

ACKNOWLEDGE: By:

Tomas Elis
Rev. Tomas Elis
Pastor, St. Clement

LEASE ADDENDUM

THIS ADDENDUM ("Addendum") to the Lease (as hereinafter defined) is made and entered into as of the 7th day of MARCH, 2006 by and between Archdiocese of Los Angeles Education and Welfare Corporation ("Lessor") and St. Joseph Center ("Lessee")

RECITALS

Whereas, Lessor and Lessee entered into that certain Lease agreement dated April 1, 2002 ("Lease"), attached hereto as Exhibit A;

Whereas, pursuant to the Lease, Lessor leased to Lessee that certain improved real property, together with all fixtures, appurtenances and improvements located thereon ("Premises"), known as St. Clement School located on 204 Hampton Drive, Venice, CA 90291. The Premises are more particularly outlined on the map and legal description attached hereto as Exhibit B and made part hereof;

Whereas, Lessee has received certain governmental approvals for redevelopment of the Premises (the "Governmental Approvals"). The Governmental Approvals are listed on Exhibit C, attached hereto and made part hereof;

Whereas, pursuant to the Governmental Approvals, Lessee intends to demolish the existing 11,000 square foot St. Clement School and construct a 30,000 square foot replacement structure, and reconfigure and landscape the existing parking lots, and complete other site improvements as permitted by the Governmental Approvals;

Whereas, Lessor and Lessee desire to modify the Lease to accommodate the new improvements to the Premises and clarify that the scope of the indemnity provided in the Lease includes all activities to be conducted by Lessee pursuant to the Governmental Approvals; and

Whereas, the Lease shall remain in full force and effect, except as supplemented or modified herein.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for other good and valuable consideration, the receipt, sufficient and validity of which are hereby acknowledged, Lessor and Lessee agree as follows:

1. The following paragraph shall replace Paragraph 4 of the Lease and shall be referred to as Paragraph 4.

"4. Improvements, Alterations and Maintenance. Lessor shall not at any time be required to make any improvements, alterations, additions, repairs and replacements to the Premises of any kind. Lessee has examined the Premises, has investigated the condition thereof and is taking the Premises in their present "as is" condition, with all faults. Lessor understands and acknowledges that Lessee will be improving the Premises in accordance with the Governmental Approvals. Lessee shall be solely responsible for

the making and the cost of all improvements, alterations, additions, repairs or replacements to the Premises which Lessee elects to make, or which are required in order to be in compliance with law, or which are needed to keep the Premises in a safe condition and in good repair, except that Lessee shall not make any structural changes, alteration or additions to the Premises without obtaining Lessor's written consent thereto in each instance, except as provided for by the Governmental Approvals. Lessee shall at all times maintain the entirety of the Premises in a safe condition, in good repair and working order, neat and clean appearance and free from litter debris and graffiti. Lessee shall be responsible for all maintenance costs of the Premises. All Architectural designs, other than as provided by the Governmental Approvals, must be approved in writing by Lessor, which shall not be unreasonably withheld. All work will receive and conform appropriate governmental approval including but not limited to zoning, planning and building permits."

2. The following paragraph shall replace Paragraph 8(c) of the Lease and shall be referred to as Paragraph 8(c).

"8 (c) Any structural alteration of the Premises without the prior written consent of Lessor, except as provided by the Governmental Approvals. (Non-structural alterations which may comply with all applicable laws and for which Lessee pays all costs are hereby permitted, subject to Lessee's obligation to remove same at the termination of this Lease in accordance with the provisions of paragraph 17 of this Lease);"

3. The following paragraph shall replace Paragraph 12 of the Lease and shall be referred to as Paragraph 12.

"12. **Indemnity.** To the fullest extent permitted by law, Lessee shall indemnify, defend and hold harmless Lessor, its agents and employees from and against all claims, damages, losses and expenses, including but not limited to reasonable attorneys fees, and other costs and expenses incurred as an incident thereto, arising out of, based on or relating to Lessee's use or occupancy of the Premises, demolition of the existing structure on the Premises, the construction of a replacement structure on the Premises as provided by the Governmental Approvals or the performance by Lessee of the Lease and this Addendum, including any such claims, damages, loss or expense attributable to bodily injury, sickness, disease or death, or to injury to or destruction of real or personal property, including loss of use resulting therefrom, to the extent caused in whole or in part by any acts or omissions of Lessee, its agents, employees, vendors, subcontractors, guests, students or invitees, and anyone for whose acts Lessee may be


liable. In case any action or proceeding is brought against Lessor because of any such claim, Lessee shall defend the same at Lessee's expense by counsel reasonable satisfactory to Lessor. Lessee, as a material part of the consideration to Lessor, hereby assumes all risk of damage to property and injury to persons in, on or about the Premises arising from any cause, and Lessee hereby waives all claims in respect thereof against Lessor."

IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease to be executed and delivered by their proper officer(s) respectively thereunto duly authorized as of the day and year first above written.

LESSOR:

ARCHDIOCESE OF LOS ANGELES
EDUCATION & WELFARE CORPORATION

By: _____


[name] MSGR. VADAKIN
Attorney in Fact

LESSEE:

ST. JOSEPH CENTER

By: _____


Rhonda Meister
Executive Director

ACKNOWLEDGE:

By: _____

Rev. Tomas Elis
Pastor, St. Clement

Lease Addendum

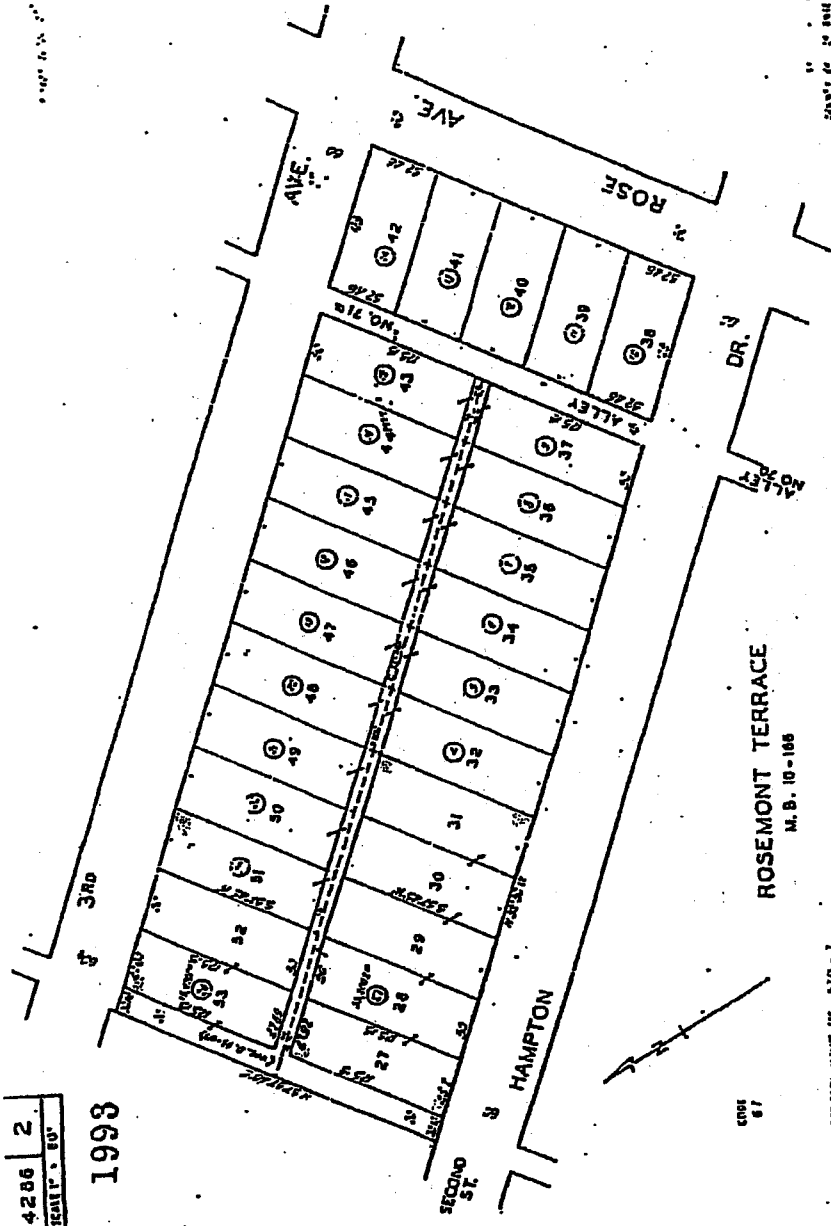
Exhibit B

TITLE REPORT MAP FOR PROPERTY IN LOS ANGELES

4286 | 2
SCALE 1" = 50'

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CODE
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ROSEMONT TERRACE
M.B. 10-108

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