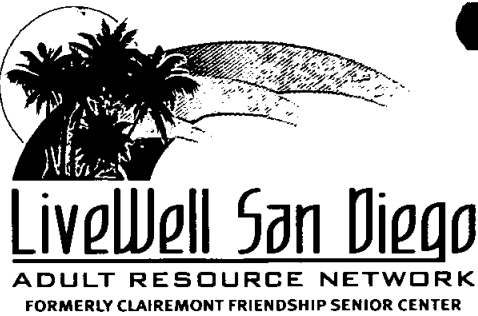




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July 3, 2006

To whom it may concern,

The Clairemont Friendship Center, Incorporated has signed lease agreement (Document RR-266855-2) with the City of San Diego filed on October 27, 1986. On June 19th, 2006 the organization legally changed its name to LiveWell San Diego. The organization continues to remain on the same premises. Enclosed is a copy of our legal name change filed with the State of California. If additional information is needed please contact Cathy Hopper, Executive Director at (858) 483-5100 x16.

Sincerely,

Cathy Hopper
Executive Director
LiveWell San Diego

CITY OF SAN DIEGO
LEASE
THE CLAIREMONT FRIENDSHIP CENTER, INC.

THIS LEASE AGREEMENT is executed between the CITY OF SAN DIEGO, a municipal corporation, hereinafter called "CITY" and THE CLAIREMONT FRIENDSHIP CENTER, INC., hereinafter called "LESSEE."

SECTION 1. USES

1.01 Premises. CITY hereby leases to LESSEE real property situated in the City of San Diego, County of San Diego, State of California, described in Exhibit "A" attached hereto and by this reference made part of this agreement. Said real property is hereinafter called the "premises".

1.02 Permitted Use. Said premises are leased to LESSEE only for the purpose of construction, operation and maintenance of the premises and building as a seniors' center for recreational, cultural and educational activities for the benefit of the Clairemont Friendship Center, Inc. members and the residents of the City of San Diego, without discrimination, as to race, color, sex, marital status, creed, religion, or physical or mental handicap and for such other related or incidental purposes as may first be approved in writing by the CITY and for no other purpose.

LESSEE covenants and agrees to use the premises for the above specified purposes and to diligently pursue said purposes throughout the term hereof. Failure to continuously use the premises for said purposes or the use thereof for purposes not expressly authorized herein, shall be grounds for termination by CITY.

1.03 Related Council Actions. By the granting of this lease, neither the CITY nor the Council of CITY is obligating itself to any other governmental agent, board, commission, or agency with regard to any other discretionary action relating to development or operation of the premises. Discretionary action included, but is not limited to, rezonings, variances, environmental clearances or any other governmental agency approvals which may be required for the development and operation of leased premises.

1.04 Easements and Reservations.

- a. CITY hereby reserves all rights, title and interest in any and all subsurface natural gas, oil, minerals and water on or within the premises.

DOCUMENT NO. RR-266855-0

FILED OCT 27 1986

OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

- b. CITY reserves the right to grant and use easements of establish and use rights-of-way over, under, along and across the leased premises for utilities, thoroughfares, or access as it deems advisable for the public good.
- c. CITY has the right to enter the premises for the purpose of making repairs to or develop municipal resources and services.

However, CITY shall not unreasonably or substantially interfere with LESSEE'S use of the premises and will reimburse LESSEE for physical damages, if any, to the permanent improvements located on the leased premises resulting from CITY'S exercising the rights reserved in this section. Such reimbursement may include a cost proportionate to the amount of physical damage as determined by the CITY.

- 1.05 Competent Management. Throughout the term of this lease agreement LESSEE shall provide competent management of the leased premises to the satisfaction of the City Manager. For the purposes of this paragraph, "competent management" shall mean qualified to provide services for senior adults; experience in facility operations, safety, and maintenance; and capable of managing all financial aspects of the operation.
- 1.06 Hours of Operation. LESSEE shall operate the premises in accordance with a schedule of days and hours of operation as set forth in Addendum "A" hereto, which is by this reference incorporated herein. Any changes in the schedule are subject to prior written approval by the City Manager or his authorized representative.
- 1.07 Rates and Charges. All charges for use of facilities on said premises shall be in accordance with the schedule set forth in Addendum "B" hereto. Any changes in said schedule are subject to prior written approval by the City Manager or his authorized representative.
- 1.08 City Use. The premises shall be available to the CITY for recreation activities and special programs, free of charge, except where LESSEE has scheduled events or programs. After every CITY use, the premises shall be left in the same condition found, and LESSEE shall not be required to incur any additional costs by reason of CITY use. On a monthly basis the Park and Recreation Center Director and the Clairemont Friendship Center, Inc. Executive Director will meet to discuss and finalize usage schedules and any other matters pertaining to joint use of the facility.

- 1.09 Political Activities. The leased property shall be used exclusively for the purposes specified in Section I, PERMIT USES, hereof. The premises shall not be used for working or campaigning for the nomination or election of any individual to any public office, be it partisan or nonpartisan.
- 1.10 Public Use. The general public shall not be wholly or permanently excluded from any portion of the premises. The LESSEE may develop reasonable restrictions for facility use provided they are consistent with the rights of the general public, and are designed to allow the LESSEE to use the premises for the purposes specified herein. LESSEE agrees that all activities conducted on the premises will be as stated in Section 1.02 USES of this lease.
- 1.11 Required Sign. LESSEE shall, at all times during the lease term, maintain a CITY approved sign identifying the property as City-owned and available for public use consistent with the terms of this lease. The sign shall be installed by the LESSEE at a location agreeable to the CITY.

SECTION 2: TERM

- 2.01 Commencement. The term of this agreement shall be 20 years commencing on the first day of the calendar month following execution by the City Manager. "Lease year" as used in this lease shall mean the 12-month period commencing on the first day of the calendar month following the execution of this lease by the City Manager.
- 2.02 Holdover. Any holding over by LESSEE after expiration or termination shall not be considered a renewal or extension of this lease. The occupancy of the premises after the expiration or termination of this agreement constitutes a month-to-month tenancy, and all other terms and conditions of this agreement shall continue in full force and effect.
- 2.03 Surrender of Premises. At the expiration or earlier termination of this lease, LESSEE shall execute, acknowledge and deliver to CITY, within five days after written demand by CITY, a valid and recordable Quitclaim Deed covering all of the leasehold premises. The leasehold premises shall be delivered free and clear of all liens and encumbrances.

SECTION 3: CONSIDERATION

- 3.01 Rent. The LESSEE shall pay to CITY the sum of One Dollar (\$1.00), receipt of which is acknowledged, for the entire term of this lease.
- 3.02 Inspection of Records. Whenever CITY desires to inspect the records and accounts of LESSEE in order to determine LESSEE'S compliance with the terms of this agreement, CITY shall have the right at all reasonable times to inspect any records pertinent to the subject under study. LESSEE agrees to cooperate in such inspection and to make the pertinent records available to CITY at LESSEE'S place of business in the City of San Diego.
- 3.03 Development as Additional Consideration. LESSEE agrees as additional consideration to develop the leased premises in accordance with the City-approved Development Plan described in Section 3.08 Development of this agreement, and shall erect and operate facilities on said land in accordance with the General Development Plan shown on Exhibit "A" attached hereto. Said construction and development shall be in accordance with plans and specification to be approved by the City Manager.
- 3.04 Operation and Maintenance. LESSEE also agrees as additional consideration, to operate and maintain the premises throughout the lease term to the satisfaction of the City Manager.
- 3.05 Affirmative Action. LESSEE agrees to take affirmative action to improve employment opportunities of minorities and women. When applicable, LESSEE agrees to abide by the Affirmative Action Program for Lessees as it now exists or is hereafter amended. A copy of the program, effective as of the date of this agreement, is on file in the Office of the City Clerk as Document No. 746205 and by this reference is incorporated herein. Minorities are presently defined as Mexican-American, Black, Filipino, American Indian and Asian/Oriental. The goal of this program shall be the attainment of the employment of minorities and women in all areas of employment in a total percentage of employment approximately equal to the total level of minority and women employment as established by the CITY for its Affirmative Action Program each year.
- 3.06 Compliance with Law. LESSEE agrees, at its sole cost and expense, to comply and secure compliance with all the requirements now in force, or which may hereafter be in force, of all municipal, county, state and federal authorities, pertaining to the said premises, or the operations conducted thereon, and to faithfully observe and secure compliance with, in the use of the

premises, all applicable county and municipal ordinances and state and federal statutes now in force or which may hereafter be in force and to pay before delinquency all taxes, assessment, and fees assessed or levied upon the LESSEE or the leased premises including the land and any buildings, structures, machines, appliances or other improvements of any nature whatsoever, erected, installed or maintained by LESSEE or by reason of the business or other activities of LESSEE upon or in connection with the leased premises. LESSEE recognizes and understands that this lease may create a possessory interest subject to property TAXATION AND THAT THE LESSEE may be subject to the payment of property taxes levied on such interest. LESSEE further agrees that such tax payment shall not reduce any rent due the CITY hereunder and that any such tax shall be paid by the LESSEE shall be paid by the LESSEE before becoming delinquent. The judgement of any court of competent jurisdiction, or the admission of LESSEE in any action or proceeding against them, or whether CITY be a party thereto or not, that LESSEE, has violated any such ordinance or statute in the use of the premises shall be conclusive of that fact as between CITY and LESSEE.

3.07 Construction/Alteration. LESSEE agrees not to construct or install any buildings or structures on said premises or otherwise improve or alter said premises in any manner except in accordance with plans and specifications previously submitted to the City Manager and approved by him in writing. LESSEE shall not make any major structural or architectural design alterations to approved buildings, structures or improvements installed on said premises except in accordance with plans and specifications previously approved in writing by the City Manager. This provision shall not limit or set aside any obligation of LESSEE under this lease to maintain said premises in a decent, safe, healthy and sanitary condition, including structural repair and restoration of damaged or worn improvements. CITY shall not be obligated by this lease to make any improvements or alterations to said premises or to assume any expense therefor.

3.08 Development. LESSEE agrees to develop the leased premises in accordance with the General Development Plan approved by the City Manager prior to the execution of this lease and filed in the Office of the City Clerk. To the extent applicable to the proposed development, said plan shows the design, materials of construction, elevations and colors of all structures, the plot plan of all structures and above-ground improvements, the uses of all facilities, the schedule of development, the estimated construction costs and

financing plan and such other factors as are necessary or desirable in the opinion of the City Manager. The City Manager or his designee shall have the authority to authorize changes to the plan provided that the basic concept may not be modified without City Council approval and a document evidencing any approved changes shall be filed in the office of the City Clerk.

3.09 Indemnity. LESSEE agrees that CITY, its agents, officers and employees, shall not be liable for any claims, liabilities, penalties, fines or for any damage to the goods, properties or effects of LESSEE, it's representatives, agents, employees, guests, licensees, invitees, patrons or clientele or of any other person whomsoever, not for personal injuries to, or deaths of any person, whether alleged to have been caused by or resulting from any acts or omission of LESSEE in or about the leased premises, or any act or omission of any person or from any defect in any part of the leased premises or from any other cause or reason whatsoever. LESSEE agrees to indemnify and save free and harmless CITY and save free and harmless CITY and its authorized agents, officers, and employees against any of the foregoing alleged liabilities and any costs and expenses incurred by CITY on account of any claim or claims therefor.

3.10 Insurance Coverage. During the entire term of this lease, LESSEE agrees to procure and maintain public liability insurance which names CITY as an additional insured with an insurance company satisfactory to CITY licensed to do business in California to protect against loss from liability imposed by law for damages on account of bodily injury, including death therefrom, suffered or alleged to be suffered by any person or persons whomsoever, resulting directly or indirectly from any act or activities of CITY or LESSEE, or any person acting for CITY, or LESSEE or under its control or direction, and also to protect against loss from liability imposed by law for damages to any property of any person caused directly or indirectly by or from acts or activities of CITY, or LESSEE, or its sublessees, or any person acting for CITY or LESSEE, or under its control or direction. Such property damage and public liability insurance shall also provide for the protection of CITY against incurring any legal cost in defending claims for alleged loss. Such public liability and property damage insurance shall be maintained in full force and effect during the entire term of this lease in the amount of not less than ONE MILLION DOLLARS COMBINED SINGLE LIMIT LIABILITY. LESSEE agrees to submit a Certificate of Policy of said insurance to the CITY on or before the effective date of this agreement indicating full coverage of the contractual

liability imposed by this agreement and stipulating that the insurance company shall not terminate, cancel or limit said policy in any manner without at least thirty days prior written notice thereof to CITY. If the operation under this agreement results in an increased or decreased risk in the opinion of the City Manager, then LESSEE agrees that the minimum limits hereinabove designated shall be changed accordingly upon request by the City Manager. LESSEE agrees that provisions of this paragraph as to maintenance of insurance shall not be construed as limiting in any way the extent to which the LESSEE may be held responsible for the payment of damages to persons or property resulting from LESSEE'S activities, or the activities of any person or persons for which LESSEE is otherwise responsible.

3.11 LESSEE also agrees to procure and maintain during the entire term of this lease, a policy of fire, extended coverage and vandalism insurance on all permanent property of an insurable nature located upon the leased premises. Said policy shall name the CITY as an additional insured and shall be written by an insurance company satisfactory to CITY licensed to transact business in the State of California and shall be in an amount sufficient to cover at least 100% of the replacement costs of said property. LESSEE agrees to submit a certificate of said policy to the CITY on or before the effective date of this lease. Said policy shall contain a condition that it is not to be terminated or cancelled without at least thirty (30) days prior written notice to CITY by the insurance company. LESSEE agrees to pay the premium for such insurance and shall require that any insurance proceeds resulting from a loss under said policy are payable jointly to CITY and LESSEE and said proceeds shall constitute a trust fund to be reinvested in rebuilding or repairing the damaged property or said proceeds may be disposed of as specified in Waste, Damage or Destruction, hereof; provided, however, that within the period during which there is in existence a mortgage or deed of trust upon the leasehold, then and for the period of fire insurance, extended coverage and vandalism shall be made payable jointly to the mortgagee or beneficiary, the named insured, and CITY, and shall be disposed of jointly by the parties for the following purposes:

- a. As a trust fund to be retained by said mortgagee or beneficiary and applied in reduction of the debt secured by such mortgage or deed of trust with the excess remaining after full payment of said debt to be paid over to LESSEE and CITY to pay for reconstruction, repair, or replacement of

the damaged or destroyed improvements in progress payments as the work is performed. The balance of said proceeds shall be paid to LESSEE.

Provided, further however, nothing herein shall prevent LESSEE, at its option and with the approval of said mortgagee or beneficiary, from filing a faithful performance bond in favor of said mortgagee or beneficiary and CITY in an amount equivalent to said insurance proceeds in lieu of surrendering said insurance proceed to said mortgagee or beneficiary; and CITY.

- b. In the event that this lease is terminated by mutual agreement and said improvements are not reconstructed, repaired or replaced, the insurance proceeds shall be jointly retained by CITY and said mortgagee or beneficiary to the extent necessary to first discharge the debt secured by said mortgage or deed of trust and then to restore the premises in a neat and clean condition. Said mortgagee or beneficiary shall hold the balance of said proceeds for CITY and LESSEE as their interests may appear.

3.12 LESSEE agrees to increase the limits of liability when, in the opinion of CITY, the value of the improvements covered is increased, subject to the availability of such insurance at the increased limits. LESSEE agrees, at his sole expense, to comply and secure compliance with all insurance requirements necessary for the maintenance of reasonable fire and public liability insurance covering said premises, buildings and appurtenances.

3.13 Labor and Materialmen's Bond. LESSEE agrees to save CITY free and harmless, indemnify it against all claims for labor and materials in connection with improvements, repairs or alterations to the leased premises, and the cost of defending against such claims, including reasonable attorney's fees. In the event that improvements, repairs or alterations are constructed on the leased premises by other than the CITY, and a lien is filed, LESSEE agrees to file with CITY within five days a bond sufficient to pay in full all claims of all persons seeking relief under the lien. The bond shall be acknowledged by LESSEE as principal and by a corporation satisfactory to CITY licensed by the Insurance Commissioner of the State of California to transact the business of a fidelity and surety insurance company as surety.

3.14 Legal Proceedings. LESSEE agrees that should it become necessary for CITY to commence legal proceeding to

collect rent, recover possession, or enforce any other provision of this lease, the prevailing party will be entitled to legal costs in connection therewith, including reasonable attorney's fees as determined by the court. The parties agree that the law of the State of California shall be used in interpreting this lease agreement and will govern all disputes under this lease agreement and will determine all rights and obligations hereunder. Personal service either within or without the State of California shall be sufficient to give personal jurisdiction to any court in which an action is filed for litigation of rights under this lease agreement.

- 3.15 Maintenance. LESSEE agrees to assume full responsibility for the interior maintenance of said premises throughout the term hereof without expense to CITY unless otherwise specified herein, and to perform all repairs and replacements necessary to maintain and preserve said premises in a decent, safe, healthy and sanitary condition in a manner satisfactory to CITY and in compliance with all applicable laws. LESSEE agrees that CITY shall not be required to perform any maintenance, repairs or services to the interior of the building or to assume any expense not specifically assumed herein in connection with said premises. The CITY shall maintain the exterior of the facility and any major structural repair of said premises.
- 3.16 Nondiscrimination. LESSEE agrees not to discriminate in any manner against any person or persons on account of race, marital status, sex, religious creed, color, ancestry, national origin in LESSEE'S use of the premises, including, but not limited to, the providing of goods, services, facilities, privileges, advantages and accommodations, and the obtaining and holding of employment.
- 3.17 Utility Costs. LESSEE agrees to order, obtain and pay for all utilities and service and installation charges in connection therewith. All utilities installed by LESSEE shall be installed underground. Water usage will be paid by CITY.
- 3.18 Waste, Damage or Destruction. LESSEE agrees to give notice to the CITY of any fire or other damage that may occur on the leased premises within ten days of such fire or damage. LESSEE agrees not to commit or suffer to be committed any waste or injury or any public or private nuisance, to keep the premises clean and clear of refuse and obstructions, and to dispose of all garbage, trash and rubbish in a manner satisfactory to the CITY. If the leased premises shall be damaged by any cause which puts the premises into a condition

which is not decent, safe, healthy and sanitary, LESSEE agrees to make or cause to be made full repair of said damage and to restore the premises to the condition which existed prior to said damage, or LESSEE agrees to clear and remove from the leased premises all debris resulting from said damage and rebuild the premises in accordance with plans and specifications previously submitted to the CITY and approved in writing in order to replace in kind and scope the operation which existed prior to such damage.

LESSEE agrees that preliminary steps toward performing repairs, restoration or replacement of the premises shall be commenced by LESSEE within thirty days and the required repairs, restoration or replacement shall be completed within a reasonable time thereafter.

- 3.19 Quiet Possession. LESSEE, paying the said rent and performing the covenants and agreements herein, shall and may at all times during the said term peaceably and quietly have, hold and enjoy the said premises for the term hereof. If CITY for any reason whatsoever cannot deliver possession of the said premises to LESSEE at the commencement of said term as hereinbefore specified, or if LESSEE is dispossessed through action of a title superior to CITY'S, then and in either of such events, this lease shall not be void or voidable nor shall CITY be liable to LESSEE for any loss or damage resulting therefrom, but there shall be determined and stated in writing by the City Manager of CITY a proportionate reduction of the rent covering the period or periods during which LESSEE is prevented from having the quiet possession of all or a portion of the demised premises.

SECTION 4. RESTRICTIVE CONDITIONS

- 4.01 Administration and Notices. Control and administration of this lease is under the jurisdiction of the City Manager of CITY as to CITY'S interest herein and any communication relative to the terms or conditions or any changes thereto or any notice or notices provided for by this lease or by law to be given or served upon CITY may be given or served by registered letter deposited in the United States mails, postage prepaid, and addressed to the City Manager, Attention Park and Recreation Director, City Administration Building, 202 "C" Street, San Diego, California 92101. Any notice or notices provided for by this lease or by law to be given or served upon LESSEE, Mortgagee, Trustee of Beneficiary may be given or served by depositing in the United States mails: postage prepaid, a letter addressed to said LESSEE at the leased premises or at

such other address designated in writing by LESSEE, Mortgagee, Trustee of Beneficiary or may be personally served upon them or any person hereafter authorized by this to receive such notice. Any notice or notices given or served as provided herein shall be effectual and binding for all purposes upon the principals of the parties so served upon personal service or forty-eight hours after mailing in the manner required herein.

4.02 City Approval and Consent. The approval of consent of the CITY, wherever required in this agreement, shall mean the approval or consent of the City Manager unless otherwise specified, without need for further resolution by the City Council.

4.03 Eminent Domain. In the event the leased premises or any part thereof shall be taken for public purposes by condemnation as a result of any action or proceeding in eminent domain, then the interests of CITY and LESSEE (or Beneficiary or Mortgagee if there is a Trust Deed or Mortgage then in effect), in the award and the effect of the taking upon this lease agreement shall be as follows:

a. In the event of such taking of only a part of the leased premises, leaving the remainder of said premises in such location and in such form, shape and size as to be used effectively and practicably in the opinion of CITY for the conduct thereon of the operations permitted hereunder, this lease shall terminate and end as to the portion of the leased premises so taken as of the date title to such portion vests in the condemning authority, but shall continue in full force and effect as to the portion of the leased premises not so taken and from and after such date the contract rent, specified herein, then the minimum rental required by this lease to be paid by LESSEE to CITY shall be reduced in the proportion to which the value of the demised premises; provided, however, CITY shall have the right, with the consent of LESSEE, to substitute like adjacent property and maintain the rent schedule without diminution.

b. In the event of the taking of only a part of the leased premises, leaving the remainder of said premises in such location, or in such form, shape of reduced size as to render the same not effectively and practicably usable, in the opinion of CITY, for the conduct thereon of the operations permitted hereunder, this lease and all right, title and interest thereunder shall cease on the date title to said premises or the portion thereof so taken vests in the condemning authority.

- c. In the event the entire leased premises are so taken, this lease and all of the right, title and interest thereunder shall cease on the date title to said premises so taken vests in the condemning authority.
- d. In the event of any taking under Subparagraphs a, b. or c. hereinabove, the only portion of any award of compensation which shall be paid to LESSEE shall be the fair market value of LESSEE'S interest in the improvements placed upon that portion of the leased premises which are taken by the condemning agency. It is the intention of this provision that LESSEE shall not in any condemnation receive any bonus or penalty by reason of LESSEE'S contractual rights in connection with the property condemned.
- e. Notwithstanding the foregoing provisions of this section, CITY may, in its discretion and without affecting the validity and existence of this lease, transfer the CITY'S interests in said premises in lieu of condemnation to any authority entitled to exercise the power of eminent domain. In the event of such transfer by CITY, LESSEE shall retain whatever rights it may have to recover from the said authority the fair market value of LESSEE'S interest in the improvements taken by the authority and which LESSEE has placed upon the leased premises in accordance with the provisions of this lease.

4.04 Entry and Inspection. CITY reserves and shall always have the right to enter said premises for the purpose of viewing and ascertaining the condition of the same, or to protect its interests in the premises or to inspect the operations conducted thereon. In the event that such entry or inspection by CITY discloses that said premises are not in a decent, safe, healthy and sanitary condition, CITY shall have the right, after ten days written notice to LESSEE, to have any necessary maintenance work done for and at the expense of LESSEE and LESSEE hereby agrees to pay promptly any and all costs incurred by CITY in having such necessary maintenance work done in order to keep said premises in a decent, safe, healthy and sanitary condition. Further, if at any time the CITY determines that said premises are not in a decent, safe, healthy and sanitary condition, CITY may at its sole option, without additional notice, require LESSEE to file with CITY a faithful performance bond to assure prompt correction of any condition which is not decent, safe, healthy and sanitary. Said bond shall be in an amount adequate in the opinion of the CITY to correct the said

unsatisfactory condition. LESSEE shall pay the cost of said bond. The rights reserved in this section shall not create any obligations on CITY or increase obligations elsewhere in this lease imposed on CITY.

4.05 Oral Representation. It is specifically understood and agreed hereby that this lease contains the complete expression of the whole agreement between the parties hereto, and that there are no promises, representation, agreements, warranties or inducements, either expressed orally or implied by the said parties, except as are fully set forth herein; and further, that this lease cannot be enlarged, modified or changed in any respect except by written agreement duly executed by and between the said parties.

4.06 Ownership of Improvements. All improvements, except such fixtures as are hereinafter described on the attached addendum, which have been installed by LESSEE in accordance with the provisions of this agreement, shall at the option of CITY become the property of CITY upon expiration or sooner termination of this agreement. LESSEE shall have the right to remove from the demised premises only those fixtures described on the attached addendum at any time prior to the expiration or earlier termination of the agreement. LESSEE'S removal of any of said fixtures shall be at LESSEE'S own expense and shall be conditioned upon LESSEE'S repairing any damage to the remaining improvements and upon LESSEE leaving the demised premises in good order and condition. In the event LESSEE does not so remove said fixtures prior to the expiration of this agreement, CITY may remove, sell or destroy the same at the expense of LESSEE, and if the proceeds of the sale are not adequate, LESSEE shall promptly pay the CITY its reasonable cost of any such removal, sale or destruction together with the reasonable cost of repair of damages to CITY'S property resulting from such removal, sale or destruction. At the option of CITY, any such fixture not removed by LESSEE may be deemed abandoned and may be removed and sold by CITY and all income received by CITY therefrom shall be the property of CITY exclusively. Said addendum may be changed from time to time upon approval of the City Manager, without further resolution by the City Council.

SECTION 5

REMEDIES OF CITY

5.01 a. Default by Lessee. In the event that:

- (1) LESSEE shall default in the performance or fulfillment of any covenant or condition herein required to be performed or fulfilled

by LESSEE and shall fail to cure said default within thirty days following the service on LESSEE of a written notice from CITY specifying the default complained of; or

- (2) LESSEE shall voluntarily file or have involuntarily filed against him any petition under any bankruptcy or insolvency act or law; or
- (3) LESSEE shall be adjudicated a bankrupt; or
- (4) LESSEE shall make a general assignment for the benefit of creditors;

Then CITY may, at its option, without further notice or demand upon LESSEE or upon any person claiming through LESSEE, immediately terminate this lease and all rights of LESSEE and of all persons claiming rights through LESSEE in or to the said premises or in or to further possession thereof and CITY may thereupon enter and take possession of said premises and expel LESSEE and all persons so claiming rights thereto. Provided, however, in the event that any default described in Part a, (1) of this section is not curable within thirty (30) days after the service of a written notice upon LESSEE, CITY shall not terminate this lease pursuant to said default if LESSEE immediately commences to cure said default and diligently pursues such cure to completion. Provided, further, in the event that there is a deed of trust or mortgage on the leasehold interest, CITY shall not terminate this lease until it first shall have served upon the mortgagee or beneficiary written notice of the default or defaults complained of, and the mortgagee or beneficiary shall have thirty (30) days from service of such notice within which to commence such cure as may be necessary and this lease shall not terminate if said mortgagee or beneficiary shall prosecute said cure with reasonable diligence thereafter, and said thirty-day period shall be extended during the time required for said mortgagee or beneficiary to perfect, through litigation or through foreclosure, its rights to cure.

- b. City Recourse. If the mortgagee or beneficiary shall be required to perfect its right to cure said default or defaults through litigation or through foreclosure, then CITY shall have the option of the following courses of action in order that such default or defaults may be expeditiously corrected:

(1) CITY may correct or cause to be corrected said default or defaults and charge the costs therefor (including costs incurred by CITY in enforcing this provision) to the account of the LESSEE, which charge shall be due and payable on the date that the rent is next due after presentation by CITY of a statement of all or part of said costs.

(2) CITY may correct or cause to be corrected said default or defaults and may pay the costs thereof (including costs incurred by CITY in enforcing this provision) from the proceeds of any insurance fund held by CITY and LESSEE or the CITY and mortgagee or beneficiary of CITY may use said funds of any faithful performance or cash bond on deposit with CITY or CITY may call on the bonding or to pay the agent to correct said default of defaults costs of such correction performed by or at the direction of CITY.

(3) CITY may terminate this lease as to the rights of LESSEE herein by assuming liability for any trust deed or mortgage. LESSEE will assume and agrees to pay any and all penalties or bonuses required by the beneficiaries, trustees or mortgagees as a condition for early payoff of the related notes by CITY. CITY may, as an alternative, substitute for said terminated LESSEE a new LESSEE reasonably satisfactory to the mortgagee or beneficiary.

c. Abandonment by Lessee. Even though LESSEE has breached the lease and abandoned the property, this lease shall continue in effect for so long as CITY does not terminate LESSEE'S right to possession, and CITY may enforce all its rights and remedies under said lease. For purposes of this section, the following do not constitute a termination of LESSEE'S right to possession:

(1) Acts by CITY of maintenance, or preservation, or efforts to relet the property.

(2) The appointment of a receiver upon initiative of CITY to protect the CITY'S interest under the lease.

SECTION 6

6.01 Ownership of Improvements and Personal Property.

a. All and any improvements, structures and instal-

lations or additions to the premises now existing or constructed on the premises by LESSEE, shall at lease expiration or termination, be deemed to be part of the premises and shall become at CITY'S option the CITY'S property, free of all liens and claims except as otherwise provided in this lease.

- b. If the CITY elects not to assume ownership of all or any improvements, structures and installation, CITY shall so notify LESSEE 30 days prior to termination or 180 days prior to expiration and the LESSEE shall remove all such improvements, structures and installations as directed by the CITY at LESSEE'S sole cost on or before lease expiration or termination. If the LESSEE fails to remove any improvements, structures and installations as directed, the LESSEE agrees to pay CITY the full cost of any removal.
- c. LESSEE-owned machines, appliances, equipment (other than trade fixtures) and other items of personal property listed on Addendum "C" shall be removed by LESSEE by the date of the expiration or termination of this lease. Any said items which LESSEE fails to remove will be considered abandoned and become the CITY'S property free of all claims and liens, or CITY may at its option remove said items at LESSEE'S expense.
- d. If any removal of such personal property by LESSEE results in damage to the remaining improvements on the premises, LESSEE agrees to repair all such damage.
- e. Any necessary removal by either CITY or LESSEE which takes place beyond said expiration or termination hereof shall require rental by LESSEE to CITY at the current fair market rate.

6.02 Unavoidable Delay. If the performance of any act required of CITY or LESSEE is directly prevented or delayed by reason of strikes, lockouts, labor disputes, unusual governmental delays, act of God, fire, floods, epidemics, freight embargoes or other causes beyond the reasonable control of the party required to perform an act, said party shall be excused from performing that act for the period equal to the period of the prevention or delay. Provided, however, this provision shall not apply to all other obligations required pursuant to this lease. In the event LESSEE or CITY claim the existence of such a delay, the party claiming the delay shall notify the other party in writing of such fact

within ten days after the beginning of any such claimed delay.

- 6.03 Taxes. LESSEE agrees to pay, before delinquency, all taxes, assessments and fees assessed or levied upon LESSEE or the premises including the land, any buildings, structures, machines, equipment, appliances or other improvements or property of any nature whatsoever, erected, installed or maintained by LESSEE or levied by reason of the business or other LESSEE activities related to the leased premises, including any licenses or permits. LESSEE recognizes and agrees that this lease may create a possessory interest subject to property taxation and that the LESSEE may be subject to the payment of taxes levied on such interest and that LESSEE shall pay all such possessory interest taxes.

LESSEE further agrees that payment for such taxes, fees and assessments will not reduce any obligations contained within this agreement.

- 6.04 Signs. LESSEE agrees not to erect or display any banners, pennants, flags, posters, signs, decoration, marquees, awnings or similar devices or advertising without the prior written consent of the CITY. If any such unauthorized item is found on the premises, LESSEE agrees to remove the item at its expense with 24 hours notice thereof by CITY or CITY may thereupon remove the item at LESSEE'S cost.

SECTION 7

7.01 Notices

- a. Any notice required or permitted to be given hereunder shall be in writing and may be served personally or by United States mail, postage prepaid, addressed to LESSEE at the leased premises or at such other address designated in writing by LESSEE: and to CITY as follows:

City Manager, Attention Park & Recreation Director

City Administration Building

202 C Street, M.S. 9B

San Diego, CA 92101-4155

or to any mortgagee, trustee of beneficiary, as applicable at such appropriate address designated in writing by the respective party.

- b. Any party entitled or required to receive notice under this lease may by like notice designate a different address to which notices shall be sent.

- 7.02 Legal Fees. In the event of any litigation regarding this lease, the prevailing party shall be entitled to an award of reasonable legal costs, including court and attorney's fees.
- 7.03 Number and Gender. Words of any gender used in this lease shall include any other gender, and words in the singular number shall include the plural, when the sense requires.
- 7.04 Captions. The lease Table of Contents, section heading and captions or various articles and paragraphs shall not be held to define, limit augment or describe the scope, content or intent of any or all parts of this lease. The numbers of the paragraphs and pages of this lease may not be consecutive. Such lack of consecutive numbers is intentional and shall have no effect on the enforceability of this lease.
- 7.05 Entire Understanding. This lease contains the entire understanding of the parties. The LESSEE, by signing this agreement, agrees that there is not other written or oral understanding between that parties in respect to the lease premises. Each party has relied on his own examination of the premises, advice from his own attorneys and the warranties, representations and covenants of the lease itself. Each of the parties in this lease agrees that no other party, agent or attorney of any other party has made any promise, representation or warranty whatsoever, which is not contained in this lease.
- The failure or refusal of any party to read the lease or other documents, inspect the premises and obtain legal or other advice relevant to this transaction, constitutes a waiver of any objection, contention or claim that might have been based on these actions. No modification, amendment or alteration of this lease will be valid unless it is in writing and signed by all parties.
- 7.06 Bylaws. Membership in LESSEE'S organization shall be open to anyone meeting the requirements of its rules and bylaws. All restrictions, rules, bylaws, and fees, if any, and changes thereto proposed by LESSEE'S organization shall, before being put into effect, be

submitted to and receive the written approval of the
Park and Recreation Director prior to CITY execution of
this lease.

IN WITNESS WHEREOF, this lease agreement is executed by CITY , acting by and through its City Manager, and by LESSEE, acting by and through its lawfully authorized officers.

THE CITY OF SAN DIEGO

DEC 02 1986

Date: _____

By: David Meyer
ASSISTANT TO THE City Manager

LESSEE:

Date: 8-28-86

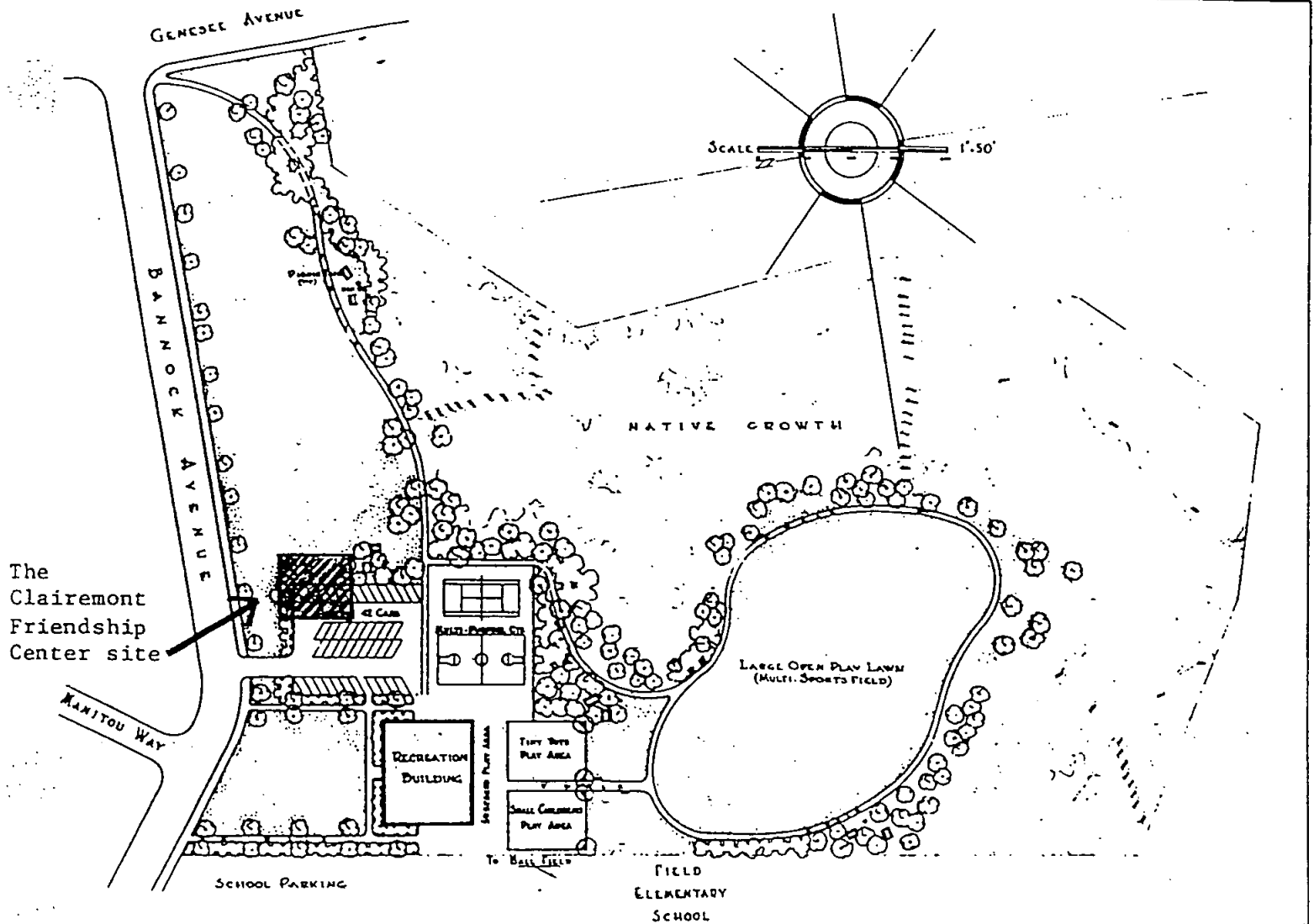
By: Esther Daniels, Pres.

By: Keith Occhipinti

APPROVED as to form and legality this 16 day of December, 1986

By: V. Aldrich
Deputy City Attorney

GD:pep



IMPROVEMENTS SUMMARY (DATA FROM AS-BUILT DRAWINGS)									
ITEM	QUANTITY	UNIT	ITEM	QUANTITY	UNIT	ITEM	QUANTITY	UNIT	ITEM
GRAVEL	14,300	CU YD	PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING
PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING
PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING
PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING
PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING
PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING
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PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING
PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING	27,000	CU YD	PAVING

CITY OF SAN DIEGO PARK AND RECREATION DEPARTMENT

THE GENERAL DEVELOPMENT PLAN

NORTH CLAIREMONT

PARK AND RECREATION CENTER

AS-BUILT DRAWINGS

DATE: 10/1/61

Addendum A

THIS ADDENDUM IS ATTACHED TO AND MADE A PART OF THAT CERTAIN LEASE BY AND BETWEEN THE CITY OF SAN DIEGO, A MUNICIPAL CORPORATION AND THE CLAIREMONT FRIENDSHIP CENTER INCORPORATED, LESSEE, DATE _____

The proposed hours of operation for our normal weekly program will be Monday through Friday from 7:30 A.M. to 5:30 P.M.

Occasional Saturday events will be scheduled well ahead, and coordinated with the Recreation Staff.

DRY

ASSISTANT TO THE CITY MANAGER'S INITIALS

E.D. A.O.

LESSEE'S INITIALS

Addendum B

THIS ADDENDUM IS ATTACHED TO AND MADE A PART OF THAT CERTAIN LEASE BY AND BETWEEN THE CITY OF SAN DIEGO, A MUNICIPAL CORPORATION AND LESSEE, DATE _____

Any group requesting the use of our facility will be asked to apply for and sign a permit form.

The proposed rental fee for approved public functions will be as follows:

The Hall with a capacity of 160 persons and/or 15 tables at a flat rate of \$90 for three hours.

Each additional hour will be \$20, plus a set-up charge of \$30 per event.

They cannot reserve until 90 days prior to the event with 50% deposit required.

Deposit will be retained as cancellation fee. If cancellation occurs within 10 calendar days of scheduled event or if balance of rental fee is not received prior to 10 calendar days of event, automatic cancellation will occur.

Fee Waivers: Groups sponsored by the Park and Recreation Department are exempt from paying fees during Park and Recreation Center normal hours of operation.

MEY
ASSISTANT TO THE CITY MANAGER'S INITIALS

E.D.R.O.
LESSEE'S INITIALS

THIS ADDENDUM IS ATTACHED TO AND MADE A PART OF THAT CERTAIN LEASE BY AND BETWEEN THE CITY OF SAN DIEGO, A MUNICIPAL CORPORATION AND LESSEE, DATA

The Clairemont Friendship Center will have miscellaneous office furniture, book shelves, tables and chairs in the various rooms as needed, according to the function of each space/room. A complete inventory will be kept on file in the administrative offices.

APY

ASSISTANT TO THE CITY MANAGER'S INITIALS

E.D. R.O

LESSEE'S INITIALS

State of California
Secretary of State



I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

JUN 19 2006

A handwritten signature in cursive script, appearing to read "Bruce McPherson".

BRUCE McPHERSON
Secretary of State

Certificate of Amendment of
Articles of Incorporation**ENDORSED - FILED**
In the office of the Secretary of State
of the State of California**MAY 22 2006**

The undersigned certify that:

1. Patricia Robbins and Joan Liddell are the president and the secretary, respectively, of Clairemont Friendship Center Incorporated, a California corporation.

2. Article I of the Articles of Incorporation of this corporation stating "The name of this corporation shall be Clairemont Friendship Center Incorporated" is amended to read as follows:

The name of the corporation is LiveWell San Diego.

3. The foregoing amendment of Articles of Incorporation has been duly approved by the board of directors.

4. The corporation has no members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: 5-18-06

Patricia Robbins
Patricia Robbins, President

Joan M. Liddell
Joan Liddell, Secretary

