

CONSENT TO SUBLEASE AGREEMENT

The City of San Diego (CITY), as LESSOR (and successor in interest to Union-Breitbard Joint Venture) under that certain Agreement to Sublease (MASTER LEASE), dated February 7, 1969, entered into with VICTOR J. SHULMAN, as subsequently amended and assigned to

TREND FURNITURE OF SAN DIEGO, INC.

Now called TREND FURNITURE OF LA MESA, INC., a California Corporation (as successor in interest to Victor J. Shulman)

(LESSEE), hereby consents to that certain Sublease Agreement (SUBLEASE) between the above LESSEE (SUBLESSOR) and

THE SALVATION ARMY, California Corporation

(SUBLESSEE) dated March 1, 2001. Said SUBLEASE shall be subordinate to the MASTER LEASE in all respects. The CITY is hereby approving the SUBLEASE and the proposed use. All terms and conditions of the MASTER LEASE and this consent to sublease shall control and supersede any inconsistent or contrary provisions in the SUBLEASE. The CITY is not bound by any term or condition in the SUBLEASE which in any way conflicts with or is additional to the provisions of the MASTER LEASE.

In addition, this consent is subject to the following:

1. **ASSIGNMENT AND SUBLETTING:** SUBLESSEE shall not assign the SUBLEASE or sublet the premises or any part thereof without the prior written consent of the CITY. An assignment by operation of law shall automatically terminate the SUBLEASE.
2. **HOLD HARMLESS:** SUBLESSEE shall assume the defense of, indemnify and hold harmless the CITY from all claims, expenses and liability of every nature, directly or indirectly arising from, or alleged to have arisen from operations conducted on the subleased premises, the condition of the premises or from any act or omission of SUBLESSEE, its agents or invitees; provided, however, SUBLESSEE'S duty to indemnify and hold harmless shall not include any claims or liability arising from the established active negligence, sole negligence, or sole willful misconduct of the CITY, its agents, officers, or employees.
3. **INSURANCE:** SUBLESSEE shall be insured by an insurance carrier acceptable to the CITY against loss from public liability arising from the use or condition of or operation conducted on the leased premises. Minimum coverage shall be \$2 million Combined Single Limit Liability. SUBLESSEE shall file with CITY a copy of the policy of insurance which shall name "THE CITY OF SAN DIEGO" as an additional insured. Said policy shall specify that the policy may not be terminated, altered or canceled without 30 days prior written notice to CITY by the insurance company.
4. **LEGAL PROCEEDING:** Should it become necessary for the CITY to commence legal proceedings to collect rent, to recover possession or enforce any other provision of the SUBLEASE, the prevailing party shall be entitled to an award of reasonable legal costs, including court costs and attorney's fees.

5. SUBORDINATION: This consent permits sublease of a portion of the premises covered by that certain MASTER LEASE dated February 7, 1969, as assigned and amended between the SUBLESSOR herein and the CITY. The SUBLEASE is subject and subordinate to the covenants and conditions of said MASTER LEASE notwithstanding any provision hereof contrary or in conflict with said SUBLEASE.

THE CITY OF SAN DIEGO

Dated 5-21-02

By [Signature]
for the City Manager

SUBLESSEE THE SALVATION ARMY, A CALIFORNIA CORPORATION

Dated _____

By [Signature] [Signature]
Name: Joe R. Hoogstad KURT BURGER 9-24-01
Title: Ass't Secretary TREASURER

SUBLESSOR

Dated _____

By [Signature]
Name: Donald Furness of California Inc
Title: President

APPROVED AS TO FORM AND LEGALITY:

CASEY GWINN, City Attorney

Dated 6/25/02

By [Signature]
Deputy City Attorney

VEB/csn-j
05/22/01

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THE SALVATION ARMY
Adult Rehabilitation Centers Command
FINANCE/PERSONNEL COUNCIL

AUG 20 2001

LEGAL REVIEW
DATE 8/28/01 INITIAL [Signature]
- 2 -

Approved: _____
Reviewed: _____
Disputed: _____
Signature: [Signature]