

PARKING LOT LEASE

5/20/85

THIS LEASE, made as of the 1st day of April, 1985, by and between the CITY OF MANHATTAN BEACH, (hereinafter "Lessor",) and A.O. DEVELOPMENT CORPORATION, dba ALPHA OMEGA DEVELOPMENT CORPORATION, (hereinafter "Lessee,"):

Lessor, for and in consideration of the rent hereinafter specified to be paid by Lessee, and the covenants and agreements hereinafter contained, by the Lessee to be kept and performed, hereby leases to Lessee certain property in the City of Manhattan Beach, County of Los Angeles, State of California, as follows:

1. Fifty (50) Parking Spaces in Manhattan Village Park City Parking Area for parking purposes as described in Exhibit A-1 and A-2 attached and made a part hereof; and

2. Manhattan Country Club Slope Easement for slope easement and recreational purposes as described in Exhibit B-1 and B-2 attached and made a part hereof, (hereinafter collectively referred to as the "Property").

Said lease is made by Lessor to Lessee on the following terms and conditions:

1. TERM: The term of this lease shall commence upon City issuing a Certificate of Occupancy or a Temporary Certificate of Occupancy for the building known as Country Club Plaza and shall continue thereafter for twenty (20) years. Upon the conclusion of said initial 20-year term, Lessee shall have six (6) consecutive options to extend the term of five (5) years each. Such extended terms shall be upon all terms and provisions applicable to this LEASE.

2. RENTAL: Lessee covenants and agrees to pay the Lessor as rent for the Property the sum of thirteen hundred dollars (\$1,300) per month. Said rental is for fifty (50) parking spaces. The fifty (50) leased spaces in addition to fifty (50) reserved for the public soccer field shall be maintained in accordance with Par. 8, herein.

3. PAYMENT: Rental payment shall be in advance, monthly, and shall be due and payable upon City issuing a Certificate of Occupancy or a Temporary Certificate of Occupancy for the building known as Country Club Plaza. Rental payment shall be due and payable on the first working day each month. Rental payments required to be made by Lessee to Lessor pursuant to this lease shall be made in a timely manner. In the event payment is not made within ten days after the date such payment is due Lessee shall pay the Lessor the monthly rent, plus the sum of one and one half (1.5%) percent of the monthly rent for each day beyond the ten (10) day extended period.

4. ADJUSTMENT TO FIXED RENT: The Fixed Rent payable to Lessor pursuant to Section 2 above shall be adjusted as follows:

Rental sums due Lessor, at the expiration of each twelve (12) month period after commencement of the lease, shall be adjusted upwards in the same proportion as the Consumer Price Index, published by the Bureau of Labor Statistics, for the Los Angeles/Long Beach/Anaheim area, All Urban Consumers, ALL ITEMS, 1967=100, for the final month of the aforesaid twelve (12) month period; except that any such twelve (12) month increase shall not exceed five percent (5%).

5. PURPOSES: The entire parking area described in Exhibit A-1 and A-2, consisting of 100 parking spaces, shall be improved, repaired and maintained by Lessee as provided herein. Fifty (50) parking spaces shall be reserved for public use.

6. IMPROVEMENTS: Asphaltic improvements, striping, automotive restraint bumpers and landscaping shall be installed and maintained by the Lessee, shall have the approval of the Public Works Department and shall meet the requirements of the City Code. All fixtures and improvements shall remain the property of the City.

7. TAXES: Lessee shall pay any and all taxes levied and assessed upon any personal property, fixtures, and improvements belonging to Lessee and located upon said premises, and all leasehold and possessory interest taxes levied or assessed by any proper taxing authority.

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.

8. REPAIRS AND MAINTENANCE: Lessee represents that Lessee has inspected and examined the premises and accepts them in their present condition, and agrees that Lessor shall not be required to make any improvements or repairs whatsoever in or upon the premises hereby leased or any part thereof; Lessee agrees to install landscaping, make any and all improvements and repairs at Lessee's sole cost and expense, and agrees to keep said premises safe and in good order and condition at all times during the term hereof, and upon expiration of this Lease, or at any sooner termination thereof, the Lessee will quit and surrender possession of said premises quietly and peaceably and in as good order and condition as the same were at the commencement hereof, reasonable wear, tear, and damage by the elements accepted; Lessee further agrees to leave said premises free from all nuisance and dangerous and defective conditions.

9. ASSIGNMENT AND MORTGAGES: Neither the leased premises nor any portion thereof shall be sublet, nor shall this Lease, or any interest therein be assigned, hypothecated or mortgaged by Lessee, and any attempted assignment, subletting, hypothecation or mortgaging of this Lease shall be of no force or effect, and shall confer no rights upon any assignee, sublessee, mortgagee, or pledgee, unless so agreed upon in writing, by the Lessor.

In the event that Lessee shall become incompetent, bankrupt, or insolvent, or should a guardian, trustee, or receiver be appointed to administer Lessee's business or affairs, neither this Lease nor any interest herein shall become an asset of such guardian, trustee, or receiver, and in the event of the appointment of any such guardian, trustee, or receiver, this Lease shall immediately terminate and end.

10. LIABILITY: Lessee shall save Lessor harmless and indemnify Lessor from any loss, cost, or damage including attorneys fees of Lessor that may arise out of or in connection with this Lease including its preparation, or the use of leased premises by Lessee, or his agents, or employees, or any other person using said premises; and Lessee agrees to deliver to Lessor upon the execution of this Lease two (2) executed copies of a continuing public liability and property damage insurance policy satisfactory to Lessor, indemnifying and holding Lessor harmless against any and all claims, in the amount of One Million Dollars (\$1,000,000.00) for injury to any one person, and Five Hundred Thousand Dollars (\$500,000.00) for property damage, per occurrence, and shall keep the same in force during the term of this Lease.

11. MECHANIC'S LIENS: Lessee will post and record, or cause to be posted and recorded, as provided by law, a notice of non-responsibility on behalf of Lessor, giving notice that said Lessor is not responsible for any work, labor, or materials used or expended, or to be used or expended on the leased premises.

12. TERMINATION BY LESSOR: Lessor may terminate this Lease at any time during the term of this LEASE upon sixty (60) day written notice to Lessee.

13. DEFAULT: In the event that Lessee shall be in default of any payment of any rent or in the performance of any of the terms or conditions herein agreed to be kept and performed by Lessee, then in that event, Lessor may in addition to legal remedies provided by law terminate and end this Lease, forthwith, and Lessor may enter upon said premises and remove all persons and property therefrom, and Lessee shall not be entitled to any money paid hereunder or any part thereof; in the event Lessor shall bring a legal action to enforce any of the terms hereof, or to obtain possession of said premises by reason of any default of Lessee, or otherwise, Lessee agrees to pay Lessor all costs of such legal action.

14. HOLDING OVER: Lessee may hold over and remain in possession of the Property with the consent of the Lessor, and holding over shall be deemed to be from month to month.
15. NOTICES: Any notices which are required hereunder, or which either Lessor or Lessee may desire to serve upon the other, shall be in writing and shall be deemed served when delivered personally, or when deposited in the United States mail, postage prepaid, return receipt requested, addressed to Lessee at Alpha Omega Development, 1334 Park View Avenue, Manhattan Beach, California, 90266, or addressed to Lessor at City of Manhattan Beach, 1400 Highland Avenue, Manhattan Beach, California, 90266, attention City Manager.
16. ADVANCE RENTAL: Lessor acknowledges receipt of the sum of Thirteen Hundred Dollars (\$1,300), which shall be credited by Lessor to the last month's installment of rent to become due hereunder.
17. WAIVER: Waiver by Lessor of any default in performance by Lessee of any of the terms, covenants, or conditions contained herein, shall not be deemed a continuing waiver of the same or any subsequent default herein.
18. COMPLIANCE WITH LAWS: Lessee agrees to comply with all of the laws, ordinances, rules and regulations which may pertain or apply to the leased premises or the use thereof.
19. LESSOR MAY ENTER: Lessee agrees that Lessor, its agents or employees, may enter upon said premises at any time during the term of any extension hereof for the purpose of inspection, making surveys, taking measurements, and doing similar work, with the understanding that said work will be performed in such a manner as to cause a minimum of interference with the use of the property by Lessee.
20. SUCCESSORS IN INTEREST: All of the terms, covenants, and conditions contained herein shall continue, and bind all successors in interest of Lessee herein.

IN WITNESS WHEREOF, the parties hereto have executed this Lease the date and year first above written.

APPROVED AS TO FORM:

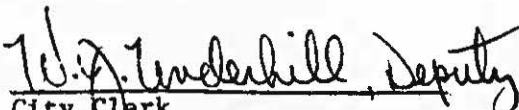
ALPHA OMEGA DEVELOPMENT COMPANY, "Lessee"

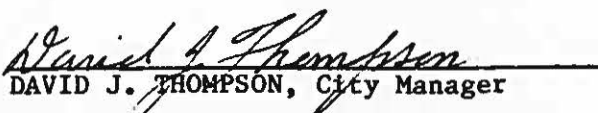

CARL K. NEWTON, City Attorney

By 

ATTEST:

CITY OF MANHATTAN BEACH, "Lessor"


City Clerk

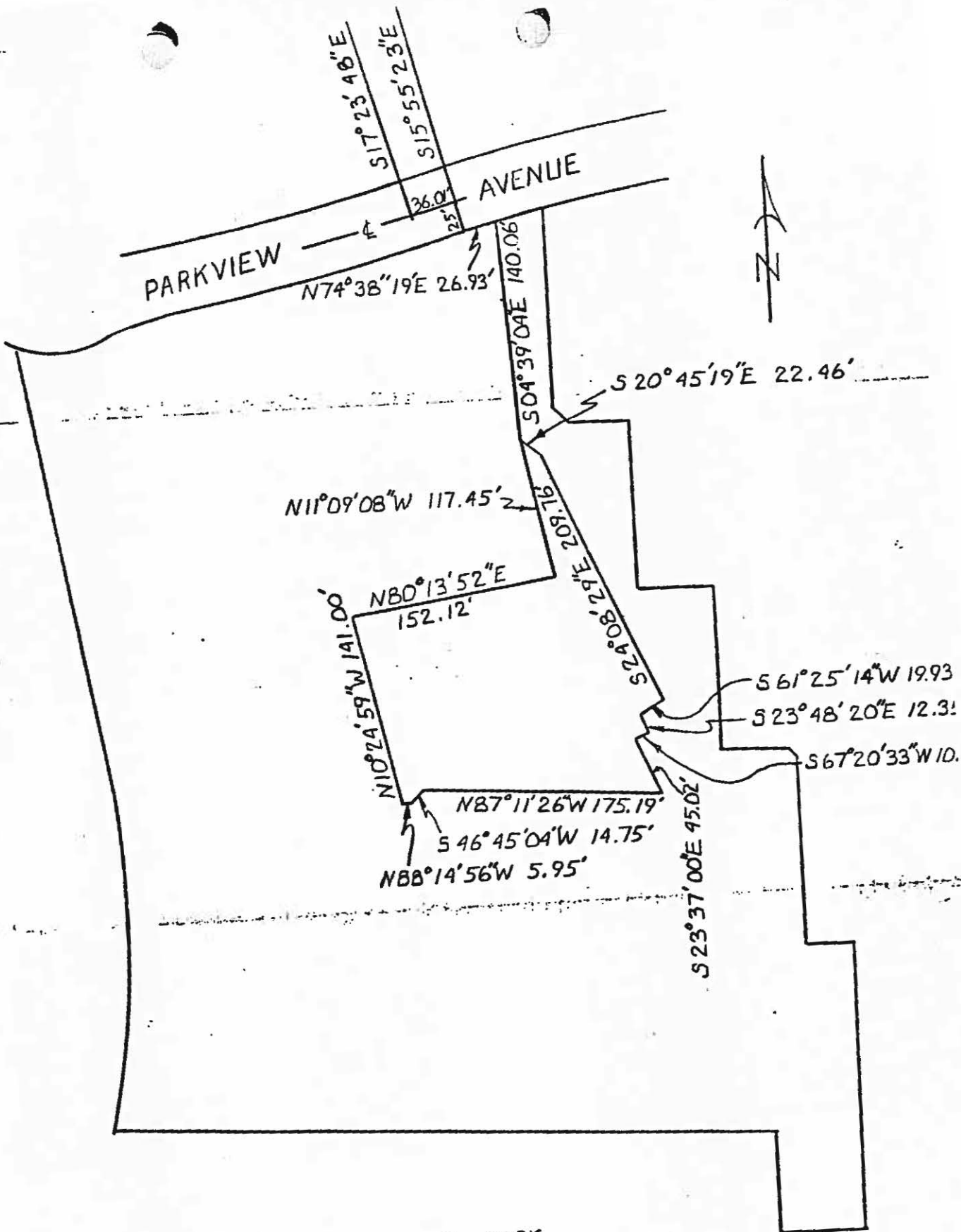

DAVID J. THOMPSON, City Manager

MANHATTAN VILLAGE PARK
CITY PARKING AREA

That portion of Parcel 3 of Parcel Map No. 13910 in the City of Manhattan Beach, County of Los Angeles, State of California as per map filed in Book 145, pages 24 and 25, in the Office of the County Recorder of said County described as follows:

Beginning at the B.C. of that certain curve on the centerline of Park View Avenue described as C-2 on said parcel map and being concave southerly having a radius of 1400 feet and a length of 424.58 feet; thence easterly along said curve through a central angle of $1^{\circ} 28' 25''$ a distance of 36.01 feet; thence along southerly radial to said curve south $15^{\circ} 55' 23''$ east 25.00 feet; thence north $74^{\circ} 38' 19''$ east 26.93 feet; thence south $04^{\circ} 39' 04''$ east 140.06 feet to the true point of beginning; thence south $20^{\circ} 45' 19''$ east 22.46 feet; thence south $24^{\circ} 08' 29''$ east 209.76 feet; thence south $61^{\circ} 25' 14''$ west 19.93 feet; thence south $23^{\circ} 48' 20''$ east 12.35 feet; thence south $67^{\circ} 20' 33''$ west 10.08 feet; thence south $23^{\circ} 37' 00''$ east 45.02 feet; thence north $87^{\circ} 11' 26''$ west 175.19 feet; thence south $46^{\circ} 45' 04''$ west 14.75 feet; thence north $88^{\circ} 14' 56''$ west 5.95 feet; thence north $10^{\circ} 24' 59''$ west 141.00 feet; thence north $80^{\circ} 13' 52''$ east 152.12 feet; thence north $11^{\circ} 09' 08''$ west 117.45 feet more or less to the true point of beginning.

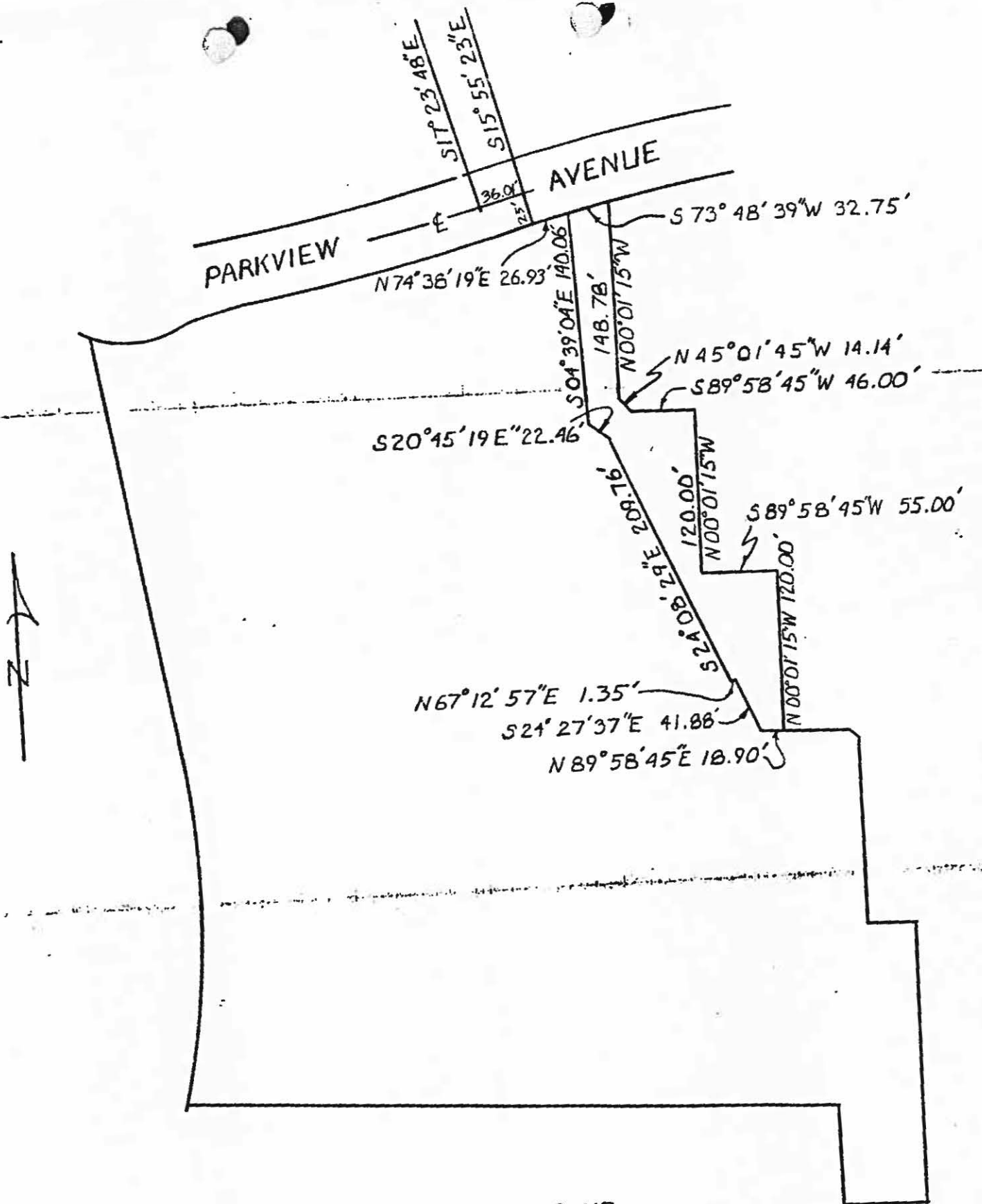
EXHIBIT "A-1"



MANHATTAN VILLAGE PARK
CITY PARKING AREA

EXHIBIT "A-2"

SCALE 1" = 100'



MANHATTAN COUNTRY CLUB
SLOPE LEASE EASEMENT

EXHIBIT "B-2"

SCALE 1" = 100'

MANHATTAN COUNTRY CLUB
SLOPE LEASE EASEMENT

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EXHIBIT "B-1"