

SUBLEASE

This Sublease is entered into and effective this ____ day of July, 2008, by and between the **Chabot-Las Positas Community College District**, 5020 Franklin Drive, Pleasanton, California 94588 (the "District") and the **Livermore Area Recreation and Park District** ("LARPD"), 4444 East Avenue, Livermore, California 94550, a California Special District formed under the applicable sections of the California Public Resources Code (collectively, the "Parties").

RECITALS

WHEREAS, LARPD is the lessee of that certain premises generally described as the Rock Gym, located at 2455 Railroad Avenue, Livermore, CA 94550, (the "Premises") pursuant to the terms of that certain "Commercial Lease Agreement", dated January 12, 2007, together with Addenda numbers 1 through 4, wherein the Grandfield Family Partnership is designated "Landlord" and/or "Lessor", and LARPD is designated "Tenant" and/or "Lessee" (the "Master Lease");

WHEREAS, the District wishes to Sublease from LARPD the Premises for purposes of conducting physical education classes offered to its students;

WHEREAS, subject to the terms and conditions of this Sublease and the Master Lease, LARPD is willing to provide to District access to and use of the Premises and related facilities in accordance with the terms and conditions set forth herein.

NOW THEREFORE, the Parties agree as follows:

1. **Premises.** The premises shall constitute the Rock Gym located at 2455 Railroad Avenue, Livermore, CA 94550, for use as an instructional classroom including the Rock Wall facility, access to the two adjacent restrooms, and parking access as may be available.
2. **Term.** The term of this Sublease shall be from August 20, 2008 through December 23, 2008. The dates and times of permitted use hereunder shall be as follows:
 - a) The Premises shall be made available by LARPD for use by the District, its students and instructor(s) at the times and days of the week when the class designated, "PE RC-V01, CRN23141", Fall 2008 Semester, meets at its regularly scheduled time on Tuesdays and Thursdays during the term from 1:45 p.m. to 3:30 p.m. (to include fifteen (15) minutes prior to commencement of each class for access and setup, and for fifteen (15) minutes following termination of each class for cleanup and departure).
 - b) The number of students in attendance for any given class session during the Term shall not exceed thirty (30).
3. **Renewal.** This Sublease may be renewed on terms mutually agreed upon by the Parties.

4. **Rent.** The rent for the use of the Premises during the Term shall be Eighty Dollars (\$80.00) per student payable in advance; collection of the per student usage fee shall be the responsibility of LARPD; District shall provide to LARPD a certified copy of the class enrollment list for the class prior to commencement of the class; LARPD shall have no obligation to refund or prorate any portion of the usage fee once collected.

5. **Use.** Use of the premises will be for the purpose of conducting a rock climbing class (Physical Education 2RC Rock Climbing) for enrolled Las Positas college students; the District shall provide appropriate and qualified instructors for conduct of the class.

6. **Contact Persons.**

District: Dr. J. Laurel Jones, Vice President, Academic Services, Las Positas College, Phone: (925) 424-1104, or, Mr. Robert Kratochvil, Vice President, Business Services, Las Positas College, phone: (925) 424-1630;

LARPD: Michael Nicholson, Director, Rock Gym Facility, LARPD, Phone: (925) 960-2400; (925) 382-3342 (cell phone).

7. **Master Lease.** LARPD is the "Tenant" and/or the "Lessee" of the Premises, and the Grandfield Family Partnership is the "Landlord" and/or the "Tenant" of the Premises pursuant to the terms of that certain "Commercial Lease Agreement", dated January 12, 2007, including Addenda 1 through 3, and Addenda number 4, dated May 20, 2008, copies of which are attached hereto, marked Exhibit "A", and incorporated herein by reference. It is agreed by the Parties to this Sublease that this Sublease is made subject to all the terms and conditions of the "Master Lease".

8. **Conditions and Exclusions.**

a) The District agrees that at the conclusion of each class, it shall leave the Premises in a clean condition, or in the alternative, pay to LARPD a cleaning fee in an amount to be reasonably determined by LARPD;

b) The District agrees that LARPD is not responsible for damage or loss to vehicles parked in the parking lot or for loss or theft of valuables left on the Premises;

c) The District shall have sole responsibility for providing skilled and qualified instructors for the students who participate in the classes; provided however, the District understands and agrees that LARPD's Rock Wall Manager, or his designated representative, shall have final authority over all matters affecting the use of the Rock Wall and the Premises;

d) The rental fee of Eighty Dollars (\$80.00) per student shall entitle each student to use of the facilities together with rental of equipment including shoes and climbing harness;

e) The District shall be responsible for insuring that all student participants are aware of and that they adhere to the "CSF Climbing Wall Rules and Policies" (attached hereto, marked Exhibit "B", and incorporated herein by reference) when using the Rock Wall.

9. **Indemnification.** The District shall indemnify, defend and hold harmless LARPD, its directors, officers, employees, and agents from and reimburse LARPD for any and all payments, damages, losses (including, without limitation, death and injury) liabilities, costs and expenses (including, without limitation, reasonable attorneys fees and expert witness fees) incurred, suffered or paid by LARPD arising out of or related to, directly or indirectly, the District's use of the Rock Gym facilities (the Premises) except to the extent caused by the negligence or willful misconduct of LARPD, its directors, officers, employees and agents.

10. **Insurance.** The District shall procure and maintain for the duration of this Sublease insurance against any claims for injuries to persons or property which may arise from or arise out of the use of the Rock Gym facility (the Premises) by the District, its agents, representatives, employees or subcontractors.

a.) Minimum Scope of Insurance:

i) Broad form comprehensive general liability insurance (occurrence form), in the amount of Five Million Dollars (\$5,000,000) (combined single limit per occurrence for bodily damage, personal injury and property damage);

ii) Automobile Liability: Two Million Dollars (\$2,000,000.00) combined single limit per accident for bodily injury and property damage;

iii) Workers Compensation Insurance: The minimum amount of workers compensation insurance shall be in accordance with California state law requirements.

b.) Deductibles and Self Insured Retentions. Any deductibles or self insured retention(s) must be declared to and approved by LARPD. At the option of LARPD, either: the insured shall reduce or eliminate such deductibles or self insured retentions as respects LARPD, its officers, its officials, employees and volunteers; or the District shall procure a bond guarantying payment of losses and related investigations, claiming administration and defense expenses.

c.) Other Insurance Provisions. The policies are to contain, or be endorsed to contain, the following provisions:

(i) General Liability and Auto Liability Coverages. LARPD and the Grandfield Family Partnership their officers, officials, employees and volunteers shall be covered as additional named insureds as respects liability arising out of activities performed by or on behalf of the District, premises owned, occupied or used by the District, or automobiles owned, leased, hired or borrowed by the District. The coverage shall contain no special limitations on the scope of protection afforded to LARPD and the Grandfield Family Partnership, their officers, officials, employees or volunteers.

ii) The District's insurance coverage shall be primary insurance as respects LARPD and the Grandfield Family Partnership, their officers, officials, employees or volunteers. Any insurance or self insurance maintained by LARPD and the Grandfield Family Partnership, their officers, officials, employees or volunteers shall be excess of the District's insurance and shall not contribute with it.

iii) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to LARPD and the Grandfield Family Partnership, their officers, officials, employees or volunteers.

iv) The District's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insured's liability.

iv) Each insurance policy required by this paragraph shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, reduced in coverage or in limits except after ten (10) days prior written notice by certified mail, return receipt required has been given to LARPD and the Grandfield Family Partnership.

v) **Acceptability of Insureds.** Any insurance required pursuant to this Sublease is to be placed with insurers with a Bests rating of not less than A:7.

vi) **Verification of Coverage.** District shall furnish to LARPD certificates of insurance and with original endorsements effecting the coverage required by this paragraph. The certificates and endorsements of each insurance policy shall be signed by a person authorized by that insured to bind coverages on its behalf. All certificates and endorsements are to be received and approved by LARPD prior to occupancy of the premises. LARPD reserves the right to require complete, certified copies of all required insurance policies at any time.

10. **Termination.** This agreement may be terminated by either party on given one hundred and twenty (120) days notice in writing to the other party by registered or certified mail at the address herein above set forth. Such termination shall not take effect, however, with respect to students already enrolled until such students have completed the current period of instruction.

11. **Acceptance of Provisions, Terms and Conditions.** The parties hereto have caused this Sublease to be executed by their duly authorized officers effective the day and year first mentioned above.

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT:

Dated: _____

By: _____
Lorenzo Legaspi, Vice Chancellor of
Business Services, Chabot-Las Positas
Community College District

LARPD:

Dated _____

By: _____
Timothy J. Barry, General Manager,
LARPD

The Landlord and/or Lessor under the Master Lease, hereby approves and consents to the Sublease of the Premises pursuant to the terms set forth above:

GRANDFIELD FAMILY PARTNERSHIP:

Dated: _____

By: _____
Kim S. Grandfield, Partner

EXHIBIT “A”



CALIFORNIA ASSOCIATION OF REALTORS®

COMMERCIAL LEASE AGREEMENT (C.A.R. Form CL, Revised 10/01)

Date (For reference only): January 12, 2007

Grandfield Family Partnership ("Landlord," and/or "Lessor")

("Landlord") and

Livermore Area Recreation and Park Department (LARP) ("Tenant" and/or "Lessee")

("Tenant") agree as follows:

1. PROPERTY: Landlord rents to Tenant and Tenant rents from Landlord, the real property and improvements described as: The Rock Gym area with common restrooms, common parking at 2455 Railroad Ave., Livermore, CA ("Premises"), which comprise approximately 30,000 % of the total square footage of rentable space in the entire property. See exhibit for a further description of the Premises.

2. TERM: The term shall be for 1 years and 6 months, beginning on (date) January 16, 2007 ("Commencement Date"), (Check A or B):

[X] A. Lease: and shall terminate on (date) July 15, 2008 at 12:00 PM. Any holding over after the term of this agreement expires, with Landlord's consent, shall create a month-to-month tenancy that either party may terminate as specified in paragraph 2B. Rent shall be at a rate equal to the rent for the immediately preceding month, payable in advance. All other terms and conditions of this agreement shall remain in full force and effect.

[] B. Month-to-month: and continues as a month-to-month tenancy. Either party may terminate the tenancy by giving written notice to the other at least 30 days prior to the intended termination date, subject to any applicable local laws. Such notice may be given on any date.

[] C. RENEWAL OR EXTENSION TERMS: See attached addendum

3. BASE RENT:

A. Tenant agrees to pay Base Rent at the rate of (CHECK ONE ONLY):

[X] (1) \$ 5,000.00 per month, for the term of the agreement.

[] (2) \$ per month, for the first 12 months of the agreement. Commencing with the 13th month, and upon expiration of each 12 months thereafter, rent shall be adjusted according to any increase in the U.S. Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All Urban Consumers ("CPI") for (the city nearest the location of the Premises), based on the following formula: Base Rent will be multiplied by the most current CPI preceding the first calendar month during which the adjustment is to take effect, and divided by the most recent CPI preceding the Commencement Date. In no event shall any adjusted Base Rent be less than the Base Rent for the month immediately preceding the adjustment. If the CPI is no longer published, then the adjustment to Base Rent shall be based on an alternate index that most closely reflects the CPI.

[] (3) \$ per month for the period commencing and ending and \$ per month for the period commencing and ending and \$ per month for the period commencing and ending

[] (4) In accordance with the attached rent schedule.

[] (5) Other:

B. Base Rent is payable in advance on the 1st (or [X] 16th) day of each calendar month, and is delinquent on the next day.

C. If the Commencement Date falls on any day other than the first day of the month, Base Rent for the first calendar month shall be prorated based on a 30-day period. If Tenant has paid one full month's Base Rent in advance of Commencement Date, Base Rent for the second calendar month shall be prorated based on a 30-day period.

4. RENT:

A. Definition: ("Rent") shall mean all monetary obligations of Tenant to Landlord under the terms of this agreement, except security deposit.

B. Payment: Rent shall be paid to (Name) Grandfield Family Partnership c/o Sunrise Mountaineering at (address) 2455 Railroad Avenue, Livermore, CA 94550, or at any other location specified by Landlord in writing to Tenant.

C. Timing: Base Rent shall be paid as specified in paragraph 3. All other Rent shall be paid within 30 days after Tenant is billed by Landlord.

5. EARLY POSSESSION:

Tenant is entitled to possession of the Premises on January 16, 2007

If Tenant is in possession prior to the Commencement Date, during this time (i) Tenant is not obligated to pay Base Rent, and (ii) Tenant [] is not obligated to pay Rent other than Base Rent. Whether or not Tenant is obligated to pay Rent prior to Commencement Date, Tenant is obligated to comply with all other terms of this agreement.

6. SECURITY DEPOSIT:

A. Tenant agrees to pay Landlord \$ None as a security deposit. Tenant agrees not to hold Broker responsible for its return. (IF CHECKED:) [] If Base Rent increases during the term of this agreement, Tenant agrees to increase security deposit by the same proportion as the increase in Base Rent.

B. All or any portion of the security deposit may be used, as reasonably necessary, to: (i) cure Tenant's default in payment of Rent, late charges, non-sufficient funds ("NSF") fees, or other sums due; (ii) repair damage, excluding ordinary wear and tear, caused by Tenant or by a guest or licensee of Tenant; (iii) broom clean the Premises, if necessary, upon termination of tenancy; and (iv) cover any other unfulfilled obligation of Tenant. SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF PAYMENT OF LAST MONTH'S RENT. If all or any portion of the security deposit is used during tenancy, Tenant agrees to reinstate the total security deposit within 5 days after written notice is delivered to Tenant. Within 30 days after Landlord receives possession of the Premises, Landlord shall: (i) furnish Tenant an itemized statement indicating the amount of any security deposit received and the basis for its disposition, and (ii) return any remaining portion of security deposit to Tenant. However, if the Landlord's only claim upon the security deposit is for unpaid Rent, then the remaining portion of the security deposit, after deduction of unpaid Rent, shall be returned within 14 days after the Landlord receives possession.

C. No interest will be paid on security deposit, unless required by local ordinance.

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Landlord's Initials () ()
Tenant's Initials () ()
Reviewed by Date



CL REVISED 10/01 (PAGE 1 of 6)

COMMERCIAL LEASE AGREEMENT (CL PAGE 1 OF 5)

Agent: Phone: Fax: Prepared using WINForms® software
Broker:

2455 Railroad Avenue

Property Address: Livermore, CA 94550

Date: January 12, 2007

7. PAYMENTS:

	TOTAL DUE	PAYMENT RECEIVED	BALANCE DUE	DUE DATE
A. Rent: From <u>01/16/2007</u> To <u>03/15/2007</u> Date Date	\$ <u>10,000.00</u>	\$ _____	\$ <u>10,000.00</u>	<u>February 1, 2007</u>
B. Security Deposit	\$ _____	\$ _____	\$ _____	_____
C. Other: _____ Category	\$ _____	\$ _____	\$ _____	_____
D. Other: _____ Category	\$ _____	\$ _____	\$ _____	_____
E. Total:	\$ <u>10,000.00</u>	\$ _____	\$ <u>10,000.00</u>	_____

8. PARKING: Tenant is entitled to all unreserved and no reserved vehicle parking spaces. The right to parking is is not included in the Base Rent charged pursuant to paragraph 3. If not included in the Base Rent, the parking rental fee shall be an additional \$ _____ per month. Parking space(s) are to be used for parking operable motor vehicles, except for trailers, boats, campers, buses or trucks (other than pick-up trucks). Tenant shall park in assigned space(s) only. Parking space(s) are to be kept clean. Vehicles leaking oil, gas or other motor vehicle fluids shall not be parked in parking spaces or on the Premises. Mechanical work or storage of inoperable vehicles is not allowed in parking space(s) or elsewhere on the Premises. No overnight parking is permitted.

9. ADDITIONAL STORAGE: Storage is permitted as follows: Inside building within the subject Tenant Rock Gym premises. The right to additional storage space is is not included in the Base Rent charged pursuant to paragraph 3. If not included in Base Rent, storage space shall be an additional \$ _____ per month. Tenant shall store only personal property that Tenant owns, and shall not store property that is claimed by another, or in which another has any right, title, or interest. Tenant shall not store any improperly packaged food or perishable goods, flammable materials, explosives, or other dangerous or hazardous material. Tenant shall pay for, and be responsible for, the clean-up of any contamination caused by Tenant's use of the storage area.

10. LATE CHARGE; INTEREST; NSF CHECKS: Tenant acknowledges that either late payment of Rent or issuance of a NSF check may cause Landlord to incur costs and expenses, the exact amount of which are extremely difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses, and late charges imposed on Landlord. If any installment of Rent due from Tenant is not received by Landlord within 5 calendar days after date due, or if a check is returned NSF, Tenant shall pay to Landlord, respectively, \$ 250.00 as late charge, plus 10% interest per annum on the delinquent amount and \$25.00 as a NSF fee, any of which shall be deemed additional Rent. Landlord and Tenant agree that these charges represent a fair and reasonable estimate of the costs Landlord may incur by reason of Tenant's late or NSF payment. Any late charge, delinquent interest, or NSF fee due shall be paid with the current installment of Rent. Landlord's acceptance of any late charge or NSF fee shall not constitute a waiver as to any default of Tenant. Landlord's right to collect a Late Charge or NSF fee shall not be deemed an extension of the date Rent is due under paragraph 4, or prevent Landlord from exercising any other rights and remedies under this agreement, and as provided by law.

11. CONDITION OF PREMISES: Tenant has examined the Premises and acknowledges that Premise is clean and in operative condition, with the following exceptions: _____
Items listed as exceptions shall be dealt with in the following manner: See Addendum(s) to Lease

12. ZONING AND LAND USE: Tenant accepts the Premises subject to all local, state and federal laws, regulations and ordinances ("Laws"). Landlord makes no representation or warranty that Premises are now or in the future will be suitable for Tenant's use. Tenant has made its own investigation regarding all applicable Laws.

13. TENANT OPERATING EXPENSES: Tenant agrees to pay for all utilities and services directly billed to Tenant See Addendum(s) to Lease

14. PROPERTY OPERATING EXPENSES:
A. Tenant agrees to pay its proportionate share of Landlord's estimated monthly property operating expenses, including but not limited to, common area maintenance, consolidated utility and service bills, insurance, and real estate taxes, based on the ratio of the square footage of the Premises to the total square footage of the rentable space in the entire property _____

OR B. (If checked) Paragraph 14 does not apply.

15. USE: The Premises are for the sole use as a rock climbing gym
No other use is permitted without Landlord's prior written consent. If any use by Tenant causes an increase in the premium on Landlord's existing property insurance, Tenant shall pay for the increased cost. Tenant will comply with all Laws affecting its use of the Premises.

16. RULES/REGULATIONS: Tenant agrees to comply with all rules and regulations of Landlord (and, if applicable, Owner's Association) that are at any time posted on the Premises or delivered to Tenant. Tenant shall not, and shall ensure that guests and licensees of Tenant do not, disturb, annoy, endanger, or interfere with other tenants of the building or neighbors, or use the Premises for any unlawful purposes, including, but not limited to, using, manufacturing, selling, storing, or transporting illicit drugs or other contraband, or violate any law or ordinance, or committing a waste or nuisance on or about the Premises.

17. MAINTENANCE:
A. Tenant OR (If checked, Landlord) shall professionally maintain the Premises including heating, air conditioning, electrical, plumbing and water systems, if any, and keep glass, windows and doors in operable and safe condition. Unless Landlord is checked, if Tenant fails to maintain the Premises, Landlord may contract for or perform such maintenance, and charge Tenant for Landlord's cost.
B. Landlord OR (If checked, Tenant) shall maintain the roof, foundation, exterior walls, common areas and HVAC systems, also See Addendum(s) to Lease

[Handwritten signature]

Landlord's Initials (*[Signature]*) (_____)
Tenant's Initials (*[Signature]*) (_____)

Reviewed by _____ Date _____



- 18. **ALTERATIONS:** Tenant shall not make any alterations in or about the Premises, including installation of trade fixtures and signs, without Landlord's prior written consent, which shall not be unreasonably withheld. Any alterations to the Premises shall be done according to Law and with required permits. Tenant shall give Landlord advance notice of the commencement date of any planned alteration, so that Landlord, at its option, may post a Notice of Non-Responsibility to prevent potential liens against Landlord's interest in the Premises. Landlord may also require Tenant to provide Landlord with lien releases from any contractor performing work on the Premises.
- 19. **GOVERNMENT IMPOSED ALTERATIONS:** Any alterations required by Law as a result of Tenant's use shall be Tenant's responsibility. Landlord shall be responsible for any other alterations required by Law.
- 20. **ENTRY:** Tenant shall make Premises available to Landlord or Landlord's agent for the purpose of entering to make inspections, necessary or agreed repairs, alterations, or improvements, or to supply necessary or agreed services, or to show Premises to prospective or actual purchasers, tenants, mortgagees, lenders, appraisers, or contractors. Landlord and Tenant agree that 24 hours notice (oral or written) shall be reasonable and sufficient notice. In an emergency, Landlord or Landlord's representative may enter Premises at any time without prior notice.
- 21. **SIGNS:** Tenant authorizes Landlord to place a FOR SALE sign on the Premises at any time, and a FOR LEASE sign on the Premises within the 90 (or _____) day period preceding the termination of the agreement.
- 22. **SUBLETTING/ASSIGNMENT:** Tenant shall not sublet or encumber all or any part of Premises, or assign or transfer this agreement or any interest in it, without the prior written consent of Landlord, which shall not be unreasonably withheld. Unless such consent is obtained, any subletting, assignment, transfer, or encumbrance of the Premises, agreement, or tenancy, by voluntary act of Tenant, operation of law, or otherwise, shall be null and void, and, at the option of Landlord, terminate this agreement. Any proposed sublessee, assignee, or transferee shall submit to Landlord an application and credit information for Landlord's approval, and, if approved, sign a separate written agreement with Landlord and Tenant. Landlord's consent to any one sublease, assignment, or transfer, shall not be construed as consent to any subsequent sublease, assignment, or transfer, and does not release Tenant of Tenant's obligation under this agreement.
- 23. **POSSESSION:** If Landlord is unable to deliver possession of Premises on Commencement Date, such date shall be extended to the date on which possession is made available to Tenant. However, the expiration date shall remain the same as specified in paragraph 2. If Landlord is unable to deliver possession within 60 (or 5) calendar days after the agreed Commencement Date, Tenant may terminate this agreement by giving written notice to Landlord, and shall be refunded all Rent and security deposit paid.
- 24. **TENANT'S OBLIGATIONS UPON VACATING PREMISES:** Upon termination of agreement, Tenant shall: (i) give Landlord all copies of all keys or opening devices to Premises, including any common areas; (ii) vacate Premises and surrender it to Landlord empty of all persons and personal property; (iii) vacate all parking and storage spaces; (iv) deliver Premises to Landlord in the same condition as referenced in paragraph 11; (v) clean Premises; (vi) give written notice to Landlord of Tenant's forwarding address; and (vii) Tenant may but is not obligated to remove the climbing wall upon vacating the premises.
All improvements installed by Tenant, with or without Landlord's consent, become the property of Landlord upon termination. Landlord may nevertheless require Tenant to remove any such improvement that did not exist at the time possession was made available to Tenant.
- 25. **BREACH OF CONTRACT/EARLY TERMINATION:** In event Tenant, prior to expiration of this agreement, breaches any obligation in this agreement, abandons the premises, or gives notice of tenant's intent to terminate this tenancy prior to its expiration, in addition to any obligations established by paragraph 24, Tenant shall also be responsible for lost rent, rental commissions, advertising expenses, and painting costs necessary to ready Premises for re-rental. Landlord may also recover from Tenant: (i) the worth, at the time of award, of the unpaid Rent that had been earned at the time of termination; (ii) the worth, at the time of award, of the amount by which the unpaid Rent that would have been earned after expiration until the time of award exceeds the amount of such rental loss the Tenant proves could have been reasonably avoided; and (iii) the worth, at the time of award, of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided. Landlord may elect to continue the tenancy in effect for so long as Landlord does not terminate Tenant's right to possession, by either written notice of termination of possession or by reletting the Premises to another who takes possession, and Landlord may enforce all Landlord's rights and remedies under this agreement, including the right to recover the Rent as it becomes due.
- 26. **DAMAGE TO PREMISES:** If, by no fault of Tenant, Premises are totally or partially damaged or destroyed by fire, earthquake, accident or other casualty, Landlord shall have the right to restore the Premises by repair or rebuilding. If Landlord elects to repair or rebuild, and is able to complete such restoration within 90 days from the date of damage, subject to the terms of this paragraph, this agreement shall remain in full force and effect. If Landlord is unable to restore the Premises within this time, or if Landlord elects not to restore, then either Landlord or Tenant may terminate this agreement by giving the other written notice. Rent shall be abated as of the date of damage. The abated amount shall be the current monthly Base Rent prorated on a 30-day basis. If this agreement is not terminated, and the damage is not repaired, then Rent shall be reduced based on the extent to which the damage interferes with Tenant's reasonable use of Premises. If damage occurs as a result of an act of Tenant or Tenant's guests, only Landlord shall have the right of termination, and no reduction in Rent shall be made.
- 27. **HAZARDOUS MATERIALS:** Tenant shall not use, store, generate, release or dispose of any hazardous material on the Premises or the property of which the Premises are part. However, Tenant is permitted to make use of such materials that are required to be used in the normal course of Tenant's business provided that Tenant complies with all applicable Laws related to the hazardous materials. Tenant is responsible for the cost of removal and remediation, or any clean-up of any contamination caused by Tenant.
- 28. **CONDEMNATION:** If all or part of the Premises is condemned for public use, either party may terminate this agreement as of the date possession is given to the condemner. All condemnation proceeds, exclusive of those allocated by the condemner to Tenant's relocation costs and trade fixtures, belong to Landlord.
- 29. **INSURANCE:** Tenant's personal property, fixtures, equipment, inventory and vehicles are not insured by Landlord against loss or damage due to fire, theft, vandalism, rain, water, criminal or negligent acts of others, or any other cause. Tenant is to carry Tenant's own property insurance to protect Tenant from any such loss. In addition, Tenant shall carry liability insurance in an amount of not less than \$ 2,000,000.00 . Tenant's liability insurance shall name Landlord and Landlord's agent as additional insured. Tenant, upon Landlord's request, shall provide Landlord with a certificate of insurance establishing Tenant's compliance. Landlord shall maintain liability insurance insuring Landlord, but not Tenant, in an amount of at least \$ 2,000,000.00 , plus property insurance in an amount sufficient to cover the replacement cost of the property. Tenant is advised to carry business interruption insurance in an amount at least sufficient to cover Tenant's complete rental obligation to Landlord. Landlord is advised to obtain a policy of rental loss insurance. Both Landlord and Tenant release each other, and waive their respective rights to subrogation against each other, for loss or damage covered by insurance.

Landlord's Initials () ()
 Tenant's Initials () ()
 Reviewed by Date



2455 Railroad Avenue
Property Address: Livermore, CA 94550

Date: January 12, 2007

- 30. **TENANCY STATEMENT (ESTOPPEL CERTIFICATE):** Tenant shall execute and return a tenancy statement (estoppel certificate), delivered to Tenant by Landlord or Landlord's agent, within 3 days after its receipt. The tenancy statement shall acknowledge that this agreement is unmodified and in full force, or in full force as modified, and state the modifications. Failure to comply with this requirement: (I) shall be deemed Tenant's acknowledgment that the tenancy statement is true and correct, and may be relied upon by a prospective lender or purchaser; and (II) may be treated by Landlord as a material breach of this agreement. Tenant shall also prepare, execute, and deliver to Landlord any financial statement (which will be held in confidence) reasonably requested by a prospective lender or buyer.
- 31. **LANDLORD'S TRANSFER:** Tenant agrees that the transferee of Landlord's interest shall be substituted as Landlord under this agreement. Landlord will be released of any further obligation to Tenant regarding the security deposit, only if the security deposit is returned to Tenant upon such transfer, or if the security deposit is actually transferred to the transferee. For all other obligations under this agreement, Landlord is released of any further liability to Tenant, upon Landlord's transfer.
- 32. **SUBORDINATION:** This agreement shall be subordinate to all existing liens and, at Landlord's option, the lien of any first deed of trust or first mortgage subsequently placed upon the real property of which the Premises are a part, and to any advances made on the security of the Premises, and to all renewals, modifications, consolidations, replacements, and extensions. However, as to the lien of any deed of trust or mortgage entered into after execution of this agreement, Tenant's right to quiet possession of the Premises shall not be disturbed if Tenant is not in default and so long as Tenant pays the Rent and observes and performs all of the provisions of this agreement, unless this agreement is otherwise terminated pursuant to its terms. If any mortgagee, trustee, or ground lessor elects to have this agreement placed in a security position prior to the lien of a mortgage, deed of trust, or ground lease, and gives written notice to Tenant, this agreement shall be deemed prior to that mortgage, deed of trust, or ground lease, or the date of recording.
- 33. **TENANT REPRESENTATIONS; CREDIT:** Tenant warrants that all statements in Tenant's financial documents and rental application are accurate. Tenant authorizes Landlord and Broker(s) to obtain Tenant's credit report at time of application and periodically during tenancy in connection with approval, modification, or enforcement of this agreement. Landlord may cancel this agreement: (I) before occupancy begins, upon disapproval of the credit report(s); or (II) at any time, upon discovering that information in Tenant's application is false. A negative credit report reflecting on Tenant's record may be submitted to a credit reporting agency, if Tenant fails to pay Rent or comply with any other obligation under this agreement.
- 34. **DISPUTE RESOLUTION:**
 - A. **MEDIATION:** Tenant and Landlord agree to mediate any dispute or claim arising between them out of this agreement, or any resulting transaction, before resorting to arbitration or court action, subject to paragraph 34B(2) below. Paragraphs 34B(2) and (3) apply whether or not the arbitration provision is initiated. Mediation fees, if any, shall be divided equally among the parties involved. If for any dispute or claim to which this paragraph applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.
 - B. **ARBITRATION OF DISPUTES:** (1) Tenant and Landlord agree that any dispute or claim in Law or equity arising between them out of this agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration, including and subject to paragraphs 34B(2) and (3) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. In all other respects, the arbitration shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05.
 - (2) **EXCLUSIONS FROM MEDIATION AND ARBITRATION:** The following matters are excluded from Mediation and Arbitration hereunder: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a violation of the mediation and arbitration provisions.
 - (3) **BROKERS:** Tenant and Landlord agree to mediate and arbitrate disputes or claims involving either or both Brokers, provided either or both Brokers shall have agreed to such mediation or arbitration, prior to, or within a reasonable time after the dispute or claim is presented to Brokers. Any election by either or both Brokers to participate in mediation or arbitration shall not result in Brokers being deemed parties to the agreement.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Tenant's initials JS | Landlord's Initials JS |

Landlord's Initials (JS) (_____)
Tenant's Initials (JS) (_____)

Reviewed by _____ Date _____



2455 Railroad Avenue

Property Address: Livermore, CA 94550

Date January 12, 2007

35. **JOINT AND INDIVIDUAL OBLIGATIONS:** If there is more than one Tenant, each one shall be individually and completely responsible for the performance of all obligations of Tenant under this agreement, jointly with every other Tenant, and individually, whether or not in possession.
36. **NOTICE:** Notices may be served by mail, facsimile, or courier at the following address or location, or at any other location subsequently designated:
- | | |
|--|--|
| Landlord: <u>Grandfield Family Partnership</u> | Tenant: <u>LARPD</u> |
| <u>Kim Grandfield, Partner</u> | <u>Attention: LARPD GENERAL MANAGER</u> |
| <u>Rob Grandfield, Partner</u> | |
| | |
| <u>Sunrise Mountaineering</u> | <u>Livermore Area Recreation & Park District</u> |
| <u>2455 Railroad Avenue, Livermore, CA 94550</u> | <u>4444 East Avenue, Livermore, CA 94550-5053</u> |

Notice is deemed effective upon the earliest of the following: (i) personal receipt by either party or their agent; (ii) written acknowledgement of notice; or (iii) 5 days after mailing notice to such location by first class mail, postage pre-paid.

37. **WAIVER:** The waiver of any breach shall not be construed as a continuing waiver of the same breach or a waiver of any subsequent breach.
38. **INDEMNIFICATION:** Tenant shall indemnify, defend and hold Landlord harmless from all claims, disputes, litigation, judgments and attorney fees arising out of Tenant's use of the Premises.
39. **OTHER TERMS AND CONDITIONS/SUPPLEMENTS:** (a)---Deleted---(b) References within this lease to real estate agents and brokers are not applicable and shall not be applicable. (c) Lessee shall maintain their own interior janitorial and their own light bulbs except high ceiling lights in gym which Lessor will maintain. Lessee may share in the use of the existing alarm system and shall pay 50% of said operating costs if they share in its use. Lessee holds Lessor at all times totally harmless from any loss or damages stemming from failure or inadequacy of said alarm system. Lessee shall at all times remain liable for their own security and its level of adequacy regardless of any shared use of existing or modified alarm system(s) with Lessor. (d) All panic-open doors in the building shall remain unlocked at all times and not be blocked. The Owners of the building are considering remodeling and reserve the right to change out meters and submeter Lessee's utilities (some or all of them). (e) Any improvements made by Lessee to the Premises shall be removed by Lessee before returning possession to Lessor, at Lessee's sole cost. All such work to be completed in a good and workmanlike manner and debris removed from premises with premises placed in the original condition as accepted by Lessee on start of lease. Lessee improvements made to the premises require Lessor's prior written consent. (f) Lessor to maintain the sump pump.

The following ATTACHED supplements/exhibits are incorporated in this agreement: Exhibit A (site plan) Addendum(s), Bill of Sale for personal property the consideration for which is the making of this lease.

40. **ATTORNEY FEES:** In any action or proceeding arising out of this agreement, the prevailing party between Landlord and Tenant shall be entitled to reasonable attorney fees and costs from the non-prevailing Landlord or Tenant, except as provided in paragraph 34A.
41. **ENTIRE CONTRACT:** Time is of the essence. All prior agreements between Landlord and Tenant are incorporated in this agreement, which constitutes the entire contract. It is intended as a final expression of the parties' agreement, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. The parties further intend that this agreement constitutes the complete and exclusive statement of its terms, and that no extrinsic evidence whatsoever may be introduced in any judicial or other proceeding, if any, involving this agreement. Any provision of this agreement that is held to be invalid shall not affect the validity or enforceability of any other provision in this agreement. This agreement shall be binding upon, and inure to the benefit of, the heirs, assignees and successors to the parties.

AGREED AND APPROVED:

LESSEE: LARPD

By: [Signature], Its GM, Date: 1-12-07

By: _____, Its _____, Date: _____

LARPD

4444 East Ave., Livermore, CA 94550-5053

OWNER: GRANDFIELD FAMILY PARTNERSHIP

By: [Signature], Its Owner, Date: 1/12/06

By: _____, Its _____, Date: _____

GRANDFIELD FAMILY PARTNERSHIP

Sunrise Mountaineering, 2455 Railroad Ave., Livermore, CA 94550

Landlord's Initials ([Signature]) (_____)

Tenant's Initials ([Signature]) (_____)

Reviewed by _____ Date _____





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ADDENDUM

(C.A.R. Form ADM, Revised 10/01)

No. ONE

The following terms and conditions are hereby incorporated in and made a part of the: Residential Purchase Agreement, Manufactured Home Purchase Agreement, Business Purchase Agreement, Residential Lease or Month-to-Month Rental Agreement, Vacant Land Purchase Agreement, Residential Income Property Purchase Agreement, Commercial Property Purchase Agreement, other Commercial Lease for the Rock Gym portion of the 2455 Railroad Avenue, Livermore, CA building
dated _____, on property known as 2455 Railroad Avenue, Livermore, CA 94550

in which LARPD is referred to as ("Buyer/Tenant") and Grandfield Family Partnership, Grandfield Family Partnership is referred to as ("Seller/Landlord").

1. Lessee shall have two (2) consecutive renewal options to extend this lease. The first renewal option will extend the lease two (2) years and the second renewal option shall extend the lease for three (3) years more, under the following conditions: (A) Lessee is not in default hereunder at time of the exercise of said option to extend the term of the Lease, and that Lessee shall never have been delinquent in the payment of any required sum pursuant to the terms of the Lease for longer than thirty (30) days after Lessor provided notice of any such amount in delinquency. (B) That each said option shall be exercised at least ninety (90) days but not more than one hundred twenty (120) days preceding the end of the term the then current lease. (C) All the terms and conditions of the lease option renewal shall remain the same however the amount of rent during the renewal shall be immediately increased when the Lessee's gross sales first hit \$200,000.00 (hereafter referred to as the "Rent Set Point" and/or "RSP") in the Climbing Gym over any 12-month period. (D) At such time that the RSP is reached, the monthly rent shall thereafter be adjusted annually, up or down, on the anniversary date of the RSP by the increases in the CPI, San Francisco Bay Area, All Items, Department of Labor Statistics, over the level of the CPI for the month ending January 2007. (E) The option to extend shall be exercised by written notice given to Lessor. If notice is not given in the manner provided herein within the time specified, the option shall expire. (F) In no event shall the monthly rent be less than \$5,000.00 per month.

2. LESSOR OBLIGATIONS: In addition to obligations set forth in the Lease, Lessor shall maintain the roof, foundations, exterior walls, HVAC, and ceiling lights in the Rock Gym, Parking lot, outside gardening and outside janitorial, one operational water fountain on main restroom floor level, common area lights, and sump pump. Lessor to pay Lessee \$100 per month for use of the common restrooms.

The foregoing terms and conditions are hereby agreed to, and the undersigned acknowledge receipt of a copy of this document.

Date January 12, 2007

Date January 12, 2007

Buyer/Tenant [Signature]
LARPD

Seller/Landlord [Signature]
Grandfield Family Partnership

Buyer/Tenant _____

Seller/Landlord Grandfield Family Partnership

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ADDENDUM

(C.A.R. Form ADM, Revised 10/01)

No. TWO

The following terms and conditions are hereby incorporated in and made a part of the: [] Residential Purchase Agreement, [] Manufactured Home Purchase Agreement, [] Business Purchase Agreement, [] Residential Lease or Month-to-Month Rental Agreement, [] Vacant Land Purchase Agreement, [] Residential Income Property Purchase Agreement, [] Commercial Property Purchase Agreement, [X] other Commercial Lease for the Rock Gym portion of the 2455 Railroad Avenue, Livermore, CA building.

dated January 12, 2007, on property known as 2455 Railroad Avenue, Livermore, CA 94550

in which LARPD is referred to as ("Buyer/Tenant") and Grandfield Family Partnership, Grandfield Family Partnership is referred to as ("Seller/Landlord").

3. LESSEE OBLIGATIONS: In addition to obligations set forth in the Lease, the Lessee agrees to provide their own interior janitorial including both common restrooms with appropriate restroom towels, soap, and toilet paper plus supplies at Lessee's cost. Lessee grants access to Utility Rooms on Rock Gym floor to Lessor, Lessor's agents, assigns, and/or repairmen and contractors. Lessee shall be obligated to pay for their portion of all utilities to the property and to pay for their portion of a sewer service charge imposed on the property. Lessee to pay 100% for services they bring to the property. The ratio of the division of the existing utilities and special service charges are as follows: Lessee to pay to Lessor within 30 days of receipt of billing invoice the following amounts: 1/3 of the (Gas, Electric, landscaping and fire Water service charges) plus 1/2 of the (Water to Building, Sewer Service Charge, and Trash).

4. SIGNS: LESSEE shall enjoy the use of the ROCK GYM sign facing the outdoor patio and enjoy the use of the existing lighted sign box facing Railroad Avenue (not on the corner of First and Railroad). Lessee shall provide their own new sign facing for the lighted sign at Lessee's sole cost and expense. Lessee and Lessor agree to work together for a monument sign along Railroad Avenue near the entry to the Cul-de-Sac however Lessor shall have final say over its approval and shall not be obligated under this agreement to give up any additional sign entitlements for the monument sign. Lessee shall be the lead agency to prepare and apply for such a monument sign which application shall be made contingent upon Lessor's written approval of all monument sign specifics prior to submission for approval with the City of Livermore.

The foregoing terms and conditions are hereby agreed to, and the undersigned acknowledge receipt of a copy of this document.

Date 1-12-07
Buyer/Tenant LARPD
Buyer/Tenant

Date 1/12/06
Seller/Landlord Grandfield Family Partnership
Seller/Landlord Grandfield Family Partnership

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Reviewed by Broker or Designee Date





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ADDENDUM

(C.A.R. Form ADM, Revised 10/01)

No. THREE

The following terms and conditions are hereby incorporated in and made a part of the: Residential Purchase Agreement, Manufactured Home Purchase Agreement, Business Purchase Agreement, Residential Lease or Month-to-Month Rental Agreement, Vacant Land Purchase Agreement, Residential Income Property Purchase Agreement, Commercial Property Purchase Agreement, other Commercial Lease for the Rock Gym portion of the 2455 Railroad Avenue, Livermore, CA building.
dated January 12, 2007, on property known as 2455 Railroad Avenue, Livermore, CA 94550

in which LARPD is referred to as ("Buyer/Tenant") and Grandfield Family Partnership, Grandfield Family Partnership is referred to as ("Seller/Landlord").

5. RECIPROCAL LEASE CANCELLATION PROVISIONS:

(A) LESSOR retains the right at all times (not including the first 18 months of the lease) to terminate this lease by serving Lessee six months prior written notice of lease cancellation. In such event Lessee shall be obligated to pay their share of utilities for the period up to the date possession to the Premises is returned to Lessor. The Lessee shall move out and return Premises to the Lessor by the end of the sixth month from date of service on notice of cancellation of lease. Lessee shall be relieved of paying the Base Monthly Rent after the date of receipt of notice of cancellation of lease. Lessee agrees to return the Premises subject to normal wear and tear to Lessor no later than by the end of the above referred six months. LESSEE retains the right at all times (not including the first 18 months of the lease) to terminate this lease by serving Lessor six months prior written notice of lease cancellation. In such event Lessee shall continue to pay the current Base Rent for the full six months regardless of any actual earlier date for return of possession of the Premises to Lessor. Plus Lessee shall continue to pay its share of utilities for the period until occupancy is returned to Lessor. For Example if Lessee cancels lease under this provision and moves out in 45 days, Lessee shall be obligated to pay utilities for those 45 days, plus pay the current Base Rent for the full six (6) months.

(B) Recision of Cancellation Notices. The parties agree that a cancellation notice once served may not be reversed or terminated without written mutual consent between Lessor and Lessee, who shall have no obligation to the other to reverse a cancellation notice once served.

The foregoing terms and conditions are hereby agreed to, and the undersigned acknowledge receipt of a copy of this document.

Date January 12, 2007
Buyer/Tenant [Signature]
Buyer/Tenant LARPD

Date January 12, 2007
Seller/Landlord [Signature]
Seller/Landlord Grandfield Family Partnership
Seller/Landlord Grandfield Family Partnership

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Reviewed by _____ Date _____
Broker or Designee _____



Bill of Sale: Rock Gym
Re: LARPD Lease
2455 Railroad Ave.
Livermore, CA 94550

BILL OF SALE

DECEMBER 12, 2007

LIVERMORE, CA

For value received and for other consideration being the lease signed on the property known the ROCK GYM in the building shared with other tenants at 2455 Railroad Ave., Livermore, CA the Grandfield Family Partnership (Owners) sells all its right, title and interest free and clear, and in as-is where-is condition, without warranty express or implied as to its condition or suitability to the LIVERMORE AREA RECREATION AND PARK DISTRICT (LARPD) (Lessee) for the following described fixtures of trade and other personal property receipt of which is acknowledged by LARPD as property currently on the Premises described in the above referenced lease:

All Rock Gym Equipment used by the Rock Gym including:


- Climbing Ropes
- Climbing Shoes
- Floor Mats in the Rock Gym
- The upright climbing wall
- Attached top rope anchors, climbing holds
- Harnesses and sitting couch

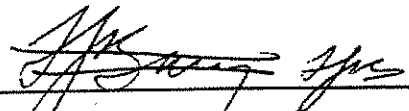
SELLER:

Grandfield Family Partnership

X 

Date: 1/12/06

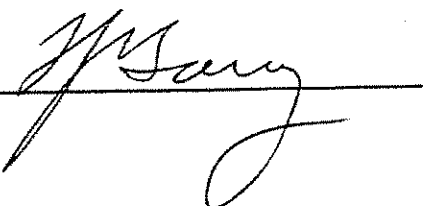
No charge to LARPD


X 

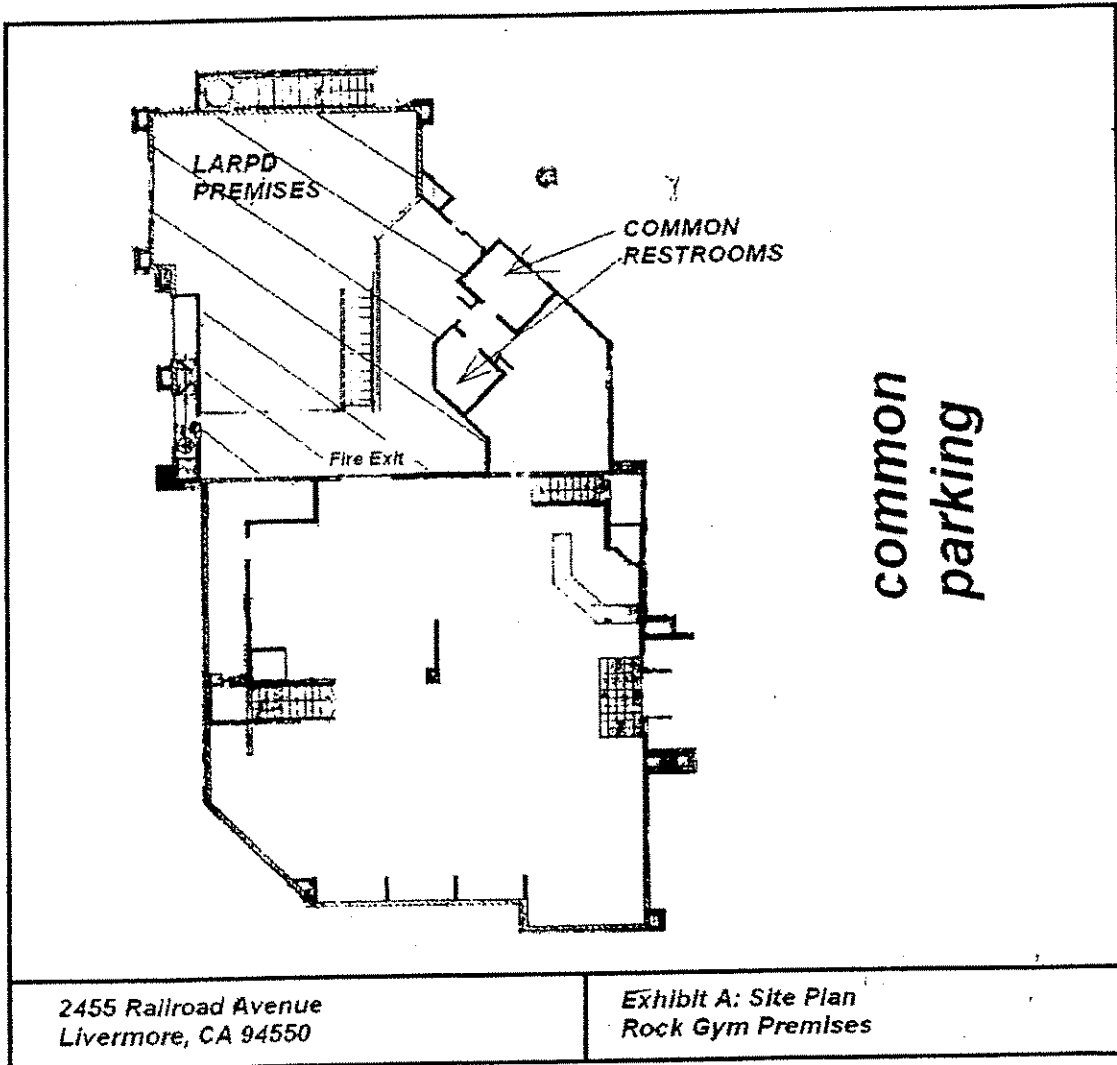
Date: 1-12-06

BUYER:

LARPD ACKNOWLEDGES RECEIPT OF ABOVE PERSONAL PROPERTY

X 

Date: 1-16-07



2455 Railroad Avenue
Livermore, CA 94550

Exhibit A: Site Plan
Rock Gym Premises

Please Initial:

Lessee: X *JMK* X

Lessor: X *[Signature]* X

LEASE ADDENDUM**NO. FOUR**

The following terms and conditions are hereby incorporated into and made a part of that certain "Commercial Lease Agreement" together with Addenda One through Three for the Rock Gym portion of the 2455 Railroad Avenue, Livermore, CA building (the "Premises"), dated January 12, 2007, on property known as 2455 Railroad Avenue, Livermore, CA 94550, in which the Livermore Area Recreation and Park District is variously referred to as "Tenant" and/or "Lessee" and the Grandfield Family Partnership is variously referred to as "Landlord" and/or "Lessor" (collectively, "Parties").

RECITALS

A. Landlord and Tenant entered into a written Lease entitled "Commercial Lease Agreement" together with three (3) Addenda thereto (the "Lease"), all executed and effective on January 12, 2007, in which Landlord leased to Tenant, and Tenant leased from Landlord those certain Premises located in the City of Livermore, County of Alameda, California, commonly described as the Rock Gym located at 2455 Railroad Avenue, Livermore, California 94550.

B. WHEREAS the Parties desire to amend the Lease in several respects.

NOW THEREFORE the parties agree as follows:

1. Incorporation of Recitals. The Parties incorporate herein as though fully set forth the Recitals set forth above.
2. Exercise of Option. Tenant, the Livermore Area Recreation and Park District, has validly exercised its option to renew the Lease for the Premises for an additional twenty-four (24) months.
3. Rent. Notwithstanding any provision in the Lease to the contrary, the rent for the option period is to be Forty-Five Hundred Dollars (\$4,500.00) per month through the entire option period, commencing July 16, 2008 through July 15, 2010.
4. Waiver. The provisions set forth in Addendum One to the Lease, subparagraphs 1(C), 1(D) and 1(F) are agreed to be inoperative during the option term set forth in paragraph 3, above.
5. Effectiveness of Lease. Except as set forth in this Addendum No. Four, all the remaining provisions of the Lease shall remain unchanged and in full force and effect.

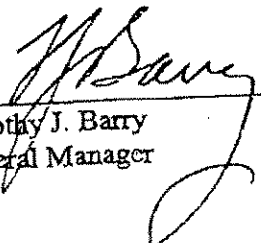
The foregoing terms and conditions are hereby agreed to, and the undersigned acknowledge receipt of a copy of this document.

Date 5-20-08

Date 5/13/08

Tenant: Livermore Area Recreation and Park
District

Landlord: Grandfield Family Partnership


By: Timothy J. Barry
General Manager



By: Kim S. Grandfield
(Please Print)

EXHIBIT “B”

Valley Rock Gym Rules

If you are unsure of anything, **ASK THE STAFF.**

1. Absolutely, positively **NO RUNNING** at any time.
2. Without a rope, you may only climb as high as you are tall. You should have a spotter while climbing without a rope except in the boulder cave.
3. No loose chalk is allowed in the gym; keep it in your chalk bag.
4. Never walk, lie, sit, or sleep under someone who is climbing! You might become a pancake.
5. There is **NO FOOD** allowed on the blue mat and downstairs. That means: no coffee, no gum, no soda, or anything that is sticky, gooey, or sugary. **WATER IS OKAY.**
6. No alcohol, tobacco or drugs allowed in the gym at any time
7. Be respectful of other climbers and visitors.
8. Only Gym staff is allowed behind the desk.
9. Never top out on the boulder cave.-Meaning: **YOU** are **NOT** allowed to climb over the top of the boulder cave, **EVER.**
10. Check all gear before climbing:
 - ✓ **ROPE**
 - ✓ **BELAY DEVICE AND CARABINEER**
 - ✓ **HARNESS**