SANTIAGO HIGH SCHOOL EXPANSION PROJECT

SUBLEASE AGREEMENT

Dated as of _____, 2012

Between

Corona-Norco Unified School District

And

SANTIAGO HIGH SCHOOL EXPANSION PROJECT

SUBLEASE AGREEMENT

This Sublease Agreement ("Sublease") is dated as of ______, 2012, and is by and between the Corona-Norco Unified School District, a school district duly organized and existing under the laws of the State of California ("District"), and ______, a _____ Corporation organized and operating under the laws of the State of ("Lessor").

RECITALS

WHEREAS, pursuant to Section 17400 et seq. of the Education Code, District may enter into leases and agreements relating to real property and buildings to be used by District; and

WHEREAS, District deems it essential for its own governmental purpose, to finance the construction and installation of certain improvements described in Exhibit "A" attached hereto ("Project") and situated on District's Santiago High School site described in Exhibit "B" attached hereto ("Site"); and

WHEREAS, pursuant to Section 17406 of the Education Code, District is leasing the Site to Lessor under a lease agreement dated as of ______, 2012 ("Site Lease") attached hereto as Exhibit "C" in consideration of Lessor leasing and subleasing the Project and the Site to District pursuant to the terms of this Sublease; and

WHEREAS, District owns the Site and pursuant to that certain Construction Services Agreement entered into by and between District and Lessor dated as of ______, 2012 ("Construction Services Agreement") attached hereto as Exhibit "D," District has adopted plans and specifications for the completion of the Project which have been approved pursuant to law as required by Section 17402 of the Education Code; and

WHEREAS, District and Lessor agree to mutually cooperate now or hereafter, to the extent possible, in order to sustain the intent of this Sublease and the bargain of both parties hereto, and to provide Sublease Payments to be made on the dates and in the amount set forth herein.

WITNESSETH

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, District and Lessor agree as follows:

SECTION 1. <u>DEFINITIONS.</u>

Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Sublease, have the meanings as herein specified.

A. <u>"Certificate of Acceptance and Notice of Completion"</u> mean those certificates signed by a District Representative to the effect that the Project has been substantially completed.

B. <u>"Construction Costs"</u> means any and all reasonable and necessary costs incurred by Lessor with respect to the construction and equipping, as the case may be, of the Project, including, without limitation, costs for Site preparation, the removal or demolition of existing structures, the construction of the Project and related facilities and improvements, and all other work in connection therewith and all costs of financing, including, without limitation, the cost of consultant, accounting and legal services, other expenses necessary or incident to determining the feasibility of the Project, contractors' and developers' overhead and supervisors' fees and costs directly allocable to the Project, all costs and expenses including any taxes or insurance premiums paid by Lessor with respect to the Property, administrative and other expenses necessary or incident to the Project and the financing thereof (including reimbursement to any municipality, District or other entity for expenditures made, with the prior approval of District, for the Project).

C. <u>"Construction Services Agreement"</u> means the Construction Services Agreement for construction of improvements on District's Santiago High School site by and between District and Lessor dated as of ______, 2012.

D. <u>"Contract Documents"</u> means the Construction Services Agreement, this Sublease, and the Site Lease.

E. <u>"District"</u> means the Corona-Norco Unified School District, a school district duly organized and existing under the laws of the State of California.

F. <u>**"Effective Date"**</u> shall mean the day on which District issues a Notice to Proceed for the Project in accordance with <u>Section 5</u> of the Construction Services Agreement.

G. <u>"Event of Default"</u> means one or more events of default as defined in <u>Section 21</u> of this Sublease.

H. <u>"Guaranteed Maximum Price" or "GMP"</u> means the Guaranteed Maximum Price established pursuant to <u>Section 4</u> of the Construction Services Agreement.

I. <u>"Lessor"</u> shall mean ______ and its successors and assigns.

J. <u>"Prepayment Price"</u> means the price to be paid by District to exercise its option to purchase the Project prior to the natural termination of this Sublease, in accordance with the provisions of <u>Section 27</u>, below.

K. <u>"Project"</u> means the improvements and equipment to be constructed and installed by Lessor, as more particularly described in Exhibit "A" attached hereto.

L. <u>"Site"</u> means that certain parcel of real property and improvements thereon (if any) more particularly described in Exhibit "B" attached hereto.

M. <u>"Site Lease"</u> means the Site Lease dated as of ______, 2012, by and between District and Lessor as set forth in Exhibit "C" attached hereto, together with any duly authorized and executed amendment thereto under which District leases the Site to Lessor.

N. <u>"Sublease</u>" means this Sublease together with any duly authorized and executed amendment hereto.

O. <u>"Sublease Payment"</u> means any payment required to be made by District pursuant to <u>Section 7</u> of this Sublease.

P. <u>"Sublease Prepayment"</u> means any payment required to be made by District pursuant to <u>Section 27</u> of this Sublease.

Q. <u>"Term of this Sublease" or "Term"</u> means the time during which this Sublease is in effect, as provided for in <u>Section 3</u> of this Sublease.

SECTION 2. <u>SUBLEASE.</u>

Lessor hereby leases and subleases to District, and District hereby leases and subleases from Lessor the Project and the Site, including any real property improvements now or hereafter affixed thereto in accordance with the provisions herein for the full term of this Sublease. The leasing by Lessor to District of the Site shall not effect or result in a merger of District's leasehold estate pursuant to this Sublease and its fee estate as Lessor under the Site Lease, and Lessor shall continue to have and hold a leasehold estate in said Site pursuant to the Site Lease throughout the term thereof and the term of this Sublease.

SECTION 3. <u>TERM OF THE SUBLEASE.</u>

A. The terms and conditions of this Sublease shall become effective upon the Effective Date. The term of the Sublease shall terminate upon the completion of the Project and payment of the last Sublease Payment, unless sooner terminated as hereinafter provided.

B. **Termination of Term.** Except as otherwise provided herein, the Term of this Sublease shall terminate upon the earliest of any of the following events:

1. An Event of Default, as specified in <u>Section 21</u>, below, and Lessor's election to terminate this Sublease pursuant to the provisions of <u>Section 22</u>, below;

2. The arrival of the last day of the Term of this Sublease and payment of all Sublease Payments hereunder; or

3. The exercise of District's Sublease Prepayment/Purchase Option under <u>Section 27</u>, below.

SECTION 4. <u>REPRESENTATIONS, WARRANTIES, AND COVENANTS OF</u> <u>DISTRICT.</u>

District represents and warrants to Lessor that:

A. District is a political subdivision duly organized and existing under the Constitution and laws of the State of California with authority to enter into this Sublease and to perform all of its obligations hereunder;

B. District's governing body has duly authorized the execution and delivery of this Sublease and further represents and warrants that all requirements have been met and procedures followed to ensure its enforceability;

C. The execution, delivery, and performance of this Sublease does not and will not result in any breach of or constitute a default under any indenture, mortgage, contract, agreement or instrument to which District is a party by which it or its property is bound;

D. There is no pending or, to the knowledge of District, threatened action or proceeding before any court or administrative agency which will materially adversely affect the ability of District to perform its obligations under this Sublease;

E. The Project and the Site are essential to District in the performance of its governmental functions and their estimated useful life to District exceeds the term of this Sublease;

F. District shall take such action as may be necessary to include all Sublease Payments in its annual budget and annually to appropriate an amount necessary to make such Sublease Payments;

G. District shall not abandon the Site for the use for which it is currently required by District and, to the extent permitted by law, District shall not seek to substitute or acquire property to be used as a substitute for the uses for which the Site is maintained under the Sublease; and

H. District shall not allow any Hazardous Substances (as such term is defined in the Site Lease and limited by that which shall be disclosed by District prior to the Project commencement date in the Notice to Proceed) to be used or stored on, under, or about the Site.

SECTION 5. <u>REPRESENTATIONS AND WARRANTIES OF LESSOR.</u>

Lessor represents and warrants to District that:

A. Lessor is duly organized, validly existing, and in good standing as a Corporation under the laws of the State of ______, with full power and authority to lease and own real and personal property in California;

B. Lessor has full power, authority, and legal right to enter into and perform its obligations under this Sublease, and the execution, delivery, and performance of this Sublease has been duly authorized by all necessary company actions on the part of Lessor and does not require any further approvals or consents;

C. The execution, delivery, and performance of this Sublease does not and will not result in any breach of or constitute a default under any indenture, mortgage, contract, agreement or instrument to which Lessor is a party by which it or its property is bound;

D. There is no pending or, to the knowledge of Lessor, threatened action or proceeding before any court or administrative agency which will materially adversely affect the ability of Lessor to perform its obligations under this Sublease;

E. Lessor will not mortgage or encumber the Site or sublease or assign this Sublease or its rights to receive Sublease Payments hereunder, except as permitted herein; and

F. Lessor shall not allow any Hazardous Substances (as such term is defined in the Site Lease) to be used or stored on, under, or about the Site.

SECTION 6. <u>CONSTRUCTION/ACQUISITION</u>.

A. District has entered into a Construction Services Agreement and a Site Lease with Lessor in order to acquire and construct the Project. The cost of the construction and installation of the Project is determined by the GMP as set forth in <u>Section 4</u> of the Construction Services Agreement.

B. In order to ensure that moneys sufficient to pay all costs will be available for this purpose when required, District shall maintain funds on deposit in its general fund and shall annually appropriate funds sufficient to make all Sublease Payments which become due to Lessor under this Sublease Agreement.

SECTION 7. <u>SUBLEASE PAYMENTS.</u>

A. District shall pay Lessor lease payments ("Sublease Payments") as provided by the Construction Services Agreement. In no event shall the sum of the Sublease Payments due hereunder exceed the GMP as it may be revised by District from time to time in accordance with the provisions set forth in the Construction Services Agreement. The Sublease Payments shall be adjusted to reflect any adjustment to the GMP agreed to in writing by District and Lessor. District shall have no obligation to make Sublease Payments hereunder in the event the Effective Date of this Sublease does not occur as a result of District's inability to issue a Notice to Proceed for the Project pursuant to the provisions of <u>Section 5</u> of the Construction Services Agreement.

B. Should District fail to pay any part of the Sublease Payments not otherwise excused pursuant to this Section or <u>Section 9</u>, below, within fifteen (15) business days from the due date thereof, District shall, upon Lessor's written request, pay interest on such delinquent

C. In the event that District exercises its option under <u>Section 27.B.</u>, below, and purchases the Project by paying the Prepayment Price, District's obligations under this Lease, including but not limited to District's obligation to pay Sublease Payments under this Section, shall thereupon cease and terminate.

SECTION 8. FAIR RENTAL VALUE.

Sublease Payments shall be paid by District in consideration of the right of possession of, and the continued quiet use and enjoyment of, the Project and the Site during the Term of the Sublease. The parties hereto have agreed and determined that such total rental is not in excess of the fair rental value of the Project and the Site. In making such determination, consideration has been given to the fair market value of the Project and the Site, other obligations of the parties under this Sublease (including, but not limited to, costs of maintenance, taxes, and insurance), the uses and purposes which may be served by the Project and the Site, and the benefits therefrom which will accrue to District and the general public, the ability of District to make additions, modifications, and improvements to the Project and the Site which are not inconsistent with the Construction Services Agreement and which do not interfere with Lessor's work on the Project and the Site.

SECTION 9. <u>SUBLEASE ABATEMENT.</u>

In addition to delay of Sublease Payments provided in <u>Section 7</u>, above, Sublease Payments due hereunder with respect to the Project and the Site shall be subject to abatement prior to the commencement of the use of the Project and the Site by District or during any period in which, by reason of material damage to or destruction of the Project or the Site, there is substantial interference with the use and right of possession by District of the Project and the Site or any substantial portion thereof. For each potential incident of substantial interference, decisions to be made on i) whether or not abatement shall apply; ii) the date upon which abatement shall commence; iii) the applicable portion of Sublease Payments to be abated; and iv) the concluding date of the particular abatement shall all be subject to determinations by District. The amount of Sublease abatement shall be such that the Sublease Payments paid by District during the period of Project and Site restoration do not exceed the fair rental value of the usable portions of the Project and Site. In the event of any damage or destruction to the Project or the Site, this Sublease shall continue in full force and effect.

SECTION 10. USE OF SITE AND PROJECT.

During the term of this Sublease, Lessor shall provide District with quiet use and enjoyment of the Site without suit, or hindrance from Lessor or its assigns, provided District is in compliance with its duties under this Sublease. District will not use, operate, or maintain the Site or Project improperly, carelessly, in violation of any applicable law, or in a manner contrary to that contemplated by this Sublease. District shall provide all permits and licenses, if any, necessary for the operation of the Project and Site. In addition, District agrees to comply in all respects (including, without limitation, with respect to the time, maintenance, and operation of the Project and Site) with laws of all jurisdictions in which its operations involving the Project and Site may extend and any legislative, executive, administrative, or judicial body exercising any power or jurisdiction over the Site or the Project; provided, however, that District may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the estate of Lessor in and to the Site or the Project or its interest or rights under this Sublease. Upon substantial completion of the Project or severable portions hereof, Lessor shall provide District with quiet use and enjoyment of the Site and Project without suit or hindrance from Lessor or its assigns, subject to reasonable interference from ongoing construction operations on any remaining portion of the Site under construction by Lessor.

SECTION 11. LESSOR'S INSPECTION/ACCESS TO THE SITE.

District agrees that, with prior written approval of District, Lessor and any of Lessor's representatives shall have the right at reasonable times to enter upon the Site or any portion thereof to construct and improve the Project, to examine and inspect the Site and the Project and to exercise its remedies pursuant to the section in this Sublease entitled "Remedies on Default."

SECTION 12. PROJECT ACCEPTANCE.

District shall acknowledge final inspection and completion of the Project by executing a Certificate of Acceptance and recording a Notice of Completion.

SECTION 13. <u>ALTERATIONS AND ATTACHMENTS.</u>

All permanent additions and improvements that are made to the Project shall belong to and become the property of Lessor, subject to the provisions of the Site Lease and <u>Sections 26 and 27</u>, below. Separately identifiable attachments added to the Project by District shall remain the property of District.

SECTION 14. MAINTENANCE.

Unless otherwise specified in the Contract Documents, District, at its own cost and expense, shall maintain the Site, except for the Project, in good repair throughout the term of the Sublease.

SECTION 15. UTILITIES.

Unless otherwise so specified in the Construction Services Agreement, District shall, in its own name, contract for and pay the expenses of all utility services required for the Project once constructed. Such utilities include but are not limited to, all air conditioning, heating, electrical, gas, water, and sewer units. District shall be liable for payment as well as maintenance of all utility services received.

SECTION 16. <u>INTENTIONALLY DELETED</u>.

SECTION 17. <u>INTENTIONALLY DELETED</u>.

SECTION 18. <u>INTENTIONALLY DELETED</u>.

SECTION 19. <u>TAXES.</u>

District shall keep the Project and the Site free and clear of all levies, liens, and encumbrances and shall pay all license fees, registration fees, assessments, charges, and taxes (municipal, state, and federal) if applicable, which may now or hereafter be imposed upon the ownership, leasing, renting, sale, possession, or use of the Project and the Site, excluding, however, all taxes on or measured by Lessor's income.

SECTION 20. INDEMNITY.

In addition to the indemnification set forth in <u>Section 34</u> of the Construction Services Agreement and <u>Section 17</u> of the Site Lease, to the extent permitted by law, the parties shall, with respect to the Project and the Site, indemnify each other against and hold each other harmless from any and all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities, including attorneys' fees, arising out of, connected with, or resulting from any acts of omission or commission by the indemnifying party's employees and Sublease aspects of the Project and third parties on the Site, including, without limitation, the construction, possession, use or operation of the Project including any and all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities brought by third parties under the supervision, direction, or control of the indemnifying party.

SECTION 21. <u>EVENTS OF DEFAULT</u>.

The term "Event of Default," as used in this Sublease means the occurrence of any one or more of the following events:

A. District fails to make any unexcused Sublease Payment (or any other payment) within fifteen (15) days after the due date thereof or District fails to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder and such failure to either make the payment or perform the covenant, condition, or agreement is not cured within ten (10) days after written notice thereof by Lessor.

B. Lessor discovers that any statement, representation, or warranty made by District in this Sublease, or in any document ever delivered by District pursuant hereto or in connection herewith is misleading or erroneous in any material respect.

C. District becomes insolvent, is unable to pay its debts as they become due, makes an assignment for the benefit of creditors, applies or consents to the appointment of a receiver, trustee, conservator, or liquidator of District or of all or a substantial part of its assets, or a petition for relief is filed by District under federal bankruptcy, insolvency, or similar laws. D. Lessor fails to perform or observe any covenant, condition, or agreement to be performed or observed by it hereunder and such failure to perform the covenant, condition, or agreement is not cured within ten (10) days after written notice thereof by District.

E. District discovers that any statement, representation, or warranty made by Lessor in this Sublease, or in any document ever delivered by Lessor pursuant hereto or in connection herewith is misleading or erroneous in any material respect.

F. Lessor becomes insolvent, is unable to pay its debts as they become due, makes an assignment for the benefit of creditors, applies or consents to the appointment of a receiver, trustee, conservator, or liquidator of Lessor or of all or a substantial part of its assets, or a petition for relief is filed by Lessor under federal bankruptcy, insolvency, or similar laws.

SECTION 22. <u>REMEDIES ON DEFAULT.</u>

Upon the happening of any Event of Default, the non-defaulting party may exercise remedies set forth below; provided, however, that notwithstanding anything herein to the contrary, there shall be no right under any circumstances to accelerate the Sublease Payments or otherwise declare any Sublease Payments not then in default to be immediately due and payable.

A. In the event that the non-defaulting party does not elect to terminate this Sublease pursuant to subsection B., below, the parties shall remain responsible for the performance of all conditions herein.

B. In the event of termination of this Sublease by Lessor at its option and in the manner hereinafter provided on account of default by District, District shall pay Lessor undisputed Sublease Payments then owing for past Sublease Payments due and not paid and undisputed compensation on the basis of time and materials for all labor, materials, and services provided up to the date of Lessor's termination of the Sublease. In the event of termination of this Sublease by District at its option and in the manner hereinafter provided on account of default by Lessor, District shall not be responsible to pay Lessor future Sublease Payments or compensate Lessor for time and materials for labor, materials, and services provided after the date of District's termination of the Sublease.

No right or remedy herein conferred upon or reserved to the parties is exclusive of any other right or remedy herein, but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time; provided, however, that notwithstanding any provisions to the contrary herein, Lessor shall not under any circumstances have the right to accelerate the Sublease Payments that fall due in future Sublease periods or otherwise declare any Sublease Payments not then in default to be immediately due and payable.

SECTION 23. <u>NON-WAIVER.</u>

No covenant or condition to be performed by District or Lessor under this Sublease can be waived except by the written consent of both parties. Forbearance or indulgence by District or Lessor in any regard whatsoever shall not constitute a waiver of the covenant or condition in question. Until

complete performance by District or Lessor of said covenant or condition, the other party shall be entitled to invoke any remedy available to it under this Sublease or by law or in equity despite said forbearance or indulgence.

SECTION 24. ASSIGNMENT.

Without the prior written consent of the other party, which consent shall not be unreasonably withheld, neither District nor Lessor shall (a) assign, transfer, pledge, or hypothecate this Sublease, the Project and the Site, or any part thereof, or any interest therein, or (b) sublet or lend the use of the Project or any part thereof, except as authorized by the provisions of the California Civic Center Act, Education Code section 38130 et seq. Consent to any of the foregoing prohibited acts applies only in the given instance and is not a consent to any subsequent like act by District or any other person. Lessor shall not assign its obligations under this Sublease with the exception of its obligation to issue default notices and to convey or reconvey its interest in the Project and Site to District upon full satisfaction of District's obligations hereunder. This Sublease inures to the benefit of, and is binding upon, the heirs, legatees, personal representatives, successors, and assigns of the parties hereto.

SECTION 26. OWNERSHIP.

The Project is and shall at all times be and remain the sole and exclusive property of Lessor, and District shall have no title or interest therein or thereto except as expressly set forth herein. During the Term of this Sublease, District shall hold title to the Site and obtain title to the Project from Lessor, and any and all additions which comprise fixtures, repairs, replacements or modifications thereof, as construction progresses and Sublease Payments are made to Lessor. During the Term of this Sublease, Lessor shall possess a leasehold interest in the Site pursuant to the Site Lease. If District prepays the Sublease Payments in full pursuant to <u>Section 27</u> hereof or otherwise pays all Sublease Payments, all remaining right, title and interest of Lessor, if any, in and to the Project and the Site, shall be fully transferred to and vested in District. Title shall be transferred to and vested in District hereunder without the necessity for any further instrument of transfer. At the termination of this Sublease, any improvements constructed thereon shall vest in District.

SECTION 27. SUBLEASE PREPAYMENTS/PURCHASE OPTION.

A. <u>Sublease Prepayments.</u> At any time during the term of this Sublease, District may, upon the request of Lessor or upon its own initiative, make Sublease Prepayments to Lessor. No Sublease Prepayments requested by Lessor may be made by District in an amount exceeding the aggregate true cost to Lessor of the work on the Project completed as of the date Lessor submits the request for a Sublease Prepayment less the aggregate amount of: (1) all Sublease Payments previously made by District to Lessor; (2) all Sublease Prepayments previously made by District to Lessor; and (3) all amounts previously retained pursuant to <u>Section 27.A.3.</u>, below, from Sublease Payments, and Sublease Prepayments previously made by District to Lessor shall have previously substituted securities for such retained amounts pursuant to <u>Section 27.A.3.</u>) below. Lessor must submit evidence that the conditions precedent set forth in <u>Section 27.A.1.</u>, below, have been met. In the event District elects to make Sublease Prepayments, the Prepayment Price, contemplated in <u>Section 27.B.</u>, below, shall be adjusted accordingly.

1. The following are conditions precedent to any Sublease Prepayments made to Lessor pursuant to a request of Lessor:

a. Satisfactory progress of the construction pursuant to the time schedule required pursuant to <u>Section 10.E.</u> of the Construction Services Agreement ("Time Schedule") shall have been made as determined in <u>Section 27.A.2.</u>, below.

b. Lessor shall also submit to District (i) duly executed conditional lien releases and waivers (in the form provided in California Civil Code section 3262) from Lessor and all subcontractors, consultants and other persons retained by Lessor in connection with the Project, whereby such persons conditionally waive all lien and stop notice rights against District, the Project and the Project Site with respect to the pending Sublease Prepayment to be made by District, (ii) duly executed unconditional lien releases and waivers (in the form provided in California Civil Code section 3262) from Lessor and all subcontractors, consultants and other persons retained by Lessor in connection with the Project, whereby such persons unconditionally and irrevocably waive all lien and stop notice rights against District, the Project to all previous Sublease Payments and Sublease Prepayments made by District, and (iii) any other items that Lessor may be required to collect and distribute to District pursuant to the terms and conditions of the Construction Services Agreement. Lessor shall promptly pay all amounts due to each subcontractor, consultant and other person retained by Lessor in connection with the Project no later than ten (10) days after Lessor's receipt of a Sublease Prepayment from District.

2. The determination of whether satisfactory progress of the construction pursuant to the Time Schedule has occurred shall be made by the inspector hired by District pursuant to <u>Section 25</u> of the Construction Services Agreement. If District's inspector determines that, pursuant to the Time Schedule, the work required to be performed, as stated in Lessor's Sublease Prepayment request, has not been substantially completed, Lessor shall not be eligible to receive the requested Sublease Prepayment.

3. District shall retain an amount equal to ten percent (10%) of each Sublease Prepayment ("retention") made at Lessor's request. Lessor shall have the right, as delineated in <u>Section 36</u> of the Construction Services Agreement, to substitute securities for any retention withheld by District, pursuant to the provisions of Public Contract Code section 22300.

B. <u>Purchase Option.</u> If District is not in default hereunder, District shall be granted the option to purchase not less than all the Project in as-is condition. The Prepayment Price at any given time shall be an amount equal to the GMP, as it may be revised from time to time, less the sum of any Sublease Payments and/or Sublease Prepayments made by District prior to the date on which District elects to exercise its option under this Section.

SECTION 28. <u>RELEASE OF LIENS.</u>

A. Notwithstanding <u>Section 27</u>, upon District executing a Certificate of Acceptance and filing a Notice of Completion on the Project, as such term is defined herein and in the Construction Services Agreement, Lessor or its assignee and District shall release Lessor's B. Lessor shall authorize, execute, and deliver to District all documents reasonably requested by District to evidence (i) the release of any and all liens created pursuant to the provisions of this Sublease and the Site Lease as they relate to the Project, the Sublease, and the Site Lease, and (ii) any other documents required to terminate the Site Lease and this Sublease.

SECTION 29. TERMINATION OF CONSTRUCTION SERVICES AGREEMENT.

In the event the Construction Services Agreement is terminated pursuant to the provisions contained therein, this Sublease shall immediately terminate.

SECTION 30. SEVERABILITY.

If any provision of this Sublease shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Sublease, unless elimination of such provision materially alters the rights and obligations embodied in this Sublease.

SECTION 31. INTEGRATION/MODIFICATION.

This Sublease constitutes the entire agreement between Lessor and District as to those matters contained herein, and supersedes and cancels any prior oral or written understanding, promises or representations with respect to those matters covered herein, and it shall not be amended, altered, or changed except by a written agreement signed by the parties hereto.

SECTION 32. NOTICES.

Service of all notices under this Sublease shall be sufficient if given personally or mailed to the party involved at its respective address hereinafter set forth or at such address as such party may provide in writing from time to time. Any change in the addresses noted shall not be binding upon the other party unless preceded by no less than thirty (30) days prior written notice. Any such notices shall be deemed to have been received by the addressee if delivered to the person for whom they are intended or if sent by registered mail, return receipt requested, or fax followed by regular mail, addressed as follows:

If to Lessor:		
		, CA 9
	Attn:	

If to District: Corona-Norco Unified School District 2820 Clark Avenue Norco, CA 92860 Attn: Donald E. Lussier Coordinator, Facilities

SECTION 33. <u>TITLES.</u>

The titles to the sections of this Sublease are solely for the convenience of the parties and are not an aid in the interpretation thereof.

SECTION 34. TIME.

Time is of the essence in this Sublease and each and all of its provisions.

SECTION 35. LAWS AND VENUE.

The terms and provisions of this Sublease shall be construed in accordance with the laws of the State of California. If any action is brought in a court of law to enforce any term of this Sublease, the action shall be brought in a state court situated in the County of Riverside, State of California, unless a court finds jurisdiction or venue is only proper in a federal court, or a court outside this county.

IN WITNESS WHEREOF, the parties hereto have executed this Sublease by their authorized officers as of the day and year first written above.

LESSOR:

DISTRICT:

Corona-Norco Unified School District

By:_____

Its: _____

By: ______
Its: _____

STATE OF CALIFORNIA)		
COUNTY OF)		
On	, before me,	, No	otary
Public, personally appeared		, proved to me on	the
basis of satisfactory evidence to be	e the person(s) whose	ose name(s) is/are subscribed to the wi	ithin
instrument and acknowledged to	me that he/she/th	they executed the same in his/her/t	their
authorized capacity(ies), and that b	y his/her/their signa	ature(s) on the instrument the person(s), or
the entity upon behalf of which the	person(s) acted, exe	ecuted the instrument.	

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

STATE OF CALIFORNIA)		
COUNTY OF)		
On	, before me,	, No	otary
Public, personally appeared		, proved to me on	the
basis of satisfactory evidence to be	e the person(s) whose	ose name(s) is/are subscribed to the wi	ithin
instrument and acknowledged to	me that he/she/th	they executed the same in his/her/t	their
authorized capacity(ies), and that b	y his/her/their signa	ature(s) on the instrument the person(s), or
the entity upon behalf of which the	person(s) acted, exe	ecuted the instrument.	

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

EXHIBIT "A"

Description of Project

EXHIBIT "B"

Legal Description of Site

EXHIBIT "C"

Site Lease

EXHIBIT "D"

Construction Services Agreement