

FACILITY USE AGREEMENT

Preamble

This Agreement is made and entered into on this 5th day of February, 2002 by and between the City of Redlands, a municipal corporation, ("City"), and the Boys and Girls Club of Redlands ("User").

City, for and in consideration of the rent to be paid by User and of the covenants and provisions to be kept and performed by User under this agreement, hereby rents to User, and User agrees to rent from City, the following: the Community Center Annex located at 1235 Clay Street, Redlands, California, ("the Premises").

ARTICLE 1. TERM OF AGREEMENT

Term

Section 1.01. This Agreement shall be for a term of one (1) month, commencing at 12:01 a.m. on February 6, 2002 ("Commencement Date"), ending at 12:01 a.m. on March 5, 2002, and shall be automatically renewed for successive one (1) month terms, for a period of one (1) year, unless terminated earlier pursuant to the provisions of this Agreement, or canceled by either City or User by providing written notice of such cancellation to the other thirty (30) days prior to the date of termination.

ARTICLE 2. RENT

Rent

Section 2.01. User agrees to pay to City, a fixed rent for the use and occupancy of the Premises (the "Rent"). The amount of Rent payable for each month during the Term shall be \$1 (One Dollar). The Rent shall be payable on the first day of each and every month commencing February 6, 2002 (the "Rent Commencement Date"), at the office of City at 111 W. Lugonia Avenue, Redlands, California. Rent for partial calendar months occurring at the commencement and termination of the term of this Agreement shall be prorated accordingly.

ARTICLE 3. USE OF PREMISES

Permitted Use

Section 3.01. During the Term of this Agreement the User's use of the Premises shall be for the exclusive purpose of operating and conducting Boys and Girls Club of Redlands programs, for uses normally incident to that purpose, and for no other purpose. User shall not use or permit the Premises to be used for any other purpose, without the prior written consent of the City.

Operation of Business

Section 3.02 During the Term of this Agreement, User shall, unless prevented by conditions beyond User's control, conduct business of the type and nature specified in Section 3.01 of this use Agreement on the Premises in a diligent and business-like manner. The Premises shall be used Monday through Friday from 8:00 a.m. to 6:00 p.m. User shall maintain, adhere to, and enforce all City rules, regulations and standards of behavior during the Term of this Agreement.

Insurance Hazards

Section 3.03. User shall not commit or permit the commission of any acts on the Premises nor use or permit the use of the Premises in any manner that will increase the existing rates for or cause the cancellation of any fire, liability, or other insurance policy insuring the Premises or the improvements on the Premises. User shall, at its own cost and expense, comply with any and all requirements of City's insurance carriers necessary for the continued maintenance at reasonable rates of fire and liability insurance policies on the Premises and the improvements on the Premises.

Waste or Nuisance

Section 3.04. User shall not commit or permit the commission by others of any waste on the Premises. User shall not maintain, commit, or permit the maintenance or commission of any nuisance on the Premises, and User shall not use or permit the use of the Premises for any unlawful purpose.

Compliance with Laws

Section 3.05. User shall, at User's own cost and expense, comply with all statutes, ordinances, regulations, and requirements of all governmental entities, both federal and state, and county or municipal, (including those requiring capital improvements to the Premises,) relating to

User's use and occupancy of the Premises whether those statutes, ordinances, regulations and requirements are now in force or are subsequently enacted. The judgement of any court of competent jurisdiction, or the admission by User in a proceeding brought against User by any government entity, that User has violated any such statute, ordinance, regulation or requirement shall be conclusive as between City and User and shall constitute grounds for termination of this Agreement by City.

ARTICLE 4. UTILITIES AND SERVICES

Utilities and Services

Section 4.01. User shall pay, and hold City free and harmless from, all charges for the furnishing of gas, water, sewer, electricity and disposal to the Premises during the Term of this Agreement. Telephone, grounds maintenance and janitorial charges shall be paid by User directly to the provider of the service and shall be paid as they become due and payable but in any event before delinquency.

ARTICLE 5. INDEMNITY AND INSURANCE

Section 5.01. User shall defend, indemnify and save City its elected officials, officers, employees and agents harmless from and against any and all claims, liabilities, losses, damages, and/or causes of action resulting from User's occupation and use of the Premises, specifically including without limitation, any claim, liability, loss, or damage arising by reason of:

(a) The death or injury of any person or persons, including User or any person who is an employee or agent of User, or by reason of the damage to or destruction of any property, including property owned by User or any person who is an employee or agent of User, an caused or allegedly caused by either the condition of the Premises, or some act or omission of User or of some agent, contractor, employee, servant, subtenant, or concessionaire of User on the Premises;

(b) Any work performed on the Premises or materials furnished to the Premises at the insistence or request of User or any agent or employee of User; and

(c) User's failure to perform any provision of this Agreement or to comply with any requirement of law or any requirement imposed on City or the premises by any duly authorized governmental agency or political subdivision.

ARTICLE 6. MISCELLANEOUS

Restriction Against Subletting or Assignment

Section 6.01. User shall not encumber, assign or otherwise transfer this Agreement, any right or interest in this Agreement, or any right or interest in the Premises or any improvements that may now or hereafter be constructed or installed on the Premises without first obtaining the express written consent of City. User shall not sublet the Premises or any part of the Premises or allow any other person, other than User's agents, servants and employees to occupy the Premises or any part of the Premises without the prior written consent of City. The consent by City to one assignment, one subletting, or one occupation of the Premises by another person shall not be deemed to be a consent to any subsequent assignment, subletting or occupation of the Premises by another person. Any encumbrance, assignment, transfer or subletting without the prior written consent of City, whether voluntary or involuntary, by operation of law or otherwise, is void and shall be at the option of City, terminate this Agreement. The consent of City to any assignment of User's interest in this Agreement or the subletting by User of the Premises or parts of the Premises shall not be reasonably withheld.

Attorneys' Fees

Section 6.02. In the event any action is commenced to enforce or interpret the terms or conditions of this Agreement, the prevailing party shall, in addition to any costs and other reliefs, be entitled to the recovery of its reasonable attorneys' fees.

Notices

Section 6.03. Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Agreement or by law to be served on or given to either party to this Agreement by the other party to this Agreement shall be in writing and shall be deemed duly served and given when personally delivered to the party to whom they are directed, or in lieu of personal service, when deposited in the United States mail, first-class postage pre-paid, addressed to User at P.O. Box 8416 Redlands, California, 92375 or to City at 111 W. Lugonia Avenue, P. O. Box 3005, Redlands, California, 92373. Either party, User or City, may change its address for the purpose of this section by giving written notice of that change to the other party in the manner provided in this section.

Entire Agreement

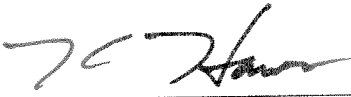
Section 6.04. This Agreement constitutes the entire agreement between City and User respecting the Premises, and the use of the Premises to User, and correctly sets forth the obligations of City and User to each other as of its date. Any agreements or representations respecting the Premises or their use by City to User not expressly set forth in this instrument are null and void.

Time of Essence

Section 6.05. Time is expressly declared to be of the essence in this agreement.

Executed on Feb. 5, 2002,, at Redlands, California.

CITY OF REDLANDS



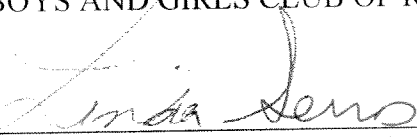
Mayor

ATTEST:



City Clerk

BOYS AND GIRLS CLUB OF REDLANDS


President

ATTEST:

