

# CITY CLERK ORIGINAL

C-7845  
11/22/2011

## PASEO RACQUET CENTER LEASE AGREEMENT

This Lease Agreement ("Agreement") is executed to be effective the 32nd day of November 2011, between the City of Glendale, an Arizona municipal corporation (the "City") and Paseo Racquet Club, LLC, an Arizona limited liability company ("Lessee").

### RECITALS

- A. The City owns a public tennis center known as the Paseo Racquet Center located at 6268 West Thunderbird Road;
- B. The Lessees responded to a City issued Request for Proposals for the operation of the Paseo Racquet Center and were awarded the right to operate the facility;
- C. The parties desire to memorialize their Agreement through this Lease.

### AGREEMENT

1. **Lease of the Property; Restrictions.** The City hereby leases that certain real property, which is more particularly described in Exhibit A attached hereto and hereinafter referred to as the "Property," to Lessees for their use solely as a tennis center open to the public, known as the Paseo Racquet Center. As a part of their tennis operations, Lessees shall designate an on-site manager and must offer to provide to the public: tennis lessons from a qualified professional; a tennis pro shop; food and beverages; and other services customary to a metropolitan public tennis center. Lessees will not use any portion of the Property for any purpose other than as a public tennis center and will not change the name of the tennis operation from the Paseo Racquet Center without the written consent of the City.
2. **Lease of Equipment.** The City now leases to Lessees all of the equipment, furnishings and personal property more particularly described in Exhibit B attached hereto (the "Equipment"). Lessees will use the Equipment only on the Property, except for any necessary repairs or maintenance, or as approved in writing by the City. Lessees must not use or permit the use of the Equipment in a negligent or improper manner and will not allow the Equipment to become subject to any lien or encumbrance. Lessees will, at all times, keep the Equipment in good repair and condition, normal wear and tear excepted. Lessees will make no alterations or improvements to the Equipment without the written consent of the City. Lessees will bear all risks of damage to or loss of the Equipment from any cause during the term of this Lease. Lessees will, at all times, maintain comprehensive fire and casualty insurance for the full replacement value of the Equipment, with the City named as an additional insured. In the event of loss of or damage to the Equipment, Lessees will, in the City's sole discretion, place the same in good repair, replace the same with comparable equipment of furnishings, or pay the City the fair market value of the Equipment at the time of the loss or damage.
3. **Term.** The term of this Lease shall be for a period of ten years, commencing on January 1, 2013, ~~2014~~ and expiring on December 31, 2021, unless sooner terminated under the Lease provisions. The parties may, by mutual written agreement, renew this Lease for two five-year periods, subject to the same terms and conditions as are contained in this Lease, provided that the parties agree in writing to a rental schedule for that five-year renewal period. Factors which may influence the five-year renewal period rent schedule may include the amortization of Lessees' capital improvements and Lessees' gross revenues during the initial 10-year term of this Lease. At any party's request, the parties shall negotiate in good faith as to the renewal of this Lease pursuant to this section; provided that

sole discretion, determine that this Lease shall not be renewed based on the parties' failure to agree to a rental schedule for the renewal period.

4. **Guaranteed Annual Rent.** The escalator amount will be 3% each year beginning with month (13) thirteen. At the end of the first five-year period of this Lease, the City will conduct a market study to determine whether the rent structure is competitive with the area; rents may be adjusted as appropriate.

Rent Period	Amount
Months 1-12	\$2,000
Months 13-24	\$2,060 (minimum 3% increase)
Year 3	\$2,122 (minimum 3% increase)
Year 4	\$2,186 (minimum 3% increase)
Year 5	\$2,252 (minimum 3% increase)
Year 6	\$2,320 (minimum 3% increase)
Year 7	\$2,390 (minimum 3% increase)
Year 8	\$2,462 (minimum 3% increase)
Year 9	\$2,536 (minimum 3% increase)
Year 10	\$2,612 (minimum 3% increase)

5. **Utilities.** Lessees shall pay before delinquency all charges for all utilities used in its operations on the Property, including all charges for telephones, water, gas, electricity, cable television, satellite, or internet services.

6. **Improvements.**

6.1 Lessees will make no improvements or modifications to the Property without the prior written consent of the City. Before commencing any improvements or modifications, Lessees will submit detailed construction plans and specifications of the work as completed. Before starting any construction of improvements or modifications to the Property, Lessees must secure all applicable building permits and approvals from the City. Lessees must furnish any additional information concerning any proposed improvements or modifications which the City may deem necessary. All improvements and modifications made by Lessees will be constructed in a good, workmanlike manner.

6.2 Before commencing any capital improvement construction (defined as any construction project valued at \$50,000 or more according to City CIP policy) on the Property, Lessees must provide the City with payment and performance bonds in amounts equal to the full amount of the written construction contract under which such construction is to be done. The payment bond shall be solely for the protection of claimants supplying labor or materials for the required construction work, and the performance bond shall be solely for the protection of the City, conditioned upon the faithful performance of the required construction work. Each

bond must include a provision allowing the prevailing party in a suit on such bond to recover as a part of its, his or her judgment such reasonable attorney's fees as may be fixed by the court. Each bond must be executed by a surety company duly authorized to do business in Arizona and acceptable to the City's Risk Manager. Each bond will be filed with the City Clerk immediately upon its execution.

- 6.3 Lessees must keep the Property and all improvements thereon free of any mechanic's or materialmen's liens or liens of any kind or nature, for any work done, labor performed, or materials furnished on or to the Property. If any such lien is filed, Lessees must, at their own cost, initiate necessary action to remove such lien from the Property within thirty days of notice thereof, and diligently proceed with such action until the lien is removed.
- 6.4 Lessees must begin construction of any improvements and modifications to the Property within a reasonable period of time following the approval of the City and the issuance of building permits, if necessary, for the construction. Lessees must diligently pursue construction of the improvements or modifications and must complete construction in accordance with the schedule for completion to be agreed upon by the City. Subject to Section 21, all improvements and modifications made by Lessees which become fixtures to the Property will become the property of the City, at no cost to the City, upon the expiration or termination of this Lease, free of any security interest or claims of any kind from or through Lessees.

**7. Maintenance Repairs.**

- 7.1 Lessee is required to accomplish the normal maintenance of the tennis center in a proper manner, including, but not limited to, irrigation inside the fence line, mowing, sweeping and washing of the courts and canopies, windscreens, courts, fencing, tennis net maintenance and interior maintenance of the Clubhouse including restrooms. The City will be responsible for the maintenance of the court lighting, poles, and Clubhouse infrastructure such as the air conditioning, roof, water/electrical piping/conduit and utility connections.
- 7.2 Lessees are solely responsible, at their own cost, for all repairs and maintenance whatsoever on the Property and must maintain all improvements thereon in a good, workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise. Lessees will, without limiting the generality hereof:
  - a. At all times, keep the Property in a clean and orderly condition and appearance, including all improvements thereon, all of Lessees' fixtures, equipment and personal property, and the Equipment. Lessees will be responsible for all janitorial services on the Property;
  - b. Repair any damage to the Property caused by Lessees or their agents, employees or invitees;
  - c. Repair and maintain the tennis courts;
  - d. Resurface the tennis courts in conjunction with City approval and policy.

- 7.3 Lessee's on-site manager will meet at least monthly with the City's Recreation Department to review the condition of the Property. If the Recreation Director determines that a reasonable maintenance standard is not being met by Lessees, Lessees will promptly cure any defaults in their maintenance responsibilities. If Lessees fail to initiate necessary action to maintain, clean, repair, resurface, replace, rebuild, or repaint, as necessary, within thirty (30) days after written notice from the City to do any necessary maintenance or repairs, and to diligently proceed with such action until completion, the City may terminate this Lease or, at its option, enter the Property, without such entering causing or constituting a termination of this Lease or any interference with the possession of the Property, and repair, replace, rebuild, resurface, paint or otherwise maintain ("Forced Maintenance") any part of the Property or the improvements thereon, and do all things reasonably necessary to accomplish the work required. All costs of any Forced Maintenance shall be payable to the City by Lessees on demand. If, in the opinion of the City, Lessees' failure to perform any such maintenance endangers the safety of the public, the employees, the property of the City or others, and the City so states in its notice to Lessees, the City may, in its sole discretion, elect to perform such Forced Maintenance at any time after the giving of such notice, and Lessee shall pay to the City all costs of such work on demand. If the City or any of its elected or appointed officials, employees, or agents undertake any work or Forced Maintenance hereunder, Lessees hereby waive any and all claims for damages, consequential or otherwise, resulting therefrom, except for claims for damages arising from the City's sole negligence.
- 7.4 The City will set aside \$500 of paid rent of each month of this Agreement for a "Capital Maintenance Items" fund administered by the City. Use of the Capital Maintenance Items funds and identification of the projects for which these funds may be used, will be authorized only upon mutual written agreement of the parties.

**8. Hours of Operation; Use of Courts.**

- 8.1 Unless otherwise agreed to in writing by the City, Lessees will keep the Paseo Racquet Center open for business each and every day, excluding legal holidays and Christmas Eve, at a minimum during the hours from 8:00 a.m. – 12:00 p.m. and from 5:00 p.m. – 9:30 p.m.
- 8.2 The tennis courts will be used for tournaments, leagues and lessons in such a manner as to not eliminate the general public from playing at the Paseo Racquet Center. The City reserves the right to approve the hours of any tournament, league or lessons. Lessees will use a maximum of four tennis courts for the giving of lessons during the following prime-time playing hours:

<b>Months</b>	<b>Prime-Time Hours</b>
September – May	8:00 a.m. – 11:00 a.m. and 6:30 p.m. – 9:30 p.m.
June – August	7:00 a.m. – 8:30 a.m. and 6:30 p.m. – 9:30 p.m.

9. **Additional Operational Obligations.**

- 9.1 Lessees will operate and manage the Paseo Racquet Center in a safe and first-class manner comparable to other publicly owned tennis centers providing similar facilities and services. Lessees shall maintain a high standard of service at least equal to that of other competing public tennis centers in the metropolitan Phoenix area.
- 9.2 Lessees will at all times maintain the proper Maricopa County Health inspection rating required for their food and beverage sales.
- 9.3 Lessees will perform all of the following services in connection with their tennis operations:
- a. Accept telephone and walk-in tennis court reservations.
  - b. Supervise and control all play on tennis courts. Play will not be allowed if the courts are not dry and safe.
  - c. Provide the services of an on-site manager for no less than 40 hours per week and, if necessary to provide proper service, for such additional time as may be required.
  - d. Provide tennis lessons and instructions to persons of all skill levels wanting them.
  - e. Render the customary and usual services of a tennis professional in the promotion and conduct of tournaments, exhibitions and clinics, including at least two free tennis tournaments each year (one youth and one adult) for all skill levels.
  - f. Employ staff to perform the duties and services required herein so that there will at all times be at least one adult in charge of the Paseo Racquet Center.
  - g. Submit annually to the City for approval, no later than January 2, Lessees' advertising and marketing plans for the next year.
  - h. Schedule uses for the multi-purpose room.
  - i. Represent the Paseo Racquet Center in accordance with standards accepted by tennis professionals.
  - j. Prepare an annual calendar of tennis activities for the Paseo Racquet Center.
  - k. Conduct an annual user satisfaction survey in December, in a manner and form to be approved in writing by the City. The City will assist in such survey by printing the forms at its own cost.
  - l. Establish and meet at least quarterly with an advisory tennis committee, which shall be made up of at least five residents of the City who regularly play tennis at the Paseo Racquet Center.
  - m. Maintain a tennis shop inventory of not less than \$5,000.00, wholesale value, in equipment such as racquets, balls, shoes, clothing etc. displayed for sale, and a repair service for equipment such as racquet stringing. Merchandise shall be of various brands, and prices and fees for goods and services will not exceed the prices charged for similar goods and services at similar facilities in the metropolitan Phoenix area. The City reserves the

right to require Lessees to discontinue the sale or use of items that are of a nature or quality unacceptable to the City.

- n. Provide an adequate supply of racquets for rental to the public at fees which shall not exceed the prices charged for such services at similar facilities in the metropolitan Phoenix area.
  - o. Control the conduct and demeanor of Lessees' agents, employees and invitees and, upon objection from the City concerning the conduct or demeanor of any such person, Lessees shall immediately take all lawful steps necessary to remove the cause of such objection.
10. **Fees.** All court and light fees charged to customers at the Paseo Racquet Center will be comparable to those fees charged by competing metropolitan Phoenix area public tennis centers for similar facilities and services. Lessees will not increase any court or light fees without the written consent of the City, which consent will not be unreasonably withheld. Fees for tennis services which include private lessons, group lessons, and private classes or instruction will be established by Lessee.
11. **Books and Records.** Lessees will keep, in accordance with the generally accepted accounting principles, separate and accurate records of its gross revenues and expenses concerning all business done at the Paseo Racquet Center during the term of this Lease. The City shall have the right to examine, inspect and copy such records in conjunction with the negotiation of a fair rental for purposes of renewing this Lease pursuant to Section 3. Information acquired by the City pursuant to such inspection will not be made public except as required by law.
12. **Assignment.** Lessees will not assign or sublease any of their interest under this Lease, nor permit any person to occupy the Property, without the prior written consent of the City, which consent will not be unreasonably withheld. The City may, as a condition of approval, require that any potential assignee submit such biographical and financial information to the City as the City deems necessary.
13. **Advertising Signs.** Lessees may install on the Property, subject to the City's sign ordinance, signs identifying its business. The number, general type, size and location of the signs must be approved in writing by the City prior to installation.
14. **Immigration Law Compliance.**
- 14.1 Lessees warrant, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
  - 14.2 Any breach of warranty under this Section is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.
  - 14.3 City retains the legal right to inspect the papers of any Lessees or their employee(s) who perform work under this Agreement to ensure that the Lessees and their employee(s) are compliant with the warranty under this Section.
  - 14.4 City may conduct random inspections, and upon request of City, Lessees will provide copies of their papers and records demonstrating continued compliance with the warranty under this Section. Lessees agree to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this Section.

14.5 Lessees agree to incorporate into any subcontracts under this Agreement the same obligations imposed upon Lessees and expressly accrue those obligations directly to the benefit of the City.

14.6 Lessees' warranty and obligations under this Section to the City are continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this Section is no longer a requirement.

14.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

15. **Prohibitions.** Lessees certify under A.R.S. §§ 35-391 *et seq.* and 35-393 *et seq.*, that they do not have, and during the term of this Agreement will not have, "scrutinized" business operations, as defined in the preceding statutory sections, in the countries of Sudan or Iran.

16. **Default; Termination by City.**

16.1 The City may terminate this Lease by giving Lessees thirty (30) days written notice after the occurrence of any of the following events:

- a. The failure of Lessees to perform any of their obligations under this Lease, provided that Lessees fail to cure their default within said thirty (30) days notice period;
- b. The taking of possession for a period of ten (10) days or more of substantially all of the personal property used on the Property belonging to Lessees by or pursuant to lawful authority of any legislative act, resolution, rule, order or decree, or any act, resolution, rule, order or decree of any court or governmental board, agency, officer, receiver, trustee or liquidator;
- c. The filing of any lien against the Property or the Equipment because of any act or omission of Lessees which lien is not discharged within thirty (30) days of receipt of actual notice by Lessees, unless Lessees initiate necessary action to remove such lien within thirty (30) days and diligently proceed with such action until the lien is removed.

16.2 The city may terminate this Lease immediately, upon written notice to Lessees, if Lessees abandon their tennis operations at the Paseo Racquet Center. For purposes of this Lease, Lessees shall be conclusively deemed to have abandoned their tennis operations at any time that Lessees fail to offer to provide the services required by this Lease for a period of seven consecutive days without the written consent of the City.

16.3 If Lessees at any time fail to maintain all insurance required by this Lease, the City will have the right, upon written notice to Lessees, to immediately terminate this Lease or to secure the required insurance at Lessees' expense.

16.4 Upon termination of this Lease for any reason, all rights of Lessees will terminate including all rights of Lessees' creditors, trustees and assigns and all others similarly situated as to the Property.

16.5 Failure by the City to take any authorized action upon default by Lessees of any of their obligations hereunder shall not constitute a waiver of said default nor of any subsequent default by Lessees.

- 16.6 Notwithstanding any other provision in this Agreement, in the event of a conflict described in statute, this Lease may be terminated immediately under A.R.S. § 38-511.
17. **Termination by Lessees.** Lessees may terminate this Lease at any time that they are not in default in their obligations under this Agreement by giving the City thirty (30) days' written notice after the happening of any of the following events:
- 17.1 Issuance by a court of competent jurisdiction of an injunction in any way preventing or restraining Lessees' use of any substantial portion of the Property and the remaining in force of such injunction for a period of thirty (30) consecutive days;
- 17.2 The inability of Lessees to use any substantial portion of the Property for a period of thirty (30) consecutive days, due to the enactment or enforcement of any law or regulation or because of fire, earthquake or similar casualty, or Acts of God or the public enemy.
18. **Indemnification.** Lessees shall defend, indemnify and hold harmless the City and its elected or appointed officials, agents, boards, commissions and employees (hereinafter referred to collectively as the "City" in this Section) from all loss, damages or claims of whatever nature, including attorney's fees, expert witness fees and costs of litigation, which arise out of any act or omission of Lessees or their agents, employees and invitees (hereafter referred to collectively as "Lessees" in this section) in connection with Lessees' use of the Property or the Equipment and which result directly or indirectly in the injury to, or death of, any persons, or the damage to, or loss of, any property, or arising out of the failure of Lessees to comply with any provisions of this Lease. The City will, in all instances, except for loss, damages or claims resulting from the sole negligence of the City be indemnified by Lessees against all such loss, damages or claims, regardless of whether the loss, damages or claims are caused in part by the negligence, gross negligence or fault of the City. The City will give Lessees prompt notice of any claim made or suit instituted which may subject Lessees to liability under this section, and Lessees will have the right to compromise and defend the same to the extent of their own interests. The City will have the right, but not the duty, to participate in the defense of any claim or litigation with attorneys of the City's selection without relieving Lessees of any obligations hereunder. Lessees' obligations hereunder shall survive any termination of this Lease or Lessees' activities on the Property.
19. **Insurance.** Unless such insurance is not commercially available, Lessees must procure, and at all times, maintain the following types and amounts of insurance for their operations on the Property:
- 19.1 Commercial general liability insurance in the amount of at least \$1,000,000 combined single limit for bodily injury and property damage per occurrence. Coverage must include broad form contractual, broad form property damage and personal injury, premises operations and independent contractors and subcontractors' coverage.
- 19.2 Comprehensive automobile liability insurance for all owned, non-owned and hired vehicles in the amount of at least \$1,000,000 combined single limit for bodily injury and property damage per occurrence.
- 19.3 Fire and extended casualty coverage for all improvements and fixtures on the Property, in an amount not less than the full replacement value thereof, to the extent such coverage is available to Lessees.
- 19.4 Products liability and food service insurance in the amount of \$100,000.

- 19.5 Worker's compensation and employer's liability coverage in the amounts required by law.
- 19.6 Such insurance must be in a form satisfactory to and from a company acceptable to the City's Risk Manager, shall name the City as an additional insured and shall require thirty (30) days written notice to the City before modification or termination. The insurance must also include contractual liability coverage for the obligation of indemnity assumed in this Lease.
20. **Quiet Enjoyment.** Except as set forth in the Termination provision (Section 16), so long as Lessees perform all of their obligations under this Lease, Lessees will peaceably have and enjoy the exclusive use of the Property and the Equipment.
21. **Surrender of Possession.** Upon the expiration or termination of this Lease, Lessees' right to occupy the Property and exercise the privileges and rights herein granted shall cease, and Lessees shall surrender the same, along with the Equipment, and leave the Property and Equipment in good condition, normal wear and tear excepted. Unless otherwise provided herein, all trade fixtures, equipment and other personal property installed or placed by Lessees on the Property shall remain the property of Lessees, and Lessees shall have the right at any time during the term of this Lease, and for an additional period of ten (10) days after its expiration, to remove the same from the Property; provided that Lessees are not in default of any of their obligations hereunder, that Lessees repair at their sole cost any damage caused by such removal, and that under no circumstances shall Lessees remove any of the required capital improvements. Any personal property not removed by Lessees within said ten-day period shall become a part of the Property and ownership thereto shall vest in the City.
22. **Notice.** All notices required or permitted to be given under this Lease may be personally delivered or mailed by certified mail, return receipt requested, postage prepaid, to the following addresses:
- To the City:                      City of Glendale  
    Attention: Parks, Recreation and Library Services Executive  
    Director  
    5850 West Glendale Avenue  
    Glendale, Arizona 85301
- with a copy to:                      City of Glendale  
    City Attorney's Office  
    5850 West Glendale Avenue  
    Glendale, Arizona 85301
- To Lessee:                              Edward Prudhomme  
    4430 West Keating Circle  
    Glendale, Arizona 85308
23. **Severability.** Should any provision of this Lease be declared to be invalid by a court of competent jurisdiction, the remaining terms shall remain effective, provided that elimination of the invalid provision does not materially prejudice any party with regard to its, his or her respective rights and obligations.
24. **Taxes and Licenses.** Lessees will pay any leasehold tax, possessory interest tax, personal property tax, transaction privilege tax or other exaction assessed or assessable as a result of their occupancy of the Property or use of the Equipment, or their conduct of business on the Property under authority of this Lease, including any tax assessable on the City. In the event that laws or judicial decisions result in the imposition of a real property tax on the interest of the City, such tax will also be paid by Lessees. Lessees will, at their own cost,

obtain and maintain in full force and effect during the term of this Lease all licenses and permits required for a business engaged in operating a public tennis center and selling food and beverages.

25. **Compliance with Laws.** Lessees will at all times comply with all federal, state and local laws, rules and regulations which are applicable to their operations on the Property (including the Americans with Disabilities Act), including all laws, rules and regulations adopted or amended after the effective date of this Lease.
26. **Discrimination Prohibited.** Lessees shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, disability, political affiliation or national origin and shall comply with the City's adopted affirmative action program for equal employment opportunities. Lessees shall not, on grounds of race, color, religion, sex, age disability, political affiliation or national origin, deny any services, furnish any benefit which is different from that provided to others, subject any person to segregated or separate treatment in any facility, or in any manner or process related to receipt of any service or benefit, restrict the enjoyment of any privilege enjoyed by others receiving such service or benefit.
27. **Litigation.** This Lease is governed by the laws of the State of Arizona. In the event of any litigation or arbitration between the City and Lessees arising under this Lease, the successful party shall be entitled to recover its, his or her own attorneys' fees (whether in-house or outside counsel is used), expert witness fees and all other costs incurred in connection with such litigation, mediation, or arbitration.
28. **Right of Entry Reserved.** The City shall have the right at all reasonable times to enter upon the Property for any lawful purpose, provided that such action does not unreasonably interfere with Lessees' use, occupancy or security of the Property.
29. **Remedies to be Nonexclusive.** All remedies provided in this Lease shall be deemed to be cumulative and additional, not in lieu of, or exclusive of, each other, or of any other remedy available to the City or Lessees at law or in equity, and the exercise of any remedy, or the existence herein of other remedies, shall not prevent the exercise of any other remedy.
30. **Miscellaneous.** This Lease constitutes the entire agreement between the parties concerning the matters contained herein and supersedes all prior negotiations, understandings and agreements concerning such matters, including the First Lease, the Assignment Agreement and the Lease Renewal. This Lease shall be interpreted and enforced according to the fair meaning of its terms and shall not be construed strictly in favor of or against either party, regardless of which party may have drafted any of its provisions. No provision of this Lease may be waived or modified except by a writing signed by the party against whom such waiver or modification is sought. Exhibits A and B are attached to this Lease, and by this reference are incorporated into the Lease as if fully set forth. The terms of this Lease shall be binding upon and inure to the benefit of the parties' successors and assigns.

[Signatures to follow.]

EXECUTED to be effective on the date specified above.

City of Glendale

By: *Ed Beasley*  
Ed Beasley, City Manager

ATTEST:

*Pamela Hanna*  
Pamela Hanna (Seal)  
City Clerk

APPROVED AS TO FORM:

*Craig Tindall*  
Craig Tindall  
City Attorney

PASEO RACQUET CLUB, LLC, LESSEE:

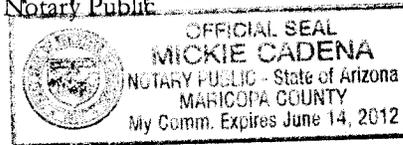
*Edward Prudhomme*  
Edward Prudhomme, Managing Member

STATE OF ARIZONA     )  
  )ss.  
County of Maricopa     )

The foregoing instrument was acknowledged before me this 2 day of December 2011, by Edward Prudhomme, Managing Member of PASEO RACQUET CLUB, LLC.

*Mickie Cadena*  
Notary Public

My Commission Expires:  
6-14-12



## Exhibit A

### Property Information

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**Parcel #:** 200-73-004-K

**MCR #:**

**Property Address:**

6268 W THUNDERBIRD ROAD / GLENDALE, AZ 85306 USA

**Property Description:**

TH PT W2 SE4 SEC LY S & W OF RELOCATED AZ CANAL DAF BEG S4 COR SEC 7 TH N 40F TO TPOB TH CONT N 1686.85F TO SWLY R/W LN OF AZ CANAL TH ALG R/W LN S 52D 25M E 286.24F TH SELY 318.70F ALG TAN CUR TO P HAV RAD 830F TH S 30D 25M E 680.45F TH S 680.84F TO N LN OF S 40F TH W 787.63F TO TPOB EX THE FOL DESC PROP COM SW4 COR SD SEC 7 TH E 654.83F TH N 40.00F TH E 133.07F TH N 15.00F TO POB TH CON N 60.00F TH W 165.00F TH S 60.00F TH E 165.00F TO POB

**Section Township Range:** 7 3N 2E

**Subdivision Name:**

**Lot #:**

**School Dist:**

PEORIA UNIFIED SCHOOL DISTRICT

**Local Jurisdiction:**

GLENDALE

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### Owner Information

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**Owner:** City of Glendale

**Mailing Address:** 5850 W GLENDALE AVE / GLENDALE, AZ 85301 USA

**Deed #:** 880165324

**Deed Date:** 6/2/1988



## Exhibit B

### Equipment Information

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Parcel #: 200-73-004-K

MCR #:

Property Address: 6268 W THUNDERBIRD ROAD / GLENDALE, AZ 85306 USA

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### Paseo Racquet Center

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8	Three tier 7' long Bleachers
10	Wabash Diamond Pattern 6 seat Picnic Tables
22	Five Foot Players Benches for Tennis Courts
4	Twenty-Two Gallon Steel Trash Receptacles
2	36" X 48" Waterproof Aluminum Lockable Display Cases
2	18" X 24" Waterproof Aluminum Lockable Corkboard Display Cases faces
1	Portable Judges Stand
1	Office Desk w/ Chair