

COMMERCIAL LICENSE AGREEMENT

This lease is made between and executed by City View Church, herein called "Lessor", and Elevate School herein called "Lessee."

1. DESCRIPTION OF PREMISES

Lessor grants to Lessee and Lessee hires from Lessor as herein provided, a lease for the non-exclusive use of the premises located at 8404 Phyllis Place, San Diego, CA 92123. Lessor, in consideration of the lease payments provided in this Lease, leases to Lessee those rooms and areas identified in Exhibit A (the "Premises"). Except for the areas detailed below and in Exhibit A, and access to those areas, no other portion of Lessor's property is made available to Lessee by means of entering into this Lease Agreement.

2. USE OF PREMISES

Lessee may only use the Premises for the purpose of a California Non-Profit Charter School. The times and days detailed below exclude scheduled school holidays. Lessee will provide the Lessor with a written schedule of such holidays.

2.1 ROOMS

Lessee shall have use of the following rooms during each year of the lease agreement: Years 1-3 (and extended year): Rooms KI 102, KI 103, KI 104, KI 201, KI 204, KI 205, FLC 101, FLC 102; Offices (FLC 203, FLC 204), FLC 205, FLC 206, KI Dean's Office, SC 101, SC 102 (Offices); Storage Shed, SC and FLC Kitchens; Grass field to the east of the SC; Front East parking lot; Adult Restrooms SC and FLC Upstairs, Student Restrooms FLC (3), KI (4); FLC 202 (Upstairs Storage Room)

These areas will be used Monday through Friday between the hours of 7:00 AM and 6:00 PM with the exception of FLC 205 and FLC 206 which will be vacated by 4:00 PM. FLC 205 and 206 should not be set up as a classroom and left in "as is" condition.

Based on the availability as determined solely by Lessor, and with written authorization from Lessor, Lessee may utilize these rooms outside of these hours and for select evening activities (e.g. open house, parent- teacher conferences). Upon Lessor approving the schedule, rental payment includes use of the above rooms during the following 3 evening activities per school year:

- Back to School Night
- Winter Exhibition
- Spring Exhibition

Lessee is a public school and all areas leased by Lessee must be free of any religious objects, religious text, video, and audio that can be seen/heard by employees and students while using the premises. It is the Lessee's responsibility to ensure classroom compliance. Lessor grants the Lessee the right to cover or remove any material deemed religious, and Lessor agrees to assist the Lessee with removal of any religious material upon Lessee's request.

2.2 ROOMS WITH 24-HOUR ACCESS

Lessee shall have 24-hour, seven-day-per-week, exclusive use of room SC 101, SC 102 (offices), FLC 202 Storage Closet (storage), FLC 203/204 and KI Dean's Office. After hours access will be coordinated with Lessor due to security system.

2.3 LUNCH TABLES AND RECREATIONAL AREAS

Lessee shall have the right to non-exclusive use of the exterior Lunch Tables and the Recreational Area (as illustrated in Exhibit A) Monday through Friday between the hours of 7:00 AM and 6:00 PM. Lessee will provide and maintain a written schedule detailing to Lessor its intended use of these areas. Lessor may use the Lunch Tables, and/or the Recreational Areas when Lessee is not scheduled to use them.

2.4 STUDENT CENTER – AUDITORIUM

Lessee may use the Student Center for up to ten (10) hours each week, Monday, Tuesday, Thursday or Friday between the hours of 7:00 AM and 6:00 PM (No usage on Wednesdays-except for rainy days) Lessee will keep Lessor updated on SC use by inputting the usage dates/times on a shared calendar with at least 72 hours notice. In case of a rainy day, Lessee will have access to the Student Center for PE until 12:35. Lessee will reset and vacuum the room following rainy day usage. Rainy day activities and kitchen access will not count towards the 10 hour weekly allotment. Lessee will limit their use of the Lessor's refrigerator. Lessee will have access to the stage for assemblies, but will not use any musical equipment (without prior approval). Prior approval is required for use of the soundbooth and may require an additional fee. Groups of 5 or less people meeting in the Student Center will not count towards the ten (10) hours per week allotment. Minimal cleaning will be permitted during 5 or less usage. The total monthly rent described in Section 6 includes these ten (10) hours of usage, but excludes any required time for set-up, teardown, or cleanup.. Hours cannot be accrued and carried over from week-to-week. Except for conflicts of schedule, Lessor will not withhold requests for the use of the Student Center by Lessee. All Student Center doors will remain locked with the exceptions of the doors to the offices and the east door nearest the water fountain.

2.5 PARKING

Lessor will provide the front East parking lot for Lessee's employees and PE. Lessor will work with Lessee to ensure access for parent/student drop-off and pick-up during times of construction and parking lot maintenance, if applicable. Overage parking is permitted during events.

2.6 FURNITURE AND FIXTURES

Lessor will provide the equipment, furniture, and fixtures as currently exist in all rooms, if any, in an "as is" condition. Lessor will maintain upkeep and filters for Lessee provided water fountains.

2.7 STUDENT OCCUPANCY

Lessee will ensure that occupancy does not exceed 28 students per classroom.

2.8 ACTIVELY SHARED CLASSROOMS (ASCs)

KI102 and KI104 will be classrooms that are fully converted and transformed from Lessee's use during the week (Monday through Friday), to Lessor's use during the weekend (Friday after 6:00 PM to Monday at 7:00 AM). For purposes of this Agreement, these rooms requiring complete conversion are defined as "Actively Shared Classrooms" or "ASCs." Lessee will move desks from KI 102 for the weekend and chairs will be mutual use. Lessor will return desks to room KI 102 prior to next school day. If alternate furniture and/or fixtures are mutually agreed upon, Lessee will purchase items at school expense (and said items will remain the possession of school).

2.9 LESSOR USE

Lessee understands that Lessor may use any room or area of the Premises for its own use at times not defined for exclusive use by Lessee. In addition, during the summer months of June (after Lessee's school is out of session), July and August (prior to Lessee's staff return), Lessee also understands that Lessor provides camps and activities for children and young adults throughout the premises. Lessee will allow Lessor the right to use any of the Premises (excluding Offices and Storage) for four non-contiguous weeks during this summer period. Lessor will schedule these summer events by March 1 of each year, such that Lessee can plan their summer accordingly. In preparing the summer schedule, Lessor will work with Lessee to attempt to address Lessee's summer needs. Lessor will return all Lessee rooms back to their original condition after each event.

3. STORAGE

Lessor shall not be liable for loss of, or damage to, Lessee's property. Lessee shall be entitled to store items of personal property in any of its leased rooms (excluding exterior areas and rooms leased with an hourly allotment e.g. Student Center), at Lessee's sole risk. Lessee recognizes that all rooms are ASCs, and as such the use of these rooms will limit the storage of personal property, and may require unique storage methods that may move classroom contents to another location on Lessor's premises each weekend.

4. DAMAGE TO LESSOR'S PROPERTY

With the exception of normal wear and tear, Lessee agrees to reimburse Lessor for repairs related to any damage of Lessor's property or facilities caused by the activity of Lessee, or Lessee's employees, students, parents, or visitors. Lessee will inform Lessor of any such damage within 24 hours of occurrence.

5. ONE-YEAR OPTION

The term of this lease is for thirty-six (36) months, with one additional twelve (12) month option period. The lease begins on July 1, 2023 (Lease Commencement Date) and ends on June 30, 2026. The One-Year Option period begins on July 1, 2026 and ends on June 30, 2027.

Lessee shall have a one-time right to exercise a one-year extension of this lease (the "One-Year Option"). Such notification can occur at any time during the term of the lease. Lessee shall give Lessor written notice of Lessee's election to exercise the One-Year Option by 4:00 PM, February 1, 2027. This One-Year Option can be rescinded and canceled by the Lessor, with notification in writing to the Lessee by January 1, 2027.

6. RENT AND LATE FEE

Rent Defined: All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("Rent").

The total rent due under this lease is \$756,600. Including the one-year option period, the total rent due under this lease is \$1,034,400. Lessee agrees to pay Lessor monthly rent amounts as follows:

MONTH	TOTAL MONTHLY RENT
1-12 (7/1/23-6/30/24)	\$20,000
13-24 (7/1/24-6/30/25)	\$21,000
25-36 (7/1/25-6/30/26)	\$22,050

One-year Option:
37-48 (7/1/26-6/30/27) \$23,150
Payable to:

City View Church
8404 Phyllis Place
San Diego, CA 92123

Upon signature of this lease, Lessee will pay first monthly rent installment in advance on or before July 1, 2023, and all future monthly installments will be payable by Lessee to Lessor by the first business day of each month thereafter during the term of the lease.

If any rental payment (EFT or otherwise) or other sum due under this lease is not paid within two (2) business days after the same becomes due, Lessee agrees to pay Lessor a late fee of One Hundred Dollars (\$100) per calendar day, for each day the payment is late beyond the initial due date. If Lessee has two late payments over the lease term (including the option period), Landlord will rescind this two-day grace period and consider any payment late that does not arrive on or before the due date. Lessee further agrees to pay One Hundred dollars (\$100) for each dishonored bank or other check, or unsuccessful ACH or EFT transaction.

7. SECURITY DEPOSIT

Lessor is currently holding a Security Deposit in the amount of \$17,000. On July 1, 2023 the Security Deposit will be increased to \$20,000, resulting in an incremental Security Deposit payment from Lessee to Lessor of \$3,000. If Lessee fails to pay rent or other charges due hereunder, or otherwise defaults with respect to any provision of the Lease, Lessor may use, apply, or retain all or any portion of the Security Deposit for the payment of any rent or other charge in default. If Lessee performs all of Lessee's obligations hereunder, the Security Deposit or so much thereof as has not theretofore been applied by Lessor, shall be returned, without payment of interest or other increment for its use, to Lessee upon confirmation of Lessee's vacation of the premises, leaving the premises in good repair. The Security Deposit may not be used as advance payment of the final month's rent under the terms and provisions of this lease.

8. HOLDOVER

If Lessee maintains possession of the Premises for any period after the termination of this Lease ("Holdover Period"), Lessee shall pay to Lessor lease payment(s) during the Holdover Period at a rate equal to 125% of the most recent rate preceding the Holdover Period. Such holdover shall constitute a month-to-month extension of this Lease.

9. TAXES

Use of property as a public charter school exempts the Lessor from paying property taxes for the portion of the premises in which the school is occupying. The exemption must be timely claimed, however, and the Lessor must be involved. Lessee and Lessor shall work together in the process of applying for property use tax exemption. Should the exemption be denied, for reasons other than lack of action by the Lessor, Lessee agrees to pay any additional real estate taxes and assessments that are assessed against the Premises during the time of this Lease. Lessee shall have no liability for real estate taxes assessed prior to start of Lessee's use of the premises.

10. USE OF PREMISES AND RESTRICTIVE COVENANT

The premises are to be used only as a charter school and for other meetings, events and gatherings related to the operations of a charter school ("Permitted Use"), and for no other business or purpose without the prior written consent of Lessor. Lessee agrees to restrict their use to such purposes, and not to use or permit the use of the premises for any other purpose without first obtaining the consent in writing of Lessor or of Lessor's authorized agent. Lessee further agrees as an unalterable covenant and condition of this lease agreement that no alcoholic beverage may be sold, dispensed, served, consumed, or made available in any manner on the premises.

11. LESSOR'S ACCESS.

Lessee shall have access to the designated use areas of the Premises (Exhibit A) to conduct its operations during designated hours (section 2.1). Lessee shall have the right, during school hours, to control access by persons to and from areas on the Premises where students are present including, without limitation, control of locked doors, requiring visitor badges for all persons who are not students, faculty or staff at the Premises. Except in the case of emergency, no persons shall be allowed to access such areas during school hours without being supervised by Lessee at all times during such access. Lessor agrees to provide Lessee with reasonable advance notice of any proposed visitors to the church property if such visitors would require access to or through any portion of such areas during school hours. Lessor shall ensure that all maintenance personnel, staff members, and other individuals associated with Lessor who will have regular contact with Lessee's students will complete background checks in compliance with the terms of Lessee's Charter.

12. NO USE THAT INCREASES INSURANCE RISK

Lessee shall not use the premises in any manner, even in his use for the purposes for which the premises are leased, that will increase risks covered by insurance on the building where the premises are located, so as to increase the rate of insurance on the premises, or to cause cancellation of any insurance policy covering the building. Lessee further agrees not to keep on the premises, or permit to be kept, used, or sold thereon, anything prohibited by the policy of fire insurance covering the premises. Lessee shall comply, at his own expense, with all requirements of insurers necessary to keep in force the fire and public liability insurance covering the premises and building.

13. NO WASTE NUISANCE, OR UNLAWFUL USE

Lessee shall not produce, generate, or store, any waste and/or hazardous waste on the premises, or create or allow the premises to be used for any unlawful purpose.

14. UTILITIES AND JANITORIAL SERVICE

Lessor shall pay for utilities furnished on the premises for the term of this lease, which include electricity, trash, recycling, and water and Internet. Thermostats will be set and controlled by Lessor with a low of 68 degrees and a high of 78 degrees. Lessee shall obtain and pay for installation and monthly charges of a separate phone line for its exclusive use, if desired by Lessee. Lessor shall provide standard janitorial services for the Premises, and such standard janitorial services are included in Lessee's rent.

Janitorial service will include:

- Emptying trash cans daily and vacuum 2 agreed upon times per week in the following rooms: KI 102, 103, 104, 105 (office), 201, 204, 205, FLC 101, 102, 203 (office), 204 (office), 205, 206, SC 101 & 102 (offices). Lessee will put classroom chairs on the desks to facilitate vacuuming.
- Clean bathrooms daily (Adult Restrooms SC, FLC Upstairs and Student Restrooms FLC (3) and KI (4)).

Lessee will be responsible for deep cleaning the following spaces during school breaks: KI 102, 103, 104, 105 (office), 201, 204, 205, FLC 101, 102, 203 (office), 204 (office), SC 101 & 102 (offices).

15. REPAIRS, MAINTENANCE AND IMPROVEMENTS

Lessee expressly waives all rights to make repairs at Lessor's expense under any provision of local, county, and/or state law. Lessor is not requiring Lessee to construct any improvements within the leased premises or, if applicable, the common areas. Lessee, at Lessee's sole expense, may make alterations, repairs, improvements or additions within the leased premises, or attach any fixtures or equipment therein, by first obtaining Lessor's prior written consent. Such consent may be withheld at the sole discretion of Lessor.

Property must be kept in proper order at all times. Any costs to keep the property in proper order are the responsibility of the Lessor and shall be done expeditiously. Lessor shall keep in regular communication with Lessee about the status of outstanding repair matters.

Lessee shall be responsible for payment of the cost thereof to Lessor for that portion of any maintenance and repair of the Premises to the extent such cost is attributable to misuse or abuse. Lessee shall be responsible for any equipment purchase (wherever located) that serves only Lessee.

16. DELIVERY, ACCEPTANCE, AND SURRENDER OF PREMISES

Lessee agrees to accept the premises on possession as being in a good state of repair and in sanitary condition. Lessee shall surrender the premises to Lessor at the end of the lease term, if the lease is not renewed, in the same condition as when it took possession, allowing for reasonable use and wear, and damage by acts of God including fire and storms. Lessee shall remove all business signs or symbols placed on the premises by it before re-delivery of the premises to the Lessor and shall restore the portion of the premises on which they were placed in the same condition as before their placement.

17. PARTIAL DESTRUCTION OF PREMISES

Partial destruction of the leased premises shall not render this lease void or voidable, or terminate it except as herein provided. Lessee hereby waives any rights it may have to the contrary under any provision of local, county, and/or state law. If the premises are partially destroyed during the term of this lease, Lessor shall repair them, when such repairs can be made in conformity with local state, and federal laws and

regulations, within 30 days of the partial destruction with no abatement of rent. If the repairs cannot be made within the time limited, Lessor has the option to make them within a reasonable time and continue this lease in effect with proportional rent rebate to Lessee as provided for herein. If the repairs cannot be so made in 30 days, and if Lessor does not elect to make them within a reasonable time, either party hereto has the option to terminate this lease. Disputes between Lessor and Lessee relating to the provisions of this section shall be arbitrated. The parties shall each select an arbitrator; the two arbitrators selected shall select another arbitrator. The three arbitrators shall hear and determine the dispute. Their decisions shall be binding on the parties hereto. The parties agree to divide the arbitration costs equally between them.

18. SIGNS, AWNINGS, MARQUEES, ETC.

Lessee may install temporary, easily removable signs, at Lessee's sole expense, that must be removed on Fridays. Lessor must approve signage design and location prior to use. Lessee will not construct or place, or permit to be constructed or place signs, awnings, marquees, or other structures projecting from the exterior of the premises. Lessee further agrees to remove signs, displays, advertisements or decorations it has placed, or permitted to be placed, on the premises which, in Lessor's opinion, are offensive or otherwise objectionable. If Lessee fails to remove such signs, displays, advertisements, or decorations within three (3) calendar days after receiving written notice from Lessor to remove the same, Lessor reserves the right to remove them, at Lessee's expense. Lessee may place signs pre-approved by Lessor about the premises at locations approved by Lessor.

19. "QUITTING BUSINESS," "BANKRUPTCY," OR "LOST OUR LEASE" SALES
Lessee agrees not to conduct "Quitting Business," "Lost Our Lease," "Bankruptcy," or other such types of activities on the premises without Lessor's written consent.

20. NONLIABILITY OF LESSOR FOR DAMAGES AND INDEMNITY

Lessor shall not be liable for liability or damage claims for injury to persons, including Lessee and its agents, employees, invitees, guests or customers, or for property damage from any cause, related to Lessee's use of the premises, including those arising out of damages or losses occurring on sidewalks and other areas adjacent to the premises, during the term of this lease or any extension hereof. Lessee hereby agrees to indemnify Lessor against all liability, loss, or other damage claims or obligations because of or arising out of such injuries or losses. Lessee's obligation shall not extend to any liability, loss, claims, damages or obligations arising in whole or in part from the active negligence or willful misconduct of the lessor, its agents, or employees.

21. LESSEE TO CARRY LIABILITY INSURANCE

Lessee shall procure and maintain in force during the term of this lease and any extension thereof, at his expense, general liability insurance in admitted companies and through brokers approved by Lessor (with said companies holding an "A.M. Best Rating" of 'A' or better) or through self-insurance pooling as permitted by California Government Codes 990.4 and 990.8 and California Education Code 17566 to adequately protect against liability for damage claims through public use of or arising out of accidents occurring for each person injured, Two Million Dollars (\$2,000,000.00) for any one accident. Such insurance policies shall provide coverage for Lessor's contingent liability on such claims or losses. Lessee shall deliver to Lessor certificates of insurance as well as the policy endorsement indicating First Assembly of God of San Diego doing business as CityView Church as an additional insured for each of the aforesaid insurance

companies. Lessee agrees to notify Lessor in writing at least 30 days prior to cancellation or refusal to renew any such policies. Lessee agrees that if such insurance policies are not kept in force during the entire term of this lease and any extension thereof, Lessor may procure the necessary insurance and pay the premium therefore, and that such premium shall be repaid to Lessor as an additional rent installment for the month following the date on which such premiums are paid.

22. LESSEE AGREEMENT, SUBLEASE OR LEASE FOR OCCUPATION BY OTHER PERSONS

Lessee agrees not to assign or sublease the leased premises, any part thereof, or any right or privilege connected therewith, or to allow any other person, except Lessee's agents, employees and business customers, including parents and students to occupy the premises or any part thereof, without first obtaining Lessor's written consent.

Lessee's unauthorized assignment, sublease, or lease to occupy shall be void and shall terminate the Lessee's option. Lessee's interest in this lease is not assignable by operation of law, nor is any assignment of its interest herein, without Lessor's written consent.

23. LEASE BREACHED BY LESSEE'S RECEIVERSHIP ASSIGNMENT FOR BENEFIT OF CREDITORS, INSOLVENCY OR BANKRUPTCY

Appointment of a receiver to take possession of Lessee's assets, Lessee's general assignment for benefit of creditors, or Lessee's insolvency or taking or suffering action under the Bankruptcy Act is a breach of this lease.

24. LESSOR'S REMEDIES ON LESSEE'S BREACH

If Lessee breaches this lease, Lessor shall have the following remedies in addition to his other rights and remedies in such event:

- a. *Reentry.* Lessor may take exclusive possession of the premises immediately, and remove all Lessee's personnel and property therefrom. Lessor may store the property in a public warehouse or at another place of his choosing at Lessee's expense or to Lessee's account.
- b. *Termination.* After reentry, Lessor may terminate the lease at the conclusion of the current school year by giving written notice of such termination to Lessee. Reentry only, without notice of termination, will not terminate the lease.

In the event of Lessee's breach of this Agreement, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such breach:

- a. Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (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 the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees,

and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover any damages to which Lessor is otherwise entitled. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required herein was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required herein. In such case, any applicable grace period required herein and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the default within the greater of the two such grace periods shall constitute both an unlawful detainer and a breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

b. Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

c. Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

25. PREVAILING PARTY TO BE AWARDED REASONABLE ATTORNEY'S FEES AND COSTS

If Lessor or Lessee files an action to enforce any term of this lease or for breach of any term herein, the prevailing party shall be awarded its reasonable attorney fees and costs.

26. MANNER OF GIVING NOTICE

Notices given pursuant to the provisions of this lease or necessary to carry out its provisions, shall be in writing, and delivered personally to the person to whom the notice is to be given, or mailed postage prepaid, addressed to such person. Lessor's address for this purpose shall be:

City View Church
Attn: Director of Church Operations
8404 Phyllis Place
San Diego, CA 92123

or such other address as may be designated to Lessee in writing.

Notices to Lessee may be addressed to:

Elevate School
2285 Murray Ridge Road
San Diego, CA 92123

27. EFFECT OF LESSOR'S WAIVER

Lessor's waiver of breach of one term or condition of this lease is not a waiver of breach of others, or of subsequent breach of the one waived. Lessor's acceptance of rent installments after breach is not a waiver of the breach, except of breach of the covenant to pay such rent installment(s) accepted.

28. APPLICABLE TO SUCCESSORS

The lease and the covenants and conditions hereof apply to and are binding on the heirs, successors, legal representatives, and assigns of the parties

29. TIME OF ESSENCE

Time is of the essence of this lease.

30. EFFECT OF EMINENT DOMAIN PROCEEDINGS

Eminent domain proceedings resulting in the condemnation of a part of the premises leased herein that leave the rest usable by Lessee for purposes of the business for which the premises are leased will not terminate this lease unless Lessor at Lessor's option terminates it by giving written notice of termination to Lessee. The effect of such condemnation, should such option not be exercised, will be to terminate the lease as to the portion of the premises condemned, and leave it in effect as to the remainder of the premises. Lessee's rental for the remainder of the lease term shall in such case be reduced by the amount that the usefulness of the premises to him for such business purposes is reduced. All compensation awarded in the eminent domain proceeding as a result of such condemnation shall be Lessor's. Lessee hereby assigns and transfers to Lessor any claim he may have to compensation for damages as a result of such condemnation.

31. CONSTRUCTION

This lease shall be governed by and construed by the laws of the State of California. In construing the terms of this agreement, the masculine gender shall include the feminine and neuter genders, and singular number shall include the plural, the plural shall include the singular, wherever necessary to convey the intent and understanding of the parties hereto.

32. SUBORDINATION; ATTORNMENT; NONDISTURBANCE.

32.1 SUBORDINATION. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "Security Device"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "Lender") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

32.2 ATTORNMENT. In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the nondisturbance provisions of Paragraph 32.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner

for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

32.3 NONDISTURBANCE.

With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable nondisturbance agreement (a "NonDisturbance Agreement") from the Lender which NonDisturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and returns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessee, use its commercially reasonable efforts to obtain a NonDisturbance Agreement from the holder of any preexisting Security Device which is secured by the Premises. In the event that Lessor is unable to provide the NonDisturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a NonDisturbance Agreement.

32.4 SELF EXECUTING.

The agreements contained in this Paragraph 32 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or NonDisturbance Agreement provided for herein.

Lessor: CITYVIEW CHURCH

Date:

By:

Title:

Lessee: ELEVATE SCHOOL

Date:

By:

Title