

AMENDED AND RESTATED LEASE BETWEEN
TAMALPAIS VALLEY IMPROVEMENT CLUB
AND
TAMALPAIS COMMUNITY SERVICES DISTRICT

EFFECTIVE DECEMBER 1, 2006

TABLE OF CONTENTS

RECITALS	1
SECTION 1: LEASE	1
SECTION 2: TRADE FIXTURES AND PERSONAL PROPERTY	2
SECTION 3: TERM OF LEASE	2
SECTION 4: CONSIDERATION	3
SECTION 5: NOTIFICATIONS BY LANDLORD OF INTENTION TO SELL	5
SECTION 6: MEMBERSHIP IN LANDLORD	5
SECTION 7: TAXES; ASSESSMENTS	6
1. Personal Property Taxes	6
2. Real Property Taxes	6
3. Substitute and Additional Taxes	6
4. Transfer Tax	7
SECTION 8: USE	7
1. Activities on the Premises	7
2. Substantive Changes in Use permit -- Cessation of Lease	8
3. Control of the Premises	8
4. Landlord's Use of the Premises:	9
SECTION 9: UTILITIES	10
SECTION 10: MAINTENANCE	10
SECTION 11: ALTERATIONS	11
SECTION 12: MECHANICS' LIENS	11
SECTION 13: INDEMNITY AND EXCULPATION; INSURANCE	12
1. Exculpation of Landlord	12

2. Indemnity by Landlord	12
3. Indemnity by Tenant.....	12
4. Public Liability and Property Damage Insurance	12
5. Tenant's Fire Insurance.....	13
6. Payment of Premiums	14
7. Proration of Premiums	14
8. Waiver of Subrogation.....	14
SECTION 14: ASSIGNMENT.....	15
SECTION 15: DEFAULT	16
1. Tenant's Default.....	16
2. Landlord's Remedies	17
SECTION 16: MEDIATION.....	17
SECTION 17: SUBORDINATION; ESTOPPEL	18
SECTION 18: NOTICE.....	19
SECTION 19: WAIVER.....	19
SECTION 20: ATTORNEY FEES.....	20
SECTION 21: GENERAL CONDITIONS	20
1. Time Of Essence.....	20
2. Consent Of Parties.	20
3. Quiet Possession	20
4. Authority To Execute Lease	21
5. Amendments, Changes And Modifications	21
6. Interpretation of Lease	21
7. Integrated Agreement; Modification.....	21

8. Provisions Are Covenants And Conditions	21
9. Captions	21
10. Severability	22
11. Memorandum of Lease	22

This Lease is entered into as of December 1, 2006, between the Tamalpais Valley Improvement Club ("Landlord"), a non profit public benefit corporation within the meaning of California Corporations Code §5110 et seq. and a federally tax exempt organization pursuant to Internal Revenue Code §501(c) (3), P.O. Box 1446, Mill Valley, California 94942 and the Tamalpais Community Services District ("Tenant"), a government agency formed pursuant to California Government Code §61000 et seq., 305 Bell Lane, Mill Valley, California 94941.

RECITALS

1. Landlord is the owner of certain improved real property (the "Premises"), located in Tamalpais Valley at 203 Marin Avenue, Mill Valley, Marin County, California, more particularly described in Exhibit A attached hereto and incorporated herein by this reference, hereinafter known as the "Premises."
2. It is the express intention of the parties to this Lease to preserve the Premises and to continue the operation of the community center on the Premises in perpetuity for the use, enjoyment and benefit of the people of the community. Priority for the use of the Premises should be given to the residents of Tamalpais Valley.
3. Landlord desires to lease to Tenant and Tenant desires to amend and restate the lease between the parties dated December 1, 1994 on the terms, conditions and covenants described in this Lease. To that end, for good and valuable consideration, the parties agree as follows:

SECTION 1: LEASE

Landlord leases to Tenant and Tenant leases from Landlord the Premises on the terms, conditions, and covenants set forth in this Lease.

SECTION 2: TRADE FIXTURES AND PERSONAL PROPERTY

Landlord leases to Tenant and Tenant leases from Landlord all personal property within or on the Premises as of the date of the lease, except the following, which is property belonging to Landlord and not leased hereby to Tenant: the theatrical lighting system, including the light Board and sound mixing Board; all contents of the closet in the loft used by Rhubarb Revue, including all Rhubarb Revue clothes, costumes, and accessories; and miscellaneous speakers, microphones, stands, and wiring all of which are located in the locked closet in the loft. The chairs located in the Premises belong to the Tenant, and are used by the Landlord and persons to whom the Tenant subleases the Premises on a short-term basis. Tenant may use and/or allow subtenants to use any tables that belong to Landlord.

SECTION 3: TERM OF LEASE

The term of this Lease shall be for thirty-eight (38) years (the "Main Term"), commencing on December 1, 2006, and ending on November 30, 2044, unless sooner terminated pursuant to the provisions of this Lease or pursuant to law. In addition to the Main Term, and provided that Tenant is not then be in default of any provision of the Lease, Tenant shall have the right (individually, a "Renewal Option", collectively, the "Renewal Options") to renew and extend the Lease for two (2) consecutive twenty-five (25) year periods (the "Option Periods") immediately following the Main Term, on all of the terms and conditions of the Main Term, including rent. Tenant shall deliver to Landlord written notice of its election to exercise any Renewal Option at least one hundred eighty (180) days prior to the expiration of the Main Term or any then-current Option Period, as applicable. Only upon the giving of notice of renewal and extension in accordance with the foregoing provisions will the Main Term or the Option Periods be renewed and extended in accordance with such notice.

SECTION 4: CONSIDERATION

1. Tenant shall rent the Premises for the amount of One Dollar (\$1.00) per year. Landlord acknowledges that Tenant has heretofore paid rent in full through the Main Term of this Lease. Rent payments for the renewal terms shall be made on the 1st day of each year of each renewal term, or may be paid in full for each renewal term by one lump sum of Twenty-five Dollars (\$25.00) on or before the 1st day of each renewal term.
2. Tenant has paid for the improvements to the Premises required by the use permit adopted April 28, 1994, Resolution No. 94-045.
3. Tenant shall make the Premises available to Landlord for Landlord's exclusive use and enjoyment up to a maximum of twenty (20) days each year during the term of this Lease at no charge to Landlord ("Free Use") in connection with Landlord's preparation for and presentation of its primary fundraising event. Landlord shall present its schedule of use to Tenant on or before November 15 of the year preceding the year of use (e.g., November 15, 2006 for use in 2007); provided, however, that in the event Landlord should schedule its primary fundraising event for presentation to the public other than during the month of May, Landlord will present its schedule of use not later than seventy-five (75) days before its first use. Once Landlord has presented its schedule of use to Tenant, in the event that Landlord reasonably determines it is necessary to modify its scheduled use of the Community Center, Landlord shall notify Tenant and Tenant agrees to use its best efforts to accommodate the Landlord's request, consistent with Tenant's right to sub-lease the Premises for uses permitted under the use permit (Renewal 00-8, adopted on March 2, 2000 by the Marin County Deputy Zoning Administrator in Resolution no. 00-115, attached hereto, marked Exhibit B, incorporated herein by this reference and hereinafter referred to as "Use Permit) and any amendments thereto. Notwithstanding its current use, Landlord shall have the right to modify the nature or form or details of its primary fundraising

event, and its scheduled days of use, during future years on notice to Tenant on or before the date it presents its schedule to Tenant for Landlord's use of the Community Center. The actual days and times of Landlord's use shall be negotiated in good faith by Landlord and Tenant and in accordance with normal scheduling procedures used by community members and others. The following formula shall be utilized to determine when, if at all, Landlord has exceeded the Free Use allowed by this paragraph:

a. Landlord's pre-scheduled Free Use (as shown on its schedule of use previously submitted to and approved by Tenant) of the Community Center on any given day shall be divided by the number of hours that the Community Center is regularly available for use on that day. By way of example only, if the Landlord uses the Community Center for 4 hours on a day on which the Community Center is regularly available for 12 hours, it shall be deemed to have used one-third ($1/3$) of a day. All such use shall be used in 3 hour minimums, with all time used after 3 hours being charged on 1 hour minimum increments. By way of example only, if the Landlord's schedule of use allows use on a particular day, and the Landlord actually uses the Community Center on that day for 1.5 hours, its Free Use will be charged for 3.0 hours. If Landlord uses the Community Center on that day for 3.5 hours, its Free Use will be charged for 4.0 hours.

b. In the event Landlord needs to use the Community Center for set painting, work on the lights or sound system, or other similar activities in connection with its principal fundraising event, and such time has not been included in Landlord's schedule of use previously submitted to and approved by Tenant, Landlord will request the time needed to do so from the Tenant's Events Coordinator, and Tenant's Events Coordinator will use his or her best efforts to accommodate the Landlord's request and authorize such requested use, which use will not be charged to Tenant's Free Use under Paragraph 3 of this Section 4.

SECTION 5: NOTIFICATIONS BY LANDLORD OF INTENTION TO SELL

In the event Landlord desires to sell the Premises or any portion of its interest in the Premises, and shall have received a bona fide offer to purchase the Premises or such interest acceptable to Landlord (the "Offer"), Landlord shall give written notice of its intent to sell (the "Notice of Intent to Sell") to Tenant, together with an executed copy of the Offer setting forth all of the terms of the proposed purchase and identifying the prospective purchaser. Tenant shall then have an option to purchase the Premises or such interest on the same terms and conditions as set forth in the Offer, which must be exercised, if at all, in a writing communicated to Landlord within one-hundred and eighty (180) days of the date of Tenant's receipt of the Notice of Intent to Sell. Tenant may exercise its right to purchase conditioned upon successful financing, including but not limited to the passage of any necessary bond. For purposes of this Section, the word "sell" shall include any transfer or conveyance of all or any portion of the Premises or Landlord's interest in the Premises. Any sale to a third party shall be subject to this Lease.

SECTION 6: MEMBERSHIP IN LANDLORD

The Tenant may, at its sole discretion, maintain a membership in the Landlord in an attempt to keep abreast of developments in the Landlord's organization. Any such voluntary membership does not relieve either Landlord or Tenant of its duties and responsibilities under this Lease.

SECTION 7: TAXES; ASSESSMENTS

1. Personal Property Taxes

Tenant shall pay before delinquency all taxes, assessments, license fees, and other charges ("taxes") that are levied and assessed against Tenant's personal property installed or located in or on the Premises, and that become payable during the term. On demand by Landlord, Tenant shall furnish Landlord with satisfactory evidence of these payments. Landlord shall pay before delinquency all taxes, assessments, license fees, and other charges ("taxes") that are levied and assessed against Landlord's personal property installed or located in or on the Premises, and that become payable during the term. On demand by Tenant, Landlord shall furnish Tenant with satisfactory evidence of these payments.

2. Real Property Taxes

Tenant shall pay all real property taxes and general and special assessments ("real property taxes") that are incurred, levied and assessed against the Premises subsequent to the commencement of this Lease. Landlord shall use its best efforts to cause the tax bills to be sent directly to Tenant from the tax collector. Each year Landlord shall notify Tenant of the real property taxes and immediately on receipt of the tax bill shall furnish Tenant with a copy of the tax bill. Tenant shall pay the real property taxes in a timely manner.

3. Substitute and Additional Taxes

If at any time during the term of this Lease, the State of California or any political subdivision of the state including any county, city, city and county, public corporation, district, or any other political entity or public corporation of this state, levies or assesses against Landlord a tax, fee, or excise on (i) the rent from this Lease, (ii) the square footage of

the Premises, (iii) the act or entering into this Lease, or (iv) the occupancy of Tenant, or levies or assesses against Landlord any other tax, fee, or excise, however described, including, without limitation, a so-called value added tax, as a direct substitution in whole or in part for, or in addition to, any real property taxes due on the Premises only, Tenant shall pay before delinquency that tax, fee, or excise.

4. Transfer Tax

If a transfer tax is payable to any governmental agency or agencies as a result of this Lease, Tenant shall pay such transfer tax when it is due.

SECTION 8: USE

1. Activities on the Premises

The Premises shall be used exclusively for the purposes set forth in Exhibit B, the Use Permit adopted on March 2, 2000 by the Marin County Deputy Zoning Administrator in Resolution no. 00-115. Said Use Permit provides that it is "... valid indefinitely upon timely vesting of the approval..." Landlord agrees that Tenant shall be the "Applicant" for any permits required during the term of this Lease and shall pay the application fees associated with such review and renewal. Landlord hereby authorizes Tenant to be the Applicant and shall fully cooperate with Tenant in its efforts to obtain any required permits to operate the Premises during the term of this Lease including any challenges made by Tenant by means of administrative proceedings, court action, or alternative dispute mechanisms.

2. Substantive Changes in Use permit -- Cessation of Lease

If the County of Marin or any other regulatory entity, without fault or breach of the Use Permit by Tenant, substantially limits the uses of the Premises as set forth in Exhibit B, then Tenant, in its sole discretion, following good faith discussions with Landlord, may terminate this Lease. In the event that the Use Permit is terminated or the uses allowed thereunder substantially limited, as a result, directly or indirectly, of the actions or omissions of the Tenant, then Landlord, in its sole discretion, after good faith discussions with Tenant, may terminate this Lease. In the event Tenant terminates this Lease on or before ten (10) years from the date of its completion of a capital improvement(s) to the Premises, and such termination is the result a substantive change in the Use Permit under this Section not as the result, directly or indirectly, of the actions or omissions of Tenant, Landlord and Tenant shall meet in good faith to determine whether in fairness and equity the cost of said capital improvement(s) to the Premises paid for by Tenant should be partially reimbursed by Landlord to Tenant. In the event that Landlord and Tenant cannot resolve any disagreement concerning what constitutes a capital improvement to the Premises or the residual economic value of such improvements, based upon the expertise of consultants knowledgeable about such matters, then any such disagreement shall be submitted to mediation in accordance with Section 16 of this Lease.

3. Control of the Premises

Tenant shall establish rules and regulations for operation of the Premises during the term of this Lease; provided, however, that such rules and regulations shall not infringe on the uses authorized by the Use Permit or unreasonably interfere with Landlord's use of the Community Center for its principal fundraising event. Tenant shall have the power, among

other things, to maintain the existing "Tamalpais Valley Community Center" sign at the entrance to the Premises or to replace such sign with a similar sign so reading should Tenant determine that such replacement is necessary or proper. Notwithstanding the foregoing, Tenant shall maintain in good order and repair, the historic "TVIC" letters attached to the interior of the Building above the stage, and no remodeling or redecorating work, or repairs or alterations of any kind, shall alter these letters or their makeup or placement without the prior consent of the Landlord, which may be withheld in Landlord's sole and absolute discretion, without regard to any standard. Any amount of net operating surplus (gross receipts from all sources directly related to the Premises less expenses directly related to Tenant's use of the Premises, as determined by Tenant's Certified Public Accountant) shall be reinvested in the Community Center from time to time as capital improvements, alterations, maintenance or repairs are necessary or desirable. All capital improvements, alterations, maintenance and repairs performed by or at the expense of Tenant over the term of this lease shall accumulate for purposes of determining whether Tenant has reinvested in the Community Center.

4. Landlord's Use of the Premises:

In addition to the use by Landlord authorized by paragraph 4, Section 4, Tenant agrees that space shall be made available for Landlord to hold its monthly board meetings, and other events that may be from time to time proposed by Landlord and agreed to by Tenant, on the Premises, at no charge.

SECTION 9: UTILITIES

During the term of this Lease, Tenant shall pay all charges or assessments for telephone, water, sewer, gas, heat, electricity, garbage disposal, trash disposal and all other utilities and services of any kind that may be used on the Premises.

SECTION 10: MAINTENANCE

Tenant shall maintain the structural and non-structural portions of the Premises, including but not limited to the structural portions of the building located on the Premises (the "Building"), and the Building's plumbing, heating, ventilating and air conditioning systems, cabling, electrical, and fire and life safety systems serving the common areas of the Building, as well as the landscaping and the parking lot, in good order and condition and in a clean, safe, and operable condition, and shall not permit any waste or damage to any portion of the Premises. Tenant shall also repair or replace any damage to the Building caused by tenant or any person or entity using the Premises pursuant to a lease or agreement with Tenant (a "Tenant Party".) If Tenant fails to make such repairs or replacements within 15 days after receipt of Landlord's notice of the occurrence of such damage (or with respect to any damage to the Premises, within such longer period if reasonably required to make such repairs or replacements, provided that Tenant commences such repairs or replacements within such 15-day period and thereafter diligently prosecutes such repairs or replacements to completion), then after notice to Tenant, Landlord may make the same at Tenant's cost. The cost of all repair or replacement work performed by Landlord or at Landlord's direction under this Section 10 shall be paid by Tenant to Landlord within thirty (30) days after Landlord has invoiced Tenant therefor.

SECTION 11: ALTERATIONS

Tenant shall not make any major improvements or alterations to the Premises, other than those required to meet the terms of its Use Permit and applicable law, statute, ordinance, regulation, or rule, without Landlord's consent which shall not be unreasonably withheld. Any improvements or alterations made shall be at Tenant's sole cost and expense, and shall remain on and be surrendered with the Premises upon expiration or termination of the Lease term. Tenant shall notify Landlord prior to commencing any work on the Premises, and provide Landlord a reasonable opportunity to post appropriate notices of nonresponsibility. Tenant shall have the right to remove from the Premises such personal property purchased by it during the term of this Lease.

SECTION 12: MECHANICS' LIENS

Tenant shall not permit any mechanic's liens to be filed against the Premises for any work performed, materials furnished, or obligation incurred by or at the request of Tenant. If such a lien is filed, then Tenant shall, within ten (10) days after Landlord has delivered notice of the filing thereof to Tenant, either pay the amount of the lien or diligently contest such lien and deliver to Landlord a bond or other security reasonably satisfactory to Landlord by reason of which such lien has been removed. If Tenant fails to timely take either such action, then Landlord may pay the lien claim, and any amounts so paid, including reasonable expenses and interest, shall be paid by Tenant to Landlord within thirty (30) days after Landlord has invoiced Tenant therefor.

SECTION 13: INDEMNITY AND EXCULPATION; INSURANCE

1. Exculpation of Landlord

Except for its willful misconduct or gross negligence, Landlord will not be liable to Tenant and Tenant hereby waives all claims against Landlord, its officers and directors for any loss, injury or other damage to any person or property on the Premises from any cause whatsoever during the term of this Lease.

2. Indemnity by Landlord

Landlord shall defend, indemnify and hold Tenant, its employees, officers and directors harmless from any and all claims, including claims for or arising out of the violation or alleged violation of environmental laws, judgments, demands, lawsuits, causes of action, proceedings or hearings ("Claims") for damages or injuries to any person or property, arising in, on, or about the Premises prior to the commencement of the Lease. Tenant shall hold harmless Landlord's individual officers and directors, whether past, present or future, from such claims.

3. Indemnity by Tenant

Tenant shall defend, indemnify and hold Landlord, its officers and directors harmless from any and all Claims, for damages or injuries to any person or property, arising in, on, or about the Premises during the term of this Lease.

4. Public Liability and Property Damage Insurance

Tenant shall maintain throughout the Term the following insurance policies: (1) commercial general liability insurance with a combined single limit of not less than \$1,000,000 insuring

Tenant and insuring, as additional insureds, Landlord, Landlord's officers, employees, and agents, against all liability for injury to or death of a person or persons or damage to property arising from the use and occupancy of the Premises, (2) insurance covering not less than 100% of the replacement value of Tenant's property and improvements, Tenant's Equipment, and other property (including property and equipment of others) in the Premises, and (3) as and to the extent required by applicable Law, worker's compensation insurance. Tenant shall furnish to Landlord evidence satisfactory to Landlord of the maintenance of all insurance coverages required hereunder, and Tenant shall obtain a written obligation on the part of each insurance company to notify Landlord at least 30 days before cancellation or a material change of any such insurance policies. All such insurance policies shall be in form, and issued by companies, reasonably satisfactory to Landlord. The commercial general liability insurance required hereunder shall insure performance by Tenant of the indemnity provisions of paragraph 2 of this Section.

5. Tenant's Fire Insurance

Tenant at its sole cost and expense shall maintain insurance for property coverage of the structure and its contents for fire and extended risk insurance, and vandalism and theft insurance, for at least 100% of the Building's replacement value, naming Landlord as the insured and Tenant as an additional insured. The proceeds from any such policy shall be used by Tenant for the replacement/restoration of the structure and its contents, subject to and under the supervision of Landlord, and subject to Landlord's approval of all plans and specifications and the contractor engaged by Tenant, for any work to be performed.

6. Payment of Premiums

Tenant shall pay the premiums for maintaining the insurance required herein. Tenant shall reimburse Landlord for any other premiums paid by Landlord for insurance on the Premises naming Landlord as an insured.

7. Proration of Premiums

Tenant's obligation to pay the insurance premiums required to be paid herein shall be prorated for any partial year at the commencement and expiration or termination of the term.

8. Waiver of Subrogation

Tenant releases Landlord and Landlord's authorized representatives, from any claims for damage to any person or to the Premises and to the fixtures, personal property, Tenant's improvements, and alterations of either Landlord or Tenant in or on the Premises that are caused by or result from risks insured against under any insurance policies carried by Tenant and in force at the time of any such damage. Tenant shall cause each insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against Landlord in connection with any damage covered by any policy.

Landlord shall not be liable to Tenant for any damage caused by fire or any of the risks insured against under any insurance policy required by this Lease. If any insurance policy cannot be obtained with a waiver of subrogation, or is obtainable only by the payment of an additional premium charge above that charged by insurance companies issuing policies without waiver of subrogation, Tenant shall pay that extra charge.

SECTION 14: ASSIGNMENT

Tenant shall not voluntarily assign or encumber its interest in this Lease or in the Premises, or sublease all or any part of the Premises (with the exception of rental for use by members of the public under the Use Permit), without first obtaining Landlord's written consent, and where necessary the consent of the Attorney General of the State of California. Any prohibited assignment, encumbrance, or sublease without Landlord's consent shall be voidable and, at Landlord's election, shall constitute a default. No consent to any assignment, encumbrance, or sublease shall constitute a further waiver of the provisions of this paragraph. Nothing in this paragraph shall be taken to mean that Tenant cannot sub-lease the Premises for uses permitted under the Use Permit and any amendments thereto. No interest of Tenant in this Lease shall be assignable by operation of law. Each of the following acts shall be considered an involuntary assignment:

- (a) If Tenant is or becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or institutes a proceeding under the Bankruptcy Act in which Tenant is the bankrupt;
- (b) If Tenant ceases to serve primarily the community of Tamalpais Valley as per the recitals;
- (c) If, in any proceeding or action to which Tenant is a party, a receiver is appointed with authority to take possession of the premises. An involuntary assignment shall constitute a default by Tenant and Landlord shall have the right to elect to terminate this Lease, in which case this Lease shall not be treated as an asset or liability of Tenant.

SECTION 15: DEFAULT

1. Tenant's Default

The occurrence of any of the following shall constitute a default by Tenant:

- (a) Failure to pay rent when due, if the failure continues for sixty (60) days after notice has been given to Tenant.
- (b) Failure to use good faith efforts to operate a community center.
- (c) Failure to perform any other provision of this Lease if the failure to perform is not cured within sixty (60) days after notice has been given to Tenant. If the default cannot reasonably be cured within sixty (60) days, Tenant shall not be in default of this Lease if Tenant commences to cure the default with the sixty (60)-day period and diligently and in good faith continues to cure the default. Notices given under this paragraph shall specify the alleged default and the applicable Lease provisions, and shall demand that Tenant perform the provisions of this Lease or pay the rent that is in arrears, as the case may be, within the applicable period of time, or quit the Premises. No such notice shall be deemed a forfeiture or a termination of this Lease unless Landlord so elects in the notice. The purpose of the notice requirements set forth in this paragraph is to extend the notice requirements of the unlawful detainer statutes of California.

2. Landlord's Remedies

Landlord shall have the following remedies if Tenant commits a default. These remedies are not exclusive; they are cumulative in addition to any remedies now or later allowed by law:

(a) Tenant's Right To Possession Not Terminated. Landlord can continue this Lease in full force and effect, and this Lease will continue in effect as long as Landlord does not terminate Tenant's right to possession, and Landlord shall have the right to collect rent when due.

(b) Termination Of Tenant's Right To Possession. Landlord can terminate Tenant's right to possession of the premises at any time for default in accordance with law and the terms of this Lease.

SECTION 16: MEDIATION

Any dispute between the parties relating to the interpretation and enforcement of their rights and obligations herein shall be submitted to mediation and the parties shall attempt in good faith first to mediate such dispute and use their best efforts to reach agreement on the matters in dispute.

Within fifteen (15) days of the request of any party, the requesting party shall attempt to employ the services of a third person mutually acceptable to the parties to conduct such mediation within thirty (30) days of his/her appointment. If the parties are unable to agree on such third person, or, if on completion of such mediation, the parties are unable to agree and settle the dispute, then either party may commence litigation of the dispute in a court of competent jurisdiction.

SECTION 17: SUBORDINATION: ESTOPPEL

This Lease will be subject and subordinate to the lien of any mortgage or deed of trust now or hereafter placed on the Premises by Landlord; provided, however, that such subordination will only be effective if the holder or beneficiary of the lien agrees that this Lease will survive the termination of such encumbrance, by lapse of time, foreclosure or otherwise, with Tenant in continued quiet enjoyment of the Premises, so long as Tenant is not in default under the Lease.

Provided the condition of the preceding sentence is satisfied, Tenant shall from time to time on request from Landlord execute and deliver any documents or instruments that may be required by a lender to effectuate any subordination. If Tenant fails to execute and deliver any such documents or instruments, Tenant irrevocably constitutes and appoints Landlord as Tenant's special attorney-in-fact to execute and deliver any such documents or instruments.

In the event of foreclosure or the exercise of the power of sale under any such mortgage or deed of trust, or delivery of a deed in lieu thereof, the Tenant will attorn to the purchaser upon such foreclosure or sale or deed in lieu and recognize such purchaser as Landlord under this Lease; provided, that no such attornment will be effective unless the purchaser expressly agrees in writing to be bound by the terms of this Lease. Upon such attornment, this Lease will continue in full force and effect as a direct lease between such purchaser and Tenant.

Each party, within sixty (60) days after notice from the other party, shall execute and deliver to the other party, in recordable form, a certificate stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. The certificate also shall state the amount of minimum monthly rent, the dates to which the rent has been paid in advance, and the amount of any security deposit or prepaid rent. Failure to deliver the certificate within the sixty (60) days shall be conclusive upon the party failing to deliver the certificate for the benefit the party requesting the certificate and any successor to the party

requesting the certificate, that this Lease is in full force and effect and has not been modified except as may be represented by the party requesting the certificate.

If a party fails to deliver the certificate within the sixty (60) days, the party failing to deliver the certificate irrevocably constitutes and appoints the other party as its special attorney-in-fact to execute and deliver the certificate to any third party.

SECTION 18: NOTICE

Any and all notices or other communications required by this Lease or by law to be served on or given to either party to this Lease by the other party shall be in writing and shall be deemed duly served and given when personally delivered to the party to whom directed, or in lieu of personal service, when deposited in the United States mail postage prepaid sent by certified mail, return receipt requested. Any written notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party shall be addressed to the other party at the address set forth in the introductory paragraph of this Lease. Either party may change its address by notifying the other party of the change of address.

SECTION 19: WAIVER

No delay or omission in the exercise of any right or remedy of Landlord on any default by Tenant shall impair such a right or remedy or be construed as a waiver. The receipt and acceptance by Landlord of delinquent rent shall not constitute a waiver of any other default; it shall constitute only a waiver of timely payment for the particular rent payment involved.

No act or conduct of Landlord, including, without limitation, the acceptance of the keys to the Premises, shall constitute an acceptance of the surrender of the Premises by Tenant before the expiration of the term. Only a notice from Landlord to Tenant shall constitute acceptance of the

surrender of the Premises and accomplish a termination of this Lease. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent act by Tenant. Any waiver by Landlord of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Lease.

SECTION 20: ATTORNEY FEES

If any action at law or in equity is brought to recover any rent or other sums under this Lease, or for or on account of any breach of or to enforce or interpret any of the terms, conditions, or covenants of this Lease, or for the recovery of the possession of the Premises, the prevailing party shall be entitled to recover from the other party as part of the prevailing party's costs, reasonable attorney's fees.

SECTION 21: GENERAL CONDITIONS

1. Time Of Essence

Time is of the essence of each provision of this Lease.

2. Consent Of Parties

Whenever consent or approval of either party is required, that party shall not unreasonably withhold such consent or approval.

3. Quiet Possession

Landlord agrees that Tenant may quietly have, hold and enjoy the Premises during the term of this Lease.

4. Authority To Execute Lease

Landlord and Tenant each represent to the other that authority from each respective board of directors has been obtained to enter into this agreement and each board of directors has delegated to the undersigned the authority to execute on its behalf this Lease.

5. Amendments, Changes And Modifications

This Lease may be amended only by a writing signed by the party to be charged.

6. Interpretation of Lease

This Lease shall be construed and interpreted in accordance with the laws of the State of California.

7. Integrated Agreement; Modification

This Lease contains all the agreements of the parties.

8. Provisions Are Covenants And Conditions

All provisions, whether covenants or conditions, shall be deemed to be both covenants and conditions.

9. Captions

The captions of this Lease shall have no effect on its interpretation.

10. Severability

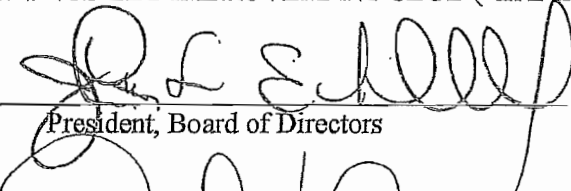
The unenforceability, invalidity, or illegality of any provision shall not render the other provisions unenforceable, invalid, or illegal.

11. Memorandum of Lease

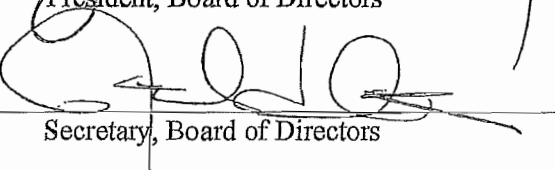
Landlord and Tenant agree to execute a Memorandum of Lease in recordable form, substantially in the form attached hereto as Exhibit "C", setting forth such provisions hereof as may be required by California State law. The recording costs for the Memorandum of Lease shall be paid by Tenant. The provisions of this Lease shall control, however, with regard to any omissions from, or provisions hereof which may be in conflict with the Memorandum of Lease. Landlord and Tenant further agree to execute a Termination of Memorandum of Lease in recordable form, substantially in the form attached hereto as Exhibit "D", which shall be recorded by Landlord at Landlord's cost, only upon the expiration or earlier termination of this Lease.

TAMALPAIS VALLEY IMPROVEMENT CLUB ("LANDLORD")

By

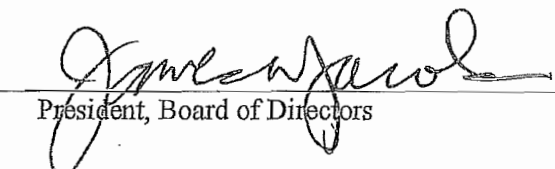

President, Board of Directors

By


Secretary, Board of Directors

TAMALPAIS COMMUNITY SERVICES DISTRICT ("TENANT")

By


President, Board of Directors

ATTACHMENTS

Property Description: Exhibit "A"

Use Permit Renewal 00-8, adopted on March 2, 2000 by the Marin County Deputy Zoning Administrator in Resolution no. 00-115: Exhibit "B"

Memorandum of Lease: Exhibit "C"

Termination of Memorandum of Lease: Exhibit "D"

EXHIBIT "A"

DESCRIPTION

ALL THAT CERTAIN real property situate in the County of Marin, State of California, described below as follows:

Beginning at a point on the Southeasterly line of Lot 542, Map of Kay Park Unit four, filed for record March 21, 1952 in Volume 7 of Maps, at Page 55, Marin County Records; said point being distant North 67° 32' 54" East 114.254 feet from the most Southerly corner of Lot 543, as shown on said map; thence South 22° 27' 20" East 191.199 feet to the Northwesterly line of Lot 10, as shown on the Map of Tennessee Valley Homes Unit One, filed for record June 18, 1964 in Volume 12 of Maps, at Page 77, Marin County Records; thence along said Northwesterly line and its prolongation, North 67° 32' 40" East 236.925 feet to the Easterly line of the parcel of land conveyed to Allan M. Olds by Deed recorded January 11, 1954 in Book 844 of Official Records at Page 332, Marin County Records; thence along the Easterly line, North 23° 45' 55" West 142.772 feet to a point common to the courses 106 and 107 designated on the Survey of Ranch "E" as said Ranch is shown on Tamalpais Land and Water Company's Map No. 3; filed for record December 12, 1898 in Volume 1 of Maps, at Page 104, Marin County Records; thence along the Easterly line of said Ranch, North 04° 14' 05" East 166.141 feet to a point which bears North 67° 32' 54" East from the most Northerly corner of Lot 539, Map of Kay Park; thence leaving the Easterly line, South 67° 32' 54" West 71.350 feet to said most Northerly corner; thence along the Easterly and Southeasterly lines of Lots 539, 540, 541 and 542 as shown on said map, South 19° 17' 24" West 134.014 feet and South 67° 32' 54" West 147.728 feet to the point of beginning.