

Vacant Land Lease Agreement

This Lease Agreement, referred to herein as the Lease, is entered into by and between the City of Waukesha, a Wisconsin municipal corporation, 201 Delafield Street, Waukesha, Wisconsin 53188, referred to herein as the Landlord; and La Casa de Esperanza, Inc., 410 Arcadian Avenue, Waukesha, Wisconsin 53186, referred to herein as the Tenant. Together, Landlord and Tenant are referred to as the Parties.

1. Grant and Term.

a. Leased Premises. Landlord leases to Tenant and Tenant leases from Landlord the vacant real estate described below, along with all improvements and fixtures appurtenant thereto.

All that part of the Southwest Quarter (SW ¼) of the Northwest Quarter (NW ¼) of Section 2, Town 6 North, Range 19 East, City of Waukesha, Waukesha County, Wisconsin, bounded and described as follows: Beginning at a point on the South line of Arcadian Avenue 131.83 feet westerly from the southwest corner of the intersection of N. Hartwell Avenue and Arcadian Avenue, said point being on the easterly line of the former Chicago, Wisconsin and Minnesota Railway Company right-of-way; thence southwesterly 162.54 feet along the arc of said right-of-way curve of radius 2037.77 feet, curve center lies to the northwest, chord bears South 23°20'26" West 162.50 feet; thence North 150.00 feet to a point on the southerly right-of-way line of Arcadian Avenue; thence South 89°17'15" East along said right-of-way line 64.39 feet to the place of beginning; containing 5,004 square feet of land.

b. Term. This Lease shall expire upon the earlier of the closing of a purchase of the Leased Premises by Tenant, or June 15, 2015. Any hold-over after the expiration of the Term shall not be deemed a renewal or extension of this Lease. Wis. Stats. §704.25 does not apply to this Lease.

2. Rent. The consideration supporting this Lease is the Tenant's expressed intent to enter into good-faith negotiations with Landlord for the purchase of the Leased Premises within six months of the date of this Lease, and Tenant's responsibilities for maintenance, insurance and indemnification under this Lease; no rent in addition to that consideration shall be paid by Tenant.

3. Use and Signs.

a. Use. The Parties acknowledge that the Leased Premises is a parking lot. Tenant may use the Leased Premises for parking of the vehicles of frequenters, invitees and permittees of the Tenant's adjacent real property, provided such use is expressly permitted by any applicable governmental occupancy permits, conditional use permits, and zoning and use ordinances.

b. Restricted Uses. Tenant shall at all times conduct its business in strict compliance with all governmental statutes, ordinances, regulations and requirements of insurance underwriters. Tenant shall not allow any unlawful or immoral activity, or any activity that might cause insurance to be canceled or the premiums therefor to be increased, to take place on the Leased Premises. Tenant shall not allow any use of the Leased Premises which would constitute a public nuisance.

c. Signs. Tenant may place on the Leased Premises any signs that Tenant deems necessary in the operation of its business. Purchase, erection and maintenance of such signs shall be at Tenant's sole expense. Tenant shall be responsible for compliance with all applicable laws and regulations. Signs must be covered by public liability insurance required elsewhere in this Lease, and Tenant shall indemnify and hold Landlord harmless from any and all losses, claims, suits or actions for injury or damage to person or property caused by the erection, maintenance or existence of such signs.

4. Tenant's Occupancy and Use Expenses. This is a net lease. Tenant shall be responsible for all expenses, obligations and liabilities incurred in association with its possession, occupation and use of the Leased Premises. Tenant shall pay all such expenses and liabilities, and shall perform all such obligations, relating to the Leased Premises that arise or become due after Tenant's occupancy of the Premises, and Tenant shall indemnify and hold Landlord harmless from any such expenses, obligations and liabilities. The expenses, obligations and liabilities referred to in this section include, but are not limited to, electric, water, sewer and gas utilities; heating and cooling; snow removal; garbage collection; lighting; security; personal and real property taxes; casualty and liability insurance; maintenance and repair of the Leased Premises and all improvements thereon; licenses and permits for any use of the Leased Premises; improvements and alterations to the Leased Premises necessary for Tenant's intended uses of the Leased Premises; environmental remediation necessitated by Tenant's use; all interest and penalties that accrue on such items because of Tenant's failure to pay any of them, and all damages and expenses that Landlord may incur because of Tenant's default on the Lease terms. The parties agree and acknowledge that Landlord is to be free from all expenses, obligations, liabilities, deductions and impositions with respect to the Leased Premises and Tenant is expressly assuming all such obligations.

5. Condition of Leased Premises, Maintenance and Repairs. The Leased Premises is leased to Tenant as-is, with all faults, and Landlord expressly disclaims any warranties of the quality or condition of the Leased Premises, whether expressed or implied. Tenant shall not commit waste and shall take good care of the Leased Premises. Tenant shall be responsible for all maintenance and repairs of the Leased Premises. Accordingly, Tenant shall, at its own expense, keep and maintain all of the Leased Premises clean; safe for all frequenters, invitees and permittees; in good condition; and in compliance with all statutes, ordinances, codes, regulations, and rules. Tenant shall be responsible for all snow and ice removal, repair of all potholes and other pavement defects, and for the security of vehicles or other items placed on the Leased Premises. Landlord shall not be responsible for any items which are Tenant's responsibility under this section.

6. Assignment, Subletting and Pledge of Lease. Tenant may not assign this Lease, sublet any part of the Leased Premises, pledge Tenant's leasehold interest as security or collateral, or allow any mortgage or lien to be placed upon the Leased Premises.

7. Indemnification and Insurance.

a. Indemnification. During the term of this Lease, Tenant shall indemnify and hold Landlord harmless from all liabilities, fines, suits, claims, demands, causes of action actions, costs and expenses of any kind, arising from: (1) Tenant's use or occupancy of the Leased Premises; (2) any default in performance of any term, covenant or condition of this Lease by Tenant; (3) any personal injury or property damage caused by Tenant's use and occupancy of the Leased Premises, or by any use of the Leased Premises allowed by Tenant; and (4) any personal injury or property damage, including death, occurring at any time on or about the Leased Premises, except such liabilities that arise as a result of negligence or intentional acts of the Landlord or Landlord's agents, or Landlord's breach of this Lease.

b. Liability Insurance. During the term of this lease, Tenant shall purchase and maintain comprehensive public liability insurance, including property damage, naming Landlord as an additional insured, against liability for injury to persons or property occurring on or about the Leased Premises or arising out of its possession, use or occupancy, at the Tenant's sole expense. The insurance shall have a limit of not less than One Million Dollars per accident or occurrence, Two Million Dollars aggregate, and umbrella or excess coverage to a limit of not less than Two Million Dollars. Tenant shall furnish to Landlord copies of the policies along with proof of payment of the premium, and copies of renewals after the expirations and renewals of the policies. The policies shall provide that they may not be canceled by the insurer without ten days' written notice to Landlord and Tenant.

c. **Personal Property Insurance.** Tenant shall be responsible for insuring any personal property placed on the Leased Premises, at Tenant's sole expense. Landlord shall not be liable to Tenant for any loss or damage to Tenant's personal property kept on the leased property.

8. Default, Notice and Termination. If Tenant defaults in any term of this Lease, Landlord shall give Tenant written notice. If Tenant does not cure default within ten (10) days, or if default is of such a nature that it cannot be cured within ten days by diligent effort and Tenant does not begin diligent efforts to cure within ten days, Landlord may terminate this Lease by giving five days' written notice to Tenant. This Lease then terminates on the date given in the notice, and Tenant shall remove from the Leased Premises and deliver possession to Landlord. Landlord may enter and remove Tenant from the leased property after the termination date. Tenant's obligations to defend and indemnify Landlord shall survive termination.

9. Delivery of Leased Premises after Termination. On termination of this Lease without Tenant's purchase of the Leased Premises, Tenant shall deliver full possession of the Leased Premises to Landlord, in the condition it was in as of the commencement of this Lease, normal wear and tear excepted, and free of all personal property, waste and debris.

Landlord: City of Waukesha

By Shawn N. Reilly, Mayor
Date: _____

Attest: Gina L. Kozlik, City Clerk
Date: _____

Tenant: La Casa de Esperanza, Inc.

By: _____
Title: _____
Date: _____