

TEMPORARY NON-EXCLUSIVE PROPERTY LICENSE AGREEMENT BETWEEN THE
CITY OF LAS VEGAS AND HOUSE OF KNOWLEDGE CHRISTIAN ACADEMY

This agreement (hereinafter "Agreement") is made this 3rd day of September, 2008, by and between the City of Las Vegas, a political subdivision of the State of Nevada (hereinafter the "City") and the House of Knowledge Christian Academy, a Nevada nonprofit corporation (hereinafter "HOK"). The City and HOK may hereinafter be referred to individually as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, The City owns and operates the real property and improvements located at 1950 North J Street, Las Vegas, Nevada 89106, commonly known as and referred to as the Doolittle Community Center ("Doolittle"). Among other things, the improvements at Doolittle include a 7,476 square foot senior center, multi-purpose rooms, dedicated exercise, dance, aerobics and martial-art rooms, a game room, classrooms (one of which is exclusively dedicated to computer training), a kitchen, a large outdoor pool area and a 21,000 square foot gymnasium encompassing approximately 64,000 square feet of space on 18.6 acres of real property; and

WHEREAS, HOK desires to pay to the City fair market value for a non-exclusive temporary license to occupy approximately 3,060 square feet, or 4.7% of the available space at Doolittle for educational purposes. This space includes the rooms designated as classrooms A, B, C from 7:00 a.m. to 3:00 p.m. Monday through Friday, gymnasium B for one hour each day when it is not otherwise in use, and the multi-purpose room C for one hour each day for lunch service (the "Licensed Area"). A depiction of Doolittle, and the Licensed Area is attached hereto at Exhibit "A"; and

WHEREAS, HOK is a 501(c)(3) non-profit entity which operates a private school educating youth from the local neighborhood and from the greater Las Vegas area, and it is licensed by the State of Nevada Department of Education as an Exempt Private School for instruction of students from kindergarten through grade 12; and

WHEREAS, HOK has a current enrollment of forty-two (42) students from diverse backgrounds for the 2008-2009 school year, which consists of a fall semester beginning on September 3, 2008 and ending on January 16, 2009 and a spring semester beginning on January 19, 2009 through June 5, 2009; and

WHEREAS, HOK is currently without a permanent school structure, but is currently attempting to secure a location and financing for a permanent school structure and desires this temporary location to conduct its educational program for a period of not to exceed four (4) consecutive school semesters; and

WHEREAS, the City Department of Leisure Services has determined that the Licensed Area is not currently being used during the requested hours of use, and as well as finding no conflicting requests for the Licensed Area during the hours requested.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. LICENSED AREA.

The City hereby grants a non-exclusive revocable license to HOK to enter the Doolittle for the purposes described herein, in accordance with the provisions of this Agreement (the "License").

2. TERM OF LICENSE/TERMINATION.

a. Term. HOK may access, use and occupy the Licensed Area for four consecutive school semesters, in accordance with paragraph 4 of this Agreement, beginning on September 3, 2008 and terminating on June 4, 2010.

b. License Terminable at Will by either Party. Either Party may terminate this Agreement upon thirty (30) calendar days written notice to the other Party. The 30 day period begins at 8:00 a.m. the morning after the postmarked date of the notice by the other party. Upon termination, HOK shall only pay to the City for its actual use and occupancy of the Licensed Area.

3. LICENSE FEE.

HOK shall pay to the City a total of Thirty Thousand and No/100ths Dollars (\$30,000.00) annually for the access, use and occupation of the Licensed Area for 10 months during the school year, inclusive of utilities, maintenance and janitorial services. The annual License Fee may be paid on a monthly basis prior to the first of each month for the following month's use of the Licensed Area by HOK. There shall be no pro-ration of the License Fee for any unused school days within any given month. For example, if a school semester ends on the 14th of June, HOK shall still pay the full \$3000 License fee for that month's use and occupation of the Licensed Area as the annual fee for ten months of non-exclusive use is \$30,000.00.

If HOK fails to pay the monthly portion of the annual License Fee prior to the 3rd day of the month, HOK is in default of this Agreement and the City may exercise its remedies under paragraph "X," below, including but not limited to termination of this Agreement and revocation of the License. The City Real Estate Division has compared fair market commercial rental rates in and around Doolittle, and warrants that the License Fee for the Licensed Area as indicated herein is fair market value.

4. USE OF THE LICENSED AREA.

a. HOK is permitted to use, access and occupy the Licensed Area from 7:00 a.m. until 3:00 p.m., Monday through Friday during the school semesters as delineated herein for the purpose of conducting educational classes for students,

grades K-12. HOK shall not be permitted to use, access or occupy to the Licensed Areas on weekends and at no time during the 2009 summer break from June 8, 2009 through September 1, 2009. HOK shall not use or permit the Licensed Area to be used by anyone for any other purpose. The term "conducting educational classes" means the common and customary definition of such term, and the Parties agree that the final interpretation of this phrase and the uses permitted upon the Licensed Area by HOK will be determined by the Director of Leisure Services.

b. No Display of Religious Materials. HOK may display religious iconography, displays, text or otherwise during its use and occupation of the Licensed Area as provided herein. However, as the Department of Leisure Services does and will permit the use of the Licensed Area after 3 p.m. on weekdays and all day on Saturday and Sunday to the general public, HOK must remove any religious iconography, displays or otherwise prior to discontinuing its use and occupation of the Licensed Area.

c. Use of City Equipment Prohibited. HOK shall not use any City "office supplies" as this term is commonly and customarily defined ("Supplies"), copy machines, fax machines, computers or printers ("Equipment") owned and maintained by the City. HOK may bring in its own office supplies and Equipment for use in the Licensed Area.

d. Storage of Supplies and Equipment. HOK may only utilize the upper cabinets within classrooms A, B and C for the Storage of its Supplies and Equipment. HOK is permitted to place lockable trunks within classrooms A, B and C for excess storage, and these trunks are permitted to remain in classrooms A, B, and C after the 3 p.m and on weekends. These trunks may not remain during the 2009 summer break and must be removed from the classrooms.

HOK understands that the City is not responsible for the Supplies and Equipment stored in the Licensed Area, and as such, HOK will hold the City harmless from, and will not make a claim against the City for any damages accruing from the loss or other damage to the Supplies and Equipment within the Licensed Area. HOK hereby disclaims any and all actions against the City for loss or other damage to its Supplies or Equipment.

5. LIENS AND ENCUMBRANCES.

HOK agrees to keep the Licensed Area and its interest therein free from liens and encumbrances and to indemnify and hold the CITY harmless therefrom. If any lien or other encumbrance is filed against the Licensed Area or any part thereof by reason of HOK's acts or omissions or because of a claim against HOK, HOK shall cause the same to be canceled and discharged of record by bond or otherwise within 10 days after notice by the CITY. The failure of HOK to obtain a cancellation or discharge of record by bond or otherwise as provided herein within the time limit hereby established shall constitute a default of the terms of this Agreement.

6. GOVERNMENTAL APPROVALS AND COMPLIANCE:

During the Term of this Agreement, HOK shall comply with all applicable laws affecting the Licensed Area. HOK shall not commit or suffer to be committed any waste on the Licensed Area or any nuisance. HOK shall comply with government regulations applicable to its operations.

7. ASSIGNMENT AND SUBLEASING:

HOK shall not transfer, assign, delegate, mortgage or hypothecate this Agreement, in whole or in part, or permit the use of the Licensed Area by any person or persons other than HOK, or sublet the Licensed Area, or any part thereof. The prohibition against transfer or assignment contained in this Section includes any transfer or assignment by operation of law.

8. NOTICES

All notices, demands, requests, consents, approvals, and other instruments required or permitted to be given pursuant to this Agreement shall be in writing, signed by the notifying party sent by registered or certified mail, postage prepaid, return receipt requested, and addressed as follows:

TO THE CITY: City of Las Vegas
 Field Operations/Facilities Management
 Attn: Real Estate & Utilities Administrator
 400 Stewart Avenue, 4th Floor
 Las Vegas, Nevada 89101
 (702) 229-1021 phone
 (702) 464-2522 fax

WITH A COPY TO: City of Las Vegas
 Leisure Services
 Attn: Director
 749 Veterans Memorial Drive
 Las Vegas, Nevada 89101
 (702) 229-6588 phone
 (702) 383-6306 fax

TO HOK: The House of Knowledge, Christian School
 Attn: Cynthia Watson
 1950 J. Street
 Las Vegas, Nevada 89106
 (702) 229-1746

The address to which any notice, demand or other writing may be delivered to any party as above provided may be changed by written notice given by such party as above provided.

9. TAXES

HOK shall not be responsible for any real property taxes on, or real property related assessments to the Licensed Area. The CITY shall have no responsibility or liability to pay any personal property taxes because of any personal property brought upon or used by HOK in connection with the Licensed Area, and Lessee agrees to pay, and to indemnify The CITY concerning, any such taxes that may be assessed.

10. INDEMNIFICATION AND INSURANCE:

a. HOK shall provide the CITY with a certificate or other proof of insurance, insuring against liability arising out of this Agreement with limits of not less than two million dollars (\$2,000,000). the CITY shall be named as an additional insured on HOK's policy. Notwithstanding the foregoing, HOK understands and agrees that the City has adopted a Self Insurance Liability program in accordance with Section 41.038 of the Nevada Revised Statutes effective as of July 1, 1985, which provides self-insured coverage for each occurrence with limits of liability as established in accordance with Section 41.035 of the Nevada Revised Statutes.

b. In the event that HOK fails to obtain or maintain the insurance coverage required herein, the CITY shall have the right to terminate this Agreement.

c. Subject to NRS 41.035, HOK hereby agrees to protect, indemnify, and hold the CITY, its officers, employees and agents, harmless from and against any and all claims, damages, losses, expenses, suits, actions, decrees, judgments, awards, attorneys' fees and court costs, which the CITY, its officers, employees or agents, may suffer or which may be sought against or are recovered or obtainable from the CITY, its officers, employees or agents, as a result of, or by reason of, or arising out of or in consequence of any act or omission, negligent or otherwise, of HOK or its officers, employees, contractors, subcontractors, agents, volunteers or anyone who is directly or indirectly employed by, or is acting in concert with, HOK, officers, its employees, contractors, subcontractors, volunteers or agents in the performance of this Agreement.

d. In this connection, HOK expressly agrees, at its sole cost and expense, to defend CITY, its officers, employees and agents, in any suit or action that may be brought against it or them, or any of them, by reason of any act or omission, negligent or otherwise, against which HOK has agreed to indemnify the CITY, its officers, employees and agents. If HOK fails so to do, the CITY shall have the right, but not the obligation to defend same and to charge all of the direct and incidental costs of such defense, including attorneys' fees and court costs, to HOK.

11. SURRENDER OF LICENSED AREA:

Upon expiration or other termination of this Agreement, HOK shall, within three (3) calendar days of expiration or termination of this Agreement surrender the Licensed Area in the same condition as they were in at the commencement of this Agreement except for additions, alterations or changes specifically authorized by the CITY and reasonable wear and tear. Before surrendering the Licensed Area, HOK shall remove all of its personal property and such alterations or additions to the Licensed Area made by HOK as may be specified for removal by the CITY, and shall repair any damage caused by such property or the removal thereof. If HOK fails to remove such personal property and fixtures upon the expiration or other authorized termination of this Agreement, the same shall be deemed abandoned and shall become the property of the CITY.

12. DEFAULT AND EFFECT OF DEFAULT:

a. General Default Events; Opportunity to Cure. In the event of any noncompliance with any provision of this Agreement, the Party alleging noncompliance shall deliver to the other by certified mail a three (3) calendar day notice of default and opportunity to cure. The time of notice shall be measured from the date of certified mailing. The notice of default shall specify the nature of the alleged default and the manner in which it may be satisfactorily corrected, during which 3 calendar day period the Party alleged to be in default shall not be considered in default for the purposes of the remedies for default as provided herein. If the default is corrected, then no default shall exist and the Party alleging the non-compliance party shall take no further action.

b. Default; Remedies. If a default exists pursuant to Section (a), above, or an alleged default is not corrected within the relevant cure period pursuant to Section (a) above, the non-complaint party is in default, the party alleging non-compliance may declare the breaching party in default and elect any one or both of the following non-exclusive remedies:

c. Termination of Agreement. The non-defaulting Party may terminate this Agreement upon written notice to the Party in default; or

d. Adjudication of Dispute. Upon a declaration of default, either Party may institute legal proceedings consistent in a court of competent jurisdiction consistent with the terms of this Agreement.

If this Agreement is terminated for any reason, HOK shall surrender the Licensed Area as provided at paragraph 12, above.

13. BINDING ON SUCCESSORS:

The covenants and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

14. GOVERNING LAW:

The parties intend that this Agreement and the relationship of the parties shall be governed by the laws of the State of Nevada.

15. ENTIRE AGREEMENT:

All of the representations and obligations of the parties are contained herein, and no modification, waiver or amendment of this Agreement or of any of its conditions or provisions shall be binding upon a party unless in writing signed by that party or a duly authorized agent of that party empowered by a written authority signed by that party. The waiver by any party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of that provision by the same party, or of any other provision or condition of the Agreement.

16. HEADINGS:

The headings of Sections and Subsections are for convenient reference only and shall not be deemed to limit, construe, affect, modify or alter the meaning of such Sections and Subsections.

17. PEACEFUL POSSESSION:

The CITY covenants that HOK, upon the payment of Rent, and the performance of the covenants and subject to the conditions of this Agreement, shall and may peacefully and quietly have, hold and enjoy the Licensed Area for the Term of the Agreement.

18. COMPLIANCE WITH LAWS:

a. In performing under this Agreement, HOK shall comply with all applicable Federal, State, County and City laws, including statutes, ordinances and regulations; shall obtain all necessary permits and approvals relating thereto; and shall be solely responsible for making such changes to the Licensed Area as may be necessary in order to comply with any other applicable laws when such changes arise by virtue of HOK's use of the Licensed Area.

b. Nothing in this Agreement shall be deemed to waive the requirements of the various codes and ordinances of the City of Las Vegas applicable to HOK's use of the Licensed Area.

19. SPECIAL PROVISIONS:

a. Any violation of the special provisions contained in this Section shall constitute a material breach of this license.

b. Should HOK, at any time during the Term of this Agreement, be deprived of the use of the Licensed Area, or any part thereof, the CITY will proportionately abate the rent during this time, and HOK shall have no other recourse against the CITY for the CITY's failure to provide HOK the use of the Licensed Area set forth herein.

c. For purposes of this Agreement, the Contract Administrator shall be the Director of Leisure Services. In any dispute concerning an interpretation of this Agreement or concerning the work to be performed hereunder, the final determination shall be made by the Director of Leisure Services. If HOK disputes the decision of the Director of Leisure Services, it may pursue such remedies as provided for herein or available at law.

d. The CITY retains the right to inspect the Licensed Area at any time during the Agreement Term. The CITY shall give HOK prior notice of such inspection and HOK shall have the right to accompany The CITY on such inspection. Prior notice and right to accompany shall not apply during inspection for emergency purposes.

20. WAIVER:

No covenant, term or condition of this Agreement shall be deemed to have been waived by either party hereto unless such waiver be in writing.

21. NO PARTNERSHIP:

The relationship of the parties hereto is solely that of the CITY and HOK, and under no circumstances shall the parties hereto be considered as partners or joint venturers.

22. FURTHER ASSURANCE:

Each of the parties agree to do such further acts and to execute and deliver additional Agreements and instruments as the other may reasonably require to consummate, evidence or confirm this Agreement or any other Agreement continued herein in the manner contemplated hereby.

23. INTERPRETATION:

Each party to this Agreement and its counsel will have reviewed and revised this Agreement. The normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or in any amendments or exhibits to this Agreement.

24. MODIFICATIONS OR AMENDMENTS:

Upon approval of this initial agreement by the City Council and after it has been fully executed by signature of all parties, staff of the Real Estate & Utilities Section of the City's Department of Field Operations shall have the authority to complete and execute any additional documents necessary for the completion of the intent of this contractual obligation during the original term of this agreement. As an example, this may include amendments, changes of address, adjustments to monetary revenue or expenditure not to exceed ten thousand (\$10,000.00) dollars, filing and recording of appropriate documents with the County Recorders Office or the County Tax Assessors Office, and recordings and filing with the City Clerk's Office. No amendment, change or modification of this Agreement shall be valid unless in writing and signed by all parties hereto.

25. DAMAGE AND DESTRUCTION:

a. HOK shall give prompt notice to the CITY in case of fire or accidents in or near the Licensed Area.

b. If the Licensed Area is partially damaged by fire or other casualty, HOK shall repair such damage at its cost, subject to the CITY's option contained in subsection (c) of this Section, and rent shall be abated according to the part of the Licensed Area which remains unusable by HOK until such repairs are completed.

c. If the Licensed Area are substantially or totally destroyed, or if the Licensed Area are damaged so extensively that they cannot, in HOK' opinion, be repaired within 60 days after commencement of such repairs, or if the CITY shall decide to rebuild the Licensed Area or common areas so that they will be substantially different structurally or architecturally, then the CITY may, at its option, within thirty (30) days after such damage or destruction, give HOK written notice thereof and this Agreement shall thereupon be canceled effective as of the date of the occurrence of such damage or destruction.

d. If any damage referred to in this Section is due in whole or in part to the act, neglect, fault or omission of HOK, there shall be no abatement of rent.

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26. DISCLOSURE OF PRINCIPALS:

Pursuant to Resolution R-105-99 adopted by the City of Las Vegas City Council effective November 17, 1999, HOK warrants that it has disclosed on the form attached as Exhibit "B", all principals and partners of HOK, a Nevada nonprofit corporation as well as all persons and entities holding more than a one percent (1%) interest in HOK, a Nevada nonprofit corporation, or any principal of HOK, a Nevada nonprofit corporation, throughout the term hereof, HOK, a Nevada nonprofit corporation, shall notify the CITY in writing of any material change in the above disclosure within 15 days of any such change.

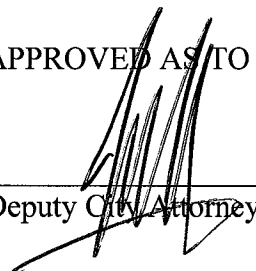
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.


ATTEST

"THE CITY"


BEVERLY K. BRIDGES CMC, City Clerk


OSCAR B. GOODMAN, Mayor

APPROVED AS TO FORM:

Deputy City Attorney 8/19/08
Date

"HOK"
By: 

ACKNOWLEDGEMENTS

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On this 12th day of September, 2008, personally appeared before me, a Notary Public in and for said County and State, OSCAR B. GOODMAN, Mayor and BEVERLY K. BRIDGES, City Clerk, City of Las Vegas, known to me to be the person(s) described in and who executed the foregoing instrument and who acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

Stacey Campbell
NOTARY PUBLIC, in and for said
County and State



STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On this 19th day of August, 2008, personally appeared before me, a Notary Public in and for said County and State, Cynthia Wilson known to me to be the person described in and who executed the foregoing instrument and who acknowledged to me that She executed the same freely and voluntarily and for the uses and purposes therein mentioned.

Christina Strong
NOTARY PUBLIC, in and for said
County and State

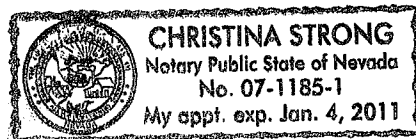


EXHIBIT "B"

**CERTIFICATE
DISCLOSURE OF OWNERSHIP/PRINCIPALS**

1. Definitions

“City” means the City of Las Vegas.

“City Council” means the governing body of the City of Las Vegas.

“Contracting Entity,” means the individual, partnership, or corporation seeking to enter into a contract or agreement with the City of Las Vegas.

“Principal” means, for each type of business organization, the following: (a) sole proprietorship – the owner of the business; (b) corporation – the directors and officers of the corporation; but not any branch managers of offices which are a part of the corporation; (c) partnership – the general partner and limited partners; (d) limited liability company – the managing member as well as all the other members; (e) trust – the trustee and beneficiaries.

2. Policy

In accordance with Resolution 79-99 and 105-99 adopted by the City Council, Contracting Entities seeking to enter into certain contracts or agreements with the City of Las Vegas must disclose information regarding ownership interests and principals. Such disclosure generally is required in conjunction with a Request for Proposals (RFP). In other cases, such disclosure must be made prior to the execution of a contract or agreement.

3. Instructions

The disclosure required by the Resolutions referenced above shall be made through the completion and execution of this Certificate. The Contracting Entity shall complete Block 1, Block 2, and Block 3. The Contracting entity shall complete either Block 4 or its alternate in Block 5. Specific information, which must be provided, is highlighted. An Officer or other official authorized to contractually bind the Contracting Entity shall sign and date the Certificate, and such signing shall be notarized.

4. Incorporation

This Certificate shall be incorporated into the resulting contract or agreement, if any, between the City and the Contracting entity. Upon execution of such contract or agreement, the Contracting Entity is under a continuing obligation to notify the City in writing of any material changes to the information in this Certificate. This notification shall be made within fifteen (15) days of the change. Failure to notify the City of any material change may result, at the option of the City, in a default termination (in whole or in part) of the contract or agreement, and/or a withholding of payments due the Contracting Entity.

**CERTIFICATE – DISCLOSURE OF OWNERSHIP/PRINCIPALS
(CONTINUED)**

Block 1 Contracting Entity
Name <i>House of Knowledge</i>
Address <i>P.O. Box 270097 - 89127</i>
Telephone <i>702 - 326-5931</i>
EIN or DUNS <i>88-0492658</i>

Block 2 Description Subject Matter of Contract/Agreement
License Agreement
RFP#

Block 3	Type of Business
<input checked="" type="checkbox"/> Individual	<input type="checkbox"/> Partnership
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation
<input type="checkbox"/> Trust	<input type="checkbox"/>
Other: <i>Non-Profit</i>	

Block 4 Disclosure of Ownership and Principals
In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.

	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.	<i>Cynthia Watson</i>	<i>P.O. Box 270097 - 89127</i>	<i>702 - 326-5931</i>
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

The Contracting Entity shall continue the above list on a sheet of paper entitled "disclosure of Principals – Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: _____

Block 5 DISCLOSURE OF OWNERSHIP AND PRINCIPALS – ALTERNATE

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: _____

Date of Attached Document: _____ Number of Pages: _____

I certify under penalty of perjury, that all the information provided in this Certificate is current, complete and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity

Cynthia Watson

Name

8/19/08

Date

Cynthia Watson

Subscribed and sworn to before me this 19th day of August

Christina Strong
2008
Notary Public

