

**SECOND AMENDED AND RESTATED
LEASE AGREEMENT
FOR
ANIMAL SHELTER FACILITY/THE ANIMAL FOUNDATION CAMPUS**

THIS SECOND AMENDED AND RESTATED LEASE AGREEMENT FOR ANIMAL SHELTER FACILITY/THE ANIMAL FOUNDATION CAMPUS (this "Restated Lease Agreement") is made and entered into effective as of the ____ day of _____, 2015 ("Effective Date"), by and between the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada ("Landlord" or the "City"), and The ANIMAL FOUNDATION, a Nevada nonprofit corporation ("Tenant"). Landlord and Tenant are hereinafter sometimes referred to individually as a "Party" and collectively as the "Parties".

WITNESSETH:

WHEREAS, as of _____, 2015, Tenant has entered into an Amended and Restated Animal Care and Shelter Services Agreement, with the City and with Clark County, Nevada, and has an existing Shelter Service Agreement dated May 21, 2008 with the City of North Las Vegas, Nevada (as from time to time amended, renewed and/or extended, collectively, the "Services Agreements"), which require, among other things, Tenant to manage and operate certain of the Improvements (as defined below) for the care and shelter of animals.

WHEREAS, pursuant to the Services Agreements, Tenant is the contract provider of care and shelter for animals delivered to Tenant by the respective residents, animal control officers and law enforcement officers of Clark County, Nevada, the City of North Las Vegas, Nevada and Landlord (each an "Entity" and collectively, the "Entities").

WHEREAS, Landlord and Tenant entered into that certain Lease Agreement for Animal Shelter Facility, dated November 20, 1996, as amended by that certain First Amendment, dated as of December 7, 1998, as further amended by that certain Second Amendment, dated March 1, 2000 and Third Amendment dated as of April 16, 2003 (collectively, the "Original Agreement"), which was amended and restated in its entirety by that certain First Amended and Restated Lease Agreement for Animal Shelter Facility, dated October 1, 2005 (the "First Amended and Restated Lease Agreement").

WHEREAS, pursuant to the First Amended and Restated Lease, Tenant leases the Property (as defined below) from Landlord and Tenant owns the improvements currently located on the Property including the Lied Animal Shelter Building, Dog Adoption Bungalows and related temporary adoption and administration facilities as depicted on Exhibit "B" attached hereto. Tenant intends to renovate the Lied Animal Shelter Building and to construct (in multiple phases as referenced in Sections 1 and 7) new buildings and improvements on the Property totaling approximately 28,500 square feet of space consisting of an adoption center, administrative offices, a veterinarian tech training center, a public education/multipurpose center, an animal barn, a central plant, a columbarium and other related improvements and facilities.

WHEREAS, for the foregoing described purposes and elsewhere described in this Restated Lease, Landlord and Tenant desire to amend and restate the First Amended and Restated Lease Agreement in its entirety as set forth in this Restated Lease Agreement.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual terms, conditions and covenants hereinafter set forth, the Parties agree as follows:

1. **PROPERTY**

In consideration of rents, covenants and agreements contained in this Restated Lease Agreement, Landlord leases to Tenant, and Tenant leases from Landlord that certain improved and unimproved real property consisting of approximately 8.391 acres in its "As Is" condition, situated along Mojave Road and Harris Avenue in the City of Las Vegas, Clark County, Nevada, bearing Clark County Assessor's Parcel Number 139-25-405-008 as depicted on the Parcel Map attached hereto as Exhibit "A", and depicted on the Site Map attached hereto as Exhibit "B", which are incorporated herein as if fully set forth herein (the "Property"). The parties acknowledge that Parcel Number 139-25-405-008 which transpired by action of a recorded survey relates to the land identified as Lot 1 on the Parcel Map dated March 8, 2004 and recorded as Instrument #01785, in File #106, Page #0075 of Parcel Maps Official Records Book No. 20040308 in the Office of County Recorder, Clark County, Nevada.

The Parties acknowledge that (i) prior to the Effective Date and under the terms of the Original Agreement and/or the First Amended and Restated Lease Agreement, Tenant constructed the Lied Animal Shelter Building, including the Phase II (Shelter Expansion) and the Phase I (Dog Adoption Bungalows) each as depicted on Exhibit "B" attached hereto, and (ii) following the Effective Date, Tenant agrees to renovate the Lied Animal Shelter Building and construct the Phase III Improvements (Adoption Center, Offices, Vet Training, Education Center, Barn and Central Plant) and the Phase IV Improvements (Additional Parking and Courtyard Improvements) all as depicted on Exhibit "B" attached hereto and referenced in Section 7 (together with all related improvements, facilities and appurtenances, the "Improvements").

Notwithstanding Tenant's agreement above to accept the Property in its as-is condition, the City acknowledges that Tenant has incurred certain costs relating to the environmental site remediation of the Property. Tenant has submitted claims relating to these costs to the City and the City has reimbursed Tenant the amount of \$815,307.05. In consideration of such payment to Tenant, Tenant agrees to release and forever waive all claims for environmental site remediation costs or damages on the Property that may be required for the Improvements constructed or to be developed and constructed by Tenant. Tenant further agrees to diligently inspect the Property and to design and construct the Phase III Improvements and Phase IV Improvements accordingly.

2. **TERM**

The term of this Restated Lease Agreement (the “Term”) shall commence on the Effective Date and shall terminate on the fiftieth (50th) anniversary of the Effective Date unless terminated earlier as elsewhere provided in this Restated Lease Agreement.

3. **RENT**

Tenant agrees to pay to Landlord, in advance, at such place as Landlord may designate, without prior demand therefor, the sum of One Dollar (\$1.00) per year, with each yearly payment being due and payable on the first day of December.

4. **USE, ASSIGNMENT AND ENCUMBRANCES**

Tenant and each of the Sublessees (as defined and to the extent permitted in this Section 4 below) may use the Property to construct, renovate, operate, use and manage the Improvements for (i) the care and shelter of animals, (ii) an extended stay adoption center, (iii) a veterinary technical school and medical facility, (iv) community education and training, (v) administrative offices, (vi) a columbarium, (vii) other uses related to the mission of Tenant, and (viii) any other uses related or incidental to any of the foregoing, including, without limitation, retail uses (provided such retail space does not exceed 2,000 square feet of the Improvements) and all uses contemplated by the Services Agreements.

Tenant agrees not to assign this Restated Lease Agreement, sublet the Property, use or permit the Property to be used for any purpose other than that described in this Section 4, except with the prior written consent of Landlord. Any such assignment or sublease made without the required consent shall be void. Notwithstanding anything to the contrary in this Restated Lease Agreement, to assist Tenant with the financing and costs of the Improvements (or any portion thereof), Landlord acknowledges and agrees that Tenant shall have the right to lease, sublease, license or otherwise grant rights use portions of the Property and/or Improvements during the Term (a) to a veterinary technician school and medical facility, (b) to such persons or entities selling retail goods and providing services related to the uses of the Property authorized pursuant to this Section 4 (occupying no more than 2,000 square feet of the Improvements), and (c) to such persons or entities facilitating use of the community education center (collectively, the “Sublessees”).

Except as described in Section 12, Tenant further agrees not to allow any liens or encumbrances to be placed against the Property or any mortgages during the Term without the written consent of Landlord whose consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding anything to the contrary in this Restated Lease Agreement, Landlord acknowledges and agrees that Tenant shall have the right to contest any liens or encumbrances placed against the Property and if Tenant contests such liens or encumbrances in good faith and due diligence it shall not be deemed in breach of the provisions of this Section 4.

5. **COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS/ORDINANCES**

Tenant shall obtain any and all federal, state and local permits and licenses required for its use of the Property as described in Section 4. Tenant further agrees to abide by all applicable federal, state, and local codes, regulations, statutes, ordinances, and laws, now in force or which hereafter may be in force with respect to the Property. Landlord agrees to use its best efforts to assist and cooperate with Tenant obtaining approval of entitlements and development-related permits for the construction and renovation of the Improvements and any other permits, easements and licenses required for Tenant's use of the Property as described in this Restated Lease Agreement.

6. **MAINTENANCE OF THE PROPERTY**

Tenant shall maintain the Property and every part thereof in a clean, neat and orderly condition, free of objectionable noise, odors or nuisances (except reasonable noise and odors inherent in connection with the care and sheltering of animals) and will in all respects and at all times fully comply with health, safety and police regulations, including all laws, regulations, statutes or codes concerning the use, storage or maintenance of hazardous materials on the Property. Tenant shall further not suffer or permit any person to commit any waste on the Property. Tenant shall be responsible for security of the Property.

7. **COVENANT OF DESIGN AND CONSTRUCTION**

Landlord acknowledges and agrees that Tenant has completed construction of those portions of the Improvements as set forth in Section 1. Tenant and Landlord acknowledge and agree that Tenant will design, develop and construct and renovate the other portions of the Improvements as depicted on Exhibit "B" attached hereto as follows:

A. Tenant covenants that it shall complete the renovation of the Lied Animal Shelter Building and construction of the barn depicted on Exhibit "B" attached hereto no later than three (3) years after the Effective Date.

B. Tenant covenants that it shall complete the design and construction of the Phase III Improvements depicted on Exhibit "B" attached hereto no later than four (4) years after the Effective Date.

C. Tenant covenants that it shall complete the Phase IV Improvements depicted on Exhibit "B" attached hereto no later than six (6) years after the Effective Date.

The cost and expense of any and all Improvements upon the Property is the complete and sole responsibility of Tenant, except any items the City specifically agrees to fund through a separate agreement. Landlord agrees that it will cooperate with and facilitate Tenant securing of all necessary building and other permits required to enable Tenant to perform the obligations in this Section 7. In addition, Landlord agrees that it will cooperate with and facilitate Tenant in securing sufficient parking for the uses of the Property described in this Restated Lease Agreement. Landlord further agrees that it shall provide or cause to be provided to Tenant construction staging areas and parking during the construction and/or renovation of the

Improvements in locations adjacent to the Property and as reasonably acceptable to Tenant, which construction parking Landlord agrees (at Tenant's election) may be located on Landlord's property located on the north side of Harris Avenue adjacent to the Early Learning Center located at 2901 East Harris Avenue, Las Vegas, Nevada 89101.

8. **PERFORMANCE SECURITY**

Tenant shall furnish to Landlord, not later than fifteen (15) calendar days prior to the commencement of construction of the Phase III Improvements and Phase IV Improvements as depicted on Exhibit "B" attached hereto, evidence reasonably acceptable to Landlord that Tenant has established and funded a construction disbursement account with funds available to pay one hundred percent (100%) of the aggregate amount of the contracts for the construction of the Phase III Improvements or Phase IV Improvements (as applicable). During the construction of such Improvements and until Substantial Completion (as defined below), Tenant agrees that it will provide monthly statements to Landlord from the construction disbursement account bank showing the balance is sufficient to pay one hundred percent (100%) of the then unpaid portions of the aggregate amount of the contracts for the construction of such Improvements. "Substantial Completion" shall be deemed to have occurred, when (i) Tenant's architect delivers to Landlord a certificate that the subject Improvements have been completed with the exception of minor punch list items and insubstantial details of construction, mechanical adjustment or decoration, in accordance with the plans and specifications for such Improvements or (ii) Tenant shall have obtained and furnished to Landlord a copy of the approved certificate of occupancy for the Improvements.

Landlord shall execute and record a Notice of Nonresponsibility pursuant to NRS 108.234 following the execution of this Restated Lease Agreement.

9. **ALTERATIONS, IMPROVEMENTS AND CHANGES PERMITTED**

Tenant shall have the right to make such alterations, improvements and changes to the Improvements or the Property that may from time to time be deemed necessary by Tenant for its use of the Property or the Improvements, provided that any such alterations, improvements or changes to the Improvements or the Property are made in accordance with all applicable federal, state, and local codes, regulations, statutes, ordinances, and laws with respect to the Property and the Improvements. Landlord will in no event make any alterations, improvements or other changes of any kind to the Improvements or the Property, except with written consent from the Tenant, which consent Tenant may reasonably withhold.

10. **DISPOSITION OF THE IMPROVEMENTS**

The Improvements constructed by Tenant on the Property, and all alterations, improvements, changes or additions made thereto shall be the property of Tenant subject, however, to the obligation of Landlord to purchase same provided in this Section 10 and subject to the terms and conditions of Section 16.

A. **Termination or Expiration of Landlord Services Agreement.**

a. Subject to the terms and conditions of Section 16, if Landlord terminates the Services Agreement to which Landlord is a party because of a default by Tenant thereunder, then this Restated Lease shall continue in effect until expiration of the Term and Landlord shall purchase the Lied Animal Shelter Building (and no other portion of the Improvements) from Tenant for a purchase price equal to the lesser of (i) the hard costs (exclusive of any interest or financing charges) of the Lied Animal Shelter Building; or (ii) the then fair market value of the Lied Animal Shelter Building. In accordance with the terms and conditions of Article 6 of the Services Agreement to which Landlord is a party, the purchase price for the Lied Animal Shelter Building under this Section 10.A.a. shall be reduced in the amount of \$500,000.00 or an amount as amended by such Services Agreement.

b. Subject to the terms and conditions of Section 16, if the Services Agreement to which Landlord is a party is terminated for any reason other than a default by Tenant thereunder or such Services Agreement expires by its terms, then this Restated Lease shall continue in effect until expiration of the Term and Landlord shall purchase the Lied Animal Shelter Building (and no other portion of the Improvements) from Tenant for a purchase price equal to the greater of (i) the hard costs (exclusive of any interest or financing charges) of the Lied Animal Shelter Building; or (ii) the then fair market value of the Lied Animal Shelter Building.

If Landlord purchases the Lied Animal Shelter Building from Tenant pursuant to this Section 10.A., Landlord and Tenant shall enter into an agreement on commercially reasonable terms allocating Tenant space within the Lied Animal Shelter Building so that Tenant is able to continue to conduct a public animal clinic and to fully perform its obligations under the other Services Agreements then in effect, which allocation of space shall be based in proportion to the then-current usage of the space within the building and the number of animals originating from the jurisdiction of the other Entities that were housed at the Lied Animal Shelter Building by Tenant during the preceding calendar year. Landlord and Tenant shall each bear their own costs in negotiating the foregoing described agreement. Landlord and Tenant agree that they shall enter into any other agreements necessary for their shared use of the Property during the remainder of the Term if Landlord purchases the Lied Animal Shelter Building pursuant to this Section 10.A.

Within ninety (90) days following the termination or expiration of the Services Agreement to which Landlord is a party, Landlord shall purchase the Lied Animal Shelter Building from Tenant and Tenant shall sell to Landlord the Lied Animal Shelter Building for the amount to be determined pursuant to this Section 10.A.

B. Termination or Expiration of this Restated Lease Agreement.

a. Subject to the terms and conditions of Section 16, if this Restated Lease Agreement is terminated for an event of default by Tenant as set forth in Section 15 of this Restated Lease Agreement, then Landlord shall purchase the Improvements from Tenant for a price equal to the lesser of (i) the hard costs (exclusive of any interest or financing charges) of the Improvements, or (ii) the then fair market value of the Improvements.

b. Subject to the terms and conditions of Section 16, if this Restated Lease Agreement is terminated for any reason other than an event of default by Tenant as set forth in Section 15 or the Term expires, then Landlord shall purchase the Improvements from Tenant for a price equal to the greater of (i) the hard costs (exclusive of any interest or financing charges) of the Improvements, or (ii) the then fair market value of the Improvements.

If this Lease Agreement terminates pursuant to this Section 10.B., Landlord and Tenant shall enter into an agreement on commercially reasonable terms allocating Tenant space within the Lied Animal Shelter Building so that Tenant is able to continue to conduct a public animal clinic and to fully perform its obligations under the Services Agreements then in effect, which allocation of space shall be based in proportion to the then-current usage of the space within the building and the number of animals originating from the jurisdiction of the Entities that were housed at the Lied Animal Shelter Building by Tenant during the preceding calendar year. Landlord and Tenant shall each bear their own costs in negotiating the foregoing described agreement. Landlord and Tenant agree that they shall enter into any other agreements necessary for their shared use of the Property during the remainder of Tenant's obligations under the Services Agreements if Landlord purchases the Improvements pursuant to this Section 10.B.

Within ninety (90) days following the termination or expiration of this Restated Lease Agreement, Landlord shall purchase the Improvements from Tenant and Tenant shall sell to Landlord the Improvements for the amount to be determined pursuant to this Section 10.B.

C. Fair Market Value.

Fair market value of the Lied Animal Shelter Building and/or other Improvements (as applicable) shall be determined by a qualified appraiser appointed by Landlord and a qualified appraiser appointed by Tenant, which appraisers must be appointed as promptly as possible but in no event twenty (20) days after the date that Landlord's right and obligation to purchase the Lied Animal Shelter Building and/or other Improvements (as applicable) arises. If such appraisers have not agreed upon the fair market value of the Lied Animal Shelter Building and/or other Improvements (as applicable) within thirty (30) days after such appointment, the appraisers appointed by Landlord and Tenant shall appoint a third qualified appraiser. Within thirty (30) days after being appointed, such third qualified appraiser shall determine the fair market value of the Lied Animal Shelter Facility and/or other Improvements (as applicable). Each appraiser appointed pursuant to this Section 10 must be an MAI appraiser (or equivalent) specializing in commercial real estate with at least five (5) years' continuous and active experience in Clark County, Nevada. Each appraiser shall be independent and shall have no financial interest in the property being appraised other than to earn a customary fee. The charges for services of each appraiser, if any, shall be borne by the party who selected that appraiser and the charges for the third appraiser shall be borne equally by Landlord and Tenant. The ninety (90) day closing date referenced in this Section 10 above shall be extended to a date that is thirty (30) business days after the date of the final appraisal if such appraisal is not completed within such ninety (90) day period.

The terms and conditions of this Section 10 shall survive termination or expiration of this Restated Lease Agreement.

11. **UTILITIES**

Tenant shall fully and promptly pay for all water, gas, heat, light, power, telephone services and other public utilities of every kind furnished to the Property throughout the term of this Restated Lease Agreement, and all other costs and expenses of every kind whatsoever of or in connection with the use, operation and maintenance of the Property and all activities conducted thereon, and Landlord shall have no responsibility of any kind for payment of any such utilities.

12. **INDEMNITY**

Tenant will protect, defend, indemnify and save harmless Landlord from and against any and all liability arising after the commencement of the Original Agreement, including damages, demands, claims, suits, liens, and judgments of whatever nature including, but not limited to, claims for contribution or indemnification for injuries to or death or any person or persons or damage or loss to the Property or any part thereof caused by, in connection with, or arising out of any activities undertaken by or at the direction of Tenant. Tenant's obligation to protect, defend, indemnify, and save harmless as set forth in this Section 12 shall include any and all reasonable attorneys' fees incurred by Landlord in the defense or handling of said suits, demands, judgments, liens and claims and all investigation expenses incurred by Landlord in enforcing or obtaining compliance with the provisions of this Restated Lease Agreement.

Subject to the limitations and immunities in NRS Chapter 41 and the release provision in Section 1.1 of this Restated Lease Agreement, Landlord will protect, defend, indemnify and save harmless Tenant from and against any and all liability arising before the commencement date of the Original Agreement, including damages, demands, claims, suits, liens, and judgments of whatever nature including, but not limited to, claims for contribution or indemnification for injuries to or death or any person or persons or damage or loss to the Property or any part thereof caused by, in connection with, or arising out of any activities undertaken by or at the direction of Landlord. Landlord's obligation to protect, defend, indemnify, and save harmless as set forth in this Section 12 shall include any and all reasonable attorneys' fees incurred by Tenant in the defense of handling of said suits, demands, judgments, liens and claims and all reasonable investigation expenses incurred by Tenant in enforcing or obtaining compliance with the provision of this Restated Lease Agreement.

13. **TENANT'S RIGHT TO MORTGAGE**

Tenant may, with approval of Landlord, which approval Landlord shall not unreasonably withhold, delay, or condition, mortgage its interest in this Restated Lease Agreement, or pledge, sale-leaseback, or otherwise assign this Restated Lease Agreement as security for financing. In this Restated Lease Agreement any mortgage, pledge, sale-leaseback, and/or assignment for security shall be referred to as a mortgage, and the holder thereof shall be referred to as either holder or mortgagee.

Before seeking approval from Landlord to mortgage its interest in this Restated Lease Agreement, Tenant shall present proof that any mortgagee of this Restated Lease

Agreement will, in the event such mortgagee succeeds to Tenant's interest in this Restated Lease Agreement, by foreclosure or otherwise, agree to be bound by all terms and conditions of this Restated Lease Agreement. If any mortgagee breaches the terms of this Restated Lease Agreement, Landlord may at its sole discretion terminate this Restated Lease under the conditions of Section 16, and mortgagee shall have no recourse against Landlord.

Landlord, upon providing Tenant any notice of default under this Restated Lease Agreement, or a termination of this Restated Lease Agreement, shall at the same time provide a copy of such notice to every mortgagee. No such notice by Landlord to Tenant shall be deemed to have been duly given unless and until a copy thereof has been so provided to every mortgagee. Upon expiration of the period of time given Tenant to cure such defaults, if such defaults have not been cured, Landlord shall notify every mortgagee of such fact, and such mortgagees shall have an additional cure period with respect to that default of thirty (30) days, if the default is capable of being cured by the payment of money, and forty-five (45) days if such default is not capable of being cured by the payment of money. If a mortgagee shall during such applicable cure period:

a. Notify Landlord of such mortgagee's desire to nullify any termination of this Restated Lease Agreement by Landlord;

b. Pay or cause to be paid all rent and/or other payments then due and in arrears as specified in the notice to such mortgagee and which may become due during the mortgagee's applicable cure period or periods; and

c. Comply, or in good faith and with reasonable diligence commence to comply, with all nonmonetary requirements of this Restated Lease Agreement then in default and capable of being complied with by such mortgagee, then this Restated Lease Agreement shall not terminate provided that thereafter such mortgagee pays or causes to be paid the rent and other monetary obligations of Tenant under this Restated Lease Agreement as the same become due and continues its good faith efforts to perform all of Tenant's other obligations under this Restated Lease Agreement, shall within six (6) months after expiration of such mortgagee's cure periods, take steps to acquire or sell Tenant's interest in this Restated Lease Agreement by foreclosure of the mortgage or other appropriate means and prosecute the same to completion with due diligence. If a mortgagee complies with this Section 13 and Tenant's leasehold estate created hereby is acquired by such mortgagee or its designee or any other purchaser at a foreclosure sale or otherwise, this Restated Lease Agreement shall continue in full force and effect as if Tenant had not defaulted under this Restated Lease Agreement. Notwithstanding the foregoing, no mortgagee or designee shall be required to cure any default of Tenant not reasonably susceptible of being cured by such mortgagee or its designee in order to reinstate this Restated Lease Agreement as provided above or as a condition of entering into any New Lease (as hereinafter defined). Landlord shall accept any performance of Tenant's obligations under this Restated Lease Agreement by or at the instigation of such mortgagee as if the same has been done by Tenant.

Nothing in this Section 13 shall be construed to require a mortgagee to continue any foreclosure proceedings after a default has been cured. If the default shall be cured and the mortgagee shall discontinue its foreclosure proceedings, this Restated Lease Agreement shall

continue in full force and effect as if Tenant had not defaulted under this Restated Lease Agreement.

The making of a mortgage shall not be deemed to constitute an assignment or transfer of this Restated Lease Agreement or of the leasehold estate hereby created, nor shall any mortgagee, as such, be deemed to be an assignee or transferee of this Restated Lease Agreement or of the leasehold estate hereby created so as to require such mortgagee, as such, to assume the performance of any of the terms, covenants or conditions on the part of Tenant to be performed hereunder, but the purchaser at any sale of this Restated Lease Agreement and of the leasehold estate hereby created in any proceedings for the foreclosure of any mortgage, or the assignee or transferee of this Restated Lease Agreement and of the leasehold estate hereby created under any instrument of assignment or transfer in lieu of the foreclosure of any mortgage, shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of Tenant to be performed hereunder from and after the date of such purchase and assignment, but only for so long as such purchaser or assignee is the owner of the leasehold estate.

In the event of the termination of this Restated Lease Agreement as a result of Tenant's default, Landlord shall, in addition to providing the notices of default as required above, give each mortgagee written notice that this Restated Lease Agreement has been terminated, together with a statement of all sums which would at that time be due under this Restated Lease Agreement but for such termination, and of all other defaults, if any, then known to Landlord. Subject to necessary approvals, Landlord agrees to enter into a new lease ("New Lease") of the Property with such mortgagee or its designees for the remainder of the term of this Restated Lease Agreement, effective as of the date of termination and upon the terms, covenants and conditions of this Restated Lease Agreement, provided:

i. Such mortgagee shall make written request upon Landlord for such New Lease within sixty (60) days after the date such mortgagee receives Landlord's notice of termination of this Restated Lease Agreement given pursuant to this Section 13.

ii. Such mortgagee or its designee shall pay or cause to be paid to Landlord at the time of the execution and delivery of such New Lease any and all sums which would at the time of execution and delivery thereof be due pursuant to this Restated Lease Agreement but for such termination and, in addition thereto, all reasonable expenses, including reasonable attorney's fees, which Landlord shall have incurred by reason of such termination and the execution and delivery of the New Lease and which have not otherwise been received by Landlord.

iii. Such mortgagee or its designee shall agree to remedy any of Tenant's defaults on which said mortgagee was notified by Landlord's notice of termination and which are reasonably susceptible of being so cured by the mortgagee or its designee.

iv. Any New Lease shall be prior to any mortgage or other lien, charge or encumbrance on the fee of the Property and the tenant under such New Lease shall have the same right, title and interest in and to the Property and the Improvements thereon as Tenant had under this Restated Lease Agreement.

v. The tenant under any such New Lease shall be liable to perform the obligations imposed on the tenant by such New Lease only during the period such person has ownership of such leasehold estate.

If more than one mortgagee shall request a New Lease pursuant to this Section 13, Landlord shall enter into such New Lease with the mortgagee whose mortgage is prior in lien or with the designee of such mortgagee. Landlord, without liability to Tenant or any mortgagee with an adverse claim, may rely upon a mortgagee title insurance policy issued by a responsible title insurance company doing business in Nevada as the basis for determining the appropriate mortgagee who is entitled to such New Lease.

So long as any mortgage is in existence, unless all mortgagees shall otherwise expressly consent in writing, the fee title to the Property and the leasehold estate of Tenant therein created by this Restated Lease Agreement shall not merge but shall remain separate and distinct, notwithstanding the acquisition of said fee title and leasehold estate by any one entity, by purchase or otherwise.

Subject to necessary approvals, Landlord agrees to amend this Restated Lease Agreement from time to time to the extent reasonably requested by any prospective mortgagee, provided that such proposed amendments do not materially and adversely affect the rights of Landlord or its interest in the Property.

Tenant's share, as provided by this Restated Lease Agreement, of the proceeds arising from an exercise of the power of eminent domain shall be disposed of as provided for by any mortgage.

Landlord shall, without charge, at any time and from time to time, within thirty (30) days after written request from Tenant to do so, certify by written instrument duly executed and acknowledged to any mortgagee or purchaser, or proposed mortgagee or proposed purchaser, or any other person, firm or corporation specified in such request: (a) as to whether this Restated Lease Agreement has been supplemented or amended and, if so, the substance and manner of such supplement or amendment; (b) as to the validity and force and effect of this Restated Lease Agreement, in accordance with its tenor; (c) as to the existence of any default hereunder; (d) as to the existence of any offsets, counterclaims or defenses hereto on the part of Tenant; (e) as to the commencement and expiration dates of the term of this Restated Lease Agreement; and (f) as to any other matters reasonably requested. Any such certificate may be relied upon by Tenant and any other person, firm or corporation to whom the same may be exhibited or delivered, and the contents of such certificate shall be binding on Landlord.

Notices from Landlord to the mortgagee shall be mailed to the address furnished Landlord pursuant hereto, and those from the mortgagee to Landlord shall be mailed to the address designated pursuant to the provisions of Section 21. Such notices, demands and requests shall be given in the manner described in Section 21 and shall in all respects be governed by the provisions of that Section.

No payment made to Landlord by a mortgagee shall constitute agreement that such payment was, in fact, due under the terms of this Restated Lease Agreement, and a

mortgagee having made any payment to Landlord pursuant to Landlord's wrongful, improper or mistaken notice or demand shall be entitled to the return of any such payment or portion thereof

14. **INTENTIONALLY DELETED**

15. **EVENTS OF DEFAULT**

The following shall constitute an "event of default" by Tenant under this Restated Lease Agreement:

a. Tenant's failure to perform any material term, condition, or covenant to be performed by Tenant pursuant to this Restated Lease Agreement within thirty (30) days after written notice of such failure; provided however, that if such failure is not capable of being cured within said thirty (30) day period, Tenant must commence said cure and continue same as due diligence until the cure is effected; or

b. Tenant being adjudicated a bankrupt under any federal or state insolvency statute.

16. **TERMINATION AND REMEDIES**

Subject to the provisions of Section 10, upon the occurrence of any of the events set forth above in Section 15 (after the expiration of any applicable grace period) Landlord may at Landlord's option terminate this Restated Lease Agreement by written notice to Tenant, in which event, Tenant shall surrender possession of the Property (including the Improvements) to Landlord. Should Landlord terminate this Restated Lease Agreement, it may recover from Tenant all damages actually incurred by Landlord by reason of such event of default, including the cost of recovering possession of the Property and reasonable attorney's fees. Within ninety (90) days following the termination of the Restated Lease Agreement, Landlord shall purchase the Improvements from Tenant and Tenant shall sell to Landlord the Improvements for the amount to be determined pursuant to Section 10. Landlord and Tenant acknowledge and agree that Tenant intends to fund construction and renovation of the Improvements through the proceeds of one or more series of bonds or other financing arrangements (collectively, the "Renovation Financing"). Notwithstanding anything to the contrary in this Restated Lease Agreement, Landlord shall not have the right to terminate this Restated Lease Agreement prior to expiration of the Term until such time as any and all principal, interest, fees, reimbursements, redemption premiums, prepayment penalties and any and all other liabilities or payment obligations, whether absolute or contingent, payable under or in connection with the Renovation Financing (collectively, the "Renovation Financing Obligations") have been satisfied in accordance the applicable Renovation Financing agreements and documents. Until such time that the Renovation Financing Obligations have been satisfied in accordance with the applicable Renovation Financing agreements and documents, Landlord may elect either of the following as its sole and exclusive remedy for an event of default (i) to receive a monetary payment from Tenant in an amount reasonably sufficient to compensate Landlord for the actual damages Landlord incurred in connection with such event of default or (ii) seek specific performance of Tenant's obligations under this Restated Lease Agreement.

17. **ACCESS TO PROPERTY**

Tenant shall allow duly authorized representatives of Landlord to conduct such occasional reviews and inspections of the Property and Improvements as Landlord reasonably deems to be appropriate in order to determine whether Tenant is complying with Section 4. Visits by Landlord shall be announced to Tenant at least 24 hours in advance of those visits and shall occur during normal operating hours.

18. **QUIET ENJOYMENT**

Tenant, upon paying the rent and observing and performing all of the terms, covenants, and conditions on its part to be performed hereunder, shall peaceably and quietly enjoy the Property during the Term.

19. **SURRENDER OF PROPERTY**

Except as otherwise provided in this Restated Lease Agreement, at the expiration or authorized termination of this Restated Lease Agreement, Tenant shall surrender the Property in good condition, reasonable wear and tear excepted, and shall deliver all keys to the Improvements to Landlord. Tenant shall have no obligation to remove any Improvements constructed on the Property during the Term. Before surrendering the Property, Tenant shall remove all of its personal property, including Tenant's equipment and furnishings and trade fixtures and shall repair any damage caused by such personal property or the removal thereof. If Tenant fails to remove its personal property and trade fixtures upon the expiration or authorized termination of the Restated Lease Agreement, the same shall be deemed abandoned and shall become the property of Landlord.

20. **HOLDING OVER**

Any holding over after the expiration of the Term or of any renewal term shall be construed to be a tenancy from month to month at the rent herein specified and shall otherwise be on the terms herein specified so far as possible.

21. **MISCELLANEOUS PROVISIONS**

a. **Relationship of Parties:**

Landlord shall have no relationship whatsoever with the operation of the Improvements, except the leasing of the Property and the performance of Landlord's obligations under the Services Agreement to which it is a party. To the extent, if at all, that any relationship, with respect to the Improvements, on the part of Landlord may be claimed or found to exist, Tenant shall be an independent contractor only.

b. **Force Majeure:**

Any Party hereto shall be excused for the period of any delay in the performance of any obligations hereunder when prevented from so doing by any cause beyond

that Party's control, including labor disputes, civil commotion, war, governmental regulation or controls, fire or other casualty, inability to obtain any material or service or acts of God.

c. **No Waiver:**

Failure of a Party to insist upon the strict performance of any provision or to exercise any option hereunder shall not be deemed a waiver of such breach. No provision of this Restated Lease Agreement shall be deemed to have been waived unless such waiver be in writing signed by the Party waiving same.

d. **Notices:**

Any notice, demand, request, or other instrument which may be or is required to be given under this Restated Lease Agreement shall be delivered in person or sent by United States certified or registered mail, return receipt requested, postage prepaid, at the following addresses:

To Landlord:	City of Las Vegas City Manager's Office 495 S. Main Street Las Vegas, Nevada 89101 Attention: City Manager
with copy to:	City Attorney's Office 495. S. Main Street, 6th Floor Las Vegas, Nevada 89101 Attention: City Attorney
	and
	City of Las Vegas Real Estate Department 333 North Rancho Drive, 8th Floor Las Vegas, Nevada 89106 Attention: Real Estate Administrator
To Tenant:	The Animal Foundation 655 North Mojave Road Las Vegas, Nevada 89101 Attention: Executive Director

Either Party hereto may change its address by giving ten (10) days advance notice to the other Party as provided herein.

e. **Recording:**

Tenant shall not record this Restated Lease Agreement or a memorandum thereof without the written consent of Landlord. Landlord, at its option and at any time, may file this Restated Lease Agreement for recording with the Recorder of the County in which the Property is located.

f. **Partial Invalidity:**

If any provision of this Restated Lease Agreement or the application thereof to any person or circumstance shall to any extent be invalid, the remainder of this Restated Lease Agreement or the application of such provision to person or circumstances other than those as to which it is held invalid shall not be affected thereby and each provision of this Restated Lease Agreement shall be valid and enforced to the fullest extent permitted by law.

g. **Choice of Law:**

This Restated Lease Agreement is to be construed and governed by the laws of the State of Nevada.

h. **Tenant Defined; Use of Pronouns:**

The word "Tenant" shall be deemed and taken to mean each and every person or party executing this document as a Tenant herein. If there is more than one Tenant, any notice required or permitted by the terms of this Restated Lease Agreement, may be given by or to any one thereof, and shall have the same force and effect as if given by or to all thereof. The use of the neuter singular pronoun to refer to Landlord or Tenant shall be deemed a proper reference even though Landlord or Tenant may be an individual, a partnership, a corporation, or a group of two or more individuals or corporations. The necessary grammatical changes required to make the provisions of this Restated Lease Agreement apply in the plural sense where there is more than one Landlord or Tenant and two corporations, associations, partnerships, or individuals males or females, shall in all instances be assumed as though in each case fully expressed.

i. **Provisions Binding on Successors and Assigns:**

Except as otherwise provided, all provisions herein shall be binding upon and shall inure to the benefit of the Parties, their legal representatives, heirs, successors, and assigns. Each provision to be performed by Tenant shall be construed to be both a covenant and a condition, and if there shall be more than one Tenant, they shall all be bound, jointly and severally, by such provisions. In the event of any sale or assignment (except for purposes of security or collateral) by Landlord of the Property, or this Restated Lease Agreement, Landlord shall (irrespective of when such sale or assignment occurs) be entirely relieved of all of its obligations as of the time of such sale or assignment or on the commencement date, whichever is later, and such obligations shall automatically pass to Landlord's successor in interest.

j. **Entire Agreement:**

This Restated Lease Agreement and the exhibits attached hereto, set forth the entire agreement between the Parties. All exhibits mentioned in this Restated Lease

Agreement are incorporated herein by reference. Any prior conversations or writings are merged herein and extinguished. No subsequent amendment to this Restated Lease Agreement shall be binding upon Landlord or Tenant unless reduced to writing and signed by both Parties. Submission of the Restated Lease Agreement for examination does not constitute an option for the Property and becomes effective as a lease only upon execution and delivery thereof by Landlord to Tenant. The captions, paragraph and section numbers appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe, or describe the scope or intent of any paragraph, subparagraph, section or subsection.

22. **NONDISCRIMINATION**

The Parties agree that the Property will not be segregated with respect to race, color, religion, sex, sexual orientation, gender identity or gender expression, age, national origin, disability, or any other protected status and agree that there will be no segregation or discrimination on such grounds with respect to public utilization of or access to the building and surrounding areas.

23. **MODIFICATIONS**

Upon approval of this Restated Lease Agreement by the City Council and after it has been fully executed by signature of all parties, Landlord designates the City Manager in conjunction with the City Clerk who 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 Restated Lease Agreement such as amendments, escrow document signature authority, adjustments to monetary revenue or expenditure not to exceed Twenty Five Thousand Dollars (\$25,000.00), filing and recording of appropriate documents with the County Recorder's Office or the County Tax Assessor's Office, and recordings and filing with the City Clerk's Office. No amendment, change or modification of this Restated Lease Agreement shall be valid unless in writing and signed by all Parties hereto.

24. **DISCLOSURE OF PRINCIPALS**

Pursuant to Resolution R-105-99 adopted by the City Council effective October 1, 1999, Tenant warrants that it has disclosed, on the form attached hereto as Exhibit "C", all principals, including partners of Tenant, as well as all persons and entities holding more than 1% interest in Tenant or any principal of Tenant. Throughout the Term, Tenant shall notify City in writing of any material change in the above disclosure within 15 days after any such change.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, the Parties hereto have executed this First Amended and Restated Lease Agreement on the date set forth above.

CITY OF LAS VEGAS
(LANDLORD)

By: _____
Carolyn G. Goodman, Mayor

ATTEST:

LuAnn D. Holmes, MMC, Acting City Clerk

APPROVED AS TO FORM:

V. Perriello 2/5/15
Date

THE ANIMAL FOUNDATION
(TENANT)

BY: _____

ACKNOWLEDGMENTS

STATE OF NEVADA)
)ss.
COUNTY OF CLARK)

 This instrument was acknowledged before me, a notary public, on this ____ day
of _____ 2014, by Carolyn G. Goodman, as Mayor of the City of Las Vegas.

STATE OF NEVADA)
)ss.
COUNTY OF CLARK)

 This instrument was acknowledged before me, a notary public, on this ____ day
of _____, 2014 by _____, as _____ of The Animal Foundation.

EXHIBIT "A"

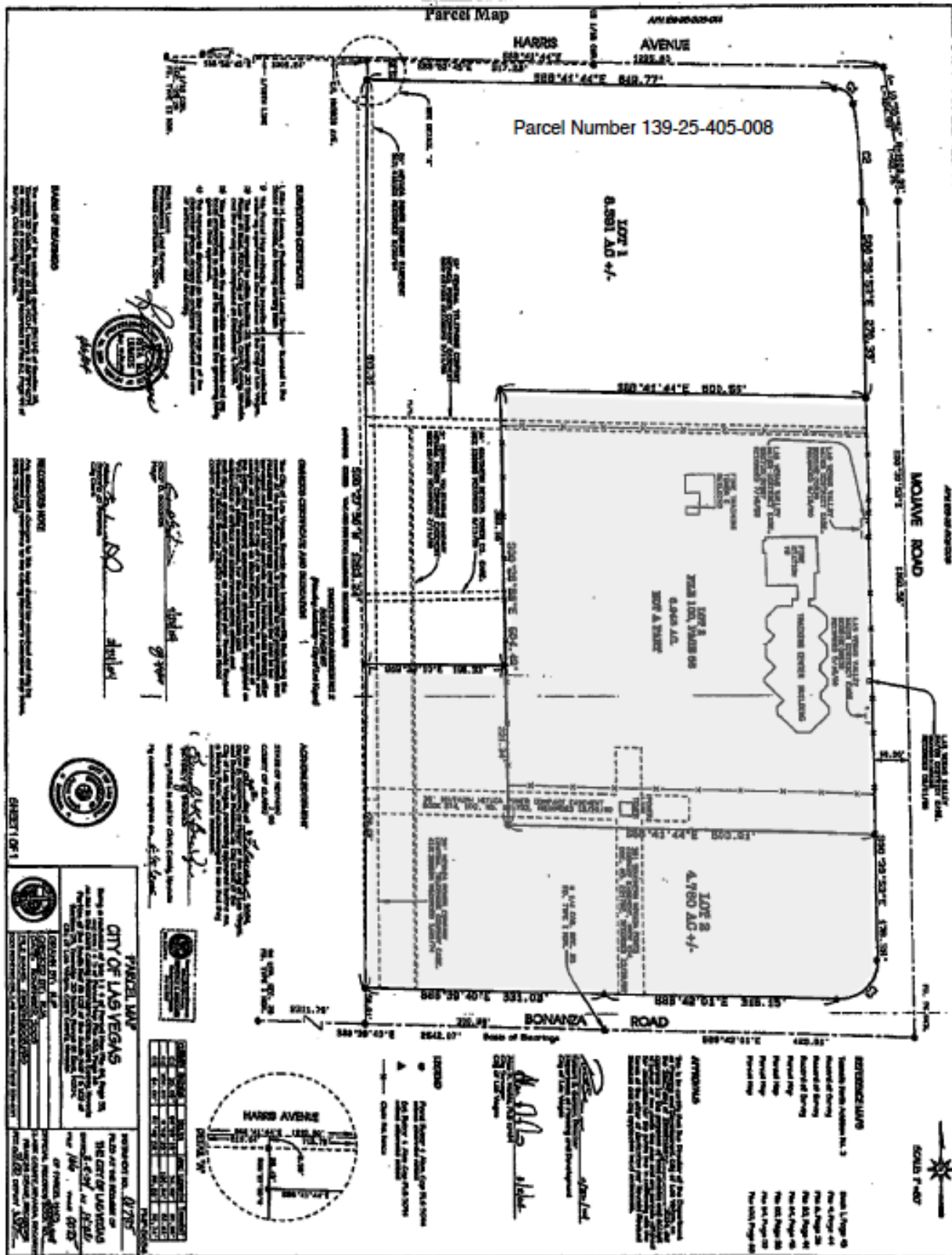


EXHIBIT "B"
Site Map & Improvements

-  Phase I Improvements – Dog Adoption Bungalows
-  Phase II Improvements – Shelter Expansion
-  Phase III Improvements – Adoption Center, Offices, Vet Training, Education Center
-  Phase IV Improvements – Additional Parking and Courtyard Improvements



EXHIBIT "C"
Disclosure of Principals

The Board of Directors and officers of the Animal Foundation are the following:

<u>Full Name</u>	<u>Business Address</u>	<u>Business Phone</u>
Linda Marvin	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Andrew Vaughan	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Chris Stacey	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Michael Wilkins	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Doug Crosby	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Matthew Frazier	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Marilyn Larson	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Dianne K. Merkey	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Jane Greenspun Gale	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Tom Kaplan	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Vivica Marshall	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Jillian Plaster	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Andrea Wynn	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Dale Wynn	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333
Christine Robinson, Exec. Director	655 N. Mojave Rd, Las Vegas, NV 89101	(702) 384-8333

I hereby certify under penalty of perjury, the foregoing list is full and complete.

THE ANIMAL FOUNDATION

By: Christine Robinson
Its: Executive Director

State of Nevada
County of Clark

Signed and sworn before me on 4/22/14
by CHRISTINE ROBINSON

Melanie Morgan
Notary Public

