

L E A S E

THIS LEASE is made and entered into as of the XXst day of XXXXXXXX 20XX by and between the ROMAN CATHOLIC DIOCESE OF ROCHESTER, a New York not-for-profit corporation, hereinafter referred to as “Lessor” and the St. Michael Society, a New York not-for-profit corporation, hereinafter referred to as “Lessee.”

1. Lease of Premises. Lessor, being the lawful owner of the property on which is located the church building of St. Michael Church, Rochester New York, a diagram of which property is attached hereto as Attachment A, hereinafter referred to as the “Premises,” hereby leases the Premises, consisting of the St. Michael Church building and the former St. Michael Parish hall, convent and rectory as well as the grounds surrounding these structures, to the Lessee and grants to Lessee a non-exclusive easement for the use of adjoining parking areas, roadways and walkways for parking and vehicular and pedestrian access (“Easement Area”) under the terms and conditions of this Lease.

2. Rental. There will be a rent of \$1 per year charged under this Lease.

3. Use of the Premises.

(a) The parties acknowledge and agree that St. Michael Church will be used by Lessee as a Roman Catholic sacred space and that the remainder of the Premises will be used by Lessee for purposes in conformity with the teachings of the Roman Catholic faith and not for any commercial, entertainment or residential purpose without the written authorization of Lessor.

(b) With respect to religious purposes, Lessee shall not use the Premises for any liturgical or religious service, celebration, function or activity without having obtained the prior approval of the Bishop of Rochester or his designee. If such approval is requested and given,

Lessee shall adhere to all requirements and conditions which may be specified by the Bishop of Rochester or his designee.

4. Condition of Premises. Lessee represents that it has had an opportunity to inspect the Premises prior to the execution of this Lease, agrees to accept the Premises in an “AS IS” condition and acknowledges that repairs are required to correct damage present on account of the age and deterioration of the building. Lessee agrees to undertake and to complete within the initial term of this Lease such repairs to the building as may be required to bring the Premises to a clean, safe and sanitary condition and to continue to maintain the Premises in such condition thereafter during the initial term of this Lease and any extension thereof. Lessor shall have no responsibility for the maintenance or repair of the Premises, including the church building, or for performing any services for Lessee.

5. Term. The term of this Lease shall commence on XXXXXXXX XX, 20XX and shall terminate on XXXXXXXX XX, 20XX. This Lease may be extended for an additional period or periods if mutually agreed in writing by both parties.

6. Insurance and Indemnification.

6.1 Lessee shall maintain comprehensive general liability insurance on an occurrence basis covering Lessee’s use of the Premises and the Easement Area in the minimum amount of One Million Dollars (\$1,000,000.00) per occurrence with a One Million Dollar (\$1,000,000.00) annual aggregate. Lessee shall also maintain workers compensation insurance for Lessee’s employees, if any. Lessee shall name Lessor as an additional insured on such liability insurance policy and shall furnish a certificate of insurance to Lessor showing that such coverage is continuously in effect during the term of this Lease and which provides that the insurer or its agent will provide Lessor with thirty (30) days prior notice of cancellation.



6.2 Lessee shall defend, indemnify and save harmless Lessor, its members, directors, officers, agents and employees against any liability or claim thereof, whether for injury to persons, including death, or damage to property occurring on or arising out of the use of the Premises and the Easement Area by Lessee during the term of the Lease, or arising out of any default by Lessee hereunder, except to the extent such liability or claims are based on the negligence or misconduct of Lessor, its employees or agents.

6.3 Lessee shall also maintain fire and extended coverage insurance for the Premises, including the buildings on the Premises, for the replacement cost of the buildings and improvements on the Premises, at its cost and shall furnish a certificate of insurance to Lessor showing that such coverage is continuously in effect during the term of this Lease and which provides that the insurer or its agent will provide Lessor with thirty (30) days prior notice of cancellation.

7. Waiver of Subrogation. Lessor and Lessee each hereby waive any and all rights of recovery, including any insurer's subrogation rights, against the other or against the officers, employees, agents and representatives of the other for loss of or damage to such waiving party of its property or the property of others under its control, to the extent that such loss or damage is insured under any insurance policy or self-insurance plan in force or which is required to be carried hereunder at the time of such loss or damage.

8. Damage or Destruction of Premises.

8.1 If the Premises are destroyed or are damaged by fire, storm, lightning, earthquake or other casualty, and the damage is so extensive that the Premises cannot be reasonably repaired and restored in less than one hundred eighty (180) days, Lessee shall have



the right, exercisable by written notice to Lessor given within thirty (30) days after the occurrence, to terminate this Lease.

8.2 If the Premises can be restored in less than one hundred eighty (180) days or if Lessee does not exercise the right to terminate provided for in subparagraph 8.1, then Lessee shall proceed to restore the Premises to a safe, usable and functionally equivalent condition but shall not be required to restore the Premises to the same condition as before the damage occurred. The plans for restoration of the Premises shall be presented to Lessor and shall be subject to the approval of Lessor.

8.3 If the Premises cannot be restored in less than one hundred eighty (180) days and Lessee exercises its right to terminate provided for in subparagraph 8.1, Lessee shall so notify Lessor and Lessee shall either demolish the remaining portion of the building on the Premises and remove the debris from the building or turn over the proceeds of available insurance to Lessor, as directed in writing by Lessor.

9. State and Local Law. Lessee shall not make or suffer any use or occupancy of the Premises contrary to any law or ordinance now or hereafter in force.

10. Maintenance and Janitorial Service. Lessee, at its sole cost and expense, agrees to provide all janitorial service and all maintenance and repair for the Premises.

11. Utilities. Lessee agrees to pay promptly all electric, water, sewer, gas and other utility bills incurred in Lessee's use of the Premises.

12. Alterations. Any alterations or major repairs--that is, any repair that is reasonably expected to cost \$25,000.00 or more—which Lessee wishes to make to the premises shall be at the Lessee's expense and shall be subject to the prior written approval of the Lessor. Contracts shall not be split to avoid the \$25,000.00 estimate.



13. Mechanic's Liens. Lessee shall not and will not allow or permit any mechanic's liens or materialmen's liens or other liens to stand against the Premises, for any labor or material furnished to Lessee. Lessee shall have the right to contest, at Lessee's cost and expense, the validity of any amount of any such lien, provided, however, that in the event of any such contest, Lessee shall provide Lessor with adequate security conditions for the payment and removal of such lien, and Lessee shall not be considered in default during the pendency of such contest.

14. Inspection. Lessee grants to Lessor or its agents, the right to enter upon the Premises, upon reasonable notice, to inspect the same and for purposes pertaining to the rights of Lessor. Such inspection shall not unduly interfere with the operation of Lessee's activities.

15. Assignment and Subleasing. Lessee shall not have the right to assign this Lease or sublet the Premises without the approval of Lessor, which approval may be withheld by Lessor in its sole discretion.

16. Mortgage. Lessee shall not have the right at any time to place mortgages against the Premises as security for loans to be obtained by Lessee.

17. Default of Lessee. Lessee understands and agrees that if it becomes insolvent, dissolves, or attempts to transfer any of its rights under this lease to any other entity without the prior written consent of the Lessor or fails in any manner to comply with the terms and requirements of this lease, it will be considered to be in default of this lease. In the event Lessee shall fail for thirty (30) days following receipt of notice from Lessor to remedy any default, Lessor may, at its option, to be exercised in writing, cause the forfeiture of this Lease. Possession of the Premises and all additions and permanent improvements thereon shall be delivered to Lessor upon ten (10) days' written notice that Lessor has exercised said option, and



thereupon Lessor shall be entitled to and may take immediate possession of the Premises, any other notice or demand being hereby waived.

18. Return of Premises. At the expiration of this Lease the Premises shall be surrendered to the Lessor in a clean and safe condition and weather proof against the intrusion of rain water or melting snow or ice.

19. Headings. Any headings preceding the text of the several paragraphs hereof are inserted solely for convenience of reference and shall not constitute a part of this Lease, nor shall they affect its meaning, construction or effect.

20. Scope and Interpretation of Agreement. This Lease shall be considered to be the only agreement between the parties hereto pertaining to the Premises. The laws of the State of New York shall govern the validity, interpretation and enforcement of this Lease. Any changes must be in writing.

IN WITNESS WHEREOF, the parties have executed this agreement and caused the same to be executed as of the day and year first above written.

DIOCESE OF ROCHESTER

By: _____

Printed Name: _____

Title: _____

St. Michael Society

By: _____

Printed Name: _____

Title: _____



ATTACHMENT A