



CARL T.C. GUTIERREZ  
GOVERNOR OF GUAM

SEP 27 2002

The Honorable Joanne M. S. Brown  
Legislative Secretary  
I Mina'Bente Sais na Liheslaturan Guåhan  
Twenty-Sixth Guam Legislature  
Suite 200  
130 Aspinal Street  
Hagåtña, Guam 96910

Dear Legislative Secretary Brown:

Enclosed please find Bill No. 186 (COR) "AN ACT TO APPROVE THE LEASE FOR THE VETERANS OF FOREIGN WAR POST 1509," which was signed into law as Public Law No. 26-145.

This legislation approves the lease for the Veterans of Foreign Wars, Post 1509, to lease land for a cultural center. This is one of the groups that was displaced when land on Harmon Cliffline was returned for original landowners.

Very truly yours,

Carl T. C. Gutierrez  
I Maga'Lahen Guåhan  
Governor of Guam

Attachments: original bill for vetoed legislation or  
copy of bill for signed or overridden legislation  
and legislation enacted without signature

cc: The Honorable Antonio R. Unpingco  
Speaker

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By	<u>[Signature]</u>
Time	<u>3:00 pm.</u>
Date	<u>09/27/02</u>

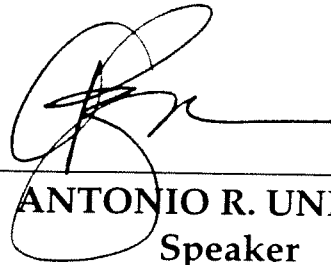
Office of the Speaker  
ANTONIO R. UNPINGCO  
Date: 09-27-02  
Time: 1145  
Rec'd by: [Signature]  
Print Name: [Signature]

0948

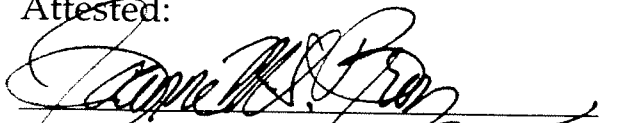
MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN  
2002 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

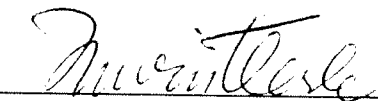
This is to certify that Bill No. 186 (COR), "AN ACT TO APPROVE THE LEASE FOR THE VETERANS OF FOREIGN WAR POST 1509," was on the 4<sup>th</sup> day of September, 2002, duly and regularly passed.

  
ANTONIO R. UNPINGCO  
Speaker


Attested:

  
JOANNE M.S. BROWN  
Senator and Legislative Secretary

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This Act was received by *I Maga'lahaen Guåhan* this 16<sup>th</sup> day of September, 2002,  
at 3:55 o'clock P.M.

  
Assistant Staff Officer  
*Maga'lahaen's Office*

APPROVED:

  
CARL T. C. GUTIERREZ  
*I Maga'lahaen Guåhan*

Date: 9-27-02

Public Law No. 26-145

**MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN**  
**2001 (FIRST) Regular Session**

**Bill No. 186 (COR)**  
As amended.

Introduced by:

A. R. Unpingco  
L. F. Kasperbauer  
J. F. Ada  
T. C. Ada  
F. B. Aguon, Jr.  
J. M.S. Brown  
E. B. Calvo  
F. P. Camacho  
M. C. Charfauros  
Mark Forbes  
L. A. Leon Guerrero  
K. S. Moylan  
V. C. Pangelinan  
A. L.G. Santos  
J. T. Won Pat

**AN ACT TO APPROVE THE LEASE FOR THE  
VETERANS OF FOREIGN WAR POST 1509.**

1        **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2        **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*  
3 finds that when the United States Air Force had jurisdiction and control over a  
4 piece of property referred to as the Harmon Cliff Line, they authorized and  
5 issued permits to nonprofit organizations for the use of said property. *I*  
6 *Liheslaturan Guåhan* further finds that U.S. Public Law Number 103-339  
7 necessitated the relocation of those nonprofit organizations.

1 Executive Order Number 98-13 was issued for the orderly and  
2 expeditious transfer by the nonprofit organizations from the Harmon Cliff  
3 Line property to government of Guam property. The parcel of property that  
4 these organizations can relocate to was identified as that reserved for the  
5 Cultural Center in Dededo under Guam Public Law Number 22-18. *I*  
6 *Liheslaturan Guåhan* finds that the Veterans of Foreign War Post 1509 has  
7 complied with the rules and regulations governing lease of government  
8 owned property. It is the intent of *I Liheslaturan Guåhan* to approve said lease  
9 as required by § 8003 of the Department of Land Management rules and  
10 regulations for leasing land reserved as a cultural center, as enacted by § 3 of  
11 Public Law Number 25-47.

12 **Section 2. Approval of Lease.** Notwithstanding any provision of  
13 law, the lease entered into by and between the Veterans of Foreign War Post  
14 1509 and the government of Guam, attached herein and labeled as  
15 **Attachment A**, is hereby approved by *I Liheslaturan Guåhan*.

**ATTACHMENT A**

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(THIS SPACE ABOVE FOR RECORDERS USE ONLY)

**LEASE**

**THIS LEASE** is made this \_\_\_\_\_ day of \_\_\_\_\_, 2000, by and between the **DEPARTMENT OF LAND MANAGEMENT, GOVERNMENT OF GUAM**, whose address is P.O. Box 2950, Agana, Guam 96910, hereinafter the "Lessor," and **Hafa Adai VFW Post 1509**, represented by **John A. Wallace, Post Commander**, a non-profit organization organized and existing under the laws of the territory of Guam, whose address is Post Office Box 23395, G.M.F. Barrigada, Guam 96921, hereinafter the "Lessee."

WHEREAS, Lessee was a legal occupant of real property located along the Harmon Cliffline area pursuant to an agreement entered into with the government of Guam, which had a valid permit to use the same from the U.S. Air Force who is the legal owner; and

WHEREAS, the Harmon cliffline area was identified by the federal government as excess federal land to be returned to the government of Guam in U.S. Public Law 103-339; and

WHEREAS, in preparation for the eventual return of the Harmon cliffline area to the government of Guam, environmental survey work is required at the site, and those occupying the Harmon cliffline area have been required to leave; and

WHEREAS, Lessor has reserved certain lands identified in Guam P.L. 22-18 for the purpose of establishing "cultural centers," and certain of these reserved lands are ready for leasing; and

WHEREAS, Lessee has been found eligible and qualified to lease government land identified herein, and this Lease being in the best public interest; now therefore,

FOR AND IN CONSIDERATION of the following terms and conditions, Lessor and Lessee agree as follows:

1. **Subject of Lease.** Lessor leases to Lessee the real property in the Municipality of Dededo, territory of Guam described

as follows, hereinafter the "Demised Premises":

Lot 9 Block 3, Tract No. 1143, Municipality of Dededo, Guam Containing, an area of 1,920± square meters or 20,667± square feet , as shown on map L.M. Check No. 427-FY97, Drawing No. I4-97T632, Agricultural Subdivision Survey Map of Tract 1143 (formerly lot 10120-17, Dededo, for Lease Purposes Only). Recorded under Document No. 572938, Certificate of Title No. 88094.

2. **Term.** Lessee shall have and hold the Demised Premises for a term of twenty-five (25) years commencing on January 1, 2001 and ending on January 1, 2026, unless sooner terminated in accordance with the terms of this Lease. Lessee may opt to renew this Lease for one (1) additional twenty-five (25) year term so long as not in default upon the expiration of the first of the first twenty-five (25) year term.

3. **Rent.** Lessee shall pay Lessor, in addition to any other charges required to be paid hereunder by Lessee, rent for the Demised Premises in annual installments. Each annual installment of rent due hereunder shall be paid in advance on the anniversary date hereof.

a. **Nominal Rent for Income-Tax Exempt Lessee.** Lessee shall have provided to Lessor prior to entering into this Lease, a written determination or other proof from the appropriate government authority, signifying Lessee's status as a tax-exempt entity. Tax-exempt status shall allow Lessee to pay a nominal annual rental amount as provided for in the rules governing this Lease at the time the Lease is entered into by Lessor And Lessee.

b. **Rental Amount.** The annual rental amount is One Hundred Dollars (\$100.00), which shall be due for each of the twenty-five (25) years of the term of this Lease. If the term of this Lease is renewed for an additional twenty-five (25) years, then for each year of the renewal term, the rent shall be Three Hundred Dollars (300.00). The annual rent shall be due each year on the anniversary date of this Lease.

c. **Payee.** All amounts due as rent under Section 3.b above shall be made payable to the Chamorro Land Trust Commission in accordance with P.L. 22-18, Section 3.d, but shall be delivered to Lessor in the name of the Chamorro Land Trust Commission for the

sake of record-keeping. Lessor shall transmit any amount paid for rent under Section 3.b above to the Commission. Any and all other amounts due or which may become due according to the other terms of this Lease shall be paid directly to Lessor.

4. **Taxes and Assessments.** In addition to the rent payable under Section 3 above, Lessee shall pay and discharge promptly as the same become due and before delinquency all taxes and assessments, whether general or special, of every kind which may be levied or assessed or become a lien on or against the Demised Premises or any part thereof, or any building or improvements on the Demised Premises, or on or against the leasehold of Lessee, during the term of this Lease. Any such taxes or assessments which shall relate to a fiscal year during which the terms of this Lease shall commence or terminate shall be prorated between Lessor and Lessee.

5. **Warranties of Title and Quite Enjoyment.** Lessor covenants that Lessor is seized of the real property in fee simple and has full right to make this Lease and that Lessee shall have quiet and peaceable possession of the Demised Premises during the term hereof.

6. **Use of Premises.** The Demised Premises shall be used by Lessee only for the purpose of a clubhouse or building, as constructed by Lessee, in which Lessee regularly conducts its normal activities. Lessee shall comply with all sanitary laws, rules and orders of appropriate governmental authorities affecting the cleanliness, occupancy, and preservation of the Demised Premises. The use by Lessee of the premises for any other use other than for the specific purpose for which it is leased shall give Lessor the right to terminate this Lease in its sole discretion.

7. **Covenant against Gambling.** In no event shall the Demised Premises be used for the purpose of gambling, except to the extent that Lessee is licensed and legally may do so, and Lessee specifically agrees to observe this covenant for itself, its members, guests, employees, and any other persons using the premises. Any breach of this covenant at any time by Lessee or any person on the premises shall result in the automatic termination of this Lease without notice to Lessee at Lessor's option.

8. **Construction of Improvements.**

a. **Covenant to Erect New Improvements.** On delivery of

possession of the Demised Premises to Lessee pursuant to the terms of this Lease, Lessee shall within one year following the effective date of this Lease, begin construction on the Demised Premises a building or buildings, or other improvements, for the purpose of conducting its normal activities, at its sole cost and expense in accordance with plans, specifications, and a detailed description of the work which shall be approved by Lessor. Improvements to be constructed shall be in substantial conformity to the conceptual plans submitted by Lessee to Lessor prior to the execution of this Lease and upon which approval of this Lease was granted. In the event of disapproval of the plans and specifications, Lessor shall give to Lessee an itemized statement of reasons therefore within twenty (20) days after the same are submitted to Lessor. Lessor shall not unreasonably withhold its approval. Prior to the commencement of any such work, Lessee shall furnish Lessor with a good and sufficient surety bond guaranteeing the completion of such improvements and the payment of all bills therefore. Construction shall be completed within three years of the effective date of this Lease.

b. **Further Construction.** Lessee shall further have the right to construct on the Demised Premises other improvements or to make alterations or additions thereto and to remove, remodel, demolish, and rebuild the same as approved by Lessor. All such buildings and improvements constructed, altered or repaired by Lessee shall be and remain Lessee's property. All improvements or alterations and additions thereto shall comply with any building code or regulations in force.

9. **Failure to Construct.** If Lessee shall have failed to begin construction of a building or any improvement within one year of the effective date of this Lease, then this Lease shall automatically terminate and be void and of no force or effect. If Lessee shall have failed to complete construction of the improvement or improvements within three years of the effective date of this Lease, then Lessor may terminate this Lease at its sole option.

10. **Repairs and Destruction of Improvements.**

a. **Maintenance of Improvements.** Lessee shall, at all times during the Lease term and at its own cost and expense, and without any expense to Lessor, keep and maintain the premises, including all buildings and improvements of every kind which may be a part thereof, and all appurtenances thereto, in good sanitary and neat order, substantial condition and repair, and except as



specifically provided herein, restore and rehabilitate any improvements of any kind which may be destroyed or damaged by fire, casualty, or any other cause whatsoever. Lessor shall not be obligated to make any repairs, replacements, or renewals of any kind, nature, or description, whatsoever to the Demised Premises or any buildings or improvements thereon.

b. **Damage to and Destruction of Improvements.** The damage, destruction, or partial destruction of any building or other improvement which is a part of the premises shall not release Lessee from any obligation hereunder, except as hereinafter expressly provided, and in case of damage to or destruction of any such building or improvement, Lessee shall at its own expense promptly repair and restore the same to a condition as good or better than that which existed prior to such damage or destruction. Without limiting such obligations of Lessee, it is agreed that the proceeds of any insurance covering such damage or destruction shall be made available to Lessee for such repair or replacement.

11. **Compliance with Laws; Prohibition against Waste.** During the term of this Lease, Lessee shall comply with all applicable laws affecting the Demised Premises. Lessee shall not commit waste on the Demised Premises except as necessary for the removal or construction of any buildings and improvements thereon as required or permitted by this Lease.

12. **Utilities.** All water, gas, electricity, telephone, telegraph, and other public utility services used on or furnished to the Demised Premises during the term hereof shall be in Lessee's name and paid for by Lessee.

13. **Liens.** Lessee shall keep the fee estate of the Demised Premises free and clear from all mechanics' and materialmen's and other liens for work or labor done, services performed, materials, appliances, power contributed, used or furnished or to be used in or about the Demised Premises for or in connection with any operations of Lessee, or any alteration, improvement, repairs, or additions which Lessee may make or permit or cause to be made, or any work or construction by, for, or permitted by Lessee on or about the Demised Premises.

14. **Indemnification of Lessor.** Lessor shall not be liable for any loss, injury death, or damage to persons or property which at any time may be suffered or sustained by Lessee or by any person whosoever may at any time be using or occupying or visiting the Demised Premises or be in, on, or about the same, whether such

loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of Lessee or of any occupant, visitor, or user of any portion of the Demised Premises, or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind than the matters or things above set forth, and Lessee shall indemnify Lessor against all claims, liability, loss, or damage whatsoever on account of any such loss, injury, death, or damage. Lessee hereby waives all claims against Lessor for damages to the buildings and improvements that are now on or hereafter placed or built on the Demised Premises and to the property of Lessee in, on, or about the Demised Premises, and for injuries to persons or property in or about the Demised Premises, from any cause arising at any time during the term hereof.

15. **Assignment and Subletting.** Lessee shall not transfer, assign or sublet the Demised Premises, or grant any concession or license to use the premises or any part thereof, without the prior express written approval of Lessor. Any transfer, assignment, subletting, concession, or license, or any attempt to do so without Lessor's prior written consent shall be void and shall, at Lessor's option, terminate this Lease. A consent by Lessor to one transfer, assignment, sublease, concession, or license shall not be deemed to be a consent to any subsequent transfer, assignment, subletting, concession or license. The terms of this Lease shall bind any approved assignee, sublessee, transferee, concessionaire, or licensee.

16. **Encumbrance of Leasehold Interest.**

a. **Lessee's Right to Encumber Leasehold Interest.** Lessee may encumber by mortgage or deed of trust, or other proper instrument, its leasehold interest and estate in the Demised Premises, together with all buildings and improvements placed by Lessee thereon, as security for any indebtedness of Lessee. The execution of any such mortgage or deed of trust, or other instrument, or the foreclosure thereof, or any sale thereunder, either by judicial proceeding or by virtue of any power reserved in such mortgage or deed of trust, or conveyance by Lessee to the holder of such indebtedness, or the exercising of any right, power, or privilege reserved in any mortgage or deed of Trust, shall not be held as a violation of any of the terms or conditions hereof, or as an assumption by the holder of such indebtedness personally of the obligations hereof. No such encumbrance, foreclosure, conveyance, or exercise of right shall relieve Lessee of its liability hereunder.

b. **Notice of Holder of Encumbrance; Right of Holder to Cure Lessee's Default.** If Lessee shall encumber its leasehold interest and estate in the Demised Premises and if Lessee or the holder of the indebtedness secured by such encumbrance shall give notice to Lessor of the existence thereof and the address of such holder, then Lessor will mail or deliver to such holder, at such address, a duplicate copy of any and all notices in writing which Lessor may, from time to time, give to or serve on Lessee under and pursuant to the provisions hereof; such copies shall be mailed or delivered to such holder at, or as near as possible to, the same time as notices are given to or served on Lessee. Such holder may, at its option, at any time before the rights of Lessee shall have been terminated as provided herein, pay any of the rents due hereunder, or pay any taxes and assessments, or do any other act or thing required of Lessee by the terms hereof, or do any act or thing which may be necessary and proper to be done in the observance of the covenants and conditions hereof, or to prevent the termination hereof; all payments so made, and all things so done and performed by such holder shall be as effective to prevent a forfeiture of the rights of Lessee hereunder as the same would have been if done and performed by Lessee.

17. **Priority of Lessor's Rights Over Encumbrances.** Except as herein provided, no mortgage, deed of trust, mechanic's lien, or other encumbrance, lien, or security interest in, on, or against the Demised Premises or the improvements to be constructed thereon shall in any way, matter, or degree effect the interest of Lessor in the improvements or its rights on the premises. Lessee shall give written notice of such priority of Lessor's rights to any contractor or contractors furnishing material or labor for any building or improvements to be erected on the premises or any other improvements made thereon before any such contract is let. Furthermore, Lessor shall have the right and privilege to pay or discharge any lien thereby accruing, or any portion of the same after it is legally established, and Lessee shall be obligated to repay Lessor the amount so paid as additional rent due from Lessee, together with interest at the legal rate per annum from the date of the payment.

18. **Prohibition of Involuntary Assignment.** Neither this Lease nor the leasehold estate of Lessee nor any interest of Lessee hereunder in the Demised Premises or any buildings or improvements thereon shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatsoever (except through a statutory merger or consolidation) and any such attempted involuntary assignment,

transfer, or sale shall be void and of no effect.

19. **Effect of Bankruptcy.** Without limiting the generality of the provisions of the preceding Section 18, Lessee agrees that in the event any proceedings under any bankruptcy law or any amendment thereto shall be commenced by or against Lessee, and, if against Lessee, such proceedings shall not be dismissed before either an adjudication in bankruptcy or the confirmation of a composition, agreement, or plan or reorganization, or in the event Lessee is adjudged insolvent or makes an assignment for the benefit of its creditors, or if a receiver is appointed in any proceeding or action to which Lessee is a party, with authority to take possession or control of the Demised Premises or the business conducted thereon by Lessee, and such receiver is not discharged within a period of thirty (30) days after his appointment, any such event or any involuntary assignment prohibited by the provisions of the preceding Section 18 shall be deemed to constitute a breach of this Lease by Lessee and shall, at the election of Lessor, but not otherwise, and without notice or entry or other action of Lessor terminate this Lease and also all rights of Lessee hereunder and in and to the Demised Premises and also the rights of any and all persons claiming under Lessee.

20. **Parties Bound.** Subject to the provisions hereunder, this Lease shall be binding on and shall inure to the benefit of and shall apply to the respective successors and assigns of Lessor and Lessee, and all references in this Lease to "Lessor" or "Lessee" shall be deemed to refer to and include successors and assigns of Lessor or Lessee without specific mention of such successors or assigns.

21. **Effect of Eminent Domain.** If the portion of land taken under the power of eminent domain by any person or by any public or quasi-public authority renders the remainder of the Demised Premises unsuitable for the uses or use for which the land was leased, Lessee shall have the option to surrender this Lease and be discharged and relieved from any further liability on giving to Lessor written notice of such election within twenty (20) days after such appropriation or taking. In such event Lessee shall be released from any further liability under this Lease as of the date of such appropriation or taking, and rent, taxes, and assessments shall be prorated as of such date.

If this Lease shall not be terminated, as provided above, but shall continue as to that portion of the Demised Premises which shall not have been appropriated or taken, then in that event

Lessor agrees that effective as of the date of such appropriation or taking, the rent shall be reduced in the ratio that the land area taken which is included within the Demised Premises bears to the land area which was included within the Demised Premises before such appropriation or taking.

22. **Holdover by Lessee.** Should Lessee remain in possession of the Demised Premises with the consent of Lessor after the natural expiration of this Lease, a new tenancy from month to month shall be created between Lessor and Lessee which shall be subject to all the terms and conditions hereof but shall be terminable on thirty (30) days' written notice served by either Lessor or Lessee on the other party, or shall automatically terminate upon the entering into of a new lease by Lessor and Lessee. In the event of a holdover, the monthly rent shall be one-twelfth of the last annual rent paid.

23. **Insurance.**

a. **Insurance Coverage of Premises.** Lessee shall, at all times during the term of this Lease and at Lessee's sole expense, keep all improvements which are now or hereafter a part of the premises insured against loss or damage by fire and the extended coverage hazards for at least one hundred percent (100%) of the full replacement value of such improvements, with loss payable to Lessor and Lessee as their interest may appear. Any loss adjustment shall require the written consent of both Lessor and Lessee. Full replacement value of improvements shall mean the actual replacement cost thereof less exclusions provided in the normal fire insurance policy. The deficiency in any failure of Lessee to insure for full replacement value shall be borne solely by Lessee.

b. **Personal Injury Liability Insurance.** Lessee shall maintain in effect throughout the term of this lease personal injury liability insurance covering the premises and its appurtenances in the amount of at least One Hundred Thousand Dollars (\$100,000.00) for injury to or death of any one person, and at least Fifty Thousand Dollars (\$50,000.00) for any one accident or occurrence, and at least Fifty Thousand Dollars (\$50,000.00) for property damage. Such insurance shall specifically insure Lessee against all liability assumed by it hereunder, as well as liability imposed by law, and shall insure both Lessor and Lessee but shall be so endorsed as to create the same liability on the part of the insurer as though separate policies had been written for Lessor and Lessee.

c. **Lessee to Make Prompt Payments.** All of the policies of insurance referred to in this section shall be written in form satisfactory to Lessor and by insurance companies satisfactory to Lessor. Lessee shall pay all of the premiums therefore and deliver such policies, or certificates thereof, to Lessor, and in the event of failure to pay or deliver, shall be in default of this Lease carrying the same consequence as failure to pay any installment of rental. Lessor shall not be obligated to pay any obligations of Lessee hereunder.

24. **Default.** If Lessee shall fail or neglect to observe, keep, or perform any of the covenants, terms, or conditions herein contained on its part to be observed, kept, or performed, and such default shall continue for a period of thirty (30) days after written notice from Lessor setting forth the nature of Lessee's default, then and in any such event, Lessor shall have the right at its option, on written notice to Lessee, forthwith to terminate this Lease without prejudice to any other remedy or right of action for arrears or rent or for any proceeding or other breach of contract. All rights of Lessee hereunder shall thereupon cease, and Lessor without further notice to Lessee shall have the right immediately to enter the Demised Premises and take possession thereof with or without process of law and to remove all personal property from the premises and all persons occupying the premises and to use all necessary force therefore and in all respects to take the actual, full and exclusive possession of the premises and every part thereof as of Lessor's original estate, without incurring any liability to Lessee or to any persons occupying or using the premises for any damage caused or sustained by reason of such entry on the premises or such removal of such persons or property therefrom.

25. **Ownership of Improvements on Termination of Lease.** On termination of this Lease for any cause, any buildings, improvements or alterations built, constructed, or placed on the Demised Premises by Lessee, with the exception of fixtures removable without damage to the premises and movable personal property, shall unless otherwise provided by written agreement between Lessor and Lessee, be the property of Lessor and remain on the Demised Premises at the expiration or sooner termination of this Lease. Any lien, claim or security interest on any improvements or on Lessee's leasehold interest in the Demised Premises shall remain the obligation of Lessee.

26. **Lessee's Option to Terminate Lease.** Lessee shall have the right to terminate this Lease by giving written notice to

Lessor at least thirty (30) days prior to the effective date of termination. However, this option may in no event be exercised during the construction of the improvements contemplated by Section 8.a, or during the existence of any outstanding lien or encumbrance on Lessee's leasehold interest in this Lease.

27. **Abandonment.** Lessee shall not vacate or abandon the premises at any time during the term of the Lease. If Lessee shall abandon, vacate or surrender the Demised Premises, or be dispossessed by process of law, or otherwise, Lessor may, at its option, enter the Demised Premises by any means without being liable for any prosecution therefore, and without becoming liable to Lessee for damages or for any payment of any kind whatever, and may, at its discretion, as agent for Lessee, relet the Demised Premises, or any part thereof, for the whole or any part of the then unexpired term, and may receive and collect all rent payable by virtue of such reletting, and, at Lessor's option, hold Lessee liable for any difference between the rent that would have been payable under this Lease during the balance of the unexpired term, if this Lease had continued in force, and the net rent for such period realized by Lessor by means of such reletting. Any personal property belonging to Lessee and left on the premises shall be deemed to be abandoned, at the option of Lessor, and Lessor may dispose of all such personal property in any manner Lessor shall deem proper and is hereby relieved of all liability for doing so.

28. **Lessor's Right of Entry.** Lessee shall permit Lessor and the agents and employees of Lessor to enter into and upon the Demised Premises at all reasonable times for the purpose of inspecting the same, or for the purpose of posting any notice of non-responsibility in accordance with the terms of this Lease, without any rebate of rent and without any liability to Lessee for any loss of occupation of quiet enjoyment of the premises thereby occasioned. Further, Lessor and any agents or representatives of the government of Guam reserve the right to enter the Demised Premises for the purpose of performing any public or official duties and for maintaining or adding public utilities.

29. **Caveat re Possibility of Reversion to United States.** The real property which is the subject of this Lease may be subject to a possible reversion to the United States of America because of a possible failure of the government of Guam to comply with the conditions of the grant from the federal government. This notice is given pursuant to P.L. 22-18, Section 8.

30. **Surrender of Possession.** Lessee shall, on the last day

of the term, or on earlier termination and forfeiture of the Lease, peaceably and quietly surrender and deliver the Demised Premises to Lessor free of subtenancies, including all buildings, additions, and improvements constructed or placed thereon by Lessee, except moveable trade fixtures, all in good condition and repair. Any trade fixtures or personal property belonging to Lessee, if not removed at the termination or default, and if Lessor shall so elect, shall be deemed abandoned and become the property of Lessor without any payment or offset therefore. Lessor may remove such fixtures or property from the Demised Premises and store them or destroy them, at Lessor's option, and at Lessee's expense. Lessee shall repair and restore all damage to the Demised Premises caused by removal of equipment, trade fixtures, and personal property.

31. **Notices.** Wherever in this Lease it shall be required or permitted that notice be given by either party to this Lease to the other, such notice must be in writing and must be given personally or forwarded by certified mail addressed as follows:

TO LESSOR:            Director  
                         Department of Land Management  
                         P.O. Box 2950  
                         Agana, Guam 96910  
                         Tel. No. 475-5278

TO LESSEE:            Post Commander  
                         Hafa Adai VFW Post 1509  
                         P.O. Box 23395 G.M.F.  
                         Barrigada, Guam 96921  
                         Tel. No. 632-7987

Such addresses may be changed from time to time by notice given hereunder.

32. **Waiver.** Acceptance of rent by Lessor shall not be deemed a waiver of any breach by Lessee of any term, covenant or condition of this Lease, nor of Lessor's right to declare and enforce a forfeiture for any such breach by Lessee. The failure of Lessor to insist upon strict performance of any such term, covenant or condition shall not be construed as a waiver or relinquishment of any term, covenant, condition or option. Notwithstanding any provision contained in this Lease to the contrary, Lessor may in writing allow additional time beyond the time or times specified herein to Lessee in which to comply, observe and perform any of the conditions and covenants herein contained, so long as Lessee shows good cause in writing.



33. **Submittal of Financial Statements.** Lessee shall annually at the same time the annual rent is paid submit to Lessor its financial statements with proof of insurance.

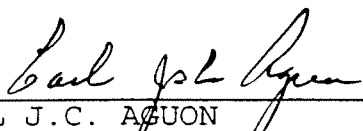
34. **Costs of Litigation.** In the event Lessor shall without any fault on its part be made a party to any litigation commenced by or against Lessee, all costs and expenses incurred by Lessor shall be paid by Lessee.

35. **Lessor's Lien.** Lessor shall have a lien on all improvements placed on the premises by Lessee, on all property kept or used on the premises, whether the same are exempt from execution or not, for all such costs, attorney's fees, rents reserved, taxes and assessments paid by Lessor on behalf of Lessee, and for the payment of all money as provided in this Lease to be paid by Lessee, and such lien shall continue until the amounts due are paid.

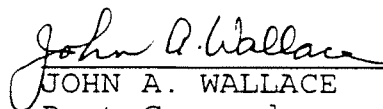
36. **Effective Date.** This Lease must first be approved by the Attorney General and the Governor, and is not considered effective until the legislature concurs to it by statute.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

LESSOR:

  
\_\_\_\_\_  
CARL J.C. AGUON  
Director, Department of Land  
Management

LESSEE:

  
\_\_\_\_\_  
JOHN A. WALLACE  
Post Commander  
Hafa Adai VFW Post 1509

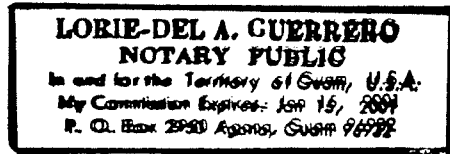
**ACKNOWLEDGMENTS**

Territory of Guam )  
 ) ss.:  
City of Agana )

On this 14 day of NOVEMBER, <sup>11-14-00</sup> ~~19~~<sup>20</sup>00, before me, a Notary Public in and for the Territory of Guam, personally appeared CARL J.C. AGUON, the Director of the Department of Land Management, Government of Guam, known to me to be the person whose name is subscribed to the within Lease, and he acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto affixed my name and official seal on the day and year first above written in Agana, Guam.

*Lorie-Del A. Guerrero*



MY COMMISSION EXPIRES: Jan 15, 2001  
for 11-14-00

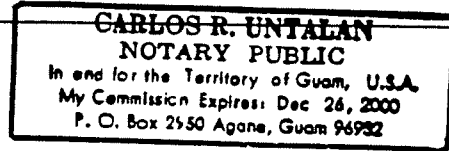
**ACKNOWLEDGMENTS**

Territory of Guam )  
 ) ss.:  
City of Agana )

On this 23<sup>rd</sup> day of AUGUST, 2000, before me, a Notary Public in and for the Territory of Guam, personally appeared JOHN A. WALLACE


known to me to be the person whose name is subscribed to the within Lease, and he acknowledged to me that he executed the same.

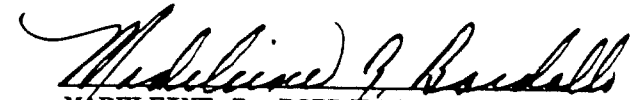
IN WITNESS WHEREOF, I have hereunto affixed my name and official seal on the day and year first above written in Agana, Guam.



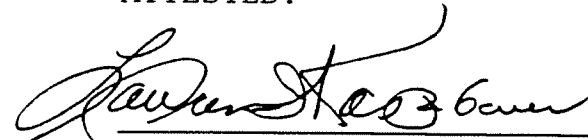
APPROVED AS TO FORM:

APPROVED:

  
\_\_\_\_\_  
JOHN F. TARANTINO  
ATTORNEY GENERAL  
Date: 11/12

  
\_\_\_\_\_  
MADELEINE Z. BORDALLO  
Acting GOVERNOR OF GUAM  
Date: 11/24/00

ATTESTED:

  
\_\_\_\_\_  
LAWRENCE F. KASPERBAUER  
Acting LIEUTENANT GOVERNOR OF GUAM  
Date: 11/27/00

RECEIVED  
NOV 20 1:45 '00  
ATTORNEY GENERAL'S OFFICE

Cultural Center Lease Agreement  
Hafa Adai VFW Post 1509  
Page 16 of 16

CONCURRED:

\_\_\_\_\_  
GUAM LEGISLATURE

Date: \_\_\_\_\_

6

# I MINA' BENTE SAIS NA LIHESLATURAN GUAHAN

2002 (SECOND) Regular Session

Date: 9/4/02

## VOTING SHEET

Bill No. 186 (COR)

Resolution No. \_\_\_\_\_

Question: \_\_\_\_\_

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	OUT DURING ROLL CALL	ABSENT
ADA, Joseph F.	✓				
ADA, Thomas C.	✓				
AGUON, Frank B., Jr.	✓				
BROWN, Joanne M. S.	✓				
CALVO, Eddie B.	✓				
CAMACHO, Felix P.	✓				
CHARFAUROS, Mark C.	✓				
FORBES, Mark	✓				
KASPERBAUER, Lawrence F.	✓				
LEON GUERRERO, Lourdes A.	✓				
MOYLAN, Kaleo S.	✓				
PANGELINAN, Vicente C.	✓				
SANTOS, Angel L.G.	✓				
UNPINGCO, Antonio R.	✓				
WON PAT, Judith T.	✓				

TOTAL                      15      0      0      0      0

CERTIFIED TRUE AND CORRECT:

\_\_\_\_\_  
Clerk of the Legislature

\* 3 Passes = No vote  
EA = Excused Absence



# MINA' BENTE SAIS NA LIHESLATURAN GUÅHAN

Kumitehan Areklamento, Hinanao Gubetnamenton Hiniråt, Rifotma yan Rinueba,  
yan Asunton Fidiråt, Taotao Hiyong yan Hiniråt

*Senadot Mark Forbes, Gebilu  
Kabisiyon Mayuråt*

14 DEC 2001

Speaker Antonio R. Unpingco  
I Mina' Bente Sais Na Liheslaturan Guåhan  
155 Hesler Street  
Hagåtña, Guam 96910

Dear Mr. Speaker:

The Committee on Rules, General Governmental Operations, Reorganization and Reform, and Federal, Foreign and General Affairs, to which Bill No. 186, was referred, wishes to report its findings and recommendations **TO DO PASS BILL NO. 186: "An Act To Approve The Lease For The Veterans Of Foreign War Post 1509."**

The voting record is as follows:

TO PASS	<u>8</u>
NOT TO PASS	<u>0</u>
ABSTAIN	<u>0</u>
TO PLACE IN INACTIVE FILE	<u>0</u>
TO REPORT OUT	<u>0</u>

Copies of the Committee Report and other pertinent documents are attached. Thank you and si Yu'os ma'ase for your attention to this matter.

  
MARK FORBES

Attachments



# MINA ' BENTE SAIS NA LIHESLATURAN GUAHAN

Kumitehan Areklamento, Hinanao Gubetnamenton Hinirát, Rifotma yan Rinueba,  
yan Asunton Fidirát, Taotao Hiyong yan Hinirát

*Senadot Mark Forbes, Gehilu  
Kabisiyon Mayurát*

14 DEC 2001

## MEMORANDUM

**TO:** Committee Members

**FROM:** Chairman

**SUBJECT:** Committee Report- BILL NO. 186: "An Act To Approve The Lease For The Veterans Of Foreign War Post 1509."

Transmitted herewith for your information and action is the report on Bill No. 186 from the Committee on Rules, General Governmental Operations, Reorganization and Reform, and Federal, Foreign and General Affairs.

This memorandum is accompanied by the following:

1. Committee Voting Sheet
2. Committee Report
3. Bill No. 186
4. Public Hearing Sign-in Sheet
5. Fiscal Note/Fiscal Note Waiver
6. Notice of Public Hearing

Please take the appropriate action on the attached voting sheet. Your attention and cooperation in this matter is greatly appreciated.

Should you have any questions regarding the report or accompanying documents, please do not hesitate to contact me.

Thank you and si Yu'os ma'ase.


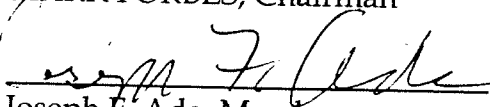

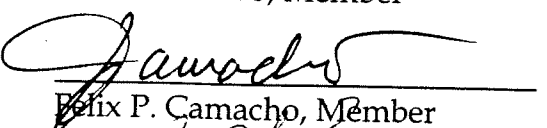

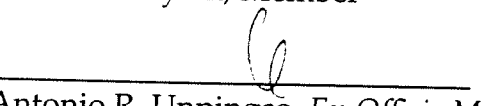
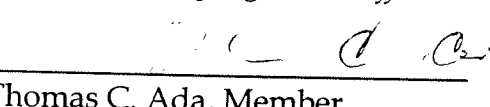
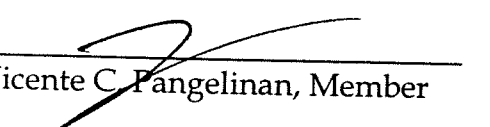
  
**MARK FORBES**

Attachments

Committee on Rules, General Governmental Operations, Reorganization and Reform, and Federal,  
Foreign and General Affairs  
I Mina' Bente Sais Na Liheslaturan Guåhan

Voting Record

BILL NO. 186: "An Act To Approve The Lease For The Veterans Of Foreign War Post 1509."

	<u>TO PASS</u>	<u>NOT TO PASS</u>	<u>TO ABSTAIN</u>	<u>INACTIVE FILE</u>	<u>REPORT OUT</u>
 MARK FORBES, Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Joseph F. Ada, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Joanne M.S. Brown, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Eddie B. Calvo, Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Felix P. Camacho, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Lawrence F. Kasperbauer, Ph. D., Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Kaleo S. Moylan, Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Antonio R. Unpingco, Ex-Officio Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Thomas C. Ada, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Lou A. Leon Guerrero, Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Vicente C. Pangelinan, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



## **I. OVERVIEW**

The Committee on Rules, General Governmental Operations, Reorganization and Reform, and Federal, Foreign and General Affairs held a public hearing at 10 a.m. on November 01, 2001 in the Public Hearing Room, I Liheslaturan Guahan. Public notice was given in the October 27, 2001 edition of the Pacific Daily News.

Senators present at the public hearing were:

Senator Mark Forbes, Chairman  
Senator Larry Kasperbauer, Member  
Senator Lou Leon Guerrero, Member  
Senator Vicente "Ben" Pangelinan, Member  
Senator Frank Aguon, Jr.

## **II. SUMMARY OF TESTIMONY**

Individuals appearing before the Committee to present oral and written testimony on the bill are as follows:

John A. Wallace, Military Veteran, VFW Post 1509 (Oral testimony)

Mr. Wallace, Military Veteran and current commander, VFW Post 1509 provided brief oral testimony in support of Bill No. 186. He encouraged the committee to act quickly on the passage of Bill 186 before the end of the year and at which his term expires as the Commander Officer of VFW Post 1509.

## **III. FINDINGS AND RECOMMENDATION**

The Committee on Rules, General Governmental Operations, Reorganization and Reform, and Federal, Foreign and General Affairs finds that Bill No. 186 is intended to authorize the lease agreement between the government of Guam and the Veterans of Foreign War Post 1509. This lease was acted upon Executive Order 98-13 for the orderly and expeditious transfer by the non-profit organizations from the Harmon Cliff Line Property to government of Guam property. The Veterans of Foreign War Post 1509 had complied with the rules and regulations governing lease of government property and is awaiting the consent and approval of the legislature on the non-profit organization's lease. This procedure of requiring legislative approval is noted on §8003 of Public Law 25-47. The land being leased is identified as land reserved for the Cultural Center in Dededo.

Accordingly, the Committee on Rules, General Governmental Operations, Reorganization and Reform, and Federal, Foreign and General Affairs, to which Bill No. 186 was referred does hereby submit its findings and recommendations to I Mina' Bente Sais Na Liheslaturan Guahan **TO DO PASS BILL NO. 186, "An Act To Approve The Lease For The Veterans Of Foreign War Post 1509."**



**MINA ' BENTE SAIS NA LEGISLATURAN GUAM**

Montchan Areklamento, Hinanao Gubetname Hinirát, Rifotma yan Rinueba,  
yan Asunton Fidirát, Taotao Hiyong yan Hinirát

*Senadot Mark Forbes, Gehilu  
Kabisiyon Mayurát*

23 OCT 2001

**MEMORANDUM**

**TO:** Chairman  
Committee on Rules, General Governmental Operations, Reorganization and  
Reform, and Federal, Foreign and General Affairs

**FROM:** Chairman  
Committee on Rules, General Governmental Operations, Reorganization and  
Reform, and Federal, Foreign and General Affairs

**SUBJECT:** Principal Referral - Bill No. 186 (COR)

The above bill is referred to your Committee as the Principal Committee, in accordance with Section 6.04.05.01. of the Standing Rules. Your Committee is the Committee authorized to perform the public hearing on this bill and to amend or substitute the bill, as well as report the bill out to the Body. It is recommended that you schedule a public hearing at your earliest convenience.

Thank you for your attention to this matter.

**MARK FORBES**

Attachment



*Disapproved 2nd*  
8/16/02 8/16/02

SEP 12 2001

SEP 12 2001

*Fully*  
8/14/02

MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN  
2001 (FIRST) Regular Session

Bill No. 186 (COR)

Introduced by:

A. R. Unpingco  
L. F. KASPERBERG

AN ACT TO APPROVE THE LEASE FOR THE  
VETERANS OF FOREIGN WAR POST 1509.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan*  
3 finds that when the United States Air Force had jurisdiction and control over a  
4 piece of property referred to as the Harmon Cliff Line, they authorized and  
5 issued permits to non profit organizations for the use of said property.. *I*  
6 *Liheslaturan Guåhan* further finds that United States Public Law 103-339  
7 necessitated the relocation of those non-profit organizations. Executive Order  
8 98-13 was issued for the orderly and expeditious transfer by the non-profit  
9 organizations from the Harmon Cliff Line property to Government of Guam  
10 property. The parcel of property that these organizations can re-locate was  
11 identified as that reserved for the Cultural Center in Dededo under Public law  
12 22-18. *I Liheslaturan Guåhan* finds that the Veterans of Foreign War Post 1509  
13 has complied with the rules and regulations governing lease of government  
14 owned property. It is the intent of *I Liheslaturan Guåhan* to approve said lease  
15 as required by §8003 of Public Law 25-47.

1  
2  
3  
4  
5

**Section 2. Approval of Lease.** Notwithstanding any provision of law,  
the lease entered into by and between the Veterans of Foreign War Post 1509  
and the Government of Guam is approved by *I Liheslaturan Guåhan*.





# MINA ' BENTE SAIS NA LIHESLATURAN GUAHAN

Kumitehan Areklamento, Hinanao Gubetnamenton Hinirát, Rifotma yan Rinueba,  
yan Asunton Fidirát, Taotao Hiyong yan Hinirát

*Senadot Mark Forbes, Gebilu  
Kabisiyon Mayurát*

## WAIVER OF FISCAL NOTE

In accordance with §9105 Title 2 GCA, I hereby certify that prompt committee action on Bill 186 is necessary to the proper conduct of legislative business. Therefore, I am waiving requirement of a fiscal note on Bill 186.

MARK FORBES

Chairman,-

Committee on Rules, General Governmental Operations,  
Reorganization and Reform, and Federal, Foreign  
and General Operations

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Call 472-6695

Chihuahua's Fem Pup \$350  
Adult Male or Fem \$400 ea  
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Cute, Pure Bred Cockerpannels  
For Sale \$700  
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Staffordshire Bull Terriers, German Shepherd, Rottweillers, Australian Cattle Dogs, Jack Russells & B/Bulldogs 8 wks M&F 2shots Vet Cards micro chipped & Imported from Aust. price neg. 482-2636



## PUBLIC NOTICE

Black Construction Corporation hereby gives notice to the General Public of the construction work which will take place **October 28, 2001 (6:00 a.m. - 4:00 p.m.)**.

Please expect road detours at the **ITC Building Intersection** as work on the traffic signalization is conducted. We apologize for the inconvenience.

**PLEASE OBSERVE ALL TRAFFIC SIGNS AND EXERCISE CAUTION WHILE DRIVING IN THIS AREA.**

Si Yu'us Ma'ase

### Vehicle & Heavy Equipment Mechanic

Trend Western Technical Corporation,

is looking for personnel with experience in motor vehicle, heavy equipment or auto paint/body repair for immediate positions at AAFB. Positions are currently Full-time temporary but may lead to permanent. Must have 3 years experience.  
Fax resume to 366-3751 or call TW Jobline 653-9055  
EOE, M/F/V/D



## Notice of Public Hearing

Committee on Rules, General Governmental Operations, Reorganization and Reform, and Federal, Foreign and General Affairs  
Senator Mark Forbes, Chairman

**10 A.M. THURSDAY, NOVEMBER 1, 2001**

The following Bills will be on the Agenda:

- Bill No. 134: Relative to transferring the Office of the Compiler of Laws to the Legislative branch of government.
- Bill No. 161: Relative to establishing a means for Education facilities construction.
- Bill No. 166: Relative to forced or involuntary resignation of employee by management.
- Bill No. 167: Relative to providing indemnity for licenses, leases, easements, and other real estate agreements of the Government of Guam with the Federal government.
- Bill No. 169: Relative to privacy of consumer financial and health information.
- Bill No. 171: An Act to amend Section 4101 of Chapter 4 of Title 4, relative to personnel policy.
- Bill No. 173: Relative to personnel policy and the Civil Service Commission & relative to forced /involuntary resignation of employee by management.
- Bill No. 180: Relative to naming the new Department of Agriculture building as the Francisco M. Isezaki Building.
- Bill No. 186: An Act to approve the lease for the Veterans of Foreign War Post 1509.
- Bill No. 212: An Act to establish a task force on workplace violence to study the most effective means to prevent violence in the workplace.

**PLEASE TAKE NOTE THAT THERE WILL BE NO APPOINTMENTS HEARD ON THIS DAY.**

Hearing will take place in the Public Hearing Room, I Liheslaturan Guahan, Hagatna, Guam.  
The Public is Invited to Participate  
Individuals requiring special accommodations, auxiliary aids or services are asked to contact the Office of Sen. Forbes at 472-3512.



## ATTN: SCUBA DIVERS

The "Dive Force" is looking for career minded people to fill openings within our operations. Previous retail, wholesale, crewmember, or customer service experience is desirable. These are full time positions, and rapid advancement and employee packages are available for the right person.

Contact Chris or Mark at 472-6324  
MDA, Piti

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98 - Mystique

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**A WEEKEND GUIDE**



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**BMW APPROVED Pre-Owned Vehicle Sale**



Refer to  
**Legislative Secretary**

CARL T.C. GUTIERREZ  
GOVERNOR OF GUAM

AUG 16 2001

The Honorable Antonio R. Unpingco  
Speaker  
Mina'Bente Sais na Liheslaturan Guåhan  
Twenty-Sixth Guam Legislature  
155 Hesler St.  
Hagåtña, Guam 96910

Dear Mr. Speaker:

Submitted for concurrence by the Twenty-Sixth Guam Legislature is a Cultural Center Lease Agreement between the Department of Land Management and Bicol Club of Guam, a non-profit organization. This Lease Agreement is authorized by Public Law 25-47.

Ensuring the legislatures concurrence, it is to be returned to Land Management for recordation, distribution and implementation. Otherwise, if you have any questions please contact the Director of Land Management at 475-5278. Your expeditious response is greatly appreciated.

Very truly yours,

Carl T. C. Gutierrez  
I Maga'Lahen Guåhan  
Governor of Guam

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By	<u>SC</u>
Time	<u>2:24 p.m.</u>
Date	<u>08/29/01</u>

0526/01-312  
Office of the Speaker  
ANTONIO R. UNPINGCO  
Date: 8-27-01  
Time: 3:45 p.m.  
Rec'd by: [Signature] GOFILAN  
Print Name: FRED GOFILAN

0440



(THIS SPACE ABOVE FOR RECORDERS USE ONLY)

## LEASE

THIS LEASE is made this \_\_\_\_\_ day of \_\_\_\_\_, 2001, by and between the **DEPARTMENT OF LAND MANAGEMENT, GOVERNMENT OF GUAM**, whose address is P.O. Box 2950, Hagatna, Guam 96910, hereinafter the "Lessor," and **BICOL CLUB OF GUAM**, represented by **EDNA REBANAL, PRESIDENT**, a non-profit organization organized and existing under the laws of the territory of Guam, whose address is Post Office Box 7995 Tamuning, Guam, hereinafter the "Lessee."

WHEREAS, Lessee was a legal occupant of real property located along the Harmon Cliffline area pursuant to an agreement entered into with the government of Guam, which had a valid permit to use the same from the U.S. Air Force who is the legal owner; and

WHEREAS, the Harmon cliffline area was identified by the federal government as excess federal land to be returned to the government of Guam in U.S. Public Law 103-339; and

WHEREAS, in preparation for the eventual return of the Harmon cliffline area to the government of Guam, environmental survey work is required at the site, and those occupying the Harmon cliffline area have been required to leave; and

WHEREAS, Lessor has reserved certain lands identified in Guam P.L. 22-18 for the purpose of establishing "cultural centers," and certain of these reserved lands are ready for leasing; and

WHEREAS, Lessee has been found eligible and qualified to lease government land identified herein, and this Lease being in the best public interest; now therefore,

FOR AND IN CONSIDERATION of the following terms and conditions, Lessor and Lessee agree as follows:

1. **Subject of Lease.** Lessor leases to Lessee the real property in the Municipality of Dededo, territory of Guam described

as follows, hereinafter the "Demised Premises":

Lot 5 Block 3, Tract No. 1143, Municipality of Dededo, Guam Containing, an area of 1,920± square meters or 20,667± square feet , as shown on map L.M. Check No. 427-FY97, Drawing No. I4-97T632, Agricultural Subdivision Survey Map of Tract 1143 (formerly lot 10120-17, Dededo, for Lease Purposes Only). Recorded under Document No. 572938, Certificate of Title No. 88094.

2. **Term.** Lessee shall have and hold the Demised Premises for a term of twenty-five (25) years commencing on September 1, 2001 and ending on September 1, 2026, unless sooner terminated in accordance with the terms of this Lease. Lessee may opt to renew this Lease for one (1) additional twenty-five (25) year term so long as not in default upon the expiration of the first of the first twenty-five (25) year term.

3. **Rent.** Lessee shall pay Lessor, in addition to any other charges required to be paid hereunder by Lessee, rent for the Demised Premises in annual installments. Each annual installment of rent due hereunder shall be paid in advance on the anniversary date hereof.

a. **Nominal Rent for Income-Tax Exempt Lessee.** Lessee shall have provided to Lessor prior to entering into this Lease, a written determination or other proof from the appropriate government authority, signifying Lessee's status as a tax-exempt entity. Tax-exempt status shall allow Lessee to pay a nominal annual rental amount as provided for in the rules governing this Lease at the time the Lease is entered into by Lessor And Lessee.

b. **Rental Amount.** The annual rental amount is One Hundred Dollars (\$100.00), which shall be due for each of the twenty-five (25) years of the term of this Lease. If the term of this Lease is renewed for an additional twenty-five (25) years, then for each year of the renewal term, the rent shall be Three Hundred Dollars (300.00). The annual rent shall be due each year on the anniversary date of this Lease.

c. **Payee.** All amounts due as rent under Section 3.b above shall be made payable to the Chamorro Land Trust Commission in accordance with P.L. 22-18, Section 3.d, but shall be delivered to Lessor in the name of the Chamorro Land Trust Commission for the

sake of record-keeping. Lessor shall transmit any amount paid for rent under Section 3.b above to the Commission. Any and all other amounts due or which may become due according to the other terms of this Lease shall be paid directly to Lessor.

4. **Taxes and Assessments.** In addition to the rent payable under Section 3 above, Lessee shall pay and discharge promptly as the same become due and before delinquency all taxes and assessments, whether general or special, of every kind which may be levied or assessed or become a lien on or against the Demised Premises or any part thereof, or any building or improvements on the Demised Premises, or on or against the leasehold of Lessee, during the term of this Lease. Any such taxes or assessments which shall relate to a fiscal year during which the terms of this Lease shall commence or terminate shall be prorated between Lessor and Lessee.

5. **Warranties of Title and Quite Enjoyment.** Lessor covenants that Lessor is seized of the real property in fee simple and has full right to make this Lease and that Lessee shall have quiet and peaceable possession of the Demised Premises during the term hereof.

6. **Use of Premises.** The Demised Premises shall be used by Lessee only for the purpose of a clubhouse or building, as constructed by Lessee, in which Lessee regularly conducts its normal activities. Lessee shall comply with all sanitary laws, rules and orders of appropriate governmental authorities affecting the cleanliness, occupancy, and preservation of the Demised Premises. The use by Lessee of the premises for any other use other than for the specific purpose for which it is leased shall give Lessor the right to terminate this Lease in its sole discretion.

7. **Covenant against Gambling.** In no event shall the Demised Premises be used for the purpose of gambling, except to the extent that Lessee is licensed and legally may do so, and Lessee specifically agrees to observe this covenant for itself, its members, guests, employees, and any other persons using the premises. Any breach of this covenant at any time by Lessee or any person on the premises shall result in the automatic termination of this Lease without notice to Lessee at Lessor's option.

8. **Construction of Improvements.**

a. **Covenant to Erect New Improvements.** On delivery of possession of the Demised Premises to Lessee pursuant to the terms of this Lease, Lessee shall within one year following the effective date of this Lease, begin construction on the Demised Premises a building or buildings, or other improvements, for the purpose of conducting its normal activities, at its sole cost and expense in accordance with plans, specifications, and a detailed description of the work which shall be approved by Lessor. Improvements to be constructed shall be in substantial conformity to the conceptual plans submitted by Lessee to Lessor prior to the execution of this Lease and upon which approval of this Lease was granted. In the event of disapproval of the plans and specifications, Lessor shall give to Lessee an itemized statement of reasons therefore within twenty (20) days after the same are submitted to Lessor. Lessor shall not unreasonably withhold its approval. Prior to the commencement of any such work, Lessee shall furnish Lessor with a good and sufficient surety bond guaranteeing the completion of such improvements and the payment of all bills therefore. Construction shall be completed within three years of the effective date of this Lease.

b. **Further Construction.** Lessee shall further have the right to construct on the Demised Premises other improvements or to make alterations or additions thereto and to remove, remodel, demolish, and rebuild the same as approved by Lessor. All such buildings and improvements constructed, altered or repaired by Lessee shall be and remain Lessee's property. All improvements or alterations and additions thereto shall comply with any building code or regulations in force.

9. **Failure to Construct.** If Lessee shall have failed to begin construction of a building or any improvement within one year of the effective date of this Lease, then this Lease shall automatically terminate and be void and of no force or effect. If Lessee shall have failed to complete construction of the improvement or improvements within three years of the effective date of this Lease, then Lessor may terminate this Lease at its sole option.

10. **Repairs and Destruction of Improvements.**

a. **Maintenance of Improvements.** Lessee shall, at all times during the Lease term and at its own cost and expense, and without any expense to Lessor, keep and maintain the premises, including all buildings and improvements of every kind which may be a part thereof, and all appurtenances thereto, in good sanitary and neat order, substantial condition and repair, and except as

specifically provided herein, restore and rehabilitate any improvements of any kind which may be destroyed or damaged by fire, casualty, or any other cause whatsoever. Lessor shall not be obligated to make any repairs, replacements, or renewals of any kind, nature, or description, whatsoever to the Demised Premises or any buildings or improvements thereon.

b. **Damage to and Destruction of Improvements.** The damage, destruction, or partial destruction of any building or other improvement which is a part of the premises shall not release Lessee from any obligation hereunder, except as hereinafter expressly provided, and in case of damage to or destruction of any such building or improvement, Lessee shall at its own expense promptly repair and restore the same to a condition as good or better than that which existed prior to such damage or destruction. Without limiting such obligations of Lessee, it is agreed that the proceeds of any insurance covering such damage or destruction shall be made available to Lessee for such repair or replacement.

11. **Compliance with Laws; Prohibition against Waste.** During the term of this Lease, Lessee shall comply with all applicable laws affecting the Demised Premises. Lessee shall not commit waste on the Demised Premises except as necessary for the removal or construction of any buildings and improvements thereon as required or permitted by this Lease.

12. **Utilities.** All water, gas, electricity, telephone, telegraph, and other public utility services used on or furnished to the Demised Premises during the term hereof shall be in Lessee's name and paid for by Lessee.

13. **Liens.** Lessee shall keep the fee estate of the Demised Premises free and clear from all mechanics' and materialmen's and other liens for work or labor done, services performed, materials, appliances, power contributed, used or furnished or to be used in or about the Demised Premises for or in connection with any operations of Lessee, or any alteration, improvement, repairs, or additions which Lessee may make or permit or cause to be made, or any work or construction by, for, or permitted by Lessee on or about the Demised Premises.

14. **Indemnification of Lessor.** Lessor shall not be liable for any loss, injury death, or damage to persons or property which at any time may be suffered or sustained by Lessee or by any person whatsoever may at any time be using or occupying or visiting the Demised Premises or be in, on, or about the same, whether such

loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of Lessee or of any occupant, visitor, or user of any portion of the Demised Premises, or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind than the matters or things above set forth, and Lessee shall indemnify Lessor against all claims, liability, loss, or damage whatsoever on account of any such loss, injury, death, or damage. Lessee hereby waives all claims against Lessor for damages to the buildings and improvements that are now on or hereafter placed or built on the Demised Premises, and for injuries to persons or property in or about the Demised Premises, from any cause arising at any time during the term hereof.

**15. Assignment and Subletting.** Lessee shall not transfer, assign or sublet the Demised Premises, or grant any concession or license to use the premises or any part thereof, without the prior express written approval of Lessor. Any transfer, assignment, subletting, concession, or license, or any attempt to do so without Lessor's prior written consent shall be void and shall, at Lessor's option, terminate this Lease. A consent by Lessor to one transfer, assignment, sublease, concession, or license shall not be deemed to be a consent to any subsequent transfer, assignment, subletting, concession or license. The terms of this Lease shall bind any approved assignee, sublessee, transferee, concessionaire, or licensee.

**16. Encumbrance of Leasehold Interest.**

**a. Lessee's Right to Encumber Leasehold Interest.** Lessee may encumber by mortgage or deed of trust, or other proper instrument, its leasehold interest and estate in the Demised Premises, together with all buildings and improvements placed by Lessee thereon, as security for any indebtedness of Lessee. The execution of any such mortgage or deed of trust, or other instrument, or the foreclosure thereof, or any sale thereunder, either by judicial proceeding or by virtue of any power reserved in such mortgage or deed of trust, or conveyance by Lessee to the holder of such indebtedness, or the exercising of any right, power, or privilege reserved in any mortgage or deed of Trust, shall not be held as a violation of any of the terms or conditions hereof, or as an assumption by the holder of such indebtedness personally of the obligations hereof. No such encumbrance, foreclosure, conveyance, or exercise of right shall relieve Lessee of its liability hereunder.

b. **Notice of Holder of Encumbrance; Right of Holder to Cure Lessee's Default.** If Lessee shall encumber its leasehold interest and estate in the Demised Premises and if Lessee or the holder of the indebtedness secured by such encumbrance shall give notice to Lessor of the existence thereof and the address of such holder, then Lessor will mail or deliver to such holder, at such address, a duplicate copy of any and all notices in writing which Lessor may, from time to time, give to or serve on Lessee under and pursuant to the provisions hereof; such copies shall be mailed or delivered to such holder at, or as near as possible to, the same time as notices are given to or served on Lessee. Such holder may, at its option, at any time before the rights of Lessee shall have been terminated as provided herein, pay any of the rents due hereunder, or pay any taxes and assessments, or do any other act or thing required of Lessee by the terms hereof, or do any act or thing which may be necessary and proper to be done in the observance of the covenants and conditions hereof, or to prevent the termination hereof; all payments so made, and all things so done and performed by such holder shall be as effective to prevent a forfeiture of the rights of Lessee hereunder as the same would have been if done and performed by Lessee.

17. **Priority of Lessor's Rights Over Encumbrances.** Except as herein provided, no mortgage, deed of trust, mechanic's lien, or other encumbrance, lien, or security interest in, on, or against the Demised Premises or the improvements to be constructed thereon shall in any way, matter, or degree effect the interest of Lessor in the improvements or its rights on the premises. Lessee shall give written notice of such priority of Lessor's rights to any contractor or contractors furnishing material or labor for any building or improvements to be erected on the premises or any other improvements made thereon before any such contract is let. Furthermore, Lessor shall have the right and privilege to pay or discharge any lien thereby accruing, or any portion of the same after it is legally established, and Lessee shall be obligated to repay Lessor the amount so paid as additional rent due from Lessee, together with interest at the legal rate per annum from the date of the payment.

18. **Prohibition of Involuntary Assignment.** Neither this Lease nor the leasehold estate of Lessee nor any interest of Lessee hereunder in the Demised Premises or any buildings or improvements thereon shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatsoever (except through a statutory merger or consolidation) and any such attempted involuntary assignment,

transfer, or sale shall be void and of no effect.

19. **Effect of Bankruptcy.** Without limiting the generality of the provisions of the preceding Section 18, Lessee agrees that in the event any proceedings under any bankruptcy law or any amendment thereto shall be commenced by or against Lessee, and, if against Lessee, such proceedings shall not be dismissed before either an adjudication in bankruptcy or the confirmation of a composition, agreement, or plan or reorganization, or in the event Lessee is adjudged insolvent or makes an assignment for the benefit of its creditors, or if a receiver is appointed in any proceeding or action to which Lessee is a party, with authority to take possession or control of the Demised Premises or the business conducted thereon by Lessee, and such receiver is not discharged within a period of thirty (30) days after his appointment, any such event or any involuntary assignment prohibited by the provisions of the preceding Section 18 shall be deemed to constitute a breach of this Lease by Lessee and shall, at the election of Lessor, but not otherwise, and without notice or entry or other action of Lessor terminate this Lease and also all rights of Lessee hereunder and in and to the Demised Premises and also the rights of any and all persons claiming under Lessee.

20. **Parties Bound.** Subject to the provisions hereunder, this Lease shall be binding on and shall inure to the benefit of and shall apply to the respective successors and assigns of Lessor and Lessee, and all references in this Lease to "Lessor" or "Lessee" shall be deemed to refer to and include successors and assigns of Lessor or Lessee without specific mention of such successors or assigns.

21. **Effect of Eminent Domain.** If the portion of land taken under the power of eminent domain by any person or by any public or quasi-public authority renders the remainder of the Demised Premises unsuitable for the uses or use for which the land was leased, Lessee shall have the option to surrender this Lease and be discharged and relieved from any further liability on giving to Lessor written notice of such election within twenty (20) days after such appropriation or taking. In such event Lessee shall be released from any further liability under this Lease as of the date of such appropriation or taking, and rent, taxes, and assessments shall be prorated as of such date.

If this Lease shall not be terminated, as provided above, but shall continue as to that portion of the Demised Premises which shall not have been appropriated or taken, then in that event



Lessor agrees that effective as of the date of such appropriation or taking, the rent shall be reduced in the ratio that the land area taken which is included within the Demised Premises bears to the land area which was included within the Demised Premises before such appropriation or taking.

22. **Holdover by Lessee.** Should Lessee remain in possession of the Demised Premises with the consent of Lessor after the natural expiration of this Lease, a new tenancy from month to month shall be created between Lessor and Lessee which shall be subject to all the terms and conditions hereof but shall be terminable on thirty (30) days' written notice served by either Lessor or Lessee on the other party, or shall automatically terminate upon the entering into of a new lease by Lessor and Lessee. In the event of a holdover, the monthly rent shall be one-twelfth of the last annual rent paid.

23. **Insurance.**

a. **Insurance Coverage of Premises.** Lessee shall, at all times during the term of this Lease and at Lessee's sole expense, keep all improvements which are now or hereafter a part of the premises insured against loss or damage by fire and the extended coverage hazards for at least one hundred percent (100%) of the full replacement value of such improvements, with loss payable to Lessor and Lessee as their interest may appear. Any loss adjustment shall require the written consent of both Lessor and Lessee. Full replacement value of improvements shall mean the actual replacement cost thereof less exclusions provided in the normal fire insurance policy. The deficiency in any failure of Lessee to insure for full replacement value shall be borne solely by Lessee.

b. **Personal Injury Liability Insurance.** Lessee shall maintain in effect throughout the term of this lease personal injury liability insurance covering the premises and its appurtenances in the amount of at least One Hundred Thousand Dollars (\$100,000.00) for injury to or death of any one person, and at least Fifty Thousand Dollars (\$50,000.00) for any one accident or occurrence, and at least Fifty Thousand Dollars (\$50,000.00) for property damage. Such insurance shall specifically insure Lessee against all liability assumed by it hereunder, as well as liability imposed by law, and shall insure both Lessor and Lessee but shall be so endorsed as to create the same liability on the part of the insurer as though separate policies had been written for Lessor and Lessee.

c. **Lessee to Make Prompt Payments.** All of the policies of insurance referred to in this section shall be written in form satisfactory to Lessor and by insurance companies satisfactory to Lessor. Lessee shall pay all of the premiums therefore and deliver such policies, or certificates thereof, to Lessor, and in the event of failure to pay or deliver, shall be in default of this Lease carrying the same consequence as failure to pay any installment of rental. Lessor shall not be obligated to pay any obligations of Lessee hereunder.

24. **Default.** If Lessee shall fail or neglect to observe, keep, or perform any of the covenants, terms, or conditions herein contained on its part to be observed, kept, or performed, and such default shall continue for a period of thirty (30) days after written notice from Lessor setting forth the nature of Lessee's default, then and in any such event, Lessor shall have the right at its option, on written notice to Lessee, forthwith to terminate this Lease without prejudice to any other remedy or right of action for arrears or rent or for any proceeding or other breach of contract. All rights of Lessee hereunder shall thereupon cease, and Lessor without further notice to Lessee shall have the right immediately to enter the Demised Premises and take possession thereof with or without process of law and to remove all personal property from the premises and all persons occupying the premises and to use all necessary force therefore and in all respects to take the actual, full and exclusive possession of the premises and every part thereof as of Lessor's original estate, without incurring any liability to Lessee or to any persons occupying or using the premises for any damage caused or sustained by reason of such entry on the premises or such removal of such persons or property therefrom.

25. **Ownership of Improvements on Termination of Lease.** On termination of this Lease for any cause, any buildings, improvements or alterations built, constructed, or placed on the Demised Premises by Lessee, with the exception of fixtures removable without damage to the premises and movable personal property, shall unless otherwise provided by written agreement between Lessor and Lessee, be the property of Lessor and remain on the Demised Premises at the expiration or sooner termination of this Lease. Any lien, claim or security interest on any improvements or on Lessee's leasehold interest in the Demised Premises shall remain the obligation of Lessee.

26. **Lessee's Option to Terminate Lease.** Lessee shall have the right to terminate this Lease by giving written notice to

Lessor at least thirty (30) days prior to the effective date of termination. However, this option may in no event be exercised during the construction of the improvements contemplated by Section 8.a, or during the existence of any outstanding lien or encumbrance on Lessee's leasehold interest in this Lease.

27. **Abandonment.** Lessee shall not vacate or abandon the premises at any time during the term of the Lease. If Lessee shall abandon, vacate or surrender the Demised Premises, or be dispossessed by process of law, or otherwise, Lessor may, at its option, enter the Demised Premises by any means without being liable for any prosecution therefore, and without becoming liable to Lessee for damages or for any payment of any kind whatever, and may, at its discretion, as agent for Lessee, relet the Demised Premises, or any part thereof, for the whole or any part of the then unexpired term, and may receive and collect all rent payable by virtue of such reletting, and, at Lessor's option, hold Lessee liable for any difference between the rent that would have been payable under this Lease during the balance of the unexpired term, if this Lease had continued in force, and the net rent for such period realized by Lessor by means of such reletting. Any personal property belonging to Lessee and left on the premises shall be deemed to be abandoned, at the option of Lessor, and Lessor may dispose of all such personal property in any manner Lessor shall deem proper and is hereby relieved of all liability for doing so.

28. **Lessor's Right of Entry.** Lessee shall permit Lessor and the agents and employees of Lessor to enter into and upon the Demised Premises at all reasonable times for the purpose of inspecting the same, or for the purpose of posting any notice of non-responsibility in accordance with the terms of this Lease, without any rebate of rent and without any liability to Lessee for any loss of occupation or quiet enjoyment of the premises thereby occasioned. Further, Lessor and any agents or representatives of the government of Guam reserve the right to enter the Demised Premises for the purpose of performing any public or official duties and for maintaining or adding public utilities.

29. **Caveat re Possibility of Reversion to United States.** The real property which is the subject of this Lease may be subject to a possible reversion to the United States of America because of a possible failure of the government of Guam to comply with the conditions of the grant from the federal government. This notice is given pursuant to P.L. 22-18, Section 8.

30. **Surrender of Possession.** Lessee shall, on the last day

of the term, or on earlier termination and forfeiture of the Lease, peaceably and quietly surrender and deliver the Demised Premises to Lessor free of subtenancies, including all buildings, additions, and improvements constructed or placed thereon by Lessee, except moveable trade fixtures, all in good condition and repair. Any trade fixtures or personal property belonging to Lessee, if not removed at the termination or default, and if Lessor shall so elect, shall be deemed abandoned and become the property of Lessor without any payment or offset therefore. Lessor may remove such fixtures or property from the Demised Premises and store them or destroy them, at Lessor's option, and at Lessee's expense. Lessee shall repair and restore all damage to the Demised Premises caused by removal of equipment, trade fixtures, and personal property.

31. **Notices.** Wherever in this Lease it shall be required or permitted that notice be given by either party to this Lease to the other, such notice must be in writing and must be given personally or forwarded by certified mail addressed as follows:

TO LESSOR:            Director, Carl J.C. Aguon  
                         Department of Land Management  
                         P.O. Box 2950  
                         Agana, Guam 96910  
                         Tel. No. 475-5278

TO LESSEE:            President, Edna Rebanal  
                         Bicol Club of Guam  
                         P.O. Box 7995  
                         Tamuning, Guam 96931  
                         Tel. No. 477-9286

Such addresses may be changed from time to time by notice given hereunder.

32. **Waiver.** Acceptance of rent by Lessor shall not be deemed a waiver of any breach by Lessee of any term, covenant or condition of this Lease, nor of Lessor's right to declare and enforce a forfeiture for any such breach by Lessee. The failure of Lessor to insist upon strict performance of any such term, covenant or condition shall not be construed as a waiver or relinquishment of any term, covenant, condition or option. Notwithstanding any provision contained in this Lease to the contrary, Lessor may in writing allow additional time beyond the time or times specified herein to Lessee in which to comply, observe and perform any of the conditions and covenants herein contained, so long as Lessee shows good cause in writing.

33. **Submittal of Financial Statements.** Lessee shall annually at the same time the annual rent is paid submit to Lessor its financial statements with proof of insurance.

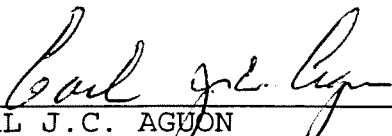
34. **Costs of Litigation.** In the event Lessor shall without any fault on its part be made a party to any litigation commenced by or against Lessee, all costs and expenses incurred by Lessor shall be paid by Lessee.

35. **Lessor's Lien.** Lessor shall have a lien on all improvements placed on the premises by Lessee, on all property kept or used on the premises, whether the same are exempt from execution or not, for all such costs, attorney's fees, rents reserved, taxes and assessments paid by Lessor on behalf of Lessee, and for the payment of all money as provided in this Lease to be paid by Lessee, and such lien shall continue until the amounts due are paid.

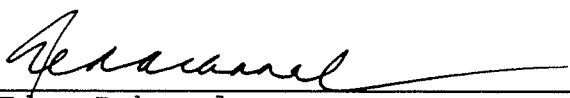
36. **Effective Date.** This Lease must first be approved by the Attorney General and the Governor, and is not considered effective until the legislature concurs to it by statute.

**IN WITNESS WHEREOF,** the parties hereto have executed this Lease as of the day and year first above written.

**LESSOR:**

  
\_\_\_\_\_  
CARL J.C. AGUON  
Director, Department of Land  
Management

**LESSEE:**

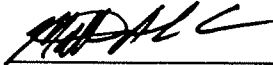
  
\_\_\_\_\_  
Edna Rebanal  
President,  
Bicol Club of Guam

ACKNOWLEDGMENTS

CITY OF HAGATNA            )  
  ) ss.:  
  )

On this 30<sup>th</sup> day of JULY, 2001, before me, a Notary Public in and for the Territory of Guam, personally appeared **CARL J.C. AGUON**, the Director of the Department of Land Management, Government of Guam, known to me to be the person whose name is subscribed to the within Lease, and he acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto affixed my name and official seal on the day and year first above written in Hagatna, Guam.




**MATTHEW A. LEON GUERRERO**  
**NOTARY PUBLIC**  
In and for Guam, U.S.A.  
My Commission Expires: March 13, 2005  
P.O. Box 2950 Hagatna, Guam 96932

ACKNOWLEDGMENTS

CITY OF HAGATNA            )  
  ) ss.:  
  )

On this 25<sup>th</sup> day of JULY, 2001, before me, a Notary Public in and for the Territory of Guam, personally appeared **EDNA REBANAL** known to me to be the person whose name is subscribed to the within Lease, and he acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto affixed my name and official seal on the day and year first above written in Hagatna, Guam.

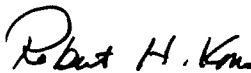



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**MATTHEW A. LEON GUERRERO**  
**NOTARY PUBLIC**  
In and for Guam, U.S.A.  
My Commission Expires: March 13, 2005  
P.O. Box 2950 Hagatna, Guam 96932

APPROVED AS TO FORM:

APPROVED:

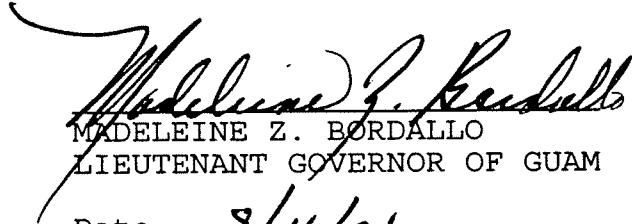
  
\_\_\_\_\_  
ROBERT H. KONO  
ATTORNEY GENERAL, ACTING

  
\_\_\_\_\_  
CARL T. C. GUTIERREZ  
GOVERNOR OF GUAM

Date: 8/1/01

Date: 8-16-01

ATTESTED:

  
MADELEINE Z. BORDALLO  
LIEUTENANT GOVERNOR OF GUAM  
Date: 8/16/01

CONCURRED:

\_\_\_\_\_  
GUAM LEGISLATURE

Date: \_\_\_\_\_





DEPARTMENT OF LAND MANAGEMENT  
(DIPATTAMENTON TANO')



CARL T. C. GUTIERREZ  
Governor

Government of Guam  
P.O. Box 2950 Hagåtña, Guam 96932  
Telephone: (671) 475-LAND • Fax: (671) 477-0883

CARL J. C. AGUON  
Director

MADELEINE Z. BORDALLO  
Lieutenant Governor

FRANCISCO P. SAN NICOLAS  
Deputy Director

December 13, 2000

**Refer to  
Legislative Secretary**

The Honorable Antonio Reyes Umpingco  
Speaker, Twenty-Fifth Guam Legislature  
155 Hesler St.  
Hagatna, Guam 96910

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By:	<u>[Signature]</u>
Time	<u>4:35 pm</u>
Date	<u>Dec. 18, 2000</u>

Dear Mr. Speaker:

Submitted for concurrence by the Twenty-Fifth Guam Legislature is a Cultural Center Lease Agreement between the Department of Land Management and V.F.W. Post 1509 a non-profit organization. Pursuant to Public Law 25-47 and the 21 GCA §60112 concurrence by the Guam Legislature is required to effectuate this Lease.

This Lease was approved by The Department of Land Management as well as the Attorney Generals Office, and The Governor of Guam signed the Lease on November 11, 2000.

Once the document is signed, please forward it to our office for further processing. Otherwise, if you have any questions please feel free to contact me at 475-5278 for 475-5252. Your expeditious response is greatly appreciated.

Senseramente,

[Signature]  
CARL J.C. AGUON

Attachments

01186

0525/00-0743  
Office of the Speaker  
ANTONIO R. UNPINGCO  
Date: 12-15-00  
Time: 0945  
Rec'd by: [Signature]  
Print Name: [Signature]



Commonwealth Now!

**ATTACHMENT A**

---

(THIS SPACE ABOVE FOR RECORDERS USE ONLY)

**LEASE**

**THIS LEASE** is made this \_\_\_\_\_ day of \_\_\_\_\_, 2000, by and between the **DEPARTMENT OF LAND MANAGEMENT, GOVERNMENT OF GUAM**, whose address is P.O. Box 2950, Agana, Guam 96910, hereinafter the "Lessor," and **HABA ADAI VFW POST 1509**, represented by **JOHN A. WALLACE, POST COMMANDER**, a non-profit organization organized and existing under the laws of the territory of Guam, whose address is Post Office Box 23395, G.M.F. Barrigada, Guam 96921, hereinafter the "Lessee."

WHEREAS, Lessee was a legal occupant of real property located along the Harmon Cliffline area pursuant to an agreement entered into with the government of Guam, which had a valid permit to use the same from the U.S. Air Force who is the legal owner; and

WHEREAS, the Harmon cliffline area was identified by the federal government as excess federal land to be returned to the government of Guam in U.S. Public Law 103-339; and

WHEREAS, in preparation for the eventual return of the Harmon cliffline area to the government of Guam, environmental survey work is required at the site, and those occupying the Harmon cliffline area have been required to leave; and

WHEREAS, Lessor has reserved certain lands identified in Guam P.L. 22-18 for the purpose of establishing "cultural centers," and certain of these reserved lands are ready for leasing; and

WHEREAS, Lessee has been found eligible and qualified to lease government land identified herein, and this Lease being in the best public interest; now therefore,

FOR AND IN CONSIDERATION of the following terms and conditions, Lessor and Lessee agree as follows:

1. **Subject of Lease.** Lessor leases to Lessee the real property in the Municipality of Dededo, territory of Guam described

as follows, hereinafter the "Demised Premises":

Lot 9 Block 3, Tract No. 1143, Municipality of Dededo, Guam Containing, an area of 1,920± square meters or 20,667± square feet , as shown on map L.M. Check No. 427-FY97, Drawing No. I4-97T632, Agricultural Subdivision Survey Map of Tract 1143 (formerly lot 10120-17, Dededo, for Lease Purposes Only). Recorded under Document No. 572938, Certificate of Title No. 88094.

2. **Term.** Lessee shall have and hold the Demised Premises for a term of twenty-five (25) years commencing on January 1, 2001 and ending on January 1, 2026, unless sooner terminated in accordance with the terms of this Lease. Lessee may opt to renew this Lease for one (1) additional twenty-five (25) year term so long as not in default upon the expiration of the first of the first twenty-five (25) year term.

3. **Rent.** Lessee shall pay Lessor, in addition to any other charges required to be paid hereunder by Lessee, rent for the Demised Premises in annual installments. Each annual installment of rent due hereunder shall be paid in advance on the anniversary date hereof.

a. **Nominal Rent for Income-Tax Exempt Lessee.** Lessee shall have provided to Lessor prior to entering into this Lease, a written determination or other proof from the appropriate government authority, signifying Lessee's status as a tax-exempt entity. Tax-exempt status shall allow Lessee to pay a nominal annual rental amount as provided for in the rules governing this Lease at the time the Lease is entered into by Lessor And Lessee.

b. **Rental Amount.** The annual rental amount is One Hundred Dollars (\$100.00), which shall be due for each of the twenty-five (25) years of the term of this Lease. If the term of this Lease is renewed for an additional twenty-five (25) years, then for each year of the renewal term, the rent shall be Three Hundred Dollars (300.00). The annual rent shall be due each year on the anniversary date of this Lease.

c. **Payee.** All amounts due as rent under Section 3.b above shall be made payable to the Chamorro Land Trust Commission in accordance with P.L. 22-18, Section 3.d, but shall be delivered to Lessor in the name of the Chamorro Land Trust Commission for the

sake of record-keeping. Lessor shall transmit any amount paid for rent under Section 3.b above to the Commission. Any and all other amounts due or which may become due according to the other terms of this Lease shall be paid directly to Lessor.

4. **Taxes and Assessments.** In addition to the rent payable under Section 3 above, Lessee shall pay and discharge promptly as the same become due and before delinquency all taxes and assessments, whether general or special, of every kind which may be levied or assessed or become a lien on or against the Demised Premises or any part thereof, or any building or improvements on the Demised Premises, or on or against the leasehold of Lessee, during the term of this Lease. Any such taxes or assessments which shall relate to a fiscal year during which the terms of this Lease shall commence or terminate shall be prorated between Lessor and Lessee.

5. **Warranties of Title and Quite Enjoyment.** Lessor covenants that Lessor is seized of the real property in fee simple and has full right to make this Lease and that Lessee shall have quiet and peaceable possession of the Demised Premises during the term hereof.

6. **Use of Premises.** The Demised Premises shall be used by Lessee only for the purpose of a clubhouse or building, as constructed by Lessee, in which Lessee regularly conducts its normal activities. Lessee shall comply with all sanitary laws, rules and orders of appropriate governmental authorities affecting the cleanliness, occupancy, and preservation of the Demised Premises. The use by Lessee of the premises for any other use other than for the specific purpose for which it is leased shall give Lessor the right to terminate this Lease in its sole discretion.

7. **Covenant against Gambling.** In no event shall the Demised Premises be used for the purpose of gambling, except to the extent that Lessee is licensed and legally may do so, and Lessee specifically agrees to observe this covenant for itself, its members, guests, employees, and any other persons using the premises. Any breach of this covenant at any time by Lessee or any person on the premises shall result in the automatic termination of this Lease without notice to Lessee at Lessor's option.

8. **Construction of Improvements.**

a. **Covenant to Erect New Improvements.** On delivery of

possession of the Demised Premises to Lessee pursuant to the terms of this Lease, Lessee shall within one year following the effective date of this Lease, begin construction on the Demised Premises a building or buildings, or other improvements, for the purpose of conducting its normal activities, at its sole cost and expense in accordance with plans, specifications, and a detailed description of the work which shall be approved by Lessor. Improvements to be constructed shall be in substantial conformity to the conceptual plans submitted by Lessee to Lessor prior to the execution of this Lease and upon which approval of this Lease was granted. In the event of disapproval of the plans and specifications, Lessor shall give to Lessee an itemized statement of reasons therefore within twenty (20) days after the same are submitted to Lessor. Lessor shall not unreasonably withhold its approval. Prior to the commencement of any such work, Lessee shall furnish Lessor with a good and sufficient surety bond guaranteeing the completion of such improvements and the payment of all bills therefore. Construction shall be completed within three years of the effective date of this Lease.

b. **Further Construction.** Lessee shall further have the right to construct on the Demised Premises other improvements or to make alterations or additions thereto and to remove, remodel, demolish, and rebuild the same as approved by Lessor. All such buildings and improvements constructed, altered or repaired by Lessee shall be and remain Lessee's property. All improvements or alterations and additions thereto shall comply with any building code or regulations in force.

9. **Failure to Construct.** If Lessee shall have failed to begin construction of a building or any improvement within one year of the effective date of this Lease, then this Lease shall automatically terminate and be void and of no force or effect. If Lessee shall have failed to complete construction of the improvement or improvements within three years of the effective date of this Lease, then Lessor may terminate this Lease at its sole option.

10. **Repairs and Destruction of Improvements.**

a. **Maintenance of Improvements.** Lessee shall, at all times during the Lease term and at its own cost and expense, and without any expense to Lessor, keep and maintain the premises, including all buildings and improvements of every kind which may be a part thereof, and all appurtenances thereto, in good sanitary and neat order, substantial condition and repair, and except as

specifically provided herein, restore and rehabilitate any improvements of any kind which may be destroyed or damaged by fire, casualty, or any other cause whatsoever. Lessor shall not be obligated to make any repairs, replacements, or renewals of any kind, nature, or description, whatsoever to the Demised Premises or any buildings or improvements thereon.

b. **Damage to and Destruction of Improvements.** The damage, destruction, or partial destruction of any building or other improvement which is a part of the premises shall not release Lessee from any obligation hereunder, except as hereinafter expressly provided, and in case of damage to or destruction of any such building or improvement, Lessee shall at its own expense promptly repair and restore the same to a condition as good or better than that which existed prior to such damage or destruction. Without limiting such obligations of Lessee, it is agreed that the proceeds of any insurance covering such damage or destruction shall be made available to Lessee for such repair or replacement.

11. **Compliance with Laws; Prohibition against Waste.** During the term of this Lease, Lessee shall comply with all applicable laws affecting the Demised Premises. Lessee shall not commit waste on the Demised Premises except as necessary for the removal or construction of any buildings and improvements thereon as required or permitted by this Lease.

12. **Utilities.** All water, gas, electricity, telephone, telegraph, and other public utility services used on or furnished to the Demised Premises during the term hereof shall be in Lessee's name and paid for by Lessee.

13. **Liens.** Lessee shall keep the fee estate of the Demised Premises free and clear from all mechanics' and materialmen's and other liens for work or labor done, services performed, materials, appliances, power contributed, used or furnished or to be used in or about the Demised Premises for or in connection with any operations of Lessee, or any alteration, improvement, repairs, or additions which Lessee may make or permit or cause to be made, or any work or construction by, for, or permitted by Lessee on or about the Demised Premises.

14. **Indemnification of Lessor.** Lessor shall not be liable for any loss, injury death, or damage to persons or property which at any time may be suffered or sustained by Lessee or by any person whosoever may at any time be using or occupying or visiting the Demised Premises or be in, -on, or about the same, whether such

loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of Lessee or of any occupant, visitor, or user of any portion of the Demised Premises, or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind than the matters or things above set forth, and Lessee shall indemnify Lessor against all claims, liability, loss, or damage whatsoever on account of any such loss, injury, death, or damage. Lessee hereby waives all claims against Lessor for damages to the buildings and improvements that are now on or hereafter placed or built on the Demised Premises and to the property of Lessee in, on, or about the Demised Premises, and for injuries to persons or property in or about the Demised Premises, from any cause arising at any time during the term hereof.

**15. Assignment and Subletting.** Lessee shall not transfer, assign or sublet the Demised Premises, or grant any concession or license to use the premises or any part thereof, without the prior express written approval of Lessor. Any transfer, assignment, subletting, concession, or license, or any attempt to do so without Lessor's prior written consent shall be void and shall, at Lessor's option, terminate this Lease. A consent by Lessor to one transfer, assignment, sublease, concession, or license shall not be deemed to be a consent to any subsequent transfer, assignment, subletting, concession or license. The terms of this Lease shall bind any approved assignee, sublessee, transferee, concessionaire, or licensee.

**16. Encumbrance of Leasehold Interest.**

**a. Lessee's Right to Encumber Leasehold Interest.** Lessee may encumber by mortgage or deed of trust, or other proper instrument, its leasehold interest and estate in the Demised Premises, together with all buildings and improvements placed by Lessee thereon, as security for any indebtedness of Lessee. The execution of any such mortgage or deed of trust, or other instrument, or the foreclosure thereof, or any sale thereunder, either by judicial proceeding or by virtue of any power reserved in such mortgage or deed of trust, or conveyance by Lessee to the holder of such indebtedness, or the exercising of any right, power, or privilege reserved in any mortgage or deed of Trust, shall not be held as a violation of any of the terms or conditions hereof, or as an assumption by the holder of such indebtedness personally of the obligations hereof. No such encumbrance, foreclosure, conveyance, or exercise of right shall relieve Lessee of its liability hereunder.

b. **Notice of Holder of Encumbrance; Right of Holder to Cure Lessee's Default.** If Lessee shall encumber its leasehold interest and estate in the Demised Premises and if Lessee or the holder of the indebtedness secured by such encumbrance shall give notice to Lessor of the existence thereof and the address of such holder, then Lessor will mail or deliver to such holder, at such address, a duplicate copy of any and all notices in writing which Lessor may, from time to time, give to or serve on Lessee under and pursuant to the provisions hereof; such copies shall be mailed or delivered to such holder at, or as near as possible to, the same time as notices are given to or served on Lessee. Such holder may, at its option, at any time before the rights of Lessee shall have been terminated as provided herein, pay any of the rents due hereunder, or pay any taxes and assessments, or do any other act or thing required of Lessee by the terms hereof, or do any act or thing which may be necessary and proper to be done in the observance of the covenants and conditions hereof, or to prevent the termination hereof; all payments so made, and all things so done and performed by such holder shall be as effective to prevent a forfeiture of the rights of Lessee hereunder as the same would have been if done and performed by Lessee.

17. **Priority of Lessor's Rights Over Encumbrances.** Except as herein provided, no mortgage, deed of trust, mechanic's lien, or other encumbrance, lien, or security interest in, on, or against the Demised Premises or the improvements to be constructed thereon shall in any way, matter, or degree effect the interest of Lessor in the improvements or its rights on the premises. Lessee shall give written notice of such priority of Lessor's rights to any contractor or contractors furnishing material or labor for any building or improvements to be erected on the premises or any other improvements made thereon before any such contract is let. Furthermore, Lessor shall have the right and privilege to pay or discharge any lien thereby accruing, or any portion of the same after it is legally established, and Lessee shall be obligated to repay Lessor the amount so paid as additional rent due from Lessee, together with interest at the legal rate per annum from the date of the payment.

18. **Prohibition of Involuntary Assignment.** Neither this Lease nor the leasehold estate of Lessee nor any interest of Lessee hereunder in the Demised Premises or any buildings or improvements thereon shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatsoever (except through a statutory merger or consolidation) and any such attempted involuntary assignment,



transfer, or sale shall be void and of no effect.

19. **Effect of Bankruptcy.** Without limiting the generality of the provisions of the preceding Section 18, Lessee agrees that in the event any proceedings under any bankruptcy law or any amendment thereto shall be commenced by or against Lessee, and, if against Lessee, such proceedings shall not be dismissed before either an adjudication in bankruptcy or the confirmation of a composition, agreement, or plan or reorganization, or in the event Lessee is adjudged insolvent or makes an assignment for the benefit of its creditors, or if a receiver is appointed in any proceeding or action to which Lessee is a party, with authority to take possession or control of the Demised Premises or the business conducted thereon by Lessee, and such receiver is not discharged within a period of thirty (30) days after his appointment, any such event or any involuntary assignment prohibited by the provisions of the preceding Section 18 shall be deemed to constitute a breach of this Lease by Lessee and shall, at the election of Lessor, but not otherwise, and without notice or entry or other action of Lessor terminate this Lease and also all rights of Lessee hereunder and in and to the Demised Premises and also the rights of any and all persons claiming under Lessee.

20. **Parties Bound.** Subject to the provisions hereunder, this Lease shall be binding on and shall inure to the benefit of and shall apply to the respective successors and assigns of Lessor and Lessee, and all references in this Lease to "Lessor" or "Lessee" shall be deemed to refer to and include successors and assigns of Lessor or Lessee without specific mention of such successors or assigns.

21. **Effect of Eminent Domain.** If the portion of land taken under the power of eminent domain by any person or by any public or quasi-public authority renders the remainder of the Demised Premises unsuitable for the uses or use for which the land was leased, Lessee shall have the option to surrender this Lease and be discharged and relieved from any further liability on giving to Lessor written notice of such election within twenty (20) days after such appropriation or taking. In such event Lessee shall be released from any further liability under this Lease as of the date of such appropriation or taking, and rent, taxes, and assessments shall be prorated as of such date.

If this Lease shall not be terminated, as provided above, but shall continue as to that portion of the Demised Premises which shall not have been appropriated or taken, then in that event

Lessor agrees that effective as of the date of such appropriation or taking, the rent shall be reduced in the ratio that the land area taken which is included within the Demised Premises bears to the land area which was included within the Demised Premises before such appropriation or taking.

22. **Holdover by Lessee.** Should Lessee remain in possession of the Demised Premises with the consent of Lessor after the natural expiration of this Lease, a new tenancy from month to month shall be created between Lessor and Lessee which shall be subject to all the terms and conditions hereof but shall be terminable on thirty (30) days' written notice served by either Lessor or Lessee on the other party, or shall automatically terminate upon the entering into of a new lease by Lessor and Lessee. In the event of a holdover, the monthly rent shall be one-twelfth of the last annual rent paid.

23. **Insurance.**

a. **Insurance Coverage of Premises.** Lessee shall, at all times during the term of this Lease and at Lessee's sole expense, keep all improvements which are now or hereafter a part of the premises insured against loss or damage by fire and the extended coverage hazards for at least one hundred percent (100%) of the full replacement value of such improvements, with loss payable to Lessor and Lessee as their interest may appear. Any loss adjustment shall require the written consent of both Lessor and Lessee. Full replacement value of improvements shall mean the actual replacement cost thereof less exclusions provided in the normal fire insurance policy. The deficiency in any failure of Lessee to insure for full replacement value shall be borne solely by Lessee.

b. **Personal Injury Liability Insurance.** Lessee shall maintain in effect throughout the term of this lease personal injury liability insurance covering the premises and its appurtenances in the amount of at least One Hundred Thousand Dollars (\$100,000.00) for injury to or death of any one person, and at least Fifty Thousand Dollars (\$50,000.00) for any one accident or occurrence, and at least Fifty Thousand Dollars (\$50,000.00) for property damage. Such insurance shall specifically insure Lessee against all liability assumed by it hereunder, as well as liability imposed by law, and shall insure both Lessor and Lessee but shall be so endorsed as to create the same liability on the part of the insurer as though separate policies had been written for Lessor and Lessee.

c. **Lessee to Make Prompt Payments.** All of the policies of insurance referred to in this section shall be written in form satisfactory to Lessor and by insurance companies satisfactory to Lessor. Lessee shall pay all of the premiums therefore and deliver such policies, or certificates thereof, to Lessor, and in the event of failure to pay or deliver, shall be in default of this Lease carrying the same consequence as failure to pay any installment of rental. Lessor shall not be obligated to pay any obligations of Lessee hereunder.

24. **Default.** If Lessee shall fail or neglect to observe, keep, or perform any of the covenants, terms, or conditions herein contained on its part to be observed, kept, or performed, and such default shall continue for a period of thirty (30) days after written notice from Lessor setting forth the nature of Lessee's default, then and in any such event, Lessor shall have the right at its option, on written notice to Lessee, forthwith to terminate this Lease without prejudice to any other remedy or right of action for arrears or rent or for any proceeding or other breach of contract. All rights of Lessee hereunder shall thereupon cease, and Lessor without further notice to Lessee shall have the right immediately to enter the Demised Premises and take possession thereof with or without process of law and to remove all personal property from the premises and all persons occupying the premises and to use all necessary force therefore and in all respects to take the actual, full and exclusive possession of the premises and every part thereof as of Lessor's original estate, without incurring any liability to Lessee or to any persons occupying or using the premises for any damage caused or sustained by reason of such entry on the premises or such removal of such persons or property therefrom.

25. **Ownership of Improvements on Termination of Lease.** On termination of this Lease for any cause, any buildings, improvements or alterations built, constructed, or placed on the Demised Premises by Lessee, with the exception of fixtures removable without damage to the premises and movable personal property, shall unless otherwise provided by written agreement between Lessor and Lessee, be the property of Lessor and remain on the Demised Premises at the expiration or sooner termination of this Lease. Any lien, claim or security interest on any improvements or on Lessee's leasehold interest in the Demised Premises shall remain the obligation of Lessee.

26. **Lessee's Option to Terminate Lease.** Lessee shall have the right to terminate this Lease by giving written notice to

Lessor at least thirty (30) days prior to the effective date of termination. However, this option may in no event be exercised during the construction of the improvements contemplated by Section 8.a, or during the existence of any outstanding lien or encumbrance on Lessee's leasehold interest in this Lease.

27. **Abandonment.** Lessee shall not vacate or abandon the premises at any time during the term of the Lease. If Lessee shall abandon, vacate or surrender the Demised Premises, or be dispossessed by process of law, or otherwise, Lessor may, at its option, enter the Demised Premises by any means without being liable for any prosecution therefore, and without becoming liable to Lessee for damages or for any payment of any kind whatever, and may, at its discretion, as agent for Lessee, relet the Demised Premises, or any part thereof, for the whole or any part of the then unexpired term, and may receive and collect all rent payable by virtue of such reletting, and, at Lessor's option, hold Lessee liable for any difference between the rent that would have been payable under this Lease during the balance of the unexpired term, if this Lease had continued in force, and the net rent for such period realized by Lessor by means of such reletting. Any personal property belonging to Lessee and left on the premises shall be deemed to be abandoned, at the option of Lessor, and Lessor may dispose of all such personal property in any manner Lessor shall deem proper and is hereby relieved of all liability for doing so.

28. **Lessor's Right of Entry.** Lessee shall permit Lessor and the agents and employees of Lessor to enter into and upon the Demised Premises at all reasonable times for the purpose of inspecting the same, or for the purpose of posting any notice of non-responsibility in accordance with the terms of this Lease, without any rebate of rent and without any liability to Lessee for any loss of occupation of quiet enjoyment of the premises thereby occasioned. Further, Lessor and any agents or representatives of the government of Guam reserve the right to enter the Demised Premises for the purpose of performing any public or official duties and for maintaining or adding public utilities.

29. **Caveat re Possibility of Reversion to United States.** The real property which is the subject of this Lease may be subject to a possible reversion to the United States of America because of a possible failure of the government of Guam to comply with the conditions of the grant from the federal government. This notice is given pursuant to P.L. 22-18, Section 8.

30. **Surrender of Possession.** Lessee shall, on the last day

of the term, or on earlier termination and forfeiture of the Lease, peaceably and quietly surrender and deliver the Demised Premises to Lessor free of subtenancies, including all buildings, additions, and improvements constructed or placed thereon by Lessee, except moveable trade fixtures, all in good condition and repair. Any trade fixtures or personal property belonging to Lessee, if not removed at the termination or default, and if Lessor shall so elect, shall be deemed abandoned and become the property of Lessor without any payment or offset therefore. Lessor may remove such fixtures or property from the Demised Premises and store them or destroy them, at Lessor's option, and at Lessee's expense. Lessee shall repair and restore all damage to the Demised Premises caused by removal of equipment, trade fixtures, and personal property.

31. **Notices.** Wherever in this Lease it shall be required or permitted that notice be given by either party to this Lease to the other, such notice must be in writing and must be given personally or forwarded by certified mail addressed as follows:

TO LESSOR:            Director  
                         Department of Land Management  
                         P.O. Box 2950  
                         Agana, Guam 96910  
                         Tel. No. 475-5278

TO LESSEE:            Post Commander  
                         Hafa Adai VFW Post 1509  
                         P.O. Box 23395 G.M.F.  
                         Barrigada, Guam 96921  
                         Tel. No. 632-7987

Such addresses may be changed from time to time by notice given hereunder.

32. **Waiver.** Acceptance of rent by Lessor shall not be deemed a waiver of any breach by Lessee of any term, covenant or condition of this Lease, nor of Lessor's right to declare and enforce a forfeiture for any such breach by Lessee. The failure of Lessor to insist upon strict performance of any such term, covenant or condition shall not be construed as a waiver or relinquishment of any term, covenant, condition or option. Notwithstanding any provision contained in this Lease to the contrary, Lessor may in writing allow additional time beyond the time or times specified herein to Lessee in which to comply, observe and perform any of the conditions and covenants herein contained, so long as Lessee shows good cause in writing.

33. **Submittal of Financial Statements.** Lessee shall annually at the same time the annual rent is paid submit to Lessor its financial statements with proof of insurance.

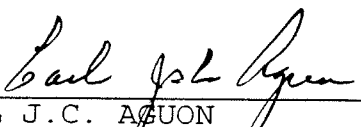
34. **Costs of Litigation.** In the event Lessor shall without any fault on its part be made a party to any litigation commenced by or against Lessee, all costs and expenses incurred by Lessor shall be paid by Lessee.

35. **Lessor's Lien.** Lessor shall have a lien on all improvements placed on the premises by Lessee, on all property kept or used on the premises, whether the same are exempt from execution or not, for all such costs, attorney's fees, rents reserved, taxes and assessments paid by Lessor on behalf of Lessee, and for the payment of all money as provided in this Lease to be paid by Lessee, and such lien shall continue until the amounts due are paid.

36. **Effective Date.** This Lease must first be approved by the Attorney General and the Governor, and is not considered effective until the legislature concurs to it by statute.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

LESSOR:

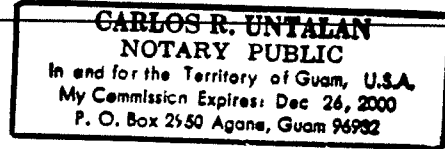
  
\_\_\_\_\_  
CARL J.C. AQUON  
Director, Department of Land  
Management

LESSEE:

  
\_\_\_\_\_  
JOHN A. WALLACE  
Post Commander  
Hafa Adai VFW Post 1509



IN WITNESS WHEREOF, I have hereunto affixed my name and official seal on the day and year first above written in Agana, Guam.



APPROVED AS TO FORM:

APPROVED:

John F. Tarantino  
JOHN F. TARANTINO  
ATTORNEY GENERAL

Date: 11/24/00

Madeleine Z. Bordallo  
MADELEINE Z. BORDALLO  
Acting GOVERNOR OF GUAM

Date: 11/24/00

ATTESTED:

Lawrence F. Kasperbauer  
LAWRENCE F. KASPERBAUER  
Acting LIEUTENANT GOVERNOR OF GUAM

Date: 11/27/00

RECEIVED

NOV 20 1:45  
ATTORNEY GENERAL'S OFFICE



Cultural Center Lease Agreement  
Hafa Adai VFW Post 1509  
Page 16 of 16

CONCURRED:

\_\_\_\_\_  
GUAM LEGISLATURE

Date: \_\_\_\_\_

MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN  
2001 (FIRST) Regular Session

Bill No. 184 (COR)

Introduced by:

A. R. Unpingco  
L. F. KASPERBERG

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AN ACT TO APPROVE THE LEASE FOR THE  
VETERANS OF FOREIGN WAR POST 1509.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan*  
3 finds that when the United States Air Force had jurisdiction and control over a  
4 piece of property referred to as the Harmon Cliff Line, they authorized and  
5 issued permits to non profit organizations for the use of said property.. *I*  
6 *Liheslaturan Guåhan* further finds that United States Public Law 103-339  
7 necessitated the relocation of those non-profit organizations. Executive Order  
8 98-13 was issued for the orderly and expeditious transfer by the non-profit  
9 organizations from the Harmon Cliff Line property to Government of Guam  
10 property. The parcel of property that these organizations can re-locate was  
11 identified as that reserved for the Cultural Center in Dededo under Public law  
12 22-18. *I Liheslaturan Guåhan* finds that the Veterans of Foreign War Post 1509  
13 has complied with the rules and regulations governing lease of government  
14 owned property. It is the intent of *I Liheslaturan Guåhan* to approve said lease  
15 as required by §8003 of Public Law 25-47.

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**Section 2. Approval of Lease.** Notwithstanding any provision of law, the lease entered into by and between the Veterans of Foreign War Post 1509 and the Government of Guam is approved by *I Liheslaturan Guåhan*.