

Record
1675
1512
800/300

LEASE

THE REGENTS OF THE UNIVERSITY OF NEW MEXICO, a body corporate, hereinafter called the Lessor, hereby leases to ALBUQUERQUE ALUMNI ASSOCIATION OF KAPPA KAPPA GAMMA FRATERNITY, a New Mexico corporation, hereinafter called Lessee, which hereby leases from Lessor the following described real estate in Bernalillo County, New Mexico:

That certain tract of land located at the intersection of University Boulevard and Mesa Vista Road NE, Albuquerque, New Mexico, being the Southwest corner, and more particularly described as:

Tract One (1) on the Plat of a Portion of Tract "D", University of New Mexico Leased Land, filed June 18, 1965, and recorded in Volume C-6, Page 73, records of Bernalillo County, New Mexico, and containing 0.732 acres,

hereinafter called the premises, for a term of fifty years (50 years), commencing on the 1st day of March , 19 66 , terminating at midnight on February 28, , 2016 , for the rent hereinafter reserved, and upon the covenants terms and conditions hereinafter set forth; and the parties hereto, intending to be bound hereby, mutually covenant and agree as follows:

1. RENT

The Lessee agrees to pay to Lessor and Lessor agrees to accept as rent for the premises, the sum of Eight Hundred Ten and no/100-----Dollars (\$ 810.00) Dollars per year, payable in two installments, the first half to be paid on July 1st and the

second half on January 1st of each year, throughout the term of this lease.

2. PURPOSE OF LEASE

The Lessee shall, within eighteen (18) months from the date of this lease, erect, and thereafter maintain upon the premises a sorority house, as hereinafter called the House, for the use of its active members who are in actual attendance at the University of New Mexico, hereinafter called the University, and Lessee shall not suffer or permit the premises or the improvements thereon to be used for any other purpose. Failure of the Lessee to erect the House on the premises within one and one-half years from the date of the lease shall effect a termination of this lease and a forfeiture of all Lessee's rights hereunder.

3. TYPE OF BUILDING

The house shall be built in accordance with plans which must be submitted to Lessor in advance of any construction for approval, such approval to be endorsed by Lessor or its delegate upon the plans and the original or an executed copy of this lease. No addition or major alteration shall be made to the approved plans and House and no other structures shall be erected upon the premises without the prior approval of the plans by the Lessor or its delegate in the manner herein prescribed. Upon request of Lessor, Lessee will at any time during the term hereof fence or otherwise close the rear of the lot in such a way as to bar vehicular access from the rear, the

manner of closing to be subject to the prior approval of Lessor or its delegate. All construction and any modifications and alterations thereof shall be done so as to comply with all State and City Building and Sanitary Codes.

4. PERFORMANCE AND PAYMENT BOND

Prior to beginning construction of the House, and prior to beginning construction on any addition or major improvement thereto, Lessee shall, in addition to fulfilling the requirements of Paragraph 3 of this lease, obtain from the prime contractor for such construction a good and sufficient performance and payment bond, written by a surety company satisfactory to Lessor, conditioned upon the complete performance of the construction contract in accordance with its terms and upon payment in full to all persons supplying labor or materials in the prosecution of the work provided for in the contract. The amount of the bond for both performance and payment shall be equal to the total amount payable under the construction contract.

5. TAXES

The Lessee assumes and agrees to pay, before they become delinquent, all general property taxes which may be lawfully levied and assessed against either the premises or the improvements erected thereon, or both, during the term of this lease.

6. SPECIAL ASSESSMENTS AND STREET IMPROVEMENTS

The Lessee assumes and agrees to pay, before they become delinquent, all special assessments for alley or street

improvements, including sewers, curbing, paving, street maintenance and any and all other special assessments on alleys and streets contiguous to the leased lot. Lessor may, if it chooses, advance funds for all or any part of the improvements described in this paragraph and in such event Lessee will, upon receipt of notice from Lessor, repay to Lessor the full amount of any such advances allocable to the premises, repayment to be made at such time or times and in such manner as Lessor shall specify.

7. EASEMENT

No general dedication to public use of the streets or alleys contiguous to the leased lot is made by the Lessor, but the Lessee is granted an easement, during the term of this lease, for use of such streets and alleys by the Lessee, its successors and assigns, and for such use by the public for social and business purposes as may afford reasonable and proper use of the premises for the purposes of this lease.

8. FINANCING

a. It is understood by Lessor that Lessee will require financing in connection with the construction of the House, and Lessor agrees that Lessee shall have the right to execute and deliver appropriate Deeds of Trust or Mortgages on all or any portion of the improvements on the premises, as security for loans not to exceed Two Hundred Twenty-Five Thousand (\$ 225,000.00) Dollars, Any such evidences of indebtedness shall provide for repayment over a period not to exceed the term of this lease. Such loan, or loans, shall be obtained from a recognized lending

institution or other comparable source.

b. In order to obtain such financing, Lessee is authorized to make a security assignment of its interest under this lease to such lending institution as shall finance the improvement, and this security assignment may be made without Lessor's consent. However, Lessor's consent to such assignment is conditioned upon, and such security assignment shall provide that in the event the Lessee defaults in its obligations to the financing institution and the security assignment becomes effective, the financing institution may assign the lease only to a financially responsible person or corporation, and only with the prior written consent of the Lessor, which consent may not be unreasonably withheld.

c. Lessee agrees to pay all interest and principal payments required under the loan, or loans, herein described, and all funds obtained by means of such loans shall be used exclusively toward the payment of the costs of construction of the improvements to be erected by Lessee on the premises.

d. Lessee shall, at all times, furnish to the President of said University, full and complete data as to the date, amount, interest rate, maturity dates, grantee, trustee, mortgages, pledges, property covered and previous liens thereon pertaining to any bond issue, mortgage, deed of trust, pledge or lien on said property, to the end that University authorities may at all times have full and complete information with relation thereto.

9. MAINTENANCE

Lessee shall, at Lessee's sole cost, keep and maintain the premises and all improvements thereon in a reasonable state of repair and preservation, and shall never suffer or permit any nuisance thereon.

10. ASSIGNMENT AND SUBLETTING

This Lease may not be assigned nor may the premises be sublet without the prior written approval of the Lessor.

11. CONDITIONS OF OCCUPANCY

a. All regulations governing maintenance of, living conditions, and conduct in the regular dormitories at the University, whether in force at the date of execution hereof, or thereafter put into effect, shall apply to the premises and all improvements thereon.

b. Lessee shall, at Lessee's sole expense, at all times maintain in residence on the premises a housemother, supervisor, chaperon, or other person of similar position and duties. It shall be the duty of the active chapter and the Alumni of Lessee to see that all rules, regulations and directions of the Regents and other University authorities pertaining to living conditions and conduct in said sorority houses are faithfully carried out. The housemother shall be authorized to report to, and take advice from, University authorities in regard to the running of the house and may be removed by the President of the University for cause and after notice.

c. The premises and any and all improvements thereon shall not be used for any immoral or indecent or objectionable purpose nor any purpose contrary to the laws of the United States, the State of New Mexico, the County of Bernalillo or the City of Albuquerque.

d. Gambling, drinking intoxicating liquor in or about the premises, or the possession therein or transportation to or from the premises of such liquor, shall under no circumstances be tolerated or allowed, and the Lessee shall be responsible for the actions of its members, their guests or friends committed on the premises, without regard to whether the officers of said organization knew of or sanctioned such conduct or not.

e. There shall be no provision in either the National or local constitution, charter, by-laws or ritual of Lessee which in any way reflects discrimination against any person on the basis of race, religion, or country of national origin.

12. DEFAULT OF LESSEE AND REMEDIES OF LESSOR

If any of the following events (herein called events of default) shall occur:

a. Lessee shall fail to erect the House upon the premises within eighteen (18) months from the date of the lease;

b. Lessee shall breach or become in default under any term, covenant or condition of this lease;;

c. Lessee shall fail to pay in accordance with its terms the promissory note referred to in paragraph 8 hereof;

d. Lessee shall permit any tax or special assessment lawfully assessed against the premises to become delinquent for

a period of ninety (90) days;

e. The premises shall be abandoned; or

f. Lessee shall file a voluntary petition in bankruptcy, or shall be adjudicated bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future Federal Bankruptcy Act or any other present or future applicable federal, state or other statute or law, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver, or liquidator of all or any substantial part of Lessee's properties or of the premises;

g. Lessee shall for any reason suffer the revocation of its charter or for any reason cease to be an active chapter at the University; then Lessor may give to Lessee written notice by certified or registered mail of such event of default. If the event of default is not remedied or obviated by the Lessee within one hundred eighty (180) days after its receipt of such notice, or unless within such one hundred eighty (180) days the Lessee shall have commenced and continues to take action for the purpose of remedying or obviating such event of default and shall thereafter in good faith prosecute such action to completion, Lessor may declare the forfeiture of the interest of the Lessee in said lease by giving Lessee written notice thereof by certified or registered mail, and shall thereupon succeed to all of the interest of the Lessee in this lease, the premises, and any improvements upon the premises, subject to any mortgage or

similar instrument made and then outstanding pursuant to Paragraph 8.

Upon receipt of such notice of forfeiture Lessee shall immediately peacefully surrender the premises, together with all improvements, buildings and fixtures thereon, either by summary proceedings or by any other suitable action or proceeding at law or otherwise, without being liable for damages or to prosecution therefor. Lessee agrees that in the event of forfeiture hereunder, it shall, upon request of Lessor assign, convey and transfer to lessor the title to all improvements, buildings and fixtures on the premises. Under this remedy Lessee shall be liable for all rental accrued on the lease to the date of complete termination and for the costs, expenses and attorney's fees of Lessors in enforcing their rights under this lease, including obtaining of possession, and Lessors shall have a lien on all property of Lessee on the premises as security for the payment of such rental, costs, expenses and attorneys' fees. Lessee shall not be liable for any future rental from the date of termination if this remedy is pursued, and Lessor shall have no further obligation to Lessee under this lease.

13. REPURCHASE BY LESSOR

Lessor, in addition to the right of condemnation given to it by law, expressly reserves the right to repurchase the interest of the Lessee in this lease, the premises and all improvements thereon, if, as and when in the sole and absolute judgment of Lessor the same is needed for other University purposes.

Lessor may exercise its right under this paragraph by giving to Lessee written notice of termination by certified or registered mail. In such case, this lease shall remain in full force and effect for the balance of the school year in which such notice is given and so long thereafter as the parties may agree in writing prior to the end of such school year. The purchase price shall be as agreed upon between the parties. If the parties are unable to agree on such price prior to the end of the school year in which the lease is declared terminated, then such price shall be determined by arbitration in accordance with the rules and procedure of the American Arbitration Association by three duly qualified independent real estate appraisers actively practicing in the Albuquerque area, one of such arbitrators being selected by Lessor and one by Lessee, with the two thus chosen to select the third arbitrator, and the decision of a majority of the arbitrators so appointed shall be binding upon the parties. Lessee agrees in such event to sell its interest in the lease, premises and improvements to the Lessor at the price arrived at as provided in this paragraph and to execute and deliver a good and sufficient conveyance of the same upon receipt of the purchase price, subject only to any mortgage or similar instrument made and then outstanding pursuant to Paragraph 8.

14. INSURANCE - DESTRUCTION

The Lessee shall effect adequate replacement value fire and extended coverage insurance written by an insurance

company acceptable to Lessor upon the improvements to be built by Lessee on the premises, and such insurance shall be for the benefit of the Lessee, and/or any mortgage holder. In the event such improvements should be destroyed or damaged in whole or in part, by any of the risks covered by the standard fire and extended coverage insurance policy used in the area, the proceeds of such insurance shall be used to pay the indebtedness, repair or rebuild, as the Mortgagee may elect. The Lessee shall furnish to the Lessor throughout each and every year of the term of this lease, a current Certificate of Insurance that it has effected such fire and extended coverage and also personal liability insurance in the minimum limits of \$250,000.00 and \$500,000.00 written by an insurance company acceptable to Lessor, which insurance shall contain a clause protecting both Lessee and Lessor from liability for any injury to person or property on the premises.

15. WAIVER

No failure on the part of Lessor to exercise and no delay in exercising any right, power or privilege hereunder shall preclude any other or further exercise thereof, or the exercise of any other right, power or privilege. The rights or limitations herein provided are cumulative and not exclusive or any rights and remedies otherwise provided by law or in equity.

16. EXPIRATION OF LEASE

Upon termination of this lease by reason of the expiration of the term, Lessee will peaceably surrender to Lessor possession of the premises and any improvements thereon, and Lessor shall succeed to all of Lessee's right, title and interest

in the same. If Lessee shall for any reason hold over past the end of the term, such holding over shall be construed to be a tenancy from month to month.

17. SUCCESSION

This agreement shall extend to and be binding upon the heirs, successors and assigns of the parties.

18. OPTION TO RENEW

In addition to the original term of this lease, Lessee shall have an option to extend the same, at the same rent and on the same terms and conditions specified herein for said original term, for an additional twenty-five (25) years by mailing written notice of intention to extend at any time six (6) months prior to the expiration of the base term, by registered or certified mail.

19. ASSUMPTION CLAUSE

Lessee acknowledges that Lessor's interest in the leased premises is derived from that Long Term Lease with Option between the Southwestern Construction Company, a corporation, and Lessor dated December 1, 1962, and Lessee hereby assumes and agrees to be bound by the several covenants and conditions of said Long Term Lease with Option which Lessee has reviewed, provided that nothing herein shall be construed as relieving Lessor from any of the terms and obligations thereof.

20. RENT - ESCALATOR CLAUSE

Lessee further recognizes that the Long Term Lease with Option referred to in Paragraph 19 above contains a clause or clauses which may result in adjustments in the rental paid

by Lessor to the Southwestern Construction Company. In the event of such an adjustment, Lessee agrees to pay an amount as annual rent, Paragraph 1 of this Lease notwithstanding, reflecting the adjusted basis computed for the leased premises in accordance with the formula contained in said Long Term Lease with Option, which adjusted rental shall be payable by Lessee on the first day of the year following the date such adjustment is made under the Long Term Lease with Option.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 1st day of February 1966.

THE REGENTS OF THE UNIVERSITY OF NEW MEXICO

By: [Signature]
President

Lessor

ATTEST:

[Signature]
Secretary

ALBUQUERQUE ALUMNI ASSOCIATION OF KAPPA KAPPA GAMMA FRATERNITY

By: [Signature]
Lessee

ATTEST:

[Signature]
Secretary

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

The foregoing instrument was acknowledged before me this 7th day of February, 1966, by [Signature] President of the REGENTS OF THE UNIVERSITY OF NEW MEXICO, a body corporate, on behalf of said corporation.

[Signature]
Notary Public

My Commission Expires:
July 14, 1968

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) SS

The foregoing instrument was acknowledged before me
this 8th day of February, 1966, by Caroline B. Beaumont
Beaumont Beaumont of ALBUQUERQUE ALUMNI ASSOCIATION
OF KAPPA KAPPA GAMMA FRATERNITY, a New Mexico non-profit corpora-
tion, on behalf of said corporation

Gleason L. Mason
Notary Public

My Commission Expires:
July 19, 1968

CONSENT TO SUBLEASE

SOUTHWESTERN CONSTRUCTION COMPANY hereby approves
the foregoing lease between the Regents of the University of
New Mexico and Albuquerque Alumni Association of Kappa Kappa
Gamma Fraternity, and consents to the construction of a
sorority house upon the leased premises, and the mortgaging thereof.

SOUTHWESTERN CONSTRUCTION COMPANY
By: Hugh B. Woodward
President

ATTEST:
Lesa H. Smith

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) SS

The foregoing instrument was acknowledged before me
this 4th day of February, 1966, by HUGH B. WOODWARD,
President of SOUTHWESTERN CONSTRUCTION COMPANY, a corporation,
on behalf of said corporation.

Gleason L. Mason
Notary Public

My Commission Expires:
July 19, 1968

ADDENDUM TO LEASE

The parties desire to add the following to the foregoing Lease, the consideration for which is the same consideration recited in the Lease proper, and the mutual execution by the parties:

"It being understood that the University is to reserve an area in the vicinity of the tract, which is the subject matter of this Lease, for the purpose of developing recreational facilities for use by the members of the five sorority houses which will immediately adjoin it or be across the street from it. The Lessee agrees that during the term of this Lease, it will reimburse the University for one-fifth (1/5) of the rent paid by the University for said area, under the Southwestern Construction Company Lease with the Regents of the University of New Mexico, dated December 1, 1962; it being specifically understood that the Lessee shall not be obligated in any way for the upkeep and maintenance of the tract, or shall not be obligated to pay for any facilities installed on said tract other than what it might volunteer to do from time to time, by way of gift. It being further understood that Lessee shall have no control over the use of said tract, nor over the type or nature of the facilities installed, and any liability for injuries incurred by persons using the facilities shall be solely that of the University.

DATED this 1st day of February, 1966.

THE REGENTS OF THE UNIVERSITY OF NEW MEXICO

By: [Signature]
President Lessor

ATTEST:

[Signature]
Secretary

... payable in
... to be paid on July 1st and the

he
1966
2016
terms
hereto
as foll

to accept
and no/100--
two install

ALBUQUERQUE ALUMNI ASSOCIATION OF KAPPA
KAPPA GAMMA FRATERNITY

By: Caroline B. Beaumont Lessee
Betty W. Boyd

ATTEST:

Mildred B. Sahifani
Secretary

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

The foregoing instrument was acknowledged before me this
4th day of February, 1966, by B. A. Johnson
Beaumont, President of the REGENTS OF THE
UNIVERSITY OF NEW MEXICO, a body corporate, on behalf of said
corporation.

Eleanor L. Manson
Notary Public

My Commission Expires:

July 19, 1968

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

The foregoing instrument was acknowledged before me this
5th day of February, 1966, by Caroline B.
Beaumont, President of ALBUQUERQUE ALUMNI ASSOCIA-
TION OF KAPPA KAPPA GAMMA FRATERNITY, a New Mexico non-profit
corporation, on behalf of said corporation.

Eleanor L. Manson
Notary Public

My Commission Expires:

July 19, 1968

State of New Mexico)
County of Bernalillo) SS

This instrument was filed for record on

8:22 MAR 29 1966
At 8:22 o'clock A.m. Recorded in Vol. _____
of records of said County Folio _____

Clerk & Recorder

Deputy Clerk

--- eight Hundred Ten

and no/100-----Dollars (\$ 810.00) Dollars per year, payable in
two installments, the first half to be paid on July 1st and the