

LICENSE AGREEMENT

This LICENSE AGREEMENT (hereinafter, "Agreement") is entered into by and between Palm Valley Phase V Community Association, an Arizona non-profit corporation (the "Association") and the City of Goodyear, an Arizona municipal corporation (the "City"). When necessary, the Association and the City are referred to collectively as the "Parties" and individually as a "Party."

RECITALS

WHEREAS, the City owns real property known as Tract V on the Final Plat of Palm Valley Phase V, Parcels 1-4, in Book 715 of Maps, Page 46, APN 508-13-466 (the "Property").

WHEREAS, there is a monument sign for Trianda Terrace (the "Sign") located on the northwest portion of the Property near Westview Drive and 152nd Avenue.

WHEREAS, the Association desires to maintain the Sign on the Property at its sole expense ("Maintenance") for the benefit of the Association.

WHEREAS, the City desires to grant the Association a temporary non-exclusive license to access the Property for the sole purpose of maintaining the Sign.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties voluntarily and knowingly agree as follows:

1. Recitals. The above recitals are hereby incorporated into and made a part of the terms of this Agreement.

2. Grant of License. The City hereby grants the Association and its agents, employees, contractors and representatives a temporary non-exclusive license to enter upon the Property for the sole purpose of maintaining the Sign. The Association shall have no ownership, leasehold or other possessory rights in the Property or the Sign.

3. License Period. This Agreement shall be for a term of five (5) years commencing on the Effective Date and may be renewed for successive terms of five (5) years on the mutual agreement of the Parties, unless sooner terminated by the Association or the City as set forth below.

4. Maintenance Standard. The Association shall be responsible, at the Association's sole cost and expense, for: (i) any and all construction, repair, maintenance and replacement work on the Sign; (ii) the prompt and complete restoration of the surface of the Property entered upon by the Association or its designees (including, but not limited to, any landscaping or improvements thereon) to the extent damaged or disturbed by the Association or

its agents, employees, contractors or representatives. The Association will determine the maintenance to be performed on the Sign. The Association shall cause any such activity to be conducted and completed in a diligent and good and workmanlike manner in accordance with any and all applicable municipal or other governmental requirements. Except for routine and customary maintenance of the Sign, the Association shall not make any improvements or alterations to the Sign or the Property without prior written approval from the City. Nothing in this Agreement shall preclude any right of the City to move, remove, repair or destroy the Sign at its sole discretion.

5. Termination. The Association or the City may terminate this Agreement at any time, with or without cause, upon thirty (30) days written notice to the other party. Upon termination, the Association will no longer be responsible for maintaining the Sign on the Property. This Agreement is subject to cancellation pursuant to the terms of A.R.S. § 38-511

6. Indemnification. The Association agrees to indemnify, defend and hold the City, its employees, elected officials, agents and representatives harmless for, from and against any and all claims, actions, liabilities, liens, damages, injuries, costs and expenses arising from the Association's use of the Property and/or maintenance of the Sign in the performance of the Association's obligations under this Agreement. In addition, the Association shall repair any damage that it may cause to the Property and/or the Sign during the term of this Agreement.

7. Liability Insurance. The Association shall, at the Association's expense, secure and keep in force a commercial general liability insurance and property damage policy covering the Property, insuring the Association, and naming the City as an additional insured, against any liability arising out of the construction use or maintenance of the Sign or Property. The minimum limit of coverage of such policy shall be in the amount of not less than One Million Dollars (\$1,000,000.00). The limit of any insurance shall not limit the liability of the Association hereunder. No policy maintained by the Association under this shall contain a deductible greater than Twenty Five Thousand and No/100 Dollars (\$25,000.00). No policy shall be cancelable or subject to reduction of coverage without thirty (30) days prior written notice to the City. Such policies of insurance shall be issued as primary policies and not contributing with or in excess of coverage that the City may carry, by an insurance company authorized to do business in the State of Arizona for the issuance of such type of insurance coverage and rated B:VIII or better in Best's Key Rating Guide (or, if at any time Best's Key Rating Guide is no longer published or available, any successor thereto selected by the City).

8. Assignment/Delegation: The Association will not assign, sublet or transfer its right or interest in this Agreement, in whole or in part, or delegate any duty of the Association without the prior written consent of the City. Any assignment or delegation made in violation of this section shall be void. In no event does this Agreement create any contractual relationship between the City and any third party.

9. Complete Agreement. This Agreement sets forth the entire agreement among the Parties. The Parties acknowledge they have read and fully understand the terms of this Agreement and have entered into this agreement freely and voluntarily.

10. Choice of Law and Forum. This Agreement shall be construed, enforced, and governed by the laws of the State of Arizona. Any action to enforce any provision of this Agreement or to obtain any remedy hereunder shall be brought in the Superior Court, Maricopa County, Arizona. If any action is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and court costs.

11. Severability. Should any provision of the Agreement be declared or determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby, and said illegal or invalid part, term, or provision shall be deemed not to be a part of the Agreement.

12. Execution. This Agreement may be executed in counterparts, which together shall constitute one and the same instrument. Facsimile signatures shall be binding as originals.

13. Authority. If acting as an agent, each of the undersigned warrants that they have been appropriately authorized to enter into this Agreement on behalf of the Party for which they sign, and that no further action or approvals are necessary before execution of this Agreement.

14. No Waiver. The failure on the part of any Party to enforce its rights as to any provision of this Agreement shall not be construed as a waiver of its rights to enforce such provision in the future.

15. Notices. Where any notice, direction or other communication is required to be or may be given or made by one of the Parties hereto to the other, it shall be deemed made when actually received by the recipient upon being transmitted in writing via prepaid certified or registered United States Mail or by recognized overnight courier delivered to the respective addresses of the Parties hereto:

To the City:

Director of Parks and Recreation
City of Goodyear
190 North Litchfield Road
Goodyear, AZ 85338

With a Copy to:

City Attorney
City of Goodyear
190 North Litchfield Road
Goodyear, AZ 85338

To the Association:

Palm Valley Phase V Community Association
c/o Total Property Management
4020 N. 20th Street, Suite 219
Phoenix, Arizona 85016

With a Copy to:

Troy B. Stratman, Esq.
MACK, WATSON & STRATMAN, PLC
3200 N. Central Ave., Suite 1200
Phoenix, Arizona 85012

16. Effective Date. This Agreement is effective as of the date of the last party's signature herein.

Palm Valley Phase V Community Association

By: Jody Schmit
Its: President

Date: _____

CITY OF GOODYEAR

By: Brian Dalke
Its: City Manager

Date: _____

ATTEST:

By: Maureen Scott
Its: City Clerk

APPROVED AS TO FORM:

By: Roric Massey
Its: Goodyear City Attorney