

LEASE

THIS INDENTURE OF LEASE, made and entered into this 15<sup>th</sup> day of June, 1938, by and between THE CITY OF SAN DIEGO, a municipal corporation in the County of San Diego, State of California, acting by and through the Harbor Commission of said City, as Lessor, hereinafter called the City, and AMERICAN PRODUCTS, INC., a corporation, as Lessee, WITNESSETH:

That the City, lessor, as aforesaid, does by these presents demise and let unto the lessee, upon the terms and conditions and for the purposes and uses hereinafter recited, and the lessee hereby hires and accepts from the City, upon the terms and conditions and for the uses and purposes hereinafter recited, all those lands bordering and extending into the Bay of San Diego, and being a portion of those lands conveyed to The City of San Diego by the State of California under the provisions of that certain Act of the Legislature, entitled, "An Act conveying certain tidelands and lands lying under inland navigable waters situated in the Bay of San Diego to the City of San Diego in furtherance of navigation and commerce and the fisheries, and providing for the government, management and control thereof," approved on the first day of May, 1911, and as subsequently amended, particularly described as follows, to-wit:

Beginning at a point on the U. S. Bulkhead Line, as said bulkhead line is now established for the Bay of San Diego, distant 1698.02 feet northwesterly from Station 183 on said bulkhead line; thence north 70° 50' east a distance of 380.97 feet to the true point or place of beginning; thence north 50° 50' west a distance of 528.70 feet to a point; thence north 70° 50' east a distance of 213.84 feet to a point; thence south 50° 50' east a distance of 528.70 feet to a point; thence south 70° 50' west a distance of 213.84 feet to the true point or place of beginning, containing approximately 96,000 square feet of area.

The lands hereinabove described being shown on the map or plat attached hereto, marked Exhibit "A", and made a part of this lease.

TRACED BY  
CHECKED BY  
APPROVED BY

PORT DIRECTOR

TIDELAND LEASE  
AMERICAN PRODUCTS, INC.

SCALE 1" = 100'  
DRAWING NO.

91 B



TO HAVE AND TO HOLD the said premises and each and every part thereof unto the lessee for a period of five (5) years, beginning on the 15<sup>th</sup> day of June, 1938, and ending on the 14<sup>th</sup> day of June, 1943, unless sooner terminated as herein provided, at the following rentals:

For the first three (3) years of the term of said lease, at the rate of one cent (1¢) per square foot per year;

For the last two (2) year period of said term, at the rate of two cents (2¢) per square foot per year.

All rentals hereunder shall be due and payable monthly in advance upon the first day of each and every month during the term of this lease.

Neither the whole, nor any part of this lease shall be assignable or transferable, nor shall the lessee have the right to sublet the leased premises, or any part thereof, without the consent of the Harbor Commission, evidenced by resolution duly and regularly passed and adopted.

The Council of said City and the Harbor Commission of said City, and the people of said City, hereby reserve the right and privilege to annul, change or modify this lease in such manner as may seem proper, upon the payment to said lessee of reasonable compensation for damages occasioned by said annulment, change or modification. The reasonable compensation herein provided to be paid to the lessee shall be based upon and limited to compensation for the actual value of such buildings, structures and physical improvements placed upon the demised premises by the lessee as are required, authorized or permitted under the terms of this lease, and shall not be held to include compensation to said lessee for any damage to, interference with, or loss of business or franchise occasioned by any such annulment, change or modification.

In addition to the foregoing provisions, it is hereby agreed by the parties to this lease that the same is granted

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and accepted upon the further terms and conditions hereinafter provided, to-wit:

- (1) That the demised premises shall be used for the purpose of conducting and maintaining thereon the business of selling lumber and allied construction materials at wholesale. The lessee shall have the right to construct an office and warehouse, and such other building or buildings as may be necessary or convenient for conducting and carrying on said business.
- (2) That said lessee shall at the expiration or termination of this lease have the right, and shall be required to remove all improvements placed upon said premises by it.
- (3) That all plans for buildings and improvements to be erected or placed upon said leased premises shall comply with all the ordinances of The City of San Diego, and shall be subject to the approval of the said Harbor Commission.

(4) That said City reserves the right to lay water pipes across said lands, and to make such other improvements for the development of the facilities of the Bay of San Diego for the purpose of navigation and commerce and the fisheries, at such time and in such manner as may be provided in any general plan of harbor improvement adopted by the Council of said City, and that the lessee will remove any structures or buildings from said demised premises as shall interfere with carrying out of the adopted harbor plan in any way whatsoever, at its own cost and expense, and without any claim or right to damages or compensation therefor; provided, only, that said lessee shall not be disturbed in the possession and use of said premises to any greater degree than is necessary in the carrying out and completion of said general plan of improvement.

(5) At no time during the life of this lease shall The City of San Diego be required to make any improvement on or for the benefit of the said leased lands hereinabove described.

(6) In the event the Lessee shall fail to fulfill in any manner the uses and purposes for which the said premises are

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EXHIBIT "A"



leased as above set forth, or shall fail or refuse to perform any of the obligations undertaken by it under this lease, or shall violate any of the terms or conditions herein expressed, including the prompt payment when the same shall be due of all rentals reserved herein, then and in that event this lease shall terminate, and said lessee shall have no further rights hereunder, and the said lessee shall remove from said demised premises and shall have no further right or claim thereto, and the said City shall immediately thereupon, without recourse to the courts, have the right to take possession of said premises, and said lessee shall forfeit all rights and claims thereto and hereunder; and said lessee, in accepting this lease hereby acknowledges the right of said City to take possession of said premises immediately upon the neglect or refusal of said lessee to comply with the terms and conditions hereinbefore mentioned.

(7) Reference is hereby made to all laws as now existing, and as hereafter amended or enacted, applicable to the leasing of tidelands by The City of San Diego, and by such reference all restrictions or conditions imposed, or reservations made thereto, are made a part of this lease with like effect as though the same were expressly set forth herein.

IN WITNESS WHEREOF, a majority of the members of the Harbor Commission of The City of San Diego have hereunto subscribed their names as and for the act of said City, and the said Lessee has caused this instrument to be executed, and its corporate name and seal to be hereunto affixed, by its proper officers thereunto duly authorized, the day and year first hereinabove written.

THE CITY OF SAN DIEGO  
Lessor.

By

*Alfred P. Duman*  
*Ernest Leick*

Members of the Harbor Commission  
of the City of San Diego.

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TIDELAND LEASE  
AMERICAN PRODUCTS, INC.

SCALE 1" = 100'  
DRAWING NO.

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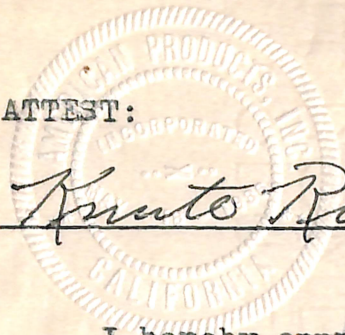
AMERICAN PRODUCTS INC.

700 East Harbor St.

San Diego, California

Lessee.

ATTEST:



Kruto Ringle.  
Sec'y.

By

J. C. [Signature]

I hereby approve the form of the foregoing Lease, this 26  
day of May, 1938.

W. E. Ault

City Attorney.

By

H. B. [Signature]

Assistant City Attorney.

DRAWN BY  
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APPROVED BY

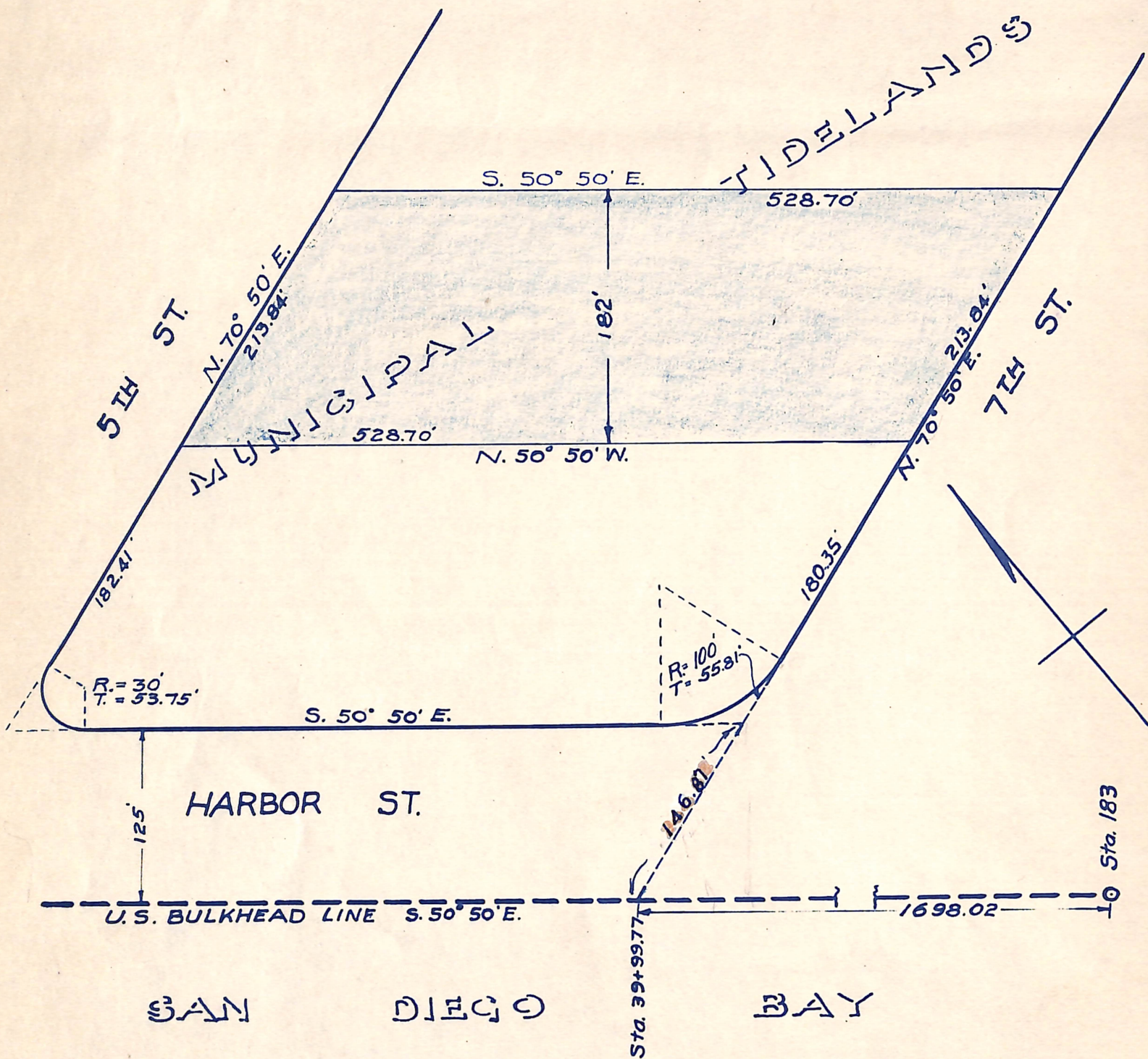
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Lease area shown shaded thus  96,000.± Sq. Ft.

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APPROVED BY

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CITY OF SAN DIEGO HARBOR DEPARTMENT

TIDELAND LEASE  
AMERICAN PRODUCTS, INC.

DATE 4-19-1938  
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DRAWING NO.

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W.V.A.

DOCUMENT No. 308542

JUN 18 1938

Filed .....

FRED W. SICK  
ACTING CITY CLERK City Clerk.

By .....  
Deputy.

Tilford & Heese  
With American  
Products, Inc

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