

LEASE

THIS LEASE executed March 3, 1952,

by and between THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY, a body having corporate powers, Lessor, and PENINSULA PACIFIC CONSTRUCTION CO., a California corporation, Lessee.

It is agreed by and between the parties hereto as follows:

1. Demise and Description of Property. In consideration of the payment of the rent herein reserved and the faithful performance by Lessee of its obligations under this lease, Lessor leases to Lessee and Lessee hires of Lessor the land in the "Palo Alto Farm," a portion of the grounds of the Leland Stanford Junior University, San Mateo County, California, described as follows:

Beginning at a point on the Westerly bank of San Francisquito Creek, said point being the most Southerly corner of "Stanford Creek, Menlo Park, San Mateo County, California" as shown on a map thereof filed in the office of the Recorder of San Mateo County in Book 29 of Maps at page 8; thence from said point of beginning North 56° 27' 30" West along the Southwesterly line of said Stanford Creek and the Southwesterly line of Lemon Street, a distance of 831.56 feet to the Southeasterly line of "Oakdell Manor, Menlo Park, San Mateo County, California" as shown on a map thereof filed in the office of the Recorder of San Mateo County in Book 28 of Maps at pages 14 and 15; thence South 33° 32' 30" West along the last mentioned line, a distance

of 1133.82 feet to the center line of Oak Knoll Lane; thence South $56^{\circ} 27' 30''$ East 58 feet to a point; thence Southeasterly, Easterly and Northeasterly along the arc of a curve to the left having a radius of 75 feet, a central angle of 90° and being tangent to the last mentioned course at the last mentioned point, a distance of 117.81 feet to a point; thence North $33^{\circ} 32' 30''$ East along a line tangent to the last mentioned curve at the last mentioned point, a distance of 196.49 feet; thence South $56^{\circ} 27' 30''$ East 126.34 feet; thence South $86^{\circ} 37' 30''$ East 130 feet; thence Southerly and Southeasterly along the arc of a curve to the left having a radius of 1075 feet and a central angle of $20^{\circ} 37' 30''$, a distance of 386.97 feet to a point; thence South $17^{\circ} 15'$ East along a line tangent to the last mentioned curve at the last mentioned point, a distance of 538.15 feet; thence North $59^{\circ} 02' 30''$ East 42.19 feet; thence North $79^{\circ} 47' 30''$ East 109.60 feet to the Westerly bank of San Francisquito Creek; thence along the said Westerly bank the following courses and distances to the point of beginning:

North $15^{\circ} 42' 30''$ West 183.74 feet, North $11^{\circ} 57' 30''$ West 574.20 feet, North $6^{\circ} 42' 30''$ West 264.00 feet, North $51^{\circ} 42' 30''$ East 118.80 feet, North $79^{\circ} 42' 30''$ East 389.40 feet and North $58^{\circ} 22' 30''$ East 231.00 feet, containing 15.658 acres.

Revised

4/20/57

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for the term of ninety-nine (99) years, commencing _____
March 1, 1952.

2. Rental of Property. Lessor reserves and Lessee covenants to pay a rental of Seventy Eight Thousand Two hundred Ninety Dollars (\$ 78,290.00) for said land. Lessee shall pay 10 per cent of said amount upon execution of this lease and the balance within 120 days thereafter. In the event of a failure to pay the balance within the time prescribed or any other breach of this lease within 120 days after execution hereof, said deposit shall be forfeited and this lease shall terminate.

3. Development of Residential Subdivision.
The land herein demised shall be used by Lessee for the purpose of developing a residential subdivision, subject to the following:

(a) Lessee shall lay out and construct said subdivision in accordance with the plans, specifications and map agreed upon by the parties contemporaneously herewith;

(b) Lessee shall comply with all laws, statutes, ordinances, rules or regulations of any lawfully constituted authority applicable to the planning, construction and maintenance of the subdivision;

(c) Lessee shall, at its expense, obtain the approval of all proper governmental authority needed for any aspect of this project;

(d) No portion of said land shall be used for any commercial or industrial purpose;

(e) No portion of said land shall be subdivided into residential lots of less than 10,000 square feet;

(f) No lot shall be used other than for one single family-residential house containing at least 1,400 square feet of living area, exclusive of patios, covered porches and garages;

(g) Lessee, at no expense to Lessor, shall install all streets, street lighting, drains, sewers and the like and arrange for the installation of all public utility services, Lessor to grant such easements and rights of way over the demised premises as may be necessary therefor; provided, however, that upon satisfactory completion by the 17th day of August, 1953 by Lessee, without expense to Lessor, of the construction of that portion of the street intersecting Vine Street and Sand Hill Road which is adjacent to the property presently owned by the Menlo Park Elementary School District in the vicinity of the demised premises, Lessor shall pay to Lessee the amount of Twenty-five Hundred Dollars (\$2,500) or one-sixth of the total cost of such construction, whichever is the lesser amount. Lessee shall be responsible for the balance of the cost or expense of said street and of the entire cost or expense of all other streets of this subdivision, except that the

Menlo Park Elementary School District shall pave one-half of the street bordering the northerly side of its property. Lessee shall not initiate, or cause to be initiated, action which would result in the obligations of this subparagraph being performed by any municipality, district, or other public or quasi-public body, or the lien of such bodies being placed on the demised premises or Lessee's interest; Lessee, however, may obtain financing to perform said obligations from private lending institutions, using its leasehold interest herein as security therefor.

(h) Lessee, at its expense, shall arrange for adequate fire and police protection on said land during the period of this lease. Lessee's responsibility for such protection shall cease when said land becomes subject to the police and fire protection of the City of Menlo Park or any other public body accepting the protection thereof.

(i) Lessee, at its expense, shall arrange for proper maintenance and repair of all streets, street lighting, drains, sewers and the like built or installed on said land. Lessee's responsibility for such repair and maintenance shall cease when said streets are accepted by the County of San Mateo, the City of Menlo Park or any other public body accepting the maintenance thereof.

Lessor shall be under no obligation whatsoever with respect to the construction or maintenance of this residential subdivision or any part thereof.

4. Assignment. Lessee may subdivide said property into lots as provided hereinafter, improve said lots, and assign, after full payment of the rental prescribed by paragraph 2 hereof, its leasehold interest in said lots, which leasehold interests may, in turn, be re-assigned, all upon the following conditions:

(a) Faculty and administrative personnel of the Leland Stanford Junior University, insofar as

practicable, shall be given priority in the assignment of said lots;

(b) All dwellings constructed on the demised premises shall conform generally with the architecture of dwellings in the vicinity of the demised premises.

(c) Once a residence is constructed on one of said lots, the entire leasehold interest in said residence and in said lot shall always be assigned and transferred together;

(d) No improvements erected on any of said lots shall be removed therefrom or dismantled or demolished in whole or in part without the prior written consent of the Lessor;

(e) All improvements placed on said property shall, upon the termination of this lease for any reason, be the property of Lessor without cost or charge to Lessor and free and clear of all claims, liens and demands of every character.

(f) All of the terms and conditions of this lease, including the terms and conditions of this paragraph 4, shall be binding upon Lessee and all persons deriving any interest in said property through it;

(g) Notwithstanding any provisions herein, the leasehold interest in any lot may be assigned and re-assigned prior to the construction of a dwelling or other building improvement thereon, but cannot be assigned until full payment of the rental prescribed by paragraph 2 hereof has been made and the improvements required by paragraph 3 (g) hereof for the respective lot sought to be sold have been installed.

5. Payment of Taxes. As part of the consideration of this lease, and as additional rent to be paid to Lessor,

Lessee agrees to pay and discharge promptly as the same become due, all taxes, assessments, rates, charges, license fees, municipal liens, levies, excises, imposts, and any other governmental charges, of whatsoever name, nature or kind, public utility charges, and any other charges which may be levied, excised, charged, or imposed upon the interests of the Lessee herein, the premises described herein, the improvements hereafter placed thereon, or upon Lessor by reason of its ownership of the fee underlying this lease, during the term of this lease and so long thereafter as Lessee, its successors or assigns, shall occupy said premises. Said taxes, charges and the like shall be prorated between the parties hereto as of the date of the execution hereof and prorated again in the fiscal year of the termination of this lease.

6. Liens or Claims. Lessee shall keep the demised premises free of and save Lessor free and harmless from any mechanics' or materialmen's or other liens on the demised premises or improvements thereon and from expense thereby, for labor performed, or material used in the construction, repair, improvement or maintenance of any improvements on the demised premises. Lessor reserves the right to post and maintain upon said premises any notice necessary to protect its interest in said land.

No mechanics' liens, mortgages, deeds of trust or other liens of any character whatsoever shall in any way, or to any extent, affect the interest or rights of Lessor created herein in any building or other improvements on said premises, or attach to or affect its title to or

rights in said premises, and notice to this effect is hereby given to whomsoever it may concern; provided, however, that nothing in this paragraph 6 shall prevent the placing of mortgages and deeds of trust, or of improvement liens upon the leasehold interest hereby created. Should the demised premises, or any part thereof, become, pursuant to law, subject to any lien of any municipality, district or other governmental or quasi-governmental body, such action will not be a breach of this paragraph, provided Lessee, or its successors or assigns whose portion of this leasehold becomes subject to such lien, pays and discharges said lien as provided in paragraph 5 hereof.

7. Indemnification of Lessor. Lessee shall keep and save Lessor harmless from any claim, penalty, damage or charge imposed or incurred for any violation of any law or ordinance occasioned by the act or omission of Lessee, or any other person in or on the demised premises. Lessee shall keep and save Lessor harmless from any claim for damages arising out of or from any loss, cost or expense occasioned by any failure of Lessee, its successors or assigns, with respect to the compliance on their part with the terms and conditions of this lease. Lessee shall keep and save Lessor harmless from all liability and claims for damages by reason of any injury to or the death of any person or persons, including Lessee's employees, or damage to property of any person or persons, including Lessee's employees, in or upon, or in any way connected with the demised premises or the improvements thereon, and from all acts, suits and all costs of suit of any and all persons on account of or by reason thereof.

8. Assumption of Obligations by Assignees. Upon each permitted assignment of any of the lots into which the demised premises has been subdivided or upon a subsequent re-assignment, each assignee shall assume all claims, demands, liabilities, or obligations of any character which may thereafter arise under the provisions of this lease with

regard to the property assigned, and Lessee or a subsequent assignor, as the case may be, shall thereupon be relieved of any and all claims, demands, liabilities or obligations with regard to such property under the provisions of this lease; provided, however, that Lessee, or a subsequent assignor, shall be responsible for all claims, demands, liabilities or obligations which arose with respect to such property prior to said assignment under paragraphs 5, 6 and 7 hereof, and further provided, that the original Lessee shall not be relieved of its obligations under subparagraphs 3(g), 3(h) and 3(i) hereof until the obligations under said subparagraphs have been fulfilled, which obligations shall not extend to or be binding upon a permitted assignee.

9. Waiver of Claims. Lessee for itself, its successors and assigns, expressly waives any claim against Lessor for damage or injury to itself, its successors and assigns, or their agents and employees, occurring in or about said premises, and for damage to any personal property or improvements located on the demised premises. Lessee for itself, its successors and assigns, expressly waives any claims against Lessor for the repair or maintenance of all or any part of said subdivision and expressly waives any right to make repairs to the demised premises under Section 1942 of the California Civil Code.

10. Compliance with Law. Lessee shall comply with and abide by all federal, state, county, municipal or other governmental statutes, laws, ordinances, regulations and the like, affecting the demised premises or any activity or condition on, or about said premises carried on, by, or permitted by Lessee, its successors and assigns.

11. Voluntary Assignment. (a) Prior to full payment of the rental prescribed by paragraph 2 hereof Lessee shall not lease or sublease the whole or any part of said premises or sell, assign or transfer this lease, or any part or portion of the term hereby created without written consent of Lessor and in case such consent is given, no subsequent lease, sublease, sale, assignment or transfer may be made without again obtaining Lessor's consent; provided, however, that Lessee may, prior to such time, assign or sublet to a reputable lending institution or place mortgages or deeds of trust in favor of such institution upon its leasehold interest for the purpose of financing the payment of such rental or the construction of this subdivision or any building improvements thereon.

(b) After full payment of the rental prescribed by paragraph 2 hereof, Lessee may, at any time when not in default under this lease, sublet all or any part of the demised premises, encumber its leasehold interest by mortgage or deed of trust, or assign this lease as provided in paragraph 4 hereof, provided that the assignee undertakes and agrees in writing, for the benefit of Lessor, to keep and perform all the terms, conditions and covenants of this lease required by Lessee to be

kept and performed, as modified by paragraph 8 hereof, such writing to be forthwith delivered to Lessor. Such sub-letting, assignment or encumbrance shall not in any respect release Lessee from its obligations under this lease except as provided under paragraph 8 hereof.

12. Involuntary Assignment. Prior to full payment of the rental prescribed by paragraph 2 hereof, neither this lease nor any interest hereunder shall be subject to involuntary assignment or sale or to assignment or sale by operation of law, whether by execution, foreclosure proceedings, insolvency, or bankruptcy, either voluntary or involuntary, or by receivership proceedings, or in any other manner whatsoever; any such attempted involuntary assignment, transfer or sale shall be void and of no effect and if made or attempted shall constitute a breach of this lease for which Lessor may, at its option, terminate this lease without notice or entry or other action by Lessor; provided, however, that this paragraph shall not prevent the enforcement of permitted mortgages or deeds of trust made by Lessee pursuant to paragraph 11 above.

13. Default. In the event of a breach by Lessee, its successors or assigns, of any of the terms of this lease, Lessor shall give written notice of such default to Lessee, its successors or assigns, as the case may be, and to any lending institution holding a mortgage or deed of trust on the interest in the demised premises belonging to the defaulting party if written request to Lessor from

such institution for such notice has been made, and in the event that such default is not cured within sixty (60) days thereafter Lessor either

(a) may cure such default on the account of and at the expense of the Lessee, its successors and assigns, as the case may be, and the cost shall be deemed additional rent and paid by Lessee, its successors or assigns, as the case may be, at the end of the calendar month in which the same was expended, or

(b) in lieu of curing such default, may terminate this lease to the extent of the defaulting parties' interest in the demised premises, in which event all interest of the defaulting parties in said demised premises and the improvements located thereon shall cease and terminate and Lessor shall reenter that portion of the demised premises and become the owner of all improvements located thereon free and clear of all claims and demands. Such termination shall become effective upon delivery of written notice thereof to the defaulting party.

14. Effect of Termination. Notwithstanding the language of any other provision in this lease, it is understood and hereby provided that cancellation or termination of this lease in any manner during its stipulated term shall not be effective as to any lot or lots in respect to which no default has occurred and shall not destroy or subordinate the lien of any bona fide mortgage or deed of trust for value at that time encumbering such lot or lots.

15. Modification. The provisions of this lease shall not be altered, waived, modified, changed or abandoned except by a written instrument duly signed and acknowledged by Lessor and by Lessee, its successors or assigns, as the

case may be.

16. Notice. All notices required by this lease to be given between the parties shall be given by sending the same by registered mail, and until changed by notice in writing, shall be addressed as follows:

To Lessor: Business Manager,
Stanford University,
Stanford, California.

To Lessee: Peninsula Pacific Construction Co.,
1700 Oak Avenue,
Menlo Park, California.

to assignees at their respective addresses in the residential subdivision to be developed hereunder.

A duplicate of each such notice given to Lessor shall also be sent in the same manner to Lessor at 1600 Balfour Building, 351 California Street, San Francisco 4, California.

17. Successors and Assigns. The terms and provisions of this lease shall inure to the benefit of and be binding upon the successors and assigns of Lessor and shall inure to the benefit of and be binding upon the successors and permitted assigns of Lessee and upon all subsequent permitted assigns.

IN WITNESS WHEREOF, the parties hereto have executed this instrument by their proper officers thereunto duly authorized this 3 day of March, 1952.

THE BOARD OF TRUSTEES OF THE
LELAND STANFORD JUNIOR UNIVERSITY

By A. E. Brandin
A. E. Brandin
Business Manager

LESSOR

PENINSULA PACIFIC CONSTRUCTION CO.

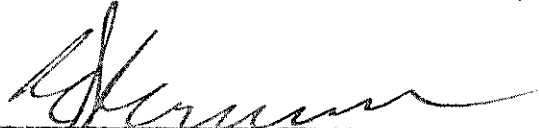
By Harry L. Arnold
Harry L. Arnold
President

David F. Day
David F. Day
Secretary

STATE OF CALIFORNIA)
County of Sant a Clara) ss.

On this 3rd day of March, in the year
1952, before me, E. S. Erwin, Notary Public,
personally appeared A. E. BRANDIN, known to me to be the
business manager of the body having corporate powers that
executed the within instrument and acknowledged to me that
such body executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand
and affixed my official seal, at Stanford,
in the County of Santa Clara, State of California,
the day and year in this certificate first above written.



NOTARY PUBLIC


In and for the County of Santa
Clara, State of California

(Notarial Seal)
My Commission Expires May 27, 1952

STATE OF CALIFORNIA)
County of Santa Clara) ss.

On this 3rd day of March, in the year 1952, before me, E. S. Erwin, Notary Public, personally appeared HARRY L. ARNOLD, known to me to be the President of the corporation that executed the within instrument and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at Stanford, in the County of Santa Clara, State of California, the day and year in this certificate first above written.



NOTARY PUBLIC
In and for the County of
Santa Clara, State of
California
My Commission Expires May 27, 1952
(Notarial Seal)