

OFFICE COPY

LEASE OF REAL PROPERTY

Stephen A. Morris and Norma G. Morris

Lessee(s)

1354 East Shore Drive

Address

AGREEMENT entered into January 29, 19 84, between
the CITY OF ALAMEDA, a municipal corporation (hereafter, "Lessor")
and Stephen A. Morris
(and Norma G. Morris)
(hereafter, "Lessee(s)").

W I T N E S S E T H:

WHEREAS, Lessor is the owner of the hereinafter described real
property acquired from the State of California by Stats. 1913, Chapter 348,
as amended by Stats. 1917, Chapter 594, and Lessee is the owner of the
abutting upland property.

NOW THEREFORE, in consideration of the rents reserved and the
covenants hereinafter contained, the parties agree as follows:

GRANT OF LEASE

Lessor leases to Lessee, and Lessee hereby leases from Lessor,
subject to all of the agreements, terms, conditions and covenants herein,
the parcel of land situate in the City of Alameda, County of Alameda, State
of California, more particularly described in the attached Exhibit A, —
incorporated and made a part hereof as though set forth at length here.

TERM

The term of this lease shall be for the period of 25 years, com-
mencing upon execution hereof, unless said term shall be sooner terminated
as herein provided, Lessee yielding possession and agreeing to pay rental

RENTAL

Lessee covenants and agrees to pay to Lessor as rent for the demised premises that annual rental fee as established on the attached schedule (Exhibit B) for the base year. The following year rental fee will be the base year amount plus an adjustment for inflation as measured by the Department of Labor Cost of Living Index for the San Francisco Bay Area. Lessee will be reimbursed a maintenance allowance to help compensate for seawall maintenance which will benefit both the Lessee and the surrounding areas as well. The amount of allowance for normal maintenance shall be 50% of the Tidelands portion of the lease amount shown in Exhibit B Column F. The grant of this allowance will be determined by the City Engineer, as shown in the paragraph denoted "Seawall Maintenance." Payment shall be due January 31 of each calendar year and delinquent on March 1 of each calendar year after the execution of the lease agreement.

UTILITIES

Lessee agrees and covenants to pay and be liable for any and all charges attendant upon the use of any public utilities upon the demised premises and any and all similar charges, it being the intention of the parties hereto that the Lessor shall bear no cost or expense concerning the demised premises during the term set out above.

USE OF PREMISES

Lessee agrees and covenants that the demised premises shall be utilized exclusively and solely during the term of this lease for the construction, maintenance and operation thereon of docks, ramps, associated structures, seawall, retaining walls, and landscaping and for such purposes only as are in accordance, and not in conflict, with the activities consistent with the zoning of the leased property. Lessee accepts this lease and the demised premises at his own risk with respect to the foregoing.

IMPROVEMENTS

Lessee agrees and covenants that any improvements upon the premises, including filling, structures, or landscaping, shall be placed thereon only upon the prior written approval of the City Engineer and Director of Planning and upon the obtaining of necessary permits from all permit agencies who have jurisdiction. If any improvement heretofore constructed thereon does not conform to applicable building, zoning, and other requirements of Lessor municipality or other applicable jurisdictions, Lessee agrees to expeditiously alter, change or modify same to effect conformance, failing which Lessee agrees to remove same. The City will not require Lessee to bring structures, previously approved by a building permit, up to new building code standards. The City will consider applicable homeowners association concern or concerns of immediate neighbors in granting permits for the placement of structures described in the foregoing paragraph. Approval of the permit will not unreasonably be withheld by the City.

All structures and improvements so installed shall become and remain property of Lessor upon termination of this lease and any renewal thereof.

COMPLIANCE WITH LAW

Lessee, at his sole cost and expense, shall conform to, abide by and comply with any and all requirements, laws or ordinances of municipal, county, state and federal authorities now or hereafter in force, pertaining to the demised land or the operations or activities conducted thereon.

MECHANIC'S LIENS

Lessee agrees to pay for all labor done or materials furnished in the construction, repair or replacement of buildings or structures, on, or the improvement of, the demised premises by the Lessee, and to keep the reversionary interest of the Lessor in said premises free and clear of any lien or encumbrance of any kind whatsoever created by the Lessee's act of omission.

INSPECTION AND WAIVER

Lessor reserves, and shall always have the right to enter said premises to view and ascertain condition of same, and to insure compliance with this lease. Lessee grants Lessor the right to cross over Lessee's property to enter said premises, for these purposes only.

The waiver by Lessor of any breach of any term, covenant or condition herein shall not be deemed to be a waiver of such term, covenant or condition, or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this lease, other than failure to pay the particular rental so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such rent, nor shall any failure on the part of Lessor to require full compliance with any of the covenants, conditions or agreements of this lease be construed as in any manner changing the terms hereof or to prevent Lessor from enforcing the full provisions hereof, nor shall the terms of this lease be changed or altered in any manner whatsoever other than by written agreement of Lessor and Lessee.

HOLD HARMLESS

Lessor, its agents, officers and employees, shall not be held liable for any claims, liabilities, penalties, fines, or for any damage to effects or properties of Lessee or any of Lessee's representatives, agents, employees, guests, licensees, invitees, sublessees, or of any other person whatsoever, nor for personal injuries or deaths or any of them, caused by or resulting from any acts or omission of Lessee or his agents (including independent contractors) in or about the lease premises.

Lessee further promises to indemnify and save free and harmless Lessor and its agents, officers and employees against any of the foregoing liabilities and any costs and expenses incurred by Lessor on account of any claim or claims therefor. Provided, however, that this indemnification and hold harmless clause shall not apply to any injury, death or damage

ASSIGNMENT

Lessee shall not sell, assign or otherwise transfer this lease, or any interest therein, without the prior written consent of Lessor's City Council, except that this lease shall run with the sale of the abutting upland property benefited hereby. Lessee agrees that any monies received from third parties for any use of the demised premises shall be held by Lessee in constructive trust for Lessor.

All the covenants and agreements herein contained shall extend to and bind any assignee or successor of Lessee as fully and to the same extent as though specifically mentioned.

DEFAULT

This lease shall terminate and Lessor shall have the immediate and lawful right to re-enter said premises, repossess the same and expel Lessee, and all Lessee's rights hereunder shall thereupon cease, whenever any one of the following events or actions occur:

- (1) Failure of Lessee to make the rental payments in the manner, time and amounts herein agreed;
- (2) Lessee fails to comply with any of the covenants, conditions or agreements herein contained;
- (3) An order made by a court of competent jurisdiction, or by any federal or state agency having jurisdiction, that the use of said premises is unlawful or in violation of such order;

Lessor, prior to pursuing any remedy, shall give notice of default in writing to Lessee. If the default is nonpayment of rent, Lessee shall have 30 days after notice is given to secure the default. For the cure of any other default, Lessee shall, promptly and diligently after notice is given, commence to cure the default and shall have 60 days to complete the cure. If any default shall remain uncured following notice in the time given to cure, Lessor may terminate the lease - re-enter the premises, repossess the same and expel lessee.

Notice will be given of a hearing before the City Manager, prior to termination of lease.

MINERAL RESERVATIONS

Nothing herein shall be construed to vest in Lessee any right, title or interest in or to any deposit of coal, oil, oil shale, gas, phosphate, gravel, metal or other mineral deposits in, upon or under the lease premises, and all such mineral deposits are hereby expressly reserved to Lessor.

SEAWALL MAINTENANCE

Lessee is entitled to a reduction in the lease amount of the "Tidelands" component of the lease shown as Exhibit B, attached. This reduction is for the purpose of helping to maintain the seawall to prevent flooding and erosion which would be to the detriment of the Lessee, Lessor, and surrounding property owners as well. The City Engineer, or his designate, will inspect the condition of the seawall to ensure adequacy against flooding and high tides. This inspection will be done on an as-needed basis, and Lessee will be notified in writing of needed repairs. Lessee agrees to maintain the seawall to the satisfaction of the City Engineer.

ENTIRE AGREEMENT

This instrument embodies the entire agreement and understanding of the parties and there are no further or other agreements, written or oral, relating to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed on the day and year first above written, the Lessor by its Mayor and attested by its City Clerk, thereunto duly authorized.

CITY OF ALAMEDA,
a municipal corporation,

Anne B. Diament
By Anne B. Diament
Mayor

Attest: *D. Lynn Speegle*
City Clerk

LESSOR

LESSEE(S)

Approved as to form:

[Signature]
City Attorney

EXHIBIT A
DESCRIPTION FOR LEASE OF A PARCEL OF CITY LAND

| NAME | ADDRESS | TRACT BLOCK | 5123 LOT |
|-------------|-----------------------|----------------|-------------|
| JAMAL | 3367 FERNSIDE BLVD | A | 1 |
| ROGERS | 1628 FERNSIDE BLVD | A | 2 |
| RAYNE | 1626 FERNSIDE BLVD | A | 3 |
| GUTLEBEN | 1622 FERNSIDE BLVD | A | 4 |
| SIMMONS | 1620 FERNSIDE BLVD | A | 5 |
| CRNJANSKI | 1616 FERNSIDE BLVD | A | 6 |
| ALLEN | 1612 FERNSIDE BLVD | A | 7 |
| NEWKIRK | 1534 EAST SHORE DRIVE | A | 8 |
| JUSTIN | 1530 EAST SHORE DRIVE | A | 9 |
| BLUME | 1526 EAST SHORE DRIVE | A | 10 |
| LONG | 1522 EAST SHORE DRIVE | A | 11 |
| KIEWLICH | 1516 EAST SHORE DRIVE | A | 12 |
| HANNA | 1514 EAST SHORE DRIVE | A | 13 |
| FRENCH | 1510 EAST SHORE DRIVE | A | 14 |
| LOVELL | 1506 EAST SHORE DRIVE | A | 15 |
| PAKIKAS | 1502 EAST SHORE DRIVE | A | 16 |
| HALLETT | 3335 LIBERTY AVENUE | A | 17 |
| PESTANO | 1450 EAST SHORE DRIVE | B | 2 |
| SCHUECKMAN | 1448 EAST SHORE DRIVE | B | 3 |
| BURROR | 1446 EAST SHORE DRIVE | B | 4 |
| THORNTON | 1444 EAST SHORE DRIVE | B | 5 |
| POND | 1440 EAST SHORE DRIVE | B | 6 |
| KAHN | 1436 EAST SHORE DRIVE | B | 7 |
| ORTMAYER | 1432 EAST SHORE DRIVE | B | 8 |
| ERBERG | 1414 EAST SHORE DRIVE | B | 9 |
| LEW | 1410 EAST SHORE DRIVE | B | 10 |
| STUART | 1406 EAST SHORE DRIVE | B | 11 |
| MARCH | 1400 EAST SHORE DRIVE | B | 12 |
| BARNI | 1380 EAST SHORE DRIVE | B | 13 |
| FOPE | 1376 EAST SHORE DRIVE | B | 14 |
| FOSTER | 1372 EAST SHORE DRIVE | B | 15 |
| ROBINSON | 1368 EAST SHORE DRIVE | B | 16 |
| SHERMAN | 1366 EAST SHORE DRIVE | C | 1 |
| SCHMIDT | 1364 EAST SHORE DRIVE | C | 2 |
| EFADREN | 1362 EAST SHORE DRIVE | C | 3 |
| LODAL | 1358 EAST SHORE DRIVE | C | 4 |
| MORRIS | 1354 EAST SHORE DRIVE | C | 5 |
| DAY | 1350 EAST SHORE DRIVE | C | 6 |
| PETERSON | 1328 EAST SHORE DRIVE | C | 7 |
| BENDER | 1324 EAST SHORE DRIVE | C | 8 |
| BLACOE | 1320 EAST SHORE DRIVE | C | 9 |
| COCKE | 1316 EAST SHORE DRIVE | C | 10 |
| BOVD | 1312 EAST SHORE DRIVE | C | 11 |
| FERROUS INV | 1308 EAST SHORE DRIVE | C | 12 |
| LINS | 1304 EAST SHORE DRIVE | C | 13 |
| CATAMBAY | 1300 EAST SHORE DRIVE | C | 14 |
| ROSENBERG | 1250 EAST SHORE DRIVE | C | 15 |
| TRAYER | 1246 EAST SHORE DRIVE | C | 16 |

EXHIBIT B

TOTAL OF BASE YEAR
LEASE AMOUNTS

| NAME (A) | ADDRESS | UPLANDS | TIDE- | DEEP | BASE YEAR LEASE AMOUNTS | | | (E+F+G) (H) |
|-------------|------------------|-------------------------|---------------------------|---------------------------|-------------------------|------------------------|------------------------|----------------|
| | | AREA (Sq.Ft.) (B) | LANDS (Lin.Ft.) (C) | WATER (Lin.Ft.) (D) | \$0.05 X (B) (E) | \$1.00 X (C) (F) | \$3.00 X (D) (G) | |
| JARAD | 3367 FERNSIDE | 600.00 | 11.00 | 37.00 | 30.00 | 11.00 | 111.00 | 152.00 |
| FOGGERE | 1528 FERNSIDE | 3774.00 | 38.00 | 92.00 | 188.70 | 38.00 | 276.00 | 502.70 |
| FAINE | 1526 FERNSIDE | 6908.00 | 45.00 | 86.00 | 345.40 | 45.00 | 258.00 | 648.40 |
| GUTLEREN | 1522 FERNSIDE | 11390.00 | 68.00 | 83.00 | 569.50 | 68.00 | 249.00 | 886.50 |
| SIMMONS | 1520 FERNSIDE | 8530.00 | 52.00 | 72.00 | 426.50 | 52.00 | 216.00 | 694.50 |
| CANJANSKI | 1516 FERNSIDE | 8550.00 | 50.00 | 57.00 | 427.50 | 50.00 | 171.00 | 648.50 |
| ALLEN | 1510-12 FERNSIDE | 9350.00 | 42.00 | 49.00 | 467.50 | 42.00 | 147.00 | 656.50 |
| NEWKIRK | 1534 EAST SHORE | 4000.00 | 15.00 | 0.00 | 200.00 | 15.00 | 0.00 | 215.00 |
| JUSTIN | 1530 EAST SHORE | 3595.00 | 35.00 | 19.00 | 179.75 | 35.00 | 57.00 | 271.75 |
| BLUME | 1526 EAST SHORE | 4557.00 | 48.00 | 19.00 | 227.85 | 48.00 | 57.00 | 332.85 |
| LONG | 1522 EAST SHORE | 4240.00 | 48.00 | 40.00 | 212.00 | 48.00 | 120.00 | 380.00 |
| KIEWLICH | 1516 EAST SHORE | 4008.00 | 48.00 | 40.00 | 200.40 | 48.00 | 120.00 | 368.40 |
| HANNA | 1514 EAST SHORE | 3648.00 | 48.00 | 31.00 | 182.40 | 48.00 | 93.00 | 323.40 |
| FRENCH | 1510 EAST SHORE | 3312.00 | 48.00 | 0.00 | 165.60 | 48.00 | 0.00 | 213.60 |
| LOVELL | 1506 EAST SHORE | 2675.00 | 40.00 | 0.00 | 133.75 | 40.00 | 0.00 | 173.75 |
| PORIKOS | 1502 EAST SHORE | 2600.00 | 40.00 | 0.00 | 130.00 | 40.00 | 0.00 | 170.00 |
| MALLETT | 3335 LIBERTY | 3400.00 | 100.00 | 0.00 | 170.00 | 100.00 | 0.00 | 270.00 |
| PESTANO | 1450 EAST SHORE | 255.00 | 34.00 | 0.00 | 12.75 | 34.00 | 0.00 | 46.75 |
| SCHNECKMAN | 1448 EAST SHORE | 0.00 | 45.00 | 0.00 | 0.00 | 45.00 | 0.00 | 45.00 |
| BURROE | 1446 EAST SHORE | 0.00 | 45.00 | 0.00 | 0.00 | 45.00 | 0.00 | 45.00 |
| THORNTON | 1444 EAST SHORE | 0.00 | 50.00 | 0.00 | 0.00 | 50.00 | 0.00 | 50.00 |
| FOND | 1440 EAST SHORE | 0.00 | 50.00 | 0.00 | 0.00 | 50.00 | 0.00 | 50.00 |
| MANN | 1436 EAST SHORE | 0.00 | 59.00 | 0.00 | 0.00 | 59.00 | 0.00 | 59.00 |
| MATHAYER | 1432 EAST SHORE | 0.00 | 50.00 | 0.00 | 0.00 | 50.00 | 0.00 | 50.00 |
| BERBERG | 1414 EAST SHORE | 0.00 | 50.00 | 0.00 | 0.00 | 50.00 | 0.00 | 50.00 |
| LEW | 1410 EAST SHORE | 0.00 | 50.00 | 0.00 | 0.00 | 50.00 | 0.00 | 50.00 |
| STUART | 1406 EAST SHORE | 150.00 | 50.00 | 0.00 | 7.50 | 50.00 | 0.00 | 57.50 |
| MARCH | 1400 EAST SHORE | 200.00 | 55.00 | 0.00 | 10.00 | 55.00 | 0.00 | 65.00 |
| BARNI | 1380 EAST SHORE | 700.00 | 55.00 | 0.00 | 35.00 | 55.00 | 0.00 | 90.00 |
| FORE | 1376 EAST SHORE | 825.00 | 55.00 | 0.00 | 41.25 | 55.00 | 0.00 | 96.25 |
| FOSTER | 1372 EAST SHORE | 1005.00 | 60.00 | 0.00 | 50.25 | 60.00 | 0.00 | 110.25 |
| ROBINSON | 1368 EAST SHORE | 1150.00 | 50.00 | 0.00 | 57.50 | 50.00 | 0.00 | 107.50 |
| SHERMAN | 1366 EAST SHORE | 1200.00 | 50.00 | 0.00 | 60.00 | 50.00 | 0.00 | 110.00 |
| SCHMIDT | 1364 EAST SHORE | 1250.00 | 50.00 | 0.00 | 62.50 | 50.00 | 0.00 | 112.50 |
| SEADREN | 1362 EAST SHORE | 1460.00 | 53.00 | 0.00 | 73.00 | 53.00 | 0.00 | 126.00 |
| OSCAL | 1358 EAST SHORE | 1100.00 | 50.00 | 0.00 | 55.00 | 50.00 | 0.00 | 105.00 |
| KOFFIS | 1354 EAST SHORE | 1550.00 | 50.00 | 0.00 | 77.50 | 50.00 | 0.00 | 127.50 |
| DAY | 1350 EAST SHORE | 1700.00 | 55.00 | 0.00 | 85.00 | 55.00 | 0.00 | 140.00 |
| PETERSON | 1328 EAST SHORE | 1400.00 | 51.00 | 0.00 | 70.00 | 51.00 | 0.00 | 121.00 |
| BERGER | 1324 EAST SHORE | 1200.00 | 51.00 | 0.00 | 60.00 | 51.00 | 0.00 | 111.00 |
| BRISCOE | 1320 EAST SHORE | 520.00 | 52.00 | 0.00 | 26.00 | 52.00 | 0.00 | 78.00 |
| DOOYE | 1316 EAST SHORE | 975.00 | 52.00 | 0.00 | 48.75 | 52.00 | 0.00 | 100.75 |
| BOYD | 1312 EAST SHORE | 1000.00 | 52.00 | 0.00 | 50.00 | 52.00 | 0.00 | 102.00 |
| FERGUSON | 1308 EAST SHORE | 1000.00 | 52.00 | 0.00 | 50.00 | 52.00 | 0.00 | 102.00 |
| LONG | 1304 EAST SHORE | 1350.00 | 52.00 | 0.00 | 67.50 | 52.00 | 0.00 | 119.50 |
| CATAPRA | 1300 EAST SHORE | 1580.00 | 60.00 | 0.00 | 79.00 | 60.00 | 0.00 | 139.00 |
| ROSENBERG | 1250 EAST SHORE | 1640.00 | 67.50 | 0.00 | 82.00 | 67.50 | 0.00 | 149.50 |
| TRAEVER | 1246 EAST SHORE | 1315.00 | 52.00 | 0.00 | 65.75 | 52.00 | 0.00 | 117.75 |