

RESOLUTION NO. 531RELATING TO THE LEASE OF A PORTION OF
THE SPRING AND BATH HOUSE BLOCK.

RESOLVED by the City Council of the City of El Paso de Robles, meeting in regular session this 18th day of February, 1945, that:

That certain lease which is attached hereto and made a part of this resolution, wherein the City of El Paso de Robles is the Lessor and The Texas Company is the Lessee and granting to the latter a lease on a portion of the Spring and Bath House Block, be and the same is hereby accepted, and is to be in full force and effect when executed by both parties.

PASSED AND ADOPTED BY the City Council this 18th day of February, 1946, by the following vote of said City Council:

AYES: Hirschler, McCrabb and Wilmar

NOES: None

ABSENT: Bailey and Turner

ATTEST:

[Signature]
CITY CLERK

[Signature]
MAYOR *Pro Tem.*

LEASE

Agreement dated the 29th day of November, 1945, by and between

City of El Paso de Robles

Paso Robles, California

(lessor) and THE TEXAS COMPANY, a Delaware corporation, having a place of business at 929 South Broadway, Los Angeles, California, (lessee).

(1)—Premises Leased. Lessor hereby leases unto lessee a tract of land, in the City of Paso Robles

, County of San Luis Obispo

State of California, described as follows:

A parcel of land on the Northeast corner of 10th & Spring Streets having a frontage of approximately 100 feet on 10th Street and 100 feet on Spring Street, and particularly described as follows:

Commencing at the intersection of the Easterly line of Spring Street with the Northerly line of 10th Street; thence Northerly along the Easterly line of Spring Street 100 feet to a point; thence at right angles Easterly and parallel to the Northerly line of Tenth Street, 100 feet to a point; thence at right angles Southerly and parallel to the Easterly line of Spring Street 100 feet to a point on the Northerly line of Tenth Street and thence at right angles Westerly along the Northerly line of Tenth Street, 100 feet to the point of beginning and being a part of a Block of land designated as the "Spring and Bath House" upon the official map of said City of El Paso de Robles filed for record in the office of the County Recorder of said County on October 25th, 1889, to which map reference is hereby made.

Together with all right, title, and interest of lessor in and to any and all roads, streets and ways bounding the said premises;

(2)—Term. TO HAVE AND TO HOLD for the term of ten (10)

years,

from and after the 1st day of March

Nineteen Hundred

Forty-six March 1, 19 46 but subject to termination by lessee or lessor

~~time thereafter thirty (30) days' written notice from lessee to lessor.~~ one party to the other fifth

(3)—Rental. Lessee agrees to pay the following rent for said premises:—
Eighty five (\$85.00) Dollars per month.

Lessee agrees that rental shall be payable in monthly installments in advance and that if any installment shall be due and unpaid for ten (10) days after written notice of such default has been delivered to the Sales Manager of lessee at 929 South Broadway, Los Angeles, California, lessor shall then have the right to terminate this lease on thirty (30) days' written notice to lessee.

Lessee, at its option, may apply at any time such rental or any installment thereof to the payment of any indebtedness due or to become due from lessor to lessee. Such application shall be deemed payment of such rental.

No change in ownership of the premises, or assignment of the rental provided for herein, shall be binding upon lessee for any purpose until after lessee has been furnished with a written transfer or assignment, or a true copy thereof, evidencing such change in ownership or assignment.

(4)—**Destruction by Fire, etc.** If, by fire, earthquake, the elements or any cause not due to lessee's negligence, the improvements now or hereafter existing on said premises are destroyed or so damaged as materially to interfere with the business of lessee and/or its sub-tenants, or any of them, lessee shall have the right at its option, to be exercised within ten (10) days after such event, to terminate this lease and shall be thereupon released from all further obligations hereunder. Such termination shall be effective as of the date of such destruction or damage and lessor shall repay to lessee any rentals paid in advance for the time subsequent to such damage or destruction.

but shall not be obligated

(5)—**Removal of Property.** Lessee shall have the right at any time during the continuance of this lease or within thirty (30) days after its termination to sever and remove all buildings, and improvements, fixtures, equipment and other property owned by lessee or placed on said premises by lessee during the term of this or any previous lease, or any extension or renewal thereof.

(6)—**Lessee's Right of Termination.** Should lessee, for any reason other than (a) any wilful act of lessee and/or (b) damage or destruction of premises and/or any structures thereon, be prevented from establishing or continuing the business of distributing petroleum products on said premises, lessee may terminate this lease upon giving thirty (30) days' written notice to lessor, in which event the rental obligation shall be prorated to the date of such termination. If, during the term of this lease, a part only of said premises be taken for public use under right of Eminent Domain, and if the remainder, in the opinion of the lessee, is not suitable for its purposes, lessee, at its option, may cancel and terminate this lease, but if it shall not elect so to do, the monthly rental thereafter to be paid shall be reduced by an amount which bears the same ratio to that herein provided for as the area taken bears to the total area prior to such taking.

(7)—**Damages for Defect in Title.** Lessor covenants that he is well seized of said premises, has good right to lease the same, and warrants and agrees to defend the title thereto; and to reimburse and hold lessee harmless from all damages and expenses which lessee may suffer by reason of any restriction, encumbrance or defect in such title.

(8)—**Taxes and Encumbrances.** Lessor agrees to pay all taxes, assessments and obligations which are or may become a lien on the demised premises as they become due. If lessor should fail to do so, lessee shall have the right either to make such payments for the account of lessor, in which event it shall be subrogated to all the rights of the holder of such lien, and in addition thereto shall have the right to apply accruing rentals in satisfaction of such obligations; or lessee, in the event of a foreclosure of any such lien and the sale of said demised premises, shall have the right to buy in said premises for its own account.

~~(9)—**Option.** Lessor hereby gives to lessee the right and option to purchase the demised premises at any time during the term of this lease or any extension or renewal thereof for the sum of Dollars (\$.....). Should a part of the premises herein demised be condemned, the amount of damages awarded to lessor in consequence thereof shall be deductible from such sum.~~

~~Lessee's notice of election to purchase shall be sufficient if deposited in the mail addressed to lessor at or before midnight of the day on which option period expires. Lessor agrees upon receipt of such notice, (a) to deposit in escrow with such bank or title company as may be designated by lessee, a good and sufficient warranty deed conveying the premises to lessee, free and clear of all encumbrances (including, without limiting the foregoing, the rights of dower and/or curtesy), (b) to authorize such escrow holder to deliver said deed to lessee whenever lessee shall pay said price to said escrow holder and make the same subject to the order of lessor, (c) to authorize said escrow holder to order the title report and title insurance policy or guarantee hereinafter referred to and pay the cost thereof and charge same to lessor, and (d) when requested by lessee to furnish lessee with an up-to-date survey by a licensed or registered professional engineer or surveyor, showing elevations of property and corners marked with concrete monuments. Lessee agrees upon receipt of notice that such deed has been deposited, to deposit said price with said escrow holder with instructions to accept said deed and immediately upon acceptance to record the same and pay said price to lessor, but only upon condition that a responsible title company shall first have given its assurance that after such recording it will on demand, issue a title insurance policy in an amount equal to the said purchase price or a certificate of title guarantee with liability limited to that amount, showing title to said premises vested in lessee free and clear of all encumbrances; provided, however, that if said premises are situated in a county where title insurance or title certificates are not customary, lessor may in lieu of such title report and policy or certificate, furnish lessee with full and complete abstracts of title to said premises, certified by a reputable searcher, as soon as possible after notice of the exercise of said option; and lessee agrees to cause the same to be examined by its attorney and to cause a report of such examination to be made to said escrow holder, and in that event lessee when depositing said money, will authorize said escrow holder to pay the same to lessor whenever it receives the report of its attorney that title is satisfactory, free and clear. If said title shall prove defective and such defects are not corrected or removed within ninety (90) days from the date when the escrow holder is notified of such defects, lessee at its option may withdraw the money deposited by it, in which event the said deed shall be returned to lessor. Rentals shall cease as of the date of deposit of said price in escrow and taxes shall be prorated as of the same date.~~

Lessor also agrees that if at any time during the term of this lease or any extension or renewal thereof, he shall receive a bona fide offer to purchase the demised premises, which offer he shall desire to accept, he will immediately give the lessee written notice of the receipt of such offer and of his desire to accept same, and lessee shall have thirty days after receipt of such notice in which to elect to purchase said premises upon the same terms as those contained in such offer. Lessee's notice of election to purchase shall be sufficient if deposited in the mail addressed to lessor at or before midnight on the day on which option period expires.

(10)—**Application of Option Purchase Price.** In event accruing rentals are insufficient to reimburse lessee for expenditures made by lessee hereunder, and in event lessee exercises the option to purchase the demised premises, lessee may apply such part of the purchase price as is necessary to (a) completely reimburse itself for such expenditures and (b) pay any other indebtedness of lessor to lessee, together with interest at six per cent.

(11)—Holdover. If, at the expiration or termination of this lease or any extension thereof, lessee shall hold over for any reason, the tenancy of lessee thereafter shall be from month to month only and be subject to all other terms and conditions of this lease, in the absence of a written agreement to the contrary.

(12)—Assignment and Sub-Letting. Lessor consents that lessee may assign or sub-let the premises, provided that lessee shall remain liable to lessor for the performance of all the terms hereof.

(13)—Notice. Notices from lessee to lessor shall be sufficient if delivered to lessor, or if placed in the United States Mails addressed to the address shown in this lease. Notices from lessor to lessee shall be sufficient if posted in the United States Mails, postage prepaid, addressed to the lessee's place of business as shown in this lease.

(14)—Approval and Signing by Lessee. This agreement, whatever the circumstances, shall not be binding on the lessee unless and until approved and signed on its behalf by an Executive Officer, Manager (Sales Department), Assistant Manager (Sales Department) or Manager, Real Estate Division.

(15)—Successors and Assigns. This agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors or assigns.

(16)- The deletions and/or additions shown in paragraphs 2,5, and 9 were made and paragraph 16 was added prior to the execution of this lease.

IN WITNESS WHEREOF lessor and lessee have hereunto subscribed their names the day and year first above written.

CITY OF EL PASO DE ROBLES

Witness:..... By..... Mayor.....

Witness:..... By..... City Clerk.....
(Lessor)

THE TEXAS COMPANY (Lessee)

Attest:..... Assistant Secretary..... By.....

(Acknowledgments)

Approved as to: Terms.....Description.....Form.....