

## LEASE AGREEMENT

This Lease Agreement is made and entered into this 30<sup>th</sup> day of September, 1994, by and between Dr. Manly R. Hyde (hereinafter "Lessee"), and the City of Redlands, a municipal corporation (hereinafter "Lessor").

Lessor, for and in consideration of the rent to be paid by Lessee, hereby leases to Lessee, and Lessee agrees to lease from Lessor the real property commonly known as 746 E. Citrus Avenue, Redlands, California (the "Premises"), including improvements made to the Premises.

Section 1. Term. This Lease shall be for a month to month tenancy unless terminated as provided for herein.

Section 2. Rent. Lessee shall pay Lessor rent of Three Hundred Dollars (\$300.00) per month for use and occupancy of the Premises. The rent shall be payable on the 1st day of each month during the term of this Lease at the office of Lessor at 35 Cajon, Suite 200, Redlands, CA 92373.

Section 3. Use of Premises. During the term of this Lease, the Premises shall be used for the exclusive purpose of storing construction equipment and for uses ordinarily related to such purposes.

Section 4. Taxes and Utilities. Lessee shall pay all charges for the furnishing of gas, water, sewer, electricity, telephone service, garbage pickup and disposal and other public utilities to the Premises during the term of this Lease. All such charges shall be paid by Lessee directly to the provider of the service.

Section 5. Real Property Taxes. All real property taxes and assessments levied or assessed against the Premises by any governmental entity, including any special assessments imposed on or against the Premises for the construction or improvement of public works in, on, or about the Premises, shall be paid, before they become delinquent, by Lessee.

Section 6. Alterations and Repairs. Lessee accepts the Premises, as well as all improvements located on the Premises, in their present condition and stipulates with Lessor that the Premises and improvements are in good, clean, safe, and leasable condition as of the date of this Lease.

Section 7. Security and Maintenance of Premises. Lessee shall, at its own cost and expense, secure and maintain in good condition and repair the structural elements of the Premises. Lessor and its agents shall have the right to enter the Premises at all reasonable times (and at any time during an emergency) for the purpose of inspecting them or to make any repairs required to be made by Lessor under this Lease.

Section 8. Surrender of Premises. On expiration or earlier termination of this Lease, Lessee shall promptly surrender and deliver the Premises to Lessor in as good condition as they are now at the date of this Lease, excluding reasonable wear and tear, and repairs required to

be made by Lessor under this Lease.

Section 9. Indemnity. Lessee shall defend, indemnify and save Lessor, its elected officials, officers, employees and agents harmless from and against any and all liability to persons or property resulting from the negligent acts or omissions of Lessee during its occupation and use of the Premises.

Section 10. Public Liability and Property Damage Insurance. Lessee shall, at its own cost and expense, procure and maintain during the entire term of this Lease public liability insurance and property damage insurance issued by an insurance company and insuring Lessor against loss or liability caused by or connected with Lessee's occupation and use of the Premises under this Lease. The insurance required under this section shall be issued by a responsible insurance company or companies authorized to do business in California and shall be in a form reasonably satisfactory to Lessor. Lessee shall within ten (10) days of the date of this Lease, deposit with Lessor a certificate showing that insurance to be in full force and effect. Each of the insurance policies shall require that before changing or canceling any policy, the issuing insurance company shall give Lessee at least 30 days prior written notice.

Section 11. Attorneys' Fees. If any litigation commences between the parties to this Lease concerning the Premises, this Lease, or the rights and duties of either in relation to the Premises or to this Lease, the party prevailing in that litigation shall be entitled to, in addition to any other relief that may be granted in the litigation, a reasonable sum for its attorneys' fees.

Section 12. Heirs and Successors. This Lease shall be binding on and inure to the benefit of the heirs, executors, administrators, successors and assigns of Lessor and Lessee.

Section 13. Entire Agreement. This Lease constitutes the entire agreement between Lessor and Lessee respecting the leasing of the Premises to Lessee. Any agreements or representations respecting the Premises or their leasing by Lessor or Lessee not expressly set forth are null and void.

Section 14. Termination. Lessor and Lessee may terminate this Lease upon thirty (30) days prior written notice to the other.

Section 15. Notice. All notices or other communications which are required or permitted to be given to the parties shall be in writing and shall be given either by person service or by mailing the same by certified or registered mail, postage prepaid, return receipt requested, or overnight mail delivery service, addressed as follows:

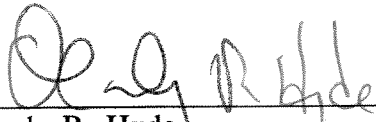
Redlands Redevelopment Agency  
35 Cajon Street, Suite 200  
P. O. Box 3005  
Redlands, CA 92373

Dr. Manly R. Hyde  
1958 Caminito de la Estrella  
Glendale, CA 91208

If any such notice or other communications is given by personal delivery, then it will be deemed given as of the date of delivery. If any such notice or other communications is given by mail, then it will be deemed given as of the date of receipt, rejection or return undelivered. Addresses to which notices or other communications may be delivered, may be changed from time to time by a notice which is given as provided in this paragraph.

Executed on Sept 26, 1994, at Los Angeles, CA, California.

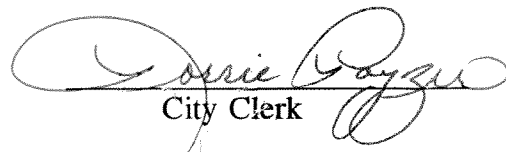
MANLY R. HYDE (Lessee)

By:   
Manly R. Hyde

CITY OF REDLANDS (Lessor)

By:   
Mayor, City of Redlands

Attest:

  
City Clerk