

DRAFT**OPTION TO GROUND LEASE AGREEMENT**

THIS OPTION TO GROUND LEASE AGREEMENT ("Agreement") is made and entered into as of this ____ day of _____, 20__ (the "Effective Date"), by and between the SAN DIEGO UNIFIED PORT DISTRICT, a public corporation, ("District"), and MANCHESTER GRAND RESORTS, L.P., a California limited partnership ("Optionee").

WITNESSETH:

WHEREAS, the District owns certain lands conveyed to the San Diego Unified Port District by that certain Act of the Legislature of the State of California entitled "San Diego Unified Port District Act," Stats. 1962, 1st Ex. Sess., c. 67, as amended ("District's Lands");

WHEREAS, pursuant to that certain Amended and Restated Lease, dated as of June 5, 2001, by and between District and Optionee (the "Original Lease"), District leases to Optionee, and Optionee leases from District, for the term and upon the conditions set forth therein, a portion of District's Lands, which lands are more particularly described on Exhibit "A" attached hereto (and are hereinafter referred to as the "Premises"); and.

WHEREAS, Optionee desires to obtain and the District is willing to give to Optionee an option to amend, restate and combine the terms of the Original Lease for the Premises upon the terms and conditions of the Original Lease, as such Original Lease is amended following the Effective Date but prior to the Exercise Notice (the "Lease"), as modified solely by the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto mutually agree as follows:

1. **GRANT OF OPTION:** Subject to the conditions set forth in this Agreement, District hereby grants Optionee an option to enter into an Amended, Restated, and Combined Lease ("ARC Lease") for the Premises ("Option") in accordance with the covenants and conditions set forth in this Agreement.
2. **OPTION AGREEMENT TERM:** Unless otherwise extended by written agreement by the parties, the term ("Option Agreement Term") of this Option shall commence on the Effective Date ("Option Agreement Commencement Date") and shall expire at 5:00 p.m. (Pacific Time) on May 31, 2067. Notwithstanding any other provision of this Agreement, Optionee's right to exercise the Option and execute the ARC Lease will automatically terminate and be of no further force and effect if the Lease is terminated or the Option not properly exercised before the expiration of the Option Agreement Term.
3. **TERMS OF THE ARC LEASE:**
 - a. Term of the ARC Lease. The term of the ARC Lease (the "ARC Lease Term") shall be for a period from the ARC Lease Term Commencement Date until May 31, 2083.

b. Rental during the ARC Lease Term. During the ARC Lease Term, Optionee shall pay to the District Rental pursuant to the terms of the Lease: (i) Minimum Annual Rent; and (ii) percentage rents payable with respect to Optionee's gross income. During the ARC Lease Term, such percentage rents shall be as set forth in the Lease with the following exceptions:

Minimum Annual Rent set forth in Section 2(a) will add the following:

- (9) for the sixteen (16) year period commencing June 1, 2067 and for the remainder of the ARC Lease Term (the "2067/2083 Rental Period") a Minimum Annual Rent applicable during the 2046/2067 Rental Period, adjusted by the Consumer Price Index as provided in 2(c) below.

Except for the percentage rent set forth in Paragraph 2(b)(1), (3) and (5), all percentage rents payable pursuant to Paragraph 2(b) of the Lease shall remain unchanged in the ARC Lease. Paragraph 2(b)(1), (3) and (5) of the ARC Lease shall reflect percentage rents being paid on, as more particularly described in the Original Lease, rental of guest rooms (including the gross income from in-room movies and similar forms of in-room entertainment) and rental of conference and banquet rooms (including related accommodation sales and services provided to conference and banquet room users); food sold from restaurants, snack bars and delicatessens; and from on-sale alcoholic and nonalcoholic beverage sales in the following amounts beginning with the ARC Lease Term Commencement Date whenever such ARC Lease Term Commencement Date occurs:

2(b)(1)

Time Period	Percentage Rental
June 1, 2001 through May 31, 2026	Seven percent (7%)
June 1, 2026 through May 31, 2046	Eight percent (8%)
June 1, 2046 through May 31, 2083	Nine percent (9%)

2(b)(3)

Time Period	Percentage Rental
June 1, 2001 through May 31, 2026	Three percent (3%)
June 1, 2026 through May 31, 2046	Four percent (4%)
June 1, 2046 through May 31, 2083	Five percent (5%)

2(b)(5)

Time Period	Percentage Rental
June 1, 2001 through May 31, 2026	Five percent (5%)
June 1, 2026 through May 31, 2046	Six percent (6%)
June 1, 2046 through May 31, 2083	Seven percent (7%)

c. Except as set forth in paragraphs 3.a and 3.b above, all terms, conditions and provisions of the ARC Lease shall be the same as the Lease.

4. **CONDITIONS PRECEDENT:** Optionee will have no right to exercise the Option if Optionee is in default under the Lease at the time of such exercise.
5. **EXERCISE OF OPTION:** Optionee may exercise the Option only by delivering to the District written notice of its election to do so ("Exercise Notice") on or before November 30, 2066 (the date of such exercise, the "Exercise Date"). Within ninety (90) days following receipt of the Exercise Notice, District shall prepare the ARC Lease for execution in the same form as the Lease as it exists as of the Exercise Date incorporating only those changes as are set forth in Paragraph 3 of this Agreement. Upon receipt of the ARC Lease conforming to the requirements of this Agreement, Optionee shall deliver to the District properly executed copies of the ARC Lease in duplicate, together with a Memorandum of ARC Lease (the "Memorandum") in recordable form. In the event Optionee timely exercises the Option and delivers to the District executed copies of the ARC Lease in duplicate, then the Executive Director of the District (or authorized representative) shall promptly thereafter execute the ARC Lease and Memorandum in duplicate. The Executive Director of the District shall deliver the ARC Lease and Memorandum executed by the District to Optionee no later than thirty (30) days following Optionee's delivery of the ARC Lease to the District. Optionee shall pay all costs of recording the Memorandum.
6. **ARC LEASE COMMENCEMENT:** It is understood and agreed that the commencement date of the ARC Lease Term (the "ARC Lease Term Commencement Date") shall be the first day of the month following the month in which the ARC Lease is mutually executed and delivered by District and Optionee pursuant to Paragraph 4 above.
7. **RESTRICTIONS ON AGREEMENT TRANSFERS:** This Agreement shall be subject to the terms and provisions of the Lease relating to any transfers thereof, including but not limited to Paragraph 9 Assignment-Sublease of the Lease (collectively, the "Transfer Provisions"), provided, however, all references therein to (i) "Lessee" shall mean "Optionee," (ii) "Lessor" shall mean the "District," (iii) "this Lease" shall mean this Agreement, and (iv) "Leased Premises" shall mean the Premises. In the event that the Lease shall be assigned to a transferee in accordance with the Transfer Provisions, then this Agreement shall automatically be assigned to such transferee, effective as of the date of such assignment of the Lease.

8. **NOTICES:** Notices given or to be given by District or Optionee to the other may be personally served upon District or Optionee or any person hereafter authorized by either in writing to receive such notice, may be served by nationally recognized overnight courier service or may be served by certified letter addressed to the appropriate address hereinafter set forth or to such other address as District and Optionee may hereafter designate by written notice. If served by certified mail, forty-eight (48) hours after deposit in the U.S. Mail, service will be considered completed and binding on the other party. All notices and payments shall be made as follows:

a. All notices to Optionee shall be given or sent by nationally recognized overnight courier service or certified mail to:

Manchester Grand Resorts, L.P.
Attn: Asset Manager – Manchester Grand Hyatt
c/o Host Hotels & Resorts, L.P.
Rockledge Drive, Suite 1500
Bethesda, MD 20817

With a copy to:

Host Hotels & Resorts
Attn: General Counsel
Rockledge Drive, Suite 1500
Bethesda, MD 20817

b. All notices and payments to the District shall be given or sent by certified mail to:

Director
Real Estate Department
San Diego Unified Port District
3165 Pacific Highway
P. O. Box 120488
San Diego, CA 92112-0488

c. Any party may designate a different address by giving written notice as set forth in this paragraph.

9. **TIME IS OF THE ESSENCE:** Time is of the essence of all the express conditions contained herein, and failure of Optionee to so perform within the time limits stated shall automatically terminate Optionee's rights hereunder.
10. **PREMISES "AS IS, WITH ALL FAULTS":** Optionee understands and agrees that the Premises will be leased in an "as is, with all faults" condition and that improvements, grading, filling, removal of existing improvements, shoreline protection and relocation of utility lines, if applicable, shall be made and performed by Optionee at the sole cost and expense of Optionee.
11. **TERMINATION OF OPTION:** In the event that Optionee fails to fulfill and comply with any of the above conditions or the Lease terminates, or in the event the Option

Agreement Term expires without having been duly exercised, the Option shall automatically expire and terminate without notice to Optionee and all rights of Optionee arising out of the Option shall immediately cease. Optionee agrees to execute, acknowledge, and deliver to the District within thirty (30) days after written request, a Quitclaim Deed or other recordable document required by a title insurance company selected by the District to remove any cloud of the Option from the Premises if the Lease terminates or in the event the Option Agreement Term expires without having been duly exercised.

12. **FORCE MAJEURE:** Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes therefor, inclement weather, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, notwithstanding anything to the contrary contained herein, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage.
13. **THIRD PARTIES:** Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than Optionee and the District and their respective permitted successors and assigns. Nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement.
14. **ATTORNEY'S FEES:** In the event of any dispute between the parties hereto involving the covenants or conditions contained in this Agreement or arising out of the subject matter of this Agreement, the prevailing party shall be entitled to recover reasonable expenses, including (without limitation) attorneys' fees (including for work performed by in-house attorneys) and costs.
15. **COMPUTATION OF TIME PERIODS:** If any date or time period specified in this Agreement is or ends on a Saturday, Sunday or federal, state or legal holiday, such date will automatically be extended until 5:00 p.m., Pacific Time, of the next day which is not a Saturday, Sunday or federal, state or legal holiday.
16. **AMENDMENT TO THIS AGREEMENT:** The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties.
17. **NO WAIVER:** The waiver or failure to enforce any provision of this Agreement will not operate as a waiver of such party's right to enforce future breaches of any such provision or any other provision of this Agreement.
18. **APPLICABLE LAW:** This Agreement will be governed by and construed and enforced in accordance with the laws of the State of California.
19. **ENTIRE AGREEMENT:** This Agreement supersedes all prior agreements, negotiations, and communications, oral or written, and contains the entire agreement between District and Optionee as to the option to enter into the ARC Lease.
20. **PARTIAL INVALIDITY:** If any portion of this Agreement is declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, that portion will be

deemed severed from this Agreement and the remaining parts of this Agreement will remain in full force as fully as though the invalid, illegal or unenforceable portion had never been part of this Agreement.

21. **CAPTIONS:** All captions to, or headings of, the paragraphs or sub-paragraphs of this Agreement are solely for the convenience of the parties, are not a part of this Agreement and will not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.
22. **COUNTERPARTS:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which combined shall constitute one and the same instrument.
23. **MEMORANDUM OF OPTION AGREEMENT:** District and Optionee agree that a Memorandum of this Agreement may be recorded by Optionee in the real property records of the San Diego County Recorder's Office.
24. **NO BROKERS:** District and Optionee hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Agreement, and that they know of no real estate broker or agent who is entitled to a commission in connection with this Agreement. Each party agrees to indemnify, defend, protect and hold the other party harmless from and against any and all claims with respect to any commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent. The terms of this Paragraph 23 shall survive the expiration or earlier termination of this Agreement.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and the year first above written.

APPROVED AS TO FORM AND LEGALITY
GENERAL COUNSEL

SAN DIEGO UNIFIED PORT DISTRICT

By: _____
Assistant/Deputy

By: _____
Tony Gordon
Director, Real Estate

**MANCHESTER GRAND RESORTS,
L.P., a California limited partnership**

**By: Manchester Grand Resorts, Inc.,
its general partner**

By: _____
Signature

PRINT NAME: _____

PRINT TITLE: _____

Being a portion of Parcel No. 1A of those tide and submerged lands, conveyed to the San Diego Unified Port District by that certain Act of the legislature of the State of California pursuant to Chapter 67, Statutes of 1962, First Extraordinary Session, as amended, and as delineated on that certain Miscellaneous Map No. 564, filed May 28, 1976 in the Office of the County Recorder of the County San Diego, California, being more particularly described as follows:

PARCEL NO. 1

Commencing at Harbor Line Station No. 458 on the U.S. Bulkhead Line, as said U.S. Bulkhead Line is now established for the Bay of San Diego and delineated on map entitled "Harbor Lines, San Diego Bay, California, File No. (D.O. Series) 426", approved by the Secretary of the Army, April 29, 1963, and filed in the Office of the District Engineer, Los Angeles, California; thence leaving said Harbor Line Station north 50°19'08" west a distance of 37.88 feet; thence north 89°06'03" west a distance of 226.39 feet to a point on the easterly property line of an area now under lease to San Diego Seaport Village, Ltd., recorded in the Office of the San Diego County Recorder, September 29, 1978, File No. 78-414785, as amended; thence along said easterly property line of the San Diego Seaport Village, Ltd., leasehold north 0°53'57" east a distance of 201.00 feet to the TRUE POINT OF BEGINNING of Parcel No. 1; thence along the northeasterly property line of said San Diego Seaport Village, Ltd., leasehold north 50°18'06" west a distance of 106.85 feet to a point on a curve concave to the west having a radius of 35.50 feet, the center of which bears north 61°57'19" west; thence leaving said northeasterly property line of the San Diego Seaport Village, Ltd., leasehold northerly along the arc of said curve through a central angle of 79°30'22" an arc distance of 49.26 feet to a point of reverse curve the common radial of which bears north 38°32'19" east from the center of said 35.50 foot radius curve; thence northwesterly along the arc of a 19.50 foot radius curve concave to the northeast through a central angle of 57°33'49" an arc distance of 19.59 feet to a point which bears north 83°53'52" west from the center of said 19.50 foot radius curve; thence north 6°06'08" east a distance of 399.63 feet; thence north 0°29'58" east a distance of 43.54 feet to the beginning of a tangent curve concave to the east having a radius of 361.62 feet; thence northerly along the arc of said curve through a central angle of 9°43'59" an arc distance of 61.43 feet to a point which bears north 79°46'03" west from the center of said 361.62 foot radius curve; thence south 79°46'03" east a distance of 11.50 feet to a point on a curve concave to the southeast having a radius of 17.00 feet, the center of which bears south 79°46'03" east; thence northeasterly along the arc of said curve through a central angle of 79°59'01" an arc distance of 23.73 feet to a point which bears north 0°12'58" east from the center of said 17.00 foot radius curve, said point is also a point of intersection with the Ordinary High Water Mark for the Bay of San Diego, as said Ordinary High Water Mark is established and delineated on the above described Miscellaneous Map

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DRAWN <u>JFD/mp</u> CHECKED <u>ATS</u> REVIEWED <u>William W. Brad</u> APPROVED <u>William W. Brad</u> SR. ENGINEER / FACILITIES	SAN DIEGO UNIFIED PORT DISTRICT AMENDED AND RESTATED LEASE Within Corporate Limits of San Diego MANCHESTER RESORTS, L.P.	DATE <u>5 June 2001</u> SCALE _____ REF. <u>7968</u> DRAWING NO. <u>019-001</u>
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EXHIBIT "A"

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No. 564; thence continuing northeasterly along the arc of said 17.00 foot radius curve through a central angle of 33°23'22" an arc distance of 9.91 feet to a point which bears north 33°26'20" east from the center of said 17.00 foot radius curve, said point also being on the southwesterly right-of-way line of Harbor Drive, as said that portion of Harbor Drive was established as and for a public street by the City of San Diego Council Resolution No. R-285377, adopted February 27, 1995, and filed in the Office of the City Clerk; thence along said southwesterly right-of-way line south 56°23'40" east a distance of 251.39 feet; thence south 57°50'58" east a distance of 311.48 feet to a point on the northeasterly prolongation of the northwesterly property line of an area now under lease to Pacific Landmark Hotel, Ltd., recorded in the Office of the San Diego County Recorder, August 12, 1985, File No. 85-289058, as amended; thence leaving said southwesterly right-of-way line of Harbor Drive and along the northwesterly property line of said Pacific Landmark Hotel, Ltd. leasehold south 33°36'20" west a distance of 408.12 feet; thence north 89°06'03" west a distance of 234.62 feet to the TRUE POINT OF BEGINNING of Parcel No. 1, containing 229,908 square feet or 5.28 acres of tideland and fee owned area, including within are portions of Lots D and E of Block 22, New San Diego, in the City and County of San Diego, State of California, according to Map No. 456, by Gray and Johns, filed September 10, 1909 in the Office of the San Diego County Recorder, a certified copy of which was recorded January 30, 1915 and also filed in the Office of the San Diego County Recorder.

PARCEL NO. 2

Beginning at the True Point of Beginning of Parcel No. 1, said point also being the TRUE POINT OF BEGINNING of Parcel No. 2; thence south 89°06'03" east a distance of 154.60 feet to a point on the westerly property line of the above described Pacific Landmark Hotel, Ltd., leasehold; thence along said westerly property line south 0°53'57" west a distance of 201.00 feet; thence leaving said westerly property line of the Pacific Landmark Hotel, Ltd., leasehold north 89°06'03" west a distance of 154.60 feet to a point on the easterly property line of the above described San Diego Seaport Village, Ltd., leasehold; thence along said easterly property line north 0°53'57" east a distance of 201.00 feet to the TRUE POINT OF BEGINNING of Parcel No. 2, containing 31,075 square feet or 0.71 acre of tideland area.

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PARCEL NO. 3

Commencing at the True Point of Beginning of Parcel No. 1; thence along the northeasterly property line of the above described San Diego Seaport Village, Ltd., leasehold north 50°18'06" west a distance of 106.85 feet to the TRUE POINT OF BEGINNING of Parcel No. 3; thence along the arc of a 35.50 foot radius curve concave to the northeast, through a central angle of 178°41'59" an arc distance of 110.72 feet to a point reverse curvature having a radius of 19.50 feet, the center of which bears north 63°15'20" west; thence along the arc of said curve through a central angle of 77°02'46" an arc distance of 26.22 feet to a point of tangency; thence continuing along said northeasterly property line of the San Diego Seaport Village, Ltd., leasehold; north 50°18'06" west a distance of 177.28 feet to the beginning of a tangent curve concave to the southwest having a radius of 439.88 feet (440.00 feet-per City of San Diego Resolution No. R-256818), the center of which bears south 39°41'54" west; thence northwesterly along the arc of said curve through a central angle of 5°16'24" an arc distance of 40.49 feet to a point which bears north 34°25'30" east from the center of said 439.88 foot radius curve, said point also being on a curve concave to the southeast having a radius of 29.50 feet, the center of which bears south 3°08'28" east; thence southwesterly along the arc of said curve through a central angle of 70°22'54" an arc distance of 36.24 feet to a point of cusp, which bears north 73°31'22" west from the center of said 29.50 foot radius curve; thence leaving the northeasterly property line of said San Diego Seaport Village, Ltd., leasehold north 16°28'38" east a distance of 65.02 feet to the beginning of a tangent curve concave to the northwest having a radius of 370.00 feet, the center of which bears north 73°31'22" west; thence northeasterly along the arc of said curve through a central angle of 15°58'40" an arc distance of 103.18 feet to a point which bears south 89°30'02" east from the center of said 370.00 foot radius curve, said point also being on the easterly right of way line of Kettner Boulevard, as said that portion of Kettner Boulevard was established as and for a public street by City of San Diego Council Resolution No. 279971, adopted May 26, 1992, and filed in the Office of the City of San Diego Clerk; thence along said easterly right of way line of Kettner Boulevard north 0°29'58" east a distance of 338.36 feet to a point of intersection with the above described Ordinary High Water Mark; thence continuing north 0°29'58" east a distance of 20.30 feet to the beginning of a tangent curve concave to the southeast having a radius of 17.00 feet; thence northeasterly along the arc of said curve through a central angle of 108°19'12" an arc distance of 32.14 feet to a point of compound curve the common radial of which bears north 18°49'10" east from the center of said 17.00 foot radius curve, said point of compound curve also being on the southerly right-of-way line of the above described Harbor Drive, said compound curve being concave to the southwest having a radius of 1,086.00 feet; thence southeasterly along said southerly right-of-way line and the arc of said curve through a central angle of 8°50'32" an arc distance of 167.60 feet to a point of compound curve the common radial of which bears north 27°39'42" east from the

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CHECKED	ATS
REVIEWED	<i>William W. Baal</i>
APPROVED	<i>William W. Baal</i>
S.D. DIRECTOR / ENGINEER	

SAN DIEGO UNIFIED PORT DISTRICT

AMENDED AND RESTATED LEASE
Within Corporate Limits of San Diego
MANCHESTER RESORTS, L.P.

DATE	5 June 2001
SCALE	
REF.	7968
DRAWING NO. 019-001	

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center of said 1,086.00 foot radius curve, said compound curve being concave to the southwest having a radius of 37.00 feet; thence southeasterly along the arc of said curve through a central angle of $69^{\circ}23'36''$ an arc distance of 44.81 feet to a point of intersection with the said Ordinary High Water Mark, said point bears south $82^{\circ}56'42''$ east from the center of said 37.00 foot radius curve; thence along the said Ordinary High Water Mark south $70^{\circ}09'18''$ east (south $70^{\circ}02'07''$ east-per M.M. Map No. 564) a distance of 79.62 feet to Station No. 168; thence south $71^{\circ}23'55''$ east (south $71^{\circ}16'44''$ east-record) a distance of 16.79 feet to a point on a curve concave to the southeast having a radius of 17.00 feet, the center of which bears south $0^{\circ}12'58''$ west; thence leaving said Ordinary High Water Mark southwesterly along the arc of said curve through a central angle of $79^{\circ}59'01''$ an arc distance of 23.73 feet to a point which bears north $79^{\circ}46'03''$ west from the center of said 17.00 foot radius curve; thence north $79^{\circ}46'03''$ west a distance of 11.50 feet to a point on a curve concave to the southeast having a radius of 361.62 feet, the center of which bears south $79^{\circ}46'03''$ east; thence along the arc of said curve through a central angle of $9^{\circ}43'59''$ an arc distance of 61.43 feet to a point which bears north $89^{\circ}30'02''$ west from the center of said 361.62 foot radius curve; thence south $0^{\circ}29'58''$ west a distance of 43.54 feet; thence south $6^{\circ}06'08''$ west a distance of 399.63 feet to a point on a tangent curve concave to the east having a radius of 19.50 feet; thence southerly along the arc of said curve through a central angle of $57^{\circ}33'49''$ an arc distance of 19.59 feet to the beginning of a compound curve the common radial of which bears south $38^{\circ}32'19''$ west from the center of said 19.50 foot radius curve; thence southerly along the arc of a 35.50 foot radius curve concave to the west through a central angle of $79^{\circ}30'22''$ an arc distance of 49.26 feet to the said northeasterly property line of the San Diego Seaport Village leasehold, said point also being the TRUE POINT OF BEGINNING of Parcel No. 3, containing 141,339 square feet or 3.16 acres of combined tideland and District fee owned area, included within are portions of Lots B, C, J, K, and L of Block 21, New San Diego, in the City and County of San Diego, State of California, according to Map No. 456, by Gray and Johns, filed September 10, 1909 in the Office of the San Diego County Recorder, a certified copy of which was recorded January 30, 1915 and also filed in the Office of the San Diego County Recorder.

ALSO: Reserving therefrom a public access easement 15.0 feet in width, lying northwesterly of the southeasterly limits of the above described Parcel No. 1.

ALSO: Reserving therefrom a water main access easement of approximately 294 square feet lying northwesterly and adjacent the southeasterly corner point of the above described Parcel No. 1.

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CHECKED	ATS
REVIEWED	<i>William W. Baab</i>
APPROVED	<i>William W. Baab</i>
CL. MANAGER / FACILITIES	

SAN DIEGO UNIFIED PORT DISTRICT

AMENDED AND RESTATED LEASE
Within Corporate Limits of San Diego
MANCHESTER RESORTS, L.P.

DATE	5 June 2001
SCALE	
REV.	7968

DRAWING NO.	019-001
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ALSO: Reserving therefrom a nonexclusive public pedestrian and bicycle pathway access easement 14.0 feet in width, the center line of which lies 7.0 feet northerly and parallel with the southerly property line of the above described Parcel No. 2.

ALSO: Reserving therefrom a storm drain easement 10.0 feet in width, the center line of which lies northeasterly and adjacent to the most southwesterly property line of the above described Parcel No. 1, and 35.0 feet easterly and parallel with the westerly property line of the above described Parcel No. 2.

ALSO: Reserving therefrom an electrical utility easement for SDG&E, 20.0 feet in width, the northerly limits of which being contiguous with the most northerly property line of the herein described Parcel No. 3.

ALSO: Reserving therefrom a general utility easement to the City of San Diego lying easterly and adjacent to the most southwesterly corner of the herein described Parcel No. 3.

ALSO: Reserving therefrom a 25.0 foot wide public pedestrian access easement on Parcel No. 3 along the northwest side of the proposed hotel building.

ALSO: Reserving therefrom the public park/plaza access easement along the northwesterly side of Parcel No. 3.

ALSO: Reserving therefrom a 24.0 foot wide public access road and utility easement together with the 35.5 foot diameter cul-de-sac along the southerly boundary of Parcel No. 3.

Courses referred to in this description are those delineated on Drawing No. 019-001, dated 5 June 2001, and made a part of this agreement.

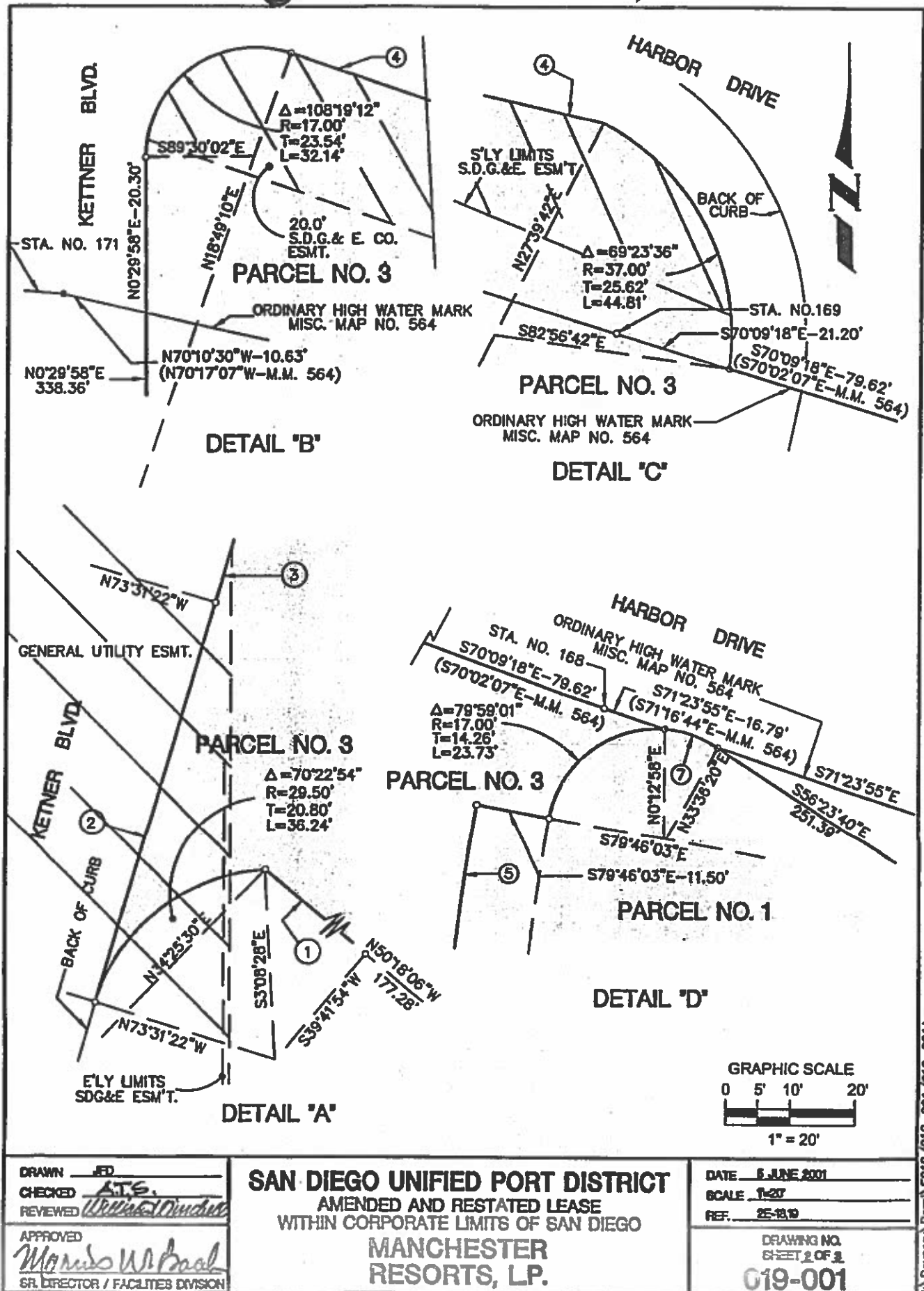
Courses referred to in this description are based upon the California Coordinate System, Zone 6 (N.A.D. 1927).

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DRAWN <u>JFD/mp</u> CHECKED <u>A.T.S.</u> REVIEWED <u>Wanda W. Brack</u> APPROVED <u>Wanda W. Brack</u> CL. DESIGNER / FACILITIES	SAN DIEGO UNIFIED PORT DISTRICT AMENDED AND RESTATED LEASE Within Corporate Limits of San Diego MANCHESTER RESORTS, L.P.	DATE <u>5 June 2001</u> SCALE _____ REF. <u>7968</u> DRAWING NO. <u>019-001</u>
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 REVIEWED William D. Smith
 APPROVED
Wanda W. Boral
 SR. DIRECTOR / FACILITIES DIVISION

SAN DIEGO UNIFIED PORT DISTRICT
 AMENDED AND RESTATED LEASE
 WITHIN CORPORATE LIMITS OF SAN DIEGO
MANCHESTER RESORTS, LP.

DATE 5 JUNE 2001
 SCALE 1"=20'
 REF. 25-18-10

DRAWING NO.
 SHEET 2 OF 2
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