

FIRST AMENDMENT AND RESTATEMENT
OF THE FLAT RATE LEASE BETWEEN
THE CITY OF SAN DIEGO AND
SAN PASQUAL CHRISTMAS TREE FARM INC., (S.P.C.T.F., INC.)
LEASE I.D. C701WW-074-B00

THIS FIRST AMENDMENT AND RESTATEMENT of the Flat Rate Lease is made by and between the City of San Diego [CITY] and San Pasqual Christmas Tree Farm Inc., (S.P.C.T.F., Inc.) [LESSEE], to be effective as of the date of execution by CITY and when signed by the San Diego City Attorney [Effective Date], as follows:

RECITALS

LESSEE entered into a twenty-five (25) year flat rate lease with CITY for the lease of an approximate 20 acre parcel located within the San Pasqual Valley area of the City of San Diego; the lease was filed on March 6, 2000, with the Office of the City Clerk as Document No. RR-292825-2 [Original Lease]; and

Subsequent to the execution of the Original Lease, LESSEE, filed a Certificate of Amendment of Articles of Incorporation wherein the name of the corporation was changed from "San Pasqual Christmas Tree Farm Incorporated" to "Lindshield Ranches and Development Incorporated"; and

Although its legal name has changed, LESSEE, its general partners, or principals, under the Original Lease have not changed; and

The parties to the Original Lease now desire to amend and restate the Original Lease for the sole purpose of evidencing the correct name of LESSEE; and

Pursuant to the terms of the Original Lease, the City Manager [now the Mayor or his designee] has the authority to allow this First Amendment and Restatement;

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, CITY and LESSEE hereby mutually agree that the Original Lease be amended and restated as of the Effective Date hereof as follows:

1. The name of the lessee to the twenty-five (25) year flat rate lease between the City of San Diego [CITY] and San Pasqual Christmas Tree Farm Inc., (S.P.C.T.F., Inc.), filed on March 6, 2000, with the Office of the City Clerk as Document No. RR-292825, is hereby amended to reflect LESSEE's new legal name/identity which is:

Lindshield Ranches and Development Incorporated.

2. This First Amendment and Restatement of the Original Lease is prepared for the sole purpose of modifying the LESSEE's legal name and restating all terms and conditions of the Original Lease. This First Amendment and Restatement does not serve as a termination of the Original Lease. Accordingly, the rights and obligations of each of CITY and LESSEE both prior to the Effective Date hereof and on and after the Effective Date hereof, are those duties and obligations as set forth in the Original Lease, which remain in full force and effect.

IN WITNESS WHEREOF, this First Amendment and Restatement of the Percentage Rate Lease is executed by the parties hereto so as to be effective as of the Effective Date.

LINDSHIELD RANCHES AND DEVELOPMENT INCORPORATED

By: Dennis L Lindshield Date: 9/3/09
Name: DENNIS L LINDSHIELD
Title: PRESIDENT

By: M D Lumsden Date: 9-3-09
Name: MARC D. LINDSHIELD
Title: VP. CFO

By: Arleta Lindshield Date: 9/3/09
Name: ARLETA LINDSHIELD
Title: Secretary

THE CITY OF SAN DIEGO, a Municipal Corporation

By: J. F. Barwick Date: 9/09/09
James F. Barwick, CCIM
Real Estates Assets Director

PPROVED AS TO FORM AND LEGALITY
this 11th day of September, 2009

JAN L. GOLDSMITH, City Attorney

By: Debra J. Bevier
Debra J. Bevier
Deputy City Attorney

C701WW-074

California Business Portal

Secretary of State DEBRA BOWEN

DISCLAIMER: The information displayed here is current as of AUG 28, 2009 and is updated weekly. It is not a complete or certified record of the Corporation.

Corporation		
LINDSHIELD RANCHES AND DEVELOPMENT INCORPORATED		
Number: C1259960	Date Filed: 10/16/1984	Status: active
Jurisdiction: California		
Address		
P.O. BOX 715		
ESCONDIDO, CA 92033-0715		
Agent for Service of Process		
MARC DENNIS LINDSHIELD		
2169 CLOVERDALE ROAD		
ESCONDIDO, CA 92027		

Blank fields indicate the information is not contained in the computer file.

If the status of the corporation is "Surrender", the agent for service of process is automatically revoked. Please refer to California Corporations Code Section 2114 for information relating to service upon corporations that have surrendered.

MARY JO LANZAFAME
ASSISTANT CITY ATTORNEY

DEBRA J. BEVIER
DEPUTY CITY ATTORNEY

OFFICE OF
THE CITY ATTORNEY
CITY OF SAN DIEGO
JAN I. GOLDSMITH
CITY ATTORNEY

CIVIL LITIGATION DIVISION
1200 THIRD AVENUE, SUITE 1100
SAN DIEGO, CALIFORNIA 92101-4100
TELEPHONE (619) 533-5800
FAX (619) 533-5856

August 12, 2009

Marc D. Lindshield
P.O. Box 744
Escondido, CA 92033-0744

Dennis L. and Arlita A. Lindshield
P.O. Box 300821
Escondido, CA 92030

*14 acres, Lease ID: C701WW-077-B00, Reso: RR292825 -
Percentage Rate Lease, Effec: 1-1-2000*
*20 acres, Lease ID: C701WW-074-B00, Reso: RR292825 -
Flat Rate Lease, Effec: 1-1-2000*
*35 acres, Lease ID: C701WW-082-B00, Reso: RR292825 -
Percentage Rate Lease, Effec: 1-1-2000*

Dear Mr. Marc Lindshield, Mr. Dennis Lindshield, and Mrs. Arlita Lindshield:

This letter is written to address the status of the above-referenced leases which were entered into between the San Pasqual Christmas Tree Farm, Inc. (S.P.C.T.F., Inc.) and the City of San Diego. You are listed as corporate officers of San Pasqual Christmas Tree Farm, Inc. (S.P.C.T.F., Inc.).

I have been able to ascertain the following facts pertaining to these leases: (1) the corporate entity known as San Pasqual Christmas Tree Farm, Inc. (S.P.C.T.F., Inc.) no longer exists; (2) prior to S.P.C.T.F., Inc., taking the action to terminate its corporate entity, S.P.C.T.F., Inc., amended its articles of incorporation to reflect a new identity of "Lindshield Ranches and Development Incorporated"; (3) the corporate entity known as Lindshield Ranches and Development Incorporated is suspended; and (4) in violation of the terms of the above-referenced leases, the City was not timely informed of these facts, nor did it give its consent to these actions. I am further informed that you, the addressees of this letter, also without the knowledge or consent of the City of San Diego, have essentially divided the leaseholds amongst yourselves - purporting to have Mr. Dennis L. Lindshield and Mrs. Arlita A. Lindshield be the lessees for the 14 acre leasehold, and to have Mr. Marc D. Lindshield be the lessee of the 20 and

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35 acres leaseholds. As none of these actions were done in compliance with the terms and conditions of the above-referenced leases, the leases are all subject to default and termination.

In order to avoid termination of the leases, I see the following as available options:

- 1) San Pasqual Christmas Tree Farm, Inc. (S.P.C.T.F., Inc.) can provide confirmation that it is again a corporate entity in good standing with the State of California; OR
- 2) If San Pasqual Christmas Tree Farm, Inc. (S.P.C.T.F., Inc.) can provide a copy of a written, lawful assignment of the above-referenced leases from San Pasqual Christmas Tree Farm, Inc. (S.P.C.T.F., Inc.) to Lindshield Ranches and Development Incorporated, effective prior to the termination of S.P.C.T.F., Inc., the City will review the assignment for possible retroactive approval - - as long as Ranches and Development Incorporated can provide confirmation that it's status is no longer "Suspended"; OR
- 3) If the above-referenced leases are terminated either voluntarily or through default action, you may apply to the City for new long or short-term leases for one or more of the leasehold areas.

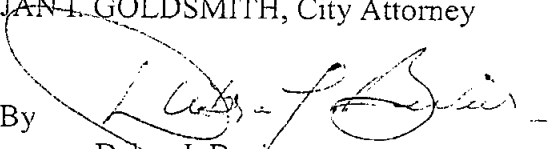
Only after Number "1" or "2" above have been accomplished - - and any outstanding delinquencies have been cured - - will the City be able to discuss further assignment(s) of the leaseholds.

Please contact me at your earliest opportunity with your decision on how to proceed.

Sincerely yours,

JAN L. GOLDSMITH, City Attorney

By


Debra J. Bevier

Deputy City Attorney

DJB:mm

cc: David Martens, READ