



THE CITY

SAN DIEGO

CITY ADMINISTRATION BUILDING • 202 C STREET • SAN DIEGO, CALIF. 92101

October 5, 1987

OFFICE OF THE
CITY MANAGER
236-6363

File: Leases - Scripps/McKellar

McKellar Development of La Jolla
1250 Prospect Street, Suite 103
La Jolla, CA 92037

The Regents of the University of California
615 University Hall
2199 Addison Street
Berkeley, CA 94720

Re: McKellar Research Center

We refer to the following documents:

1. Agreement for Ground Lease, Development and Use of Real Property dated December 3, 1982 (Document 257635) between the City of San Diego (the "City") and Scripps Clinic and Research Foundation, as amended, as assigned to McKellar Development of La Jolla ("McKellar") pursuant to Assignment of Lease recorded March 21, 1985 (the "Ground Lease"), and
2. Purchase Agreement and Escrow Instructions dated as of October 5, 1987 (the "Agreement") between McKellar and The Regents of the University of California.

The City hereby notified you as follows:

1. With regard to the Agreement, the City hereby waives its "first right to purchase" contained in Section 7.12 of the Ground Lease.
2. Pursuant to Section 4.02 of the Ground Lease, the City hereby approves the assignment of the Ground Lease pursuant to the Agreement.

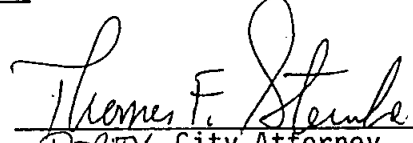
THE CITY OF SAN DIEGO

By


Assistant City Manager

APPROVED AS TO FORM AND LEGALITY THIS 5th DAY OF OCTOBER, 1987.

By


Deputy City Attorney

JLS:MAB:st(43-1)

RECORDING REQUESTED BY:

WHEN RECORDED RETURN TO:

Mark Nelson
Director of Real Estate Development
University of California
Mail Code Q-057
La Jolla, California 92093

ASSIGNMENT AND ASSUMPTION OF GROUND LEASE

This Assignment and Assumption of Ground Lease (Assignment) is made as of October 5, 1987, between the City of San Diego (Landlord), McKellar Development of La Jolla, a California corporation (Assignor), and The Regents of the University of California (Assignee), who agree as follows:

1. RECITALS: This Assignment is made with reference to and in contemplation of the following facts and circumstances:

a. Landlord and Scripps Clinic and Research Foundation (Scripps) entered into a written Agreement for Ground Lease, Development and Use of Real Property, approved by City Council Resolutions No. R-3257274, dated October 4, 1982, and No. R-257635, dated December 13, 1982, as amended (Lease), with respect to that certain real property described as Parcel 1 of Parcel Map 9813 in the City of San Diego, County of San Diego, State of California (Property).

b. Scripps assigned the Lease to Assignor pursuant to that certain Assignment of Lease recorded in the Official Records of San Diego County, California, on March 21, 1985, as Instrument No. 85-093951.

c. Assignor and Assignee are parties to that certain Purchase Agreement and Escrow Instructions, dated October 5, 1987, pursuant to which, among other things, Assignor has agreed to sell its interest in the Lease to Assignee.

d. Pursuant and subject to the provisions of the Lease and this Assignment, and subject to the approval

of the Landlord, Assignor desires, by this Assignment, to assign the Lease and transfer all of its right, title, and interest in and to the improvements, fixtures, and personal property located upon the Property, to Assignee.

2. ASSIGNMENT: Effective as of the date of recordation of this Assignment in the Office of the San Diego County Recorder (Effective Date), Assignor hereby transfers and assigns the Lease to Assignee, along with all of Assignor's right, title, and interest in and to the improvements, fixtures, and personal property located on the Property.

3. ASSUMPTION: Assignee expressly assumes and agrees to keep, perform, and fulfill all of the provisions, conditions, covenants, and obligations required to be kept, performed, and fulfilled by the "Lessee" under the Lease, including the making of all payments due Landlord under the Lease commencing as of the Effective Date of this Assignment.

4. LANDLORD CONSENT: Landlord, by its signature set forth below, hereby consents to and approves the assignment of the Lease to Assignee as contained herein pursuant to Section 4.02 of the Lease, without waiver of the restriction concerning further assignment and hereby releases Assignor from any further liability or obligation under the terms of the Lease.

McKELLAR DEVELOPMENT OF LA JOLLA,
a California corporation.

By: _____

Its: VP-EKO

REGENTS OF THE UNIVERSITY OF CALIFORNIA

By: _____

Its: _____

STATE OF CALIFORNIA)

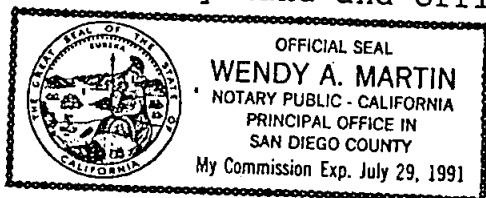
) SS.

COUNTY OF San Diego)

On 5 October 1987 before me, the undersigned, a Notary Public in and for said State, personally appeared Christopher M. Judson personally known to me or proved to me on the basis of satisfactory evidence to be the person who

executed the within instrument as the Jr. Vice
President, and
personally known to me or provided to me on the basis of satis-
factory evidence to be the person who executed the within instru-
ment as the _____ Secretary of the Corporation
that executed the within instrument and acknowledged to me
that such corporation executed the within instrument pursuant
to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



Wendy A. Martin
NOTARY PUBLIC

STATE OF CALIFORNIA)

COUNTY OF _____)

SS.

On _____ before me, the undersigned, a Notary
Public in and for said State, personally appeared _____
personally known to me or proved
to me on the basis of satisfactory evidence to be the person
who executed the within instrument as _____ of
The Regents of the University of California that executed the
within instrument, and acknowledged to me that such entity
executed the within instrument pursuant to its by-laws or a
resolution of its board of directors.

WITNESS my hand and official seal.

NOTARY PUBLIC

APPROVED:

CITY OF SAN DIEGO

By: [Signature]
Its: City Manager

RECORDED AT THE REQUEST OF:
SAFECO TITLE INSURANCE CO.

1058

85-093951

WHEN RECORDED MAIL TO:

MCKELLAR DEVELOPMENT OF LA JOLLA
1250 PROSPECT ST., SUITE 103
LA JOLLA, CA. 92037

RF	7
AR	5
TLR	12
MG	1

RECORDED IN
OFFICIAL RECORDS
OF SAN DIEGO COUNTY, CA.

1985 MAR 21 AM 8:00

VERA L. LYLE
COUNTY RECORDER

ASSIGNMENT OF LEASE

This Assignment of Lease is made as of December 13, 1984, by and between SCRIPPS CLINIC AND RESEARCH FOUNDATION ("Assignor") and MCKELLAR DEVELOPMENT OF LA JOLLA ("Assignee") with reference to the following facts:

A. The City of San Diego ("City"), as Lessor, and Assignor, as Lessee, have executed that certain Agreement for Ground Lease, Development and Use of Real Property approved by City Council Resolution No. R257274, dated October 4, 1982, and No. R-257635, dated December 13, 1982 (the "Lease") with respect to the real property described in Exhibit "A" attached hereto and incorporated herein by this reference. The Lease was filed in the Office of the City Clerk, San Diego, California, on December 13, 1982, as Document No. RR-257635-2.

B. Section 4.02 of the Lease provides as follows:

"Assignment and Subletting. Subject to prior CITY Manager approval which shall not be unreasonably withheld in each instance, LESSEE may assign this lease or any interest therein and may sublease any portion hereof to any such assignee or sublessee who has the financial capability and overall competence to successfully operate the assigned or subleased portion of the premises. This lease and any interest herein shall not be assignable by operation of law without the written consent of the CITY. Any proposed assignment or sublease to other than a person or entity not affiliated with LESSEE must be approved by the City Manager.

'Assignment,' for the purposes of this clause shall include any transfer of 50 percent or more ownership interest in LESSEE by any partners, principal, or stockholders, as the case may be.

Approval of any assignment or sublease shall be conditioned upon the assignee or sublessee agreeing in

writing that it will assume the rights and obligations thereby assigned or subleased and that it will keep and perform all covenants, conditions, and provisions of this agreement which are applicable to the right acquired."

C. Assignor now desires to assign the Lease to Assignee and Assignee desires to accept the assignment thereof.

NOW, THEREFORE, for valuable consideration, the parties agree as follows:

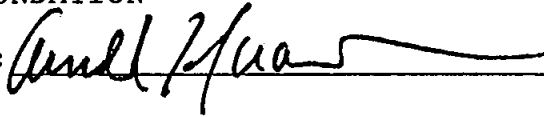
1. Assignment. Assignor hereby assigns and transfers to Assignee all of its right, title, and interest in and to the Lease.

2. Assumption. Assignee expressly assumes and agrees to keep, perform, and fulfill all the terms, covenants, conditions, and obligations required to be kept, performed, and fulfilled by Assignor as Lessee under the Lease, including the making of all payments due to or payable on behalf of Lessor under the Lease when due and payable.

IN WITNESS WHEREOF, this Assignment has been executed as of the date first set forth above.

"ASSIGNOR"

SCRIPPS CLINIC AND RESEARCH
FOUNDATION

By:  _____

"ASSIGNEE"

McKELLAR DEVELOPMENT OF
LA JOLLA

By:  _____

Christopher S. McKellar
President

STATE OF CALIFORNIA)
) SS.
 County of San Diego)

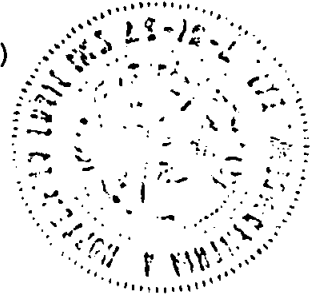
On this the 18th day of March, 1985, before me, a
 Notary in and for the State of California, personally
 appeared Arnold LaGuardia, known to me or proved to
 me on the basis of satisfactory evidence to be the
 Vice President of Scripps Clinic and Research Foundation,
 and that said corporation executed the within document.

Witness my signature and official seal.

Cynthia A. Hopp 3/18/85
 Notary Public



(Seal)



Staple
 STATE OF CALIFORNIA
 COUNTY OF San Diego } S.S.

On this the 18th day of March 1985 before me,
 the undersigned, a Notary Public in and for said County and State,
 personally appeared Christopher A. McKellar

_____, personally
 known to me or proved to me on the basis of satisfactory evidence to be
 the _____ President, and _____

_____, personally
 known to me or proved to me on the basis of satisfactory evidence to be
 _____ Secretary of the corporation that executed the within
 instrument on behalf of the corporation therein named, and acknow-
 ledged to me that such corporation executed the within instrument
 pursuant to its by-laws or a resolution of it's board of directors.

Signature Kaye Klass

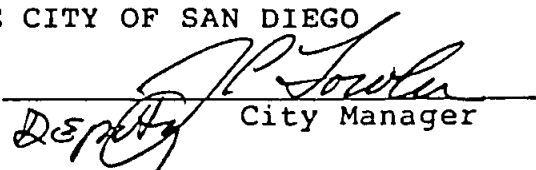
FOR NOTARY SEAL OR STAMP



CONSENT OF LESSOR

The undersigned is the Lessor in the Lease described in the foregoing Assignment and, in satisfaction of Section 4.02 of said Lease, hereby consents to and approves the Assignment of said Lease to MCKELLAR DEVELOPMENT OF LA JOLLA hereby expressly releasing SCRIPPS CLINIC AND RESEARCH FOUNDATION from any further liability or obligation under the terms of the Lease.

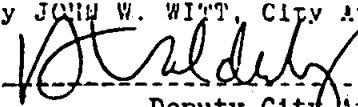
THE CITY OF SAN DIEGO

By: 

City Manager

APPROVED as

to form by JOHN W. WITT, City Attorney

By: 

Deputy City Attorney

1062

EXHIBIT "A"

Parcel 1 of Parcel Map 9813 in the City of San Diego,
County of San Diego, State of California.