



Real Estate Assets Department
SDC003

Alexander Court CS, LLC

0206PM-001-B01

Document Type

LEGAL DOCUMENTS



Sub - Category

ASSIGNMENTS



(4)

CITY OF SAN DIEGO

CONSENT TO ASSIGNMENT OF LEASE

THIS CONSENT TO ASSIGNMENT OF LEASE ("Consent") is made by THE CITY OF SAN DIEGO, a California municipal corporation ("CITY"), to be effective as of the later date that this Consent is signed by CITY and approved by the San Diego City Attorney ("Effective Date").

RECITALS

- A. Since 1971, Alexander Court Trust ("LESSEE") and its predecessors have leased from CITY certain property commonly known as Cedar Shores Apartments ("Property") for the construction and operation of 120 residential apartment units.
- B. On April 7, 2022, CITY and LESSEE entered into a new Ground Lease Agreement ("Lease"), filed with the San Diego City Clerk as Document No. 313882, which, among other items, provided for a 50-year Lease term to enable Trust to invest a minimum of \$7,095,000 into certain leasehold improvements on the Property.
- C. LESSEE then assigned the Lease to Alexander Court CS, LLC, a California limited liability company ("ASSIGNEE"), in accordance with the Assignment of Leasehold Estate dated April 7, 2022 ("Assignment").
- D. Section 4.2 of the Lease requires that CITY consent to the assignment of any portion of LESSEE's right, title, or interest in the Lease.
- E. LESSEE now seeks CITY's consent to assign all of LESSEE's rights, title, and interest in, to, and under the Lease to ASSIGNEE.

NOW, THEREFORE, CITY provides its consent subject to the following:

- 1. Subject to the terms and conditions in this Consent, CITY consents to LESSEE's request to assign all of its right, title, and interest in and to the Lease to ASSIGNEE. By giving this Consent, CITY is merely consenting to this assignment. All terms and conditions of the Lease shall control and supersede any inconsistent or contrary provisions in any agreement between LESSEE and ASSIGNEE, except as otherwise approved in this Consent.
- 2. This Consent is conditioned upon ASSIGNEE's written agreement under the Assignment that it will assume all rights and obligations as "Lessee" under the Lease.
- 3. This Consent is further conditioned upon the understanding that Michael Drogin, an individual who serves as co-trustee of the trust comprising LESSEE, is also the manager of ASSIGNEE.
- 4. CITY does not release, discharge, or modify LESSEE's obligations to CITY under the Lease. As set forth in applicable law, LESSEE's obligations under the Lease shall survive the Assignment and shall continue through the termination date of the Lease.

5. This Consent does not constitute consent to any subsequent assignment of any right, title, or interest in and to the Lease.
6. LESSEE agrees to pay CITY any applicable processing or administrative fees for processing this Consent.
7. CITY shall not be liable for any brokerage commission or finder's fee in connection with the consummation of the Assignment. Further, LESSEE agrees to defend and indemnify CITY, its elected officials, officers, representatives, agents, and employees from and against any claim for any brokerage commission or finder's fee related to the consummation of this Consent, and from and against any cost or expense (including without limitation attorneys' fees) incurred by CITY in resisting any claim for any such brokerage commission or finder's fee.

[Signature Page Follows]

IN WITNESS WHEREOF, this Consent is signed by CITY, acting by and through its duly authorized representative, as of the Effective Date.

THE CITY OF SAN DIEGO,
a California municipal corporation

Date: Jul 19, 2022

BY: *Penny Maus*
Penny Maus (Jul 19, 2022 17:35 PDT)
Penny Maus, Director
Department of Real Estate and Airport
Management

Approved as to form Jul 19, 2022

MARA W. ELLIOTT, City Attorney

BY: *Kevin Reisch*
Kevin Reisch (Jul 19, 2022 18:18 PDT)
Kevin Reisch
Sr. Chief Deputy City Attorney

I:/SHARED/READ/FARST/Drogin Apartment Leases/Consent to Assignment – Alexander Court Trust 5.4.22

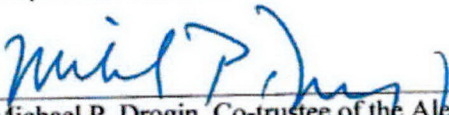
ASSIGNMENT OF LEASEHOLD ESTATE

The certain leasehold estate created by that certain City of San Diego Ground Lease Agreement whose Effective Date is April 7, 2022, by and between The City of San Diego, a California municipal corporation (City), as Lessor, and Alexander Court Trust, as Lessee (herein referred to as Ground Lease), is hereby assigned by Alexander Court Trust to Alexander Court CS, LLC.

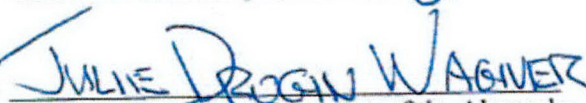
Dated: Effective as of April 7, 2022

ALEXANDER COURT TRUST
dated September 10, 1996

By:


Michael P. Drogin, Co-trustee of the Alexander
Court Trust dated September 10, 1996

By:


Julie Drogin Wagner, Co-trustee of the Alexander
Court Trust dated September 10, 1996

The foregoing assignment is hereby accepted,
and the undersigned agrees to assume all rights
and obligations as "Lessee" under the Ground
Lease, as applicable.

ALEXANDER COURT CS, LLC

By:


Michael P. Drogin, Manager