

L E A S E

THIS LEASE, made and entered into this 22
day of June, 1957, by and between THE
BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY,
a body having corporate powers under the laws of the State
of California, party of the first part, hereinafter referred
to as "Lessor", and HERBERT T. HOLBROOK and BETTY-WYNN
HOLBROOK, husband and wife, parties of the second part,
hereinafter referred to as "Lessee",

W I T N E S S E T H:

WHEREAS, Lessor is the owner of the herein-
after described property located in the County of
San Mateo, State of California, which Lessee is desirous
of leasing for residential purposes;

NOW, THEREFORE, IT IS MUTUALLY AGREED by and
between the parties as follows:

1. Description of Property and Term.

For and in consideration of the rent pre-
scribed herein and of the faithful performance by Lessee
of the other terms, covenants, agreements and conditions
herein contained on the part of Lessee to be kept and per-
formed, Lessor hereby leases unto Lessee and Lessee does
hereby hire from Lessor that certain parcel of land being
a portion of the lands of The Leland Stanford Junior Uni-
versity located within the boundaries of the County

of San Mateo, State of California, and more particularly described as follows:

COMMENCING at a point on the center line of Family Farm Drive, said point bears along said center line, North $81^{\circ} 50'$ West 1.69 feet from the common corner to Lot 129 Block O and Lot 132, Block N, as said drive, lots and blocks are shown on that certain Map of Portola Woods filed for record in Volume 9 of Maps at Pages 23-28 inclusive, said Map was filed August 17, 1914 in the office of the County Recorder of San Mateo County, California; said point also marks the most Easterly corner of that certain 5.50 acre tract conveyed to Peter Koehorst by deed dated June 29, 1923; THENCE from said point of beginning along the center line of Family Farm Drive as shown on said Map, North $81^{\circ} 50'$ West 18.31 feet; THENCE continuing along said center line on the arc of a curve to the right with a radius of 382.26 feet through a central angle of $33^{\circ} 46'$, an arc distance of 225.28 feet; THENCE North $48^{\circ} 04'$ West 152.65 feet; THENCE continuing along said center line on the arc of a curve to the right with a radius of 382.26 feet through a central angle of $21^{\circ} 40'$, an arc distance of 144.55 feet; THENCE continuing along said center line North $26^{\circ} 24'$ West 200.12 feet; THENCE continuing along said line on the arc of a curve to the right with a radius of 562.87 feet through a central angle of $5^{\circ} 36'$, an arc distance of 55.01 feet; THENCE continuing along said line North $20^{\circ} 48'$ West 170.40 feet; THENCE continuing along said line on the arc of a curve to the left with a radius of 96.97 feet through a central angle of $60^{\circ} 55' 38''$, an arc distance of 103.12 feet; THENCE leaving said line North $8^{\circ} 16' 22''$ East 50.11 feet; THENCE North $12^{\circ} 57' 42''$ West 57.12 feet; THENCE North $57^{\circ} 50' 05''$ West 75.61 feet; THENCE North $22^{\circ} 13' 49''$ East 174.05 feet; THENCE South $80^{\circ} 31' 31''$ East 71.39 feet; THENCE South $35^{\circ} 33' 20''$ East 158.28 feet; THENCE South $66^{\circ} 55' 23''$ East 111.90 feet; THENCE South $56^{\circ} 21' 21''$ East 46.66 feet; THENCE South $80^{\circ} 06' 41''$ East 143.15 feet;

Certified to be a true and correct description.

C. B. Baker

Superintendent.

THENCE North $67^{\circ} 17' 34''$ East 189.07 feet;
THENCE South $27^{\circ} 39' 59''$ East 660.86 feet;
THENCE South $8^{\circ} 10' 00''$ West 355.91 feet
to the center line of Family Farm Drive;
THENCE along said center line North $81^{\circ} 50' 00''$ West 206.33 feet to the point of
beginning.

CONTAINING APPROXIMATELY 12.975 acres, more or
less, computed to the center line of Family
Farm Drive.

TOGETHER WITH a non-exclusive easement (to
the extent of Lessor's right and power to
grant the same) over a strip of land 25 feet
in width, measured at right angles, contiguous
with and lying Southwesterly from the South-
westerly line of the hereinabove described
12.975 acre tract, and extending throughout the
length of said Southwesterly line; said strip
of land is the Southwesterly one-half of Family
Farm Drive, extending throughout the length of
said 12.975 acre tract.

TOGETHER WITH a non-exclusive easement (to the
extent of Lessor's right and power to grant
the same) over a strip of land 50 feet in
width, measured at right angles, lying 25 feet
on each side of the following described center
line:

BEGINNING at a point in the Westerly line of
the hereinabove described 12.975 acre tract;
said point lies in the center line of Family
Farm Drive as said drive is shown on the here-
inabove described Map of Portola Woods; said
point bears North $87^{\circ} 12' 30''$ East 250.00
feet; THENCE on the arc of a curve to the
right with a radius of 96.97 feet, through a
central angle of $11^{\circ} 03' 52''$ an arc distance
of 18.73 feet from the most Northwesterly
corner of Lot 136, Block N of said Map of
Portola Woods; THENCE from said point of
beginning on the arc of a curve to the left
with a radius of 96.97 feet through a central
angle of $11^{\circ} 03' 52''$ an arc distance of 18.73
feet; THENCE continuing along the center line
of Family Farm Drive 500 feet, more or less,
to the Easterly line of Portola Road (100 feet

Conceded to the State of California.

J. D. Baker

Superintendent.

in width).

The foregoing non-exclusive easements are granted to Lessee for purposes of ingress to and egress from the leased premises and for purposes of constructing, laying, operating, maintaining, using, altering, repairing, inspecting, replacing and relocating therein and/or removing therefrom public utility facilities and structures and sanitary and storm sewer facilities and structures and any and all appurtenances, connections and fixtures necessary or convenient to the foregoing.

EXCEPTING AND RESERVING from the hereinabove described 12.975 acre tract a non-exclusive easement over a strip of land 25 feet in width measured at right angles contiguous with and lying Northeasterly from the Southwesterly line of said 12.975 acre tract and extending throughout said Southwesterly line; said easement covers 1/2 of Family Farm Drive as shown on the said recorded Map of Portola Woods. Said easement is excepted and reserved unto Lessor, its successors and assigns, for purposes of ingress to and egress from other property of Lessor as well as the leased premises and for purposes of constructing, laying, operating, maintaining, using, altering, repairing, inspecting, replacing, and relocating therein and/or removing therefrom public utility facilities and structures and sanitary and storm sewer facilities and structures and any and all appurtenances, connections and fixtures necessary or convenient to the foregoing.

Certified to be a true and correct description.

C. Black

Superintendent.

The term of this lease shall be ninety-nine (99) years, commencing on the 1st day of July, 1957.

2. Rent.

(a) As initial rental for the term of this lease, Lessee has paid to Lessor concurrently with the execution of this instrument the sum of Sixty-four Thousand Eight Hundred Seventy-five Dollars (\$64,875), receipt whereof is

hereby acknowledged by Lessor. In addition to said initial rental, as a part of the consideration for this lease and as additional rent hereunder, Lessee, during the term of this lease, covenants and agrees to bear, pay and discharge promptly as the same become due and before delinquency all taxes, assessments, rates, charges, license fees, municipal liens, levies, excises or imposts, whether general or special, or ordinary or extraordinary, of every name, nature and kind whatsoever, including all governmental charges of whatsoever name, nature or kind which may be levied, assessed, charged or imposed or may be or become a lien or charge upon the property hereby leased or any part thereof or upon any of the buildings or improvements upon the leased premises or upon the leasehold of Lessee or upon the estate hereby created or upon Lessor by reason of its ownership of the fee underlying this lease, but not including any such tax, assessment, charge or other item as may be separately levied or assessed, as aforesaid, upon any right or interest of Lessor reserved under paragraph 19 hereof.

(b) All of the aforesaid taxes, assessments, charges, imposts and levies of whatsoever nature which shall relate to a fiscal year during

which the term of this lease shall commence or terminate shall be pro-rated between Lessor and Lessee, and Lessee shall pay only such portion of said taxes, assessments, charges, imposts and levies as shall relate to the portion of the fiscal year represented by the calendar period during which this lease shall be in effect.

(c) If Lessee desires to contest any tax, assessment, charge or other item to be paid by him as above provided, he shall notify Lessor of his intention so to do at least fifteen (15) days before delinquency thereof. In such case Lessee shall not be in default hereunder, and Lessor shall not pay such tax, assessment, charge or other item until five (5) days after the determination of the validity thereof, within which time Lessee shall pay and discharge such tax, assessment, charge or item to the extent held to be valid and all penalties, interest and costs in connection therewith; but the payment of any such tax, assessment, charge or other item, together with penalties, interest and costs, shall not in any case be delayed until sale is made of the whole or any part of the property hereby leased on account thereof and any such delay shall be a default by Lessee hereunder. In the event of any such contest, Lessee shall protect and indemnify Lessor against all loss,

cost, expense and damage resulting therefrom and, upon notice from Lessor so to do, shall furnish Lessor a bond with good and sufficient corporate surety satisfactory to Lessor in double the amount of the tax, assessment, charge or item contested, conditioned that Lessee shall pay such tax, assessment, charge or other item and all penalties and interest thereon and costs in connection therewith and shall protect and indemnify Lessor as above required.

(d) If at any time during the term of this lease any governmental subdivision or proposed governmental subdivision shall undertake to create a municipal corporation, improvement or special assessment district the proposed boundaries of which shall include the property leased hereunder, Lessee shall be entitled to appear in any proceeding relating thereto and to exercise all rights of a landowner to have the leased premises included in or excluded from the proposed municipal corporation, improvement or assessment district or to determine the degree of benefit to the leased premises resulting therefrom. However, Lessor retains to itself an independent right, but shall be under no obligation, to appear in any such

proceeding for the purpose of seeking inclusion of the leased premises in, or exclusion of the leased premises from, any proposed improvement or special assessment district or of determining the degree of benefit therefrom to the leased premises. The party receiving any notice or other information relating to the proposed creation of any improvement or special assessment district, the proposed boundaries of which include the property leased hereunder, shall promptly advise the other party in writing of such receipt. If any tax, assessment, charge, levy or impost made against the leased premises to finance such a special improvement shall be payable in installments over a period of time extending beyond the term of this lease, Lessee shall only be required to pay such installments thereof as shall become due and payable during the term of this lease.

3. Use.

The herein described premises are leased to Lessee for the purpose of constructing and maintaining residences thereon. There shall be included in the right to construct and maintain residences granted herein the right to erect, maintain and use on the leased premises such usual buildings and other improvements supplemental to a residence as shall be permitted from time to time by applicable zoning laws. It is understood

that the leased premises are presently zoned for residential use only and that each residence is restricted to parcels of not less than three acres. It is recognized that during the term of this lease the zoning laws of the governing authority having jurisdiction of the leased premises may change. It is agreed that Lessee shall be bound in his use of the leased premises by the zoning laws of such authority applicable from time to time during the term of this lease, subject at all times to the provisions of paragraph 4 hereof. Lessee covenants and agrees that no spirituous, vinous, malt or other intoxicating liquors shall be manufactured or sold in, on or about the leased premises.

4. Construction of Improvements.

Each residence or improvement constructed on the leased premises shall be constructed at the sole cost and expense of Lessee. Prior to construction thereof, Lessee shall in each instance submit to Lessor for its approval plans and specifications therefor. Lessor shall have thirty (30) days after receipt of said plans and specifications within which to notify Lessee in writing that it disapproves the same because the proposed exterior construction is deemed inappropriate in design and, if such notice is so given, Lessee shall not proceed with construction until the

objections of Lessor are remedied, but, unless such notice of disapproval is so given within said thirty (30) day period, or, if Lessor gives its earlier approval in writing of said plans and specifications, Lessee may proceed with construction. Lessor agrees that it will not unreasonably withhold its approval hereunder.

5. Additional Improvements or Alterations.

Lessee shall have the right from time to time during the term of this lease to remove any then existing residence or improvement from the leased premises, or any portion thereof, and to leave the land vacant or to erect a new residence or improvement thereon, and to make alterations or additions to any existing residence or improvement, provided, however, that if any project involves the erection of a new residence, the erection of material new improvements or a material alteration or addition to the exterior design of an existing residence or improvement, Lessee shall in each such case first submit the general plans and specifications therefor to Lessor and Lessor shall have thirty (30) days thereafter within which to notify Lessee in writing that it disapproves said plans and specifications because the proposed exterior construction or alteration or improvement is not deemed appropriate in design and, if such notice is so given, Lessee shall not proceed with construction until the objection of Lessor is remedied, but unless such notice of disapproval is so given, or if Lessor gives its earlier approval in writing of said plans and specifications, Lessee may proceed with construction. Lessor agrees that it will not unreasonably withhold its approval hereunder.

6. Repairs, Governmental Regulation, Waste.

(a) Lessee shall, during the term of this lease, at his own cost and expense, and without any cost or expense to Lessor,

(1) Keep and maintain the leased premises, the residences and improvements and all appurtenances thereto and the grounds thereof in good and neat order and repair and in an attractive and sanitary condition, normal and usual depreciation and wear and tear excepted, provided, however, that Lessee shall have the right at any time completely to take down, demolish and remove any residence, building or improvement on the leased premises and to leave the premises, or any portion thereof, entirely bare of any structure. Lessee shall allow no nuisances to exist or be maintained on the leased premises. Lessor shall not be called upon to make any repairs, replacements or renewals of any kind, nature or description whatsoever to the leased premises or any residence or improvement thereon, and Lessee hereby expressly waives all right to make repairs at the expense of Lessor under Sections 1941 and 1942 of the California Civil Code or any amendments thereto or law which may hereafter be enacted during the term of this lease authorizing a tenant to make repairs at the expense of the landlord. The time during which Lessee is actually and necessarily delayed in making such repairs by any of the following: fire, earthquake, acts of God, the elements, war or civil disturbance, strikes or other labor disturbances, economic controls making it impossible to obtain the necessary labor or materials, or other events beyond the control of Lessee, shall be excluded in determining the reasonable time for commencing or completing

such repairs, but, except for such delay, Lessee shall in all cases proceed promptly therewith and shall diligently carry the same to completion.

(2) Comply and abide by all federal, state, county, municipal and other governmental statutes, ordinances, laws and regulations affecting the leased premises, the improvements thereon or any activity or condition on or in said premises.

(b) Lessee agrees that he will not commit or permit waste upon the leased premises other than to the extent necessary for the removal of any residence or improvement upon said premises.

(c) Lessee agrees not to place any sign or advertisement upon any portion of the leased premises without first having obtained the consent in writing of Lessor, provided, however, that this restriction shall not apply to (1) any sign of reasonable size posted at the entrance or entrances of the leased premises which states the name of Lessee; (2) "No Trespassing" signs of reasonable size posted along the boundaries of the leased premises, or any portion thereof, or (3) any "For Sale" or "For Rent" sign of reasonable size posted at the entrance or entrances of the leased premises.

7. Public Utilities.

All water, gas, electricity, telephone or other public utilities required to serve the leased premises shall be installed without cost or expense to Lessor and all such public utilities used upon or furnished to the leased premises during the term hereof shall be paid for by Lessee. Installation, maintenance, repair and replacement of all roads on the premises and of all roads furnishing a means of ingress to and egress from

the premises shall likewise be without cost or expense to Lessor. Lessor shall grant such easements and rights of way over the leased premises as may be necessary for such public utility services and for such roads.

8. Mechanics' and Other Liens.

(a) Lessee covenants and agrees to keep all of the leased premises and every part thereof and the residences and other improvements thereon free and clear of and from any and all mechanics', materialmen's and other liens for work or labor done, services performed, materials, appliances, teams or power contributed, used or furnished to be used in or about said premises for or in connection with any operations of Lessee, any alteration, improvement or repairs or additions which Lessee may make or permit or cause to be made, or any work or construction, by, for or permitted by Lessee on or about the leased premises, and at all times promptly and fully to pay and discharge any and all claims upon which any such lien may or could be based, and to save and hold Lessor and all of the leased premises, said residences and improvements thereon free and harmless of and from any and all such liens and claims of liens and suits or other proceedings pertaining thereto. Lessee covenants and agrees to give Lessor written notice not less than ten (10) days in advance of the commencement of any construction, alteration, addition, improvement or repair costing in excess of Two Thousand Dollars (\$2,000) in order that Lessor may post appropriate notices of Lessor's non-responsibility. Lessee further agrees that if so requested by Lessor he will obtain, at his sole expense, a corporate surety bond satisfactory to Lessor sufficient to

protect the leased premises from any mechanics', materialmen's or other liens of the type hereinbefore described in this paragraph 8(a).

(b) If Lessee desires to contest any such lien, he shall notify Lessor of his intention so to do within ten (10) days after the filing of such lien. In such case Lessee shall not be in default hereunder, and Lessor shall not satisfy and discharge such lien until five (5) days after the final determination of the validity thereof when Lessee shall satisfy and discharge such lien to the extent held valid; but the satisfaction and discharge of any such lien shall not, in any case, be delayed until execution is had upon any judgment rendered thereon, and such delay shall be a default of Lessee hereunder. In the event of any such contest, Lessee shall protect and indemnify Lessor against all loss, cost, expense and damage resulting therefrom and, upon receipt of notice so to do, shall furnish Lessor a corporate surety bond satisfactory to Lessor, in double the amount of the lien contested, conditioned that Lessee shall satisfy and discharge such lien and shall protect and indemnify Lessor as herein required.

(c) No mechanics' or materialmen's liens or mortgages, deeds of trust, or other liens of any character whatsoever created or suffered by Lessee shall in any way, or to any extent, affect the interest or rights of Lessor in said residences or other improvements on the leased premises, or attach to or affect its title to or rights in said premises.

(d) The mechanics' lien bond provided for herein shall be issued by such good, responsible and standard

company as may be approved by Lessor and shall be payable to Lessor. Said bond shall be subject to Lessor's approval as to form and substance and shall expressly provide that it shall not be cancelled or altered without thirty (30) days' prior written notice to Lessor. Upon issuance thereof said bond shall be delivered to Lessor for retention by it.

9. Liability.

(a) The liability hereunder of each person holding an interest as Lessee in all the leased premises, or in a portion or portions thereof, shall, as to such interest, be joint and several.

(b) Lessee covenants and agrees that Lessor shall not at any time or to any extent whatsoever be liable, responsible or in any wise accountable for any loss, injury, death or damage to persons or property which at any time may be suffered or sustained by Lessee or by any person whosoever may at any time during the term of this lease be using or occupying or visiting the leased premises or be in, on or about the same, whether such loss, injury, death or damage shall be caused by or in anywise result from or arise out of any act, omission or negligence of Lessee or of any occupant, assignee, sublessee, visitor or user of any portion of the leased premises, or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind than the matters or things above set forth, and Lessee shall forever indemnify, defend, hold and save Lessor free and harmless of, from and against any and all claims, liability, loss or damage whatsoever on account of any such loss, injury, death or damage. Lessee hereby waives

all claims against Lessor for damages to the residences and improvements that are hereafter placed or built upon the leased premises and to the property of Lessee in, upon or about the premises, and for injuries to persons or property in or about the premises, from any cause arising at any time during the term of this lease, except those arising by reason of the negligence of Lessor, its agents or employees.

10. Assignment - Successors and Assigns.

(a) Voluntary Assignment.

(1) Lessee shall have the right to assign this lease, or any portion or portions thereof, or to execute a sublease of all or any part of the leased premises. Following any such assignment, the leasehold interest in the leased premises or in such portion or portions thereof may, in turn, be reassigned. In no event, however, shall any portion of the premises containing an area less than that permitted by the applicable zoning law of the governing authority having jurisdiction of the premises ever be so assigned, reassigned or subleased, nor shall the leasehold interest in any portion of the land comprising the leased premises ever be divided from the leasehold interest in the improvements thereon. Any such assignment, reassignment or sublease shall

be upon the following terms and conditions: (i) All of the terms, covenants, agreements and conditions of this lease shall be binding upon any such assignee or sublessee; (ii) upon execution of any such assignment, reassignment or sublease, Lessee, or any successor in interest to Lessee executing such assignment, reassignment or sublease, shall forthwith give written notice thereof to Lessor and concurrently therewith shall deliver to Lessor a duly executed copy of such instrument of assignment, reassignment or sublease.

(2) Upon each such assignment or reassignment, the terms, covenants, agreements and conditions of this lease shall be assumed in writing by the assignee who shall also assume in writing all claims, demands, liabilities, or obligations of any character which may arise out of transactions or events occurring subsequent to such assignment under the provisions of this lease with regard to the leased premises or the portion or portions thereof subject to such assignment or reassignment, and Lessee or any subsequent assignor, as the case may be, shall thereupon be relieved of any and all future claims, demands, liabilities or obligations hereunder, but shall remain liable for all such claims, demands, liabilities or obligations arising out of transactions or events occurring subsequent to the date on which Lessee or such subsequent assignor, as the case may be, acquired his leasehold interest

hereunder and prior to or at the date of such assignment or reassignment. A duly executed copy of such assumption by the assignee shall be forwarded to Lessor, together with the notice hereinabove in this paragraph 10(a)(1) provided for.

(3) Upon any sublease of the leased premises, Lessee shall remain fully obligated under and be bound by all the terms, covenants, agreements and conditions herein contained.

(4) Lessee shall not in any such assignment or sublease impose any restrictions on the assignee or sublessee with respect to use or occupancy of the leased premises, without first securing the written approval of Lessor thereto, nor shall Lessee by any declaration of restrictions or similar instrument impose any such restrictions upon the leased premises, either in part or as a whole, without such prior written approval of Lessor.

(b) Involuntary Assignment.

(1) Neither this lease nor the leasehold estate of Lessee nor any interest of Lessee hereunder in the leased premises or any buildings or improvements thereon shall be subject to involuntary assignment, transfer or sale or to assignment, transfer or sale by operation of law in any manner whatsoever and any such attempted involuntary assignment, transfer or sale shall be void and of no effect.

(2) Without limiting the generality of the provisions of the preceding subparagraph (1), Lessee covenants and agrees that in the event any proceedings under the Bankruptcy Act or any amendment thereto be commenced by or against any person holding any portion of the leasehold interest herein granted, and, if against such person, said proceedings shall not be dismissed before an adjudication in bankruptcy, or in the event such person be adjudged insolvent or make an assignment for the benefit of his creditors, or if a writ of attachment or execution be levied on the leasehold estate hereby created, or any portion thereof, and be not released or satisfied within forty-five (45) days thereafter, or if a receiver be appointed in any proceeding or action to which such person is a party, with authority to take possession or control of the leased premises, or any portion thereof, and such receiver be not discharged within a period of forty-five (45) days after his appointment, any such event or any involuntary assignment prohibited by the provisions of the preceding subparagraph (1) shall be deemed to constitute a breach of this lease and shall, at the election of Lessor,

but not otherwise, ipso facto, and without notice or entry or other action of Lessor terminate that portion of the leasehold interest herein then held by such person and also all rights of such person under this lease and in and to the leased premises and also all rights of any and all persons claiming under such person.

(c) Successors and Assigns.

The terms, covenants, agreements and conditions in this lease contained shall be binding upon, inure to the benefit of and apply to the successors and assigns of Lessor and shall, upon the death of Lessee or upon the death of any person holding an interest in the leased premises under and pursuant to any assignment or sublease executed by Lessee in accordance with the provisions of this lease or under and pursuant to any subsequent reassignment or sublease, be binding upon, inure to the benefit of, and apply to the respective heirs, successors, executors, administrators and assigns of Lessee or of such assignees or sublessees, as the case may be. All references in this lease to "Lessee" shall be deemed to refer to and include heirs, successors, executors, administrators, assigns and sublessees, of Lessee, without specific mention of such heirs, successors, executors, administrators, assigns, or sublessees.

11. Performance by Lessor.

In the event that any person holding any portion of the leasehold interest herein granted shall fail or neglect to do or perform any act or thing herein provided by him to be done or performed and such failure shall continue for a period of sixty (60) days after written notice from Lessor

specifying the nature of the act or thing to be done or performed, then Lessor may, but shall not be required to, do or perform or cause to be done or performed such act or thing (entering upon the leased premises for such purposes, if Lessor shall so elect), and Lessor shall not be or be held liable or in any way responsible for any loss, inconvenience, annoyance or damage resulting to such person on account thereof, and such person shall repay to Lessor upon demand the entire cost and expense thereof, including compensation to the agents and servants of Lessor. Any act or thing done by Lessor pursuant to the provisions of this paragraph shall not be or be construed as a waiver of any such default, or as a waiver of any covenant, term or condition herein contained or of the performance thereof. All amounts payable by such person to Lessor under any of the provisions of this lease, if not paid when the same become due as in this lease provided, shall bear interest from the date the same become due until paid at the rate of six per cent (6%) per annum, compounded annually.

12. Waiver.

Lessee further covenants and agrees that if Lessor fails or neglects for any reason to take advantage of any of the terms hereof providing for the termination of this lease, or any portion of the leasehold interest herein, or for the termination or forfeiture of the estate hereby leased, or any portion thereof, or if Lessor, having the right to declare this lease, or any portion of the leasehold interest herein, terminated or the estate hereby leased, or any portion thereof, terminated or forfeited, shall fail so to do, any such failure or neglect of Lessor shall not be or be deemed or be

construed to be a waiver of any cause for the termination of this lease, or any portion of the leasehold interest herein, or for the termination or forfeiture of the estate hereby leased, or any portion thereof, subsequently arising, or as a waiver of any of the covenants, terms or conditions of this lease or of the performance thereof. None of the covenants, terms or conditions of this lease can be waived except by the written consent of Lessor.

13. Termination for a Default.

In the event that any person holding any portion of the leasehold interest herein granted shall fail or neglect to observe, keep or perform any of the covenants, terms or conditions herein contained on his part to be observed, kept or performed, and such default shall continue for a period of one hundred twenty (120) days after written notice from Lessor setting forth the nature of such default, then and in any such event, Lessor shall have the right at its option, upon written notice to such person, forthwith to terminate such person's interest in the leased premises and all rights of such person hereunder shall thereupon cease and Lessor without further notice to such person shall have the right immediately to enter into and upon that portion of the leased premises as to which such person holds a leasehold interest hereunder and Lessor shall have the right to take possession of said portion with or without process of law and to remove all personal property therefrom and all persons occupying said portion and to use all necessary force therefor and in all respects to take the actual, full and exclusive possession of said portion and every part thereof as of Lessor's original

estate, without incurring any liability to such person or to any persons occupying or using said portion of the leased premises for any damage caused or sustained by reason of such entry upon said portion or such removal of such property or persons therefrom; and such person shall indemnify and save harmless Lessor from all cost, loss or damage whatsoever arising or occasioned thereby.

14. Execution of Mortgages.

Following execution of this lease and payment of the initial rental hereinabove in paragraph 2 provided, Lessee may execute mortgages or deeds of trust, such mortgages or deeds of trust being hereinafter referred to collectively as the "mortgage," in favor of any reputable lending institution upon his leasehold interest, or any portion or portions thereof, for any purpose. Upon execution of each and every mortgage, Lessee shall forthwith give notice thereof to Lessor and concurrently therewith shall deliver a duly executed copy of the mortgage to Lessor, together with a notice of the address to which any notice, demand or other writing should be sent by Lessor to the mortgagee or beneficiary; upon release of Lessee's leasehold interest from the lien of the mortgage, Lessee shall forthwith give notice thereof to Lessor, together with written evidence of such release. Following receipt of said notice of execution of the mortgage and said notice of address, and prior to receipt of said notice of release thereof, Lessor shall mail a copy of each notice provided for in paragraphs 8, 11 and 13 hereof to the mortgagee or beneficiary whose mortgage covers that portion of the premises subject to such notice, and which mortgagee

or beneficiary has been specified by Lessee in his notice of mortgage. Said notices by Lessor shall be mailed to the address specified in said notice of address by Lessee, and such mortgagee or beneficiary shall have the right to do or perform in the same manner as Lessee any act or thing required by the provisions of this lease to be done or performed by Lessee.

15. Inspection of Premises.

Lessor shall be entitled, at all reasonable times, to go upon and into the leased premises for the purpose of inspecting the same, or for the purpose of inspecting the performance by Lessee of the terms and conditions of this lease, or for the purpose of posting and keeping posted thereon notices of non-responsibility for any construction, alteration or repair thereof, as required or permitted by any law or ordinance, and during the last two (2) years of the term hereof for the purpose of exhibiting the said property to prospective lessees thereof.

16. Delivery of Possession of Premises.

Lessor agrees to deliver possession of the leased premises to Lessee upon the effective date of this lease and if said premises are at such date occupied by any person, whether under claim of right emanating from Lessor or otherwise, Lessor shall at its sole cost and expense remove any such person from the leased premises.

17. Covenants of Parties.

(a) Lessor covenants and agrees to keep and perform all the terms and conditions hereof on its part to be kept and performed, and that Lessee, paying the rent in the

amount, at the times and in the manner herein provided and keeping and performing all the terms and conditions hereof on his part to be kept and performed, may, subject to the terms and conditions hereof, have and hold the property hereby leased, for the term hereof, without let or hindrance by Lessor.

(b) Lessee covenants and agrees to pay the rent and all other sums required to be paid by Lessee hereunder in the amounts, at the times and in the manner herein provided and to keep and perform all the terms and conditions hereof on his part to be kept and performed, and, at the expiration or sooner termination of this lease, peaceably and quietly to quit and surrender to Lessor the property hereby leased, together with all buildings and improvements hereafter constructed and then existing thereon, in good order and condition, reasonable use and wear thereof and damage by fire, act of God or by the elements excepted, subject to the other provisions of this lease. The performance of each and every covenant of Lessee hereunder shall be a condition for nonperformance of which this lease may be terminated as to all the leased premises or as to a portion or portions thereof, as in this lease provided.

18. Attorney's Fees.

If any action at law or in equity shall be brought to recover any rent under this lease, or for or on account of any breach of or to enforce or interpret any of the covenants, terms or conditions of this lease, or for the recovery of the possession of the leased premises, or any portion thereof, the prevailing party shall be entitled to

recover from the other party as a part of the prevailing party's costs a reasonable attorney's fee, the amount of which shall be fixed by the court and shall be made a part of any judgment rendered.

19. Mineral Rights Reserved by Lessor.

Lessor expressly reserves the sole and exclusive right to mine or otherwise produce or extract by any means whatsoever, whether by slant drilling or otherwise, oil, gas, hydrocarbons and other minerals (of whatsoever character) in or under or from the leased premises, such mining, production or extraction to be for the sole benefit of Lessor without obligation to pay Lessee for any or all of the substances so mined, produced or extracted; provided, however, that none of the operations for such mining, production or extraction shall be conducted from the surface of the leased premises, but only at such depth beneath the land surface as not to interfere with the use or stability of any residence or any other building or improvements on the leased premises or Lessee's use thereof.

20. Ownership of Buildings.

The residences and improvements hereafter situated upon the land hereby leased shall be and become a part of the leased premises and Lessee shall have only a leasehold interest therein, subject to all the terms and conditions of this lease. Whenever Lessee shall repair, reconstruct, remove, alter or rebuild or restore any residence or improvement, as in this lease required or permitted, the material and salvage therefrom may be used, sold or disposed of in any manner desired by Lessee.

21. Lessee's Fixtures.

Lessee, at any time when Lessee is not in default hereunder, may remove from any residence or improvement situated on the leased premises any fixtures or equipment installed therein by Lessee, whether or not such fixtures are fastened to such residence or other improvement located upon the leased premises and regardless of the manner in which they are so fastened; provided, however that any ordinary and customary residential fixtures removed by Lessee shall be replaced by Lessee with suitable fixtures of equal value and utility unless the entire structure in which the fixtures are located is removed, and provided, further, that under no circumstances shall any fixtures be removed without Lessor's written consent if the removal thereof would result in impairing the structural strength of such residence or improvement upon the leased premises. Lessee shall fully repair any damage occasioned by the removal of any such fixtures and shall leave the residences and improvements in a good, clean and neat condition.

22. Time of the Essence.

Time is hereby expressly declared to be of the essence of this lease and of each and every covenant, term, condition and provision hereof.

23. Notices, etc.

All notices, demands or other writings in this lease provided to be given or made or sent, or which may be given or made or sent by the parties hereto, shall be deemed to have been fully given or made or sent when made in writing and deposited in the United States mail,

registered or certified and postage prepaid, and addressed as follows:

To Lessor: Stanford University
 Stanford, California

To Lessee: Herbert T. Holbrook
 Greer Road,
 Woodside, California

to assignees and sublessees at their respective addresses to be set forth in the notices provided for in paragraph 10(a) hereof and to mortgagees and beneficiaries at their respective addresses to be set forth in the notices provided for in paragraph 14 hereof. The address to which any notice, demand or other writing may be given or made or sent to any party may be changed upon written notice given by such party as above provided.

24. Meaning of Terms.

Whenever the context so requires, the masculine gender shall include the feminine and the neuter, and the singular number shall include the plural and the plural, the singular.

25. Paragraph Headings.

The paragraph headings of this lease are for convenience only and are not a part of this lease and do not in any way limit or amplify the terms and provisions of this lease.

26. Lease Construed as Whole.

The language in all parts of this lease shall in all cases be construed as a whole according to its fair meaning and not strictly for nor against either Lessor or Lessee.

27. Remedies Cumulative.

All remedies hereinbefore conferred upon Lessor shall be deemed cumulative and no one exclusive of the other, or any other remedy conferred by law.

IN WITNESS WHEREOF, the parties hereto have executed this instrument in duplicate the day and year first hereinabove written.

THE BOARD OF TRUSTEES OF THE
LELAND STANFORD JUNIOR UNIVERSITY

(Seal)

By Royd W. Doolittle
Its President

Approved as to form:

Robert Minge Brown

By Charles A. Glynn
Its Assistant Secretary

Approved as to content:

LESSOR



[Signature]

[Signature]

[Signature]

Herbert T. Holbrook
(Herbert T. Holbrook)

Betty Wynn Holbrook
(Betty-Wynn Holbrook)

LESSEE