

MEMORANDUM OF GROUND LEASE

Recording Requested By And
When Recorded Return To:

Cooley Godward LLP
4401 Eastgate Mall
San Diego, CA 92121
Attn: Michael S. Levinson

(Space above this line for Recorder's use)

MEMORANDUM OF GROUND LEASE

This Memorandum of Ground Lease is made and entered into as of November ~~22~~ 2006 between the United States of America, acting by and through the Department of the Navy, as lessor ("**Government**"), and Manchester Pacific Gateway LLC, a Delaware limited liability company, as lessee ("**Lessee**").

This Memorandum of Ground Lease is made with reference to the following recital of essential facts: As of November ~~22~~ 2006, Government and Lessee entered into that certain Lease (the "**Lease**") for certain real property located in the City of San Diego, County of San Diego, State of California, legally described in attached Exhibit "A" ("**Premises**").

NOW, THEREFORE, for and in consideration of the foregoing, Government and Lessee hereby agree as follows:

1. Agreement to Lease. Government hereby leases to Lessee, and Lessee hereby leases from Government, the Premises pursuant to the Lease, upon all of the terms and conditions set forth in the Lease, which Lease is incorporated herein by this reference. In the event of any inconsistency between the terms and conditions of this Memorandum and the terms and conditions of the Lease, the terms and conditions of the Lease shall govern and control.

2. Term. Subject to the terms and conditions contained in the Lease, the term of the Lease shall expire ninety-nine (99) years from the Commencement Date (as defined in the Lease).

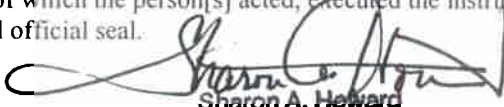
NOTARY ACKNOWLEDGMENT

STATE OF District of Columbia)
) ss.
COUNTY OF)

On 22nd November 2006 before me SHARON A. Howard, a Notary Public in and for said County and State, personally appeared Howard D. Kelsey, personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is [are] subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity[ies], and that by his/her/their signature[s] on the instrument the person[s], or the entity[ies] upon behalf of which the person[s] acted, executed the instrument.

WITNESS my hand and official seal.

Signature

 (SEAL)

Sharon A. Howard
Notary Public, District of Columbia
My Commission Expires 9-30-2007

NOTARY ACKNOWLEDGMENT

STATE OF California)
) ss.
COUNTY OF San Diego)

On 28th November 2006 before me Mari A. Waldron, a Notary Public in and for said County and State, personally appeared Richard V. Gibbons, personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is [are] subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity[ies], and that by his/her/their signature[s] on the instrument the person[s], or the entity[ies] upon behalf of which the person[s] acted, executed the instrument.

WITNESS my hand and official seal.

Signature

(SEAL)

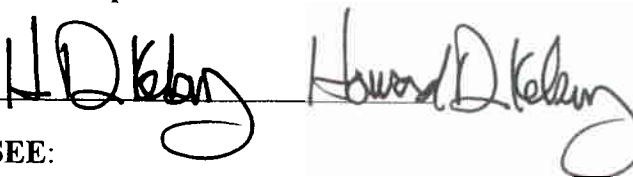




IN WITNESS WHEREOF, each of the parties hereto has executed this instrument as of the date first above written.

GOVERNMENT:

UNITED STATES OF AMERICA, acting by and through the DEPARTMENT of the NAVY and its authorized representatives

By:  Howard D. Kelton

LESSEE:

MANCHESTER PACIFIC GATEWAY LLC, a Delaware limited liability company

By: Manchester Financial Group, L.P., a California limited partnership, Manager

By: Manchester Financial Group, Inc., a California corporation, General Partner

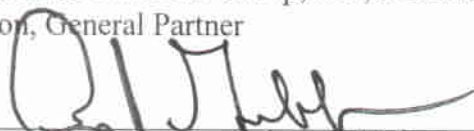
By: 
Name: Richard V. Gibbons
Title: President

EXHIBIT "A"
TO MEMORANDUM OF GROUND LEASE
DESCRIPTION OF THE PREMISES

See attached

LEGAL DESCRIPTION

LEGAL DESCRIPTION FOR BROADWAY COMPLEX, SAN DIEGO, CALIFORNIA. U. S. NAVY LANDS:

PARCEL 1:

THOSE PORTIONS OF THE TIDE SUBMERGED OR FILLED LANDS OF THE BAY OF SAN DIEGO, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, BEING A PORTION OF THOSE LANDS CONVEYED TO THE CITY OF SAN DIEGO, BY THE STATE OF CALIFORNIA, UNDER THE PROVISIONS OF THAT CERTAIN ACT OF THE LEGISLATURE OF THE STATE OF CALIFORNIA, APPROVED MAY 1, 1911 AS SUBSEQUENTLY AMENDED AND LYING WITHIN THE FOLLOWING DESCRIBED LAND:

BEGINNING AT A POINT ON THE NORTH LINE OF BLOCK 15 PER SAID TRACT NO. 1 OF THE MUNICIPAL TIDELANDS SUBDIVISION (M. T. L. S.) AS MENTIONED IN DEED BETWEEN THE CITY OF SAN DIEGO, BEING THE GRANTOR AND THE UNITED STATES OF AMERICA, BEING THE GRANTEE, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY AT BOOK 1323, PAGE 118, ON JULY 17, 1940; ALSO BEING IDENTIFIED BY A LEAD, TACK AND TAG STAMPED LS 2412 MARKING THE INTERSECTION OF THE SOUTH BOUNDARY LINE OF BROADWAY (125.00 FEET WIDE) WITH THE WEST BOUNDARY LINE OF THE PACIFIC HIGHWAY (FORMERLY ATLANTIC STREET) BEING 120.00 FEET WIDE, ALSO BEING THE WESTERLY LINE OF THAT CERTAIN 20.00 FOOT WIDE STRIP OF LAND DEDICATED TO THE CITY OF SAN DIEGO FOR ROAD AND PUBLIC STREET PURPOSES PER RESOLUTION NO. 108 OF THE HARBOR COMMISSION OF THE CITY OF SAN DIEGO, ADOPTED MAY 23, 1935;

1. THENCE ALONG SAID WEST BOUNDARY LINE OF THE PACIFIC HIGHWAY AS SHOWN ON SAID RECORD OF SURVEY NO. 11505 AND ALSO BEING THE EAST LINE OF THOSE LANDS AS ACQUIRED BY THE UNITED STATES OF AMERICA PER SAID DEED FILED IN BOOK 1323, PAGE 118, S 0°32'16" WEST, 300.82 FEET TO A 4" DIAMETER CONCRETE MONUMENT WITH A 2 1/2" BRASS CAP STAMPED LS 3997 MARKING THE INTERSECTION OF THE WEST BOUNDARY LINE OF PACIFIC HIGHWAY WITH THE NORTH BOUNDARY LINE OF "E" STREET AS SHOWN ON SAID RECORD OF SURVEY NO. 11505;

2. THENCE ALONG SAID NORTH BOUNDARY LINE OF "E" STREET, AS SHOWN ON SAID RECORD OF SURVEY NO. 11505, N 89°27'34" WEST, 505.20 FEET TO THE SOUTHWEST CORNER OF BLOCK 14 OF SAID MUNICIPAL TIDELANDS SUBDIVISION, TRACT NO.1 AS DESCRIBED IN DEED FROM THE CITY OF SAN DIEGO TO THE UNITED STATES OF AMERICA FILED IN THE OFFICE OF THE

LEGAL DESCRIPTION

(continued)

COUNTY RECORDER OF SAID COUNTY AT BOOK 227, PAGE 278 ON JULY 14, 1933, INCLUSIVE OF THE 25.00 FOOT WIDE PARK STRIP IN SAID BLOCK 14, ALSO BEING IDENTIFIED BY A LEAD TACK AND TAG STAMPED LS 3997 ON A ONE-FOOT OFFSET EASTERLY PER SAID RECORD OF SURVEY NO. 11505;

3. THENCE ALONG THE EAST BOUNDARY LINE OF HARBOR DRIVE, AS SHOWN ON SAID RECORD OF SURVEY NO. 11505 AND SAID BLOCK 14, N 0°32' 16" E, 300.82 FEET TO 4" DIAMETER CONCRETE MONUMENT WITH A 2 1/2" BRASS CAP STAMPED LS 3997 MARKING THE NORTHWEST CORNER OF SAID BLOCK 14 AND THE INTERSECTION OF THE EAST BOUNDARY LINE OF HARBOR DRIVE (175.00 FEET WIDE) WITH THE SOUTH BOUNDARY LINE OF BROADWAY;

4. THENCE ALONG SAID SOUTH BOUNDARY LINE OF BROADWAY, AS SHOWN ON SAID RECORD OF SURVEY NO. 11505, S 89°27'34" E, 505.20 FEET TO THE POINT OF BEGINNING.

EXCEPTING AND RESERVING TO THE STATE OF CALIFORNIA, ALL DEPOSITS OF MINERALS, INCLUDING OIL AND GAS, IN SAID LANDS, AND TO THE STATE OF CALIFORNIA, OR PERSONS AUTHORIZED BY THE STATE OF CALIFORNIA, THE RIGHT TO PROSPECT FOR, MINE, AND REMOVE SUCH DEPOSITS FROM SAID LANDS AS SET OUT IN THE SAN DIEGO UNIFIED PORT DISTRICT ACT, STATUTE 1962 CHAPTER 67 AS AMENDED.

SAID PARCEL 1 CONTAINS 3.489 ACRES, MORE OR LESS, AS SHOWN ON SAID RECORD OF SURVEY NO. 11505.

PARCEL 2:

THOSE PORTIONS OF THE TIDE SUBMERGED OR FILLED LANDS OF THE BAY OF SAN DIEGO, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, BEING A PORTION OF THOSE LANDS CONVEYED TO THE CITY OF SAN DIEGO, BY THE STATE OF CALIFORNIA, UNDER THE PROVISIONS OF THAT CERTAIN ACT OF THE LEGISLATURE OF THE STATE OF CALIFORNIA, APPROVED MAY 1, 1911 AS SUBSEQUENTLY AMENDED AND LYING WITHIN THE FOLLOWING DESCRIBED LAND:

BEGINNING AT A POINT ON THE NORTH LINE OF BLOCK 16 PER SAID TRACT NO.1 OF THE MUNICIPAL TIDELANDS SUBDIVISION AS MENTIONED IN DEED BETWEEN THE CITY OF SAN DIEGO, BEING THE GRANTOR AND UNITED STATES OF AMERICA, BEING THE GRANTEE, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY AT BOOK 239, PAGE 408 ON AUGUST 3, 1933; SAID NORTHEASTERLY CORNER BEING IDENTIFIED BY A LEAD, TACK AND TAG

LEGAL DESCRIPTION

(continued)

STAMPED LS 3997 MARKING THE INTERSECTION OF THE SOUTH BOUNDARY LINE OF "E" STREET WITH THE WEST BOUNDARY LINE OF THE PACIFIC HIGHWAY (FORMERLY ATLANTIC STREET) AS SHOWN ON SAID RECORD OF SURVEY NO. 11505, BEING 120.00 FEET WIDE, ALSO BEING THE WESTERLY LINE OF THAT CERTAIN 20.00 FOOT WIDE STRIP OF LAND DEDICATED TO THE CITY OF SAN DIEGO FOR ROAD AND PUBLIC STREET PURPOSES PER RESOLUTION NO. 108 OF THE HARBOR COMMISSION OF THE CITY OF SAN DIEGO, ADOPTED MAY 23, 1935;

1. THENCE ALONG SAID WEST BOUNDARY LINE OF THE PACIFIC HIGHWAY AS SHOWN ON SAID RECORD OF SURVEY NO. 11505, S 0°32' 16" W, 124.55 FEET, TO A POINT BEING MARKED BY A LEAD, TACK AND TAG STAMPED LS 3997, ALSO BEING A POINT ON THE ORDINARY HIGH WATER MARK (O.H.W.M.), ALSO BEING THE MEAN HIGH TIDE LINE OF THE BAY OF SAN DIEGO AS PURPORTEDLY ESTABLISHED BY THAT CERTAIN SUPERIOR COURT ACTION CASE NO. 35473 ENTITLED CITY OF SAN DIEGO VS. ARROW PACKING COMPANY. , ET AL, A CERTIFIED COPY OF SAID DECREE RECORDED MARCH 10, 1925 IN BOOK 1084, PAGE 1 OF OFFICIAL RECORDS, DOCUMENT NO. 11693;

2. THENCE ALONG SAID O.H.W.M. S 3°01'46" W, 59.34 FEET TO A POINT MARKED BY A LEAD TACK AND TAG STAMPED LS 3997 AS SHOWN ON SAID RECORD OF SURVEY NO. 11505;

3. THENCE CONTINUING ALONG SAID O.H.W.M. S 1°46'16" W, 100.01 FEET TO A POINT MARKED BY A LEAD, TACK AND TAG STAMPED LS 3997 AS SHOWN ON SAID RECORD OF SURVEY NO. 11505;

4. THENCE CONTINUING ALONG SAID O.H.W.M. S 1°22'44" E, 16.12 FEET TO A POINT BEING MARKED BY LEAD, TACK AND TAG STAMPED LS 3997 AS SHOWN ON SAID RECORD OF SURVEY NO. 11505, ALSO BEING A POINT ON THE SOUTH LINE OF SAID BLOCK 16, ALSO BEING THE NORTH LINE OF "F" STREET AS SHOWN ON SAID RECORD OF SURVEY NO. 11505;

5. THENCE LEAVING SAID O.H.W.M. ALONG THE NORTH BOUNDARY LINE OF "F" STREET AS SHOWN ON SAID RECORD OF SURVEY NO. 11505 AND ALONG THE SOUTH BOUNDARY LINE OF BLOCK 16, 17 AND THROUGH BELT STREET PER SAID TRACT NO.1 (M. T. L. S.) OF THOSE LANDS GRANTED TO THE UNITED STATES OF AMERICA BY SAID DEEDS RECORDED AT BOOK 239, PAGE 408 AND BOOK 1323, PAGE 118, N 89°27'34" W, 475.97 FEET TO THE SOUTHWEST CORNER OF LOT 6 OF SAID BLOCK 17, WHICH LIES TWO FEET EAST ON PROJECTED SOUTH BOUNDARY LINE OF SAID "F" STREET OF REFERENCED MARK IDENTIFIED BY A 4" DIAMETER CONCRETE MONUMENT WITH 2 1/2" BRASS CAP STAMPED LS 3997;

6. THENCE ALONG THE WEST BOUNDARY LINE OF LOTS 1 THROUGH 6 OF SAID BLOCK 17 (M. T. L. S.) AND THE EAST BOUNDARY LINE OF HARBOR DRIVE (200.00 FEET WIDE) AS SHOWN ON SAID RECORD OF SURVEY NO. 11505, N 0°32'16" E, 299.93 FEET TO THE NORTHWEST CORNER OF LOT 1 OF SAID BLOCK 17 (M. T. L. S.), WHICH LIES TWO FEET EAST ON THE PROJECTED SOUTH BOUNDARY LINE OF "E"

LEGAL DESCRIPTION

(continued)

STREET OF A REFERENCE MARKED IDENTIFIED BY A LEAD, TACK AND TAG STAMPED LS 3997;

7. THENCE ALONG THE SOUTH BOUNDARY LINE OF "E" STREET AS SHOWN ON SAID RECORD OF SURVEY NO. 11505 AND THE NORTH BOUNDARY LINE BLOCKS 17, 16 AND THROUGH BELT STREET PER SAID TRACT NO.1 (M. T. L. S.) OF THOSE LANDS GRANTED TO THE UNITED STATES OF AMERICA BY SAID DEEDS RECORDED AT BOOK 239, PAGE 408 AND BOOK 1323, PAGE 118, S 89°27'34" E, 480.16 FEET TO THE POINT OF BEGINNING.

EXCEPTING AND RESERVING TO THE STATE OF CALIFORNIA, ALL DEPOSITS OF MINERALS, INCLUDING OIL AND GAS, IN SAID LANDS, AND TO THE STATE OF CALIFORNIA, OR PERSONS AUTHORIZED BY THE STATE OF CALIFORNIA, THE RIGHT TO PROSPECT FOR, MINE, AND REMOVE SUCH DEPOSITS FROM SAID LANDS AS SET OUT IN THE SAN DIEGO UNIFIED PORT DISTRICT ACT, STATUTE 1962 CHAPTER 67 AS AMENDED.

SAID PARCEL TWO CONTAINS 3.294 ACRES, MORE OR LESS, AS SHOWN ON RECORD OF SURVEY NO. 11505.

PARCEL 3:

THOSE PORTIONS OF THE TIDE SUBMERGED OR FILLED LANDS OF THE BAY OF SAN DIEGO, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, BEING A PORTION OF THOSE LANDS CONVEYED TO THE CITY OF SAN DIEGO, BY THE STATE OF CALIFORNIA, UNDER THE PROVISIONS OF THAT CERTAIN ACT OF THE LEGISLATURE OF THE STATE OF CALIFORNIA, APPROVED MAY 1, 1911 AS SUBSEQUENTLY AMENDED AND LYING WITHIN THE FOLLOWING DESCRIBED LAND:

BEGINNING AT A POINT ON THE NORTH LINE OF BLOCK 19 PER SAID MUNICIPAL TIDELANDS SUBDIVISION (M. T. L. S.) AND AS MENTIONED IN DEED BETWEEN THE CITY OF SAN DIEGO, BEING GRANTOR, AND THE UNITED STATES OF AMERICA, BEING THE GRANTEE, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY AT BOOK 835, PAGED 487, ON JULY 13, 1938, ALSO BEING IDENTIFIED BY A LEAD, TACK AND TAG STAMPED LS 3997 MARKING THE INTERSECTION WITH THE WEST BOUNDARY LINE OF THE PACIFIC HIGHWAY (FORMERLY ATLANTIC STREET) BEING 120.00 FEET WIDE, ALSO BEING THE WESTERLY LINE OF THAT CERTAIN 20.00 FOOT WIDE STRIP OF LAND DEDICATED TO THE CITY OF SAN DIEGO FOR ROAD AND PUBLIC STREET PURPOSES PER RESOLUTION NO. 108 OF THE HARBOR COMMISSION OF THE CITY OF SAN DIEGO.

LEGAL DESCRIPTION

(continued)

ADOPTED MAY 23, 1935, ALSO BEING THE SOUTH BOUNDARY LINE OF "F" STREET AS SHOWN ON SAID RECORD OF SURVEY NO. 11505;

1. THENCE ALONG SAID WEST BOUNDARY LINE OF SAID PACIFIC HIGHWAY, ALSO BEING THE EAST BOUNDARY LINE OF THOSE LANDS AS ACQUIRED BY THE UNITED STATES OF AMERICA PER SAID DEED FILED IN BOOK 1323, PAGE 118, ON JULY 17, 1940 S00°32'16" W 499.75 FEET TO A 4" DIAMETER CONCRETE MONUMENT WITH 2 1/2" BRASS CAP STAMPED LS 3997 AS SHOWN ON SAID RECORD OF SURVEY NO. 11505;

2. THENCE ALONG SOUTHEASTERLY BOUNDARY LINE OF THOSE LANDS ACQUIRED BY THE UNITED STATES OF AMERICA PER SAID DEED FILED IN BOOK 1323, PAGE 118, ON JULY 17, 1940, BEING A TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 150.00 FEET THROUGH A CENTRAL ANGLE OF 90°00'10" FOR AN ARC DISTANCE OF 235.63 FEET TO A 4" DIAMETER CONCRETE MONUMENT WITH A 2 1/2 BRASS CAP STAMPED LS 3997 AS SHOWN ON SAID RECORD OF SURVEY NO. 11505;

3. THENCE ALONG THE SOUTH BOUNDARY LINE OF THOSE LANDS AS ACQUIRED BY THE UNITED STATES OF AMERICA PER SAID DEED FILED IN BOOK 1323, PAGE 118, ON JULY 17, 1940 AS SAID SOUTH BOUNDARY LINE BEING THE NORTH BOUNDARY LINE OF MARKET STREET, N 89°27'34" W, 164.57 FEET TO A 4" CONCRETE MONUMENT WITH A 2 1/2" BRASS CAP STAMPED LS 3997 AS SHOWN ON SAID RECORD OF SURVEY NO. 11505;

4. THENCE ALONG THE SOUTHWESTERLY BOUNDARY LINE OF THOSE LANDS ACQUIRED BY THE UNITED STATES OF AMERICA PER SAID DEED FILED IN BOOK 1323, PAGE 118, ON JULY 17, 1940, BEING A TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 150.00 FEET, THROUGH A CENTRAL ANGLE OF 69°58'24" FOR AN ARC LENGTH OF 183.19 FEET TO A 4" DIAMETER CONCRETE MONUMENT WITH A 2 1/2" BRASS CAP STAMPED LS 3997 AS SHOWN ON SAID RECORD OF SURVEY NO. 11505;

5. THENCE ALONG SAID SOUTHWESTERLY BOUNDARY LINE, N 19°29' 10" W, 72.01 FEET TO A POINT THAT LIES S 89°27'44" E, 1.00 FEET FROM A REFERENCE POINT MARKED BY A LEAD, TACK AND TAG STAMPED LS 3997 AS SHOWN SAID RECORD OF SURVEY NO. 11505;

6. THENCE ALONG THE WEST BOUNDARY LINE OF THOSE LANDS AS ACQUIRED BY THE UNITED STATES OF AMERICA PER SAID DEED FILED IN BOOK 1323, PAGE 118 ON JULY 17, 1940 AND THE WEST BOUNDARY LINE OF THOSE LANDS AS ACQUIRED THE UNITED STATES OF AMERICA PER SAID BOOK 835, PAGE 487 ON JULY 13, 1938 N 0°32'16" E, 483.47 FEET TO THE NORTHWEST CORNER OF BLOCK 18 PER SAID MUNICIPAL TIDELANDS SUBDIVISION (M. T. L. S.) AS SAID NORTHWEST CORNER LIES S 89°27'34" E, 2.00 FEET FROM A 4" DIAMETER CONCRETE MONUMENT WITH A 2 1/2" BRASS CAP STAMPED LS 3997 AS SHOWN ON SAID RECORD OF SURVEY NO. 11505;

LEGAL DESCRIPTION

(continued)

7. THENCE ALONG THE SOUTH BOUNDARY LINE OF SAID "F" STREET AND THE NORTH BOUNDARY LINE OF SAID BLOCK 18, THROUGH BELT STREET PER SAID TRACT NO. 1 (M. T. L. S.) AND THE NORTH BOUNDARY LINE OF SAID BLOCK 19, S 89°27'34" E, 480.16 FEET TO THE POINT OF BEGINNING.

EXCEPTING AND RESERVING TO THE STATE OF CALIFORNIA, ALL DEPOSITS OF MINERALS, INCLUDING OIL AND GAS, IN SAID LANDS, AND TO THE STATE OF CALIFORNIA, OR PERSONS AUTHORIZED BY THE STATE OF CALIFORNIA, THE RIGHT TO PROSPECT FOR, MINE, AND REMOVE SUCH DEPOSITS FROM SAID LANDS AS SET OUT IN THE SAN DIEGO UNIFIED PORT DISTRICT ACT, STATUTE 1962 CHAPTER 67 AS AMENDED.

ALSO EXCEPTING THEREFROM THAT PORTION DESCRIBED AS FOLLOWS:

BEING A PORTION OF BLOCK 18 AND 19, TOGETHER WITH THAT PORTION OF BELT STREET (VACATED) IN TRACT NO. 1 OF THE MUNICIPAL TIDELANDS SUBDIVISION ACCORDING TO THE MAP FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF SAN DIEGO, CALIFORNIA ON MAY 18, 1916 AND NUMBERED AS DOCUMENT NO. 100007, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY EASEMENT SIDELINE OF THAT CERTAIN 75.00 FOOT WIDE EASEMENT FOR STREET AND UTILITY PURPOSES IN FAVOR OF THE UNITED STATES OF AMERICA AS SET OUT IN FINAL ORDER OF CONDEMNATION RECORDED DECEMBER 29, 1992 AS FILE NO. 1992-0835306 OF OFFICIAL RECORDS OF THE COUNTY OF SAN DIEGO WITH THE WESTERLY SIDELINE OF THAT CERTAIN 20.00 FOOT WIDE STRIP OF LAND DEDICATED TO THE CITY OF SAN DIEGO FOR ROAD AND PUBLIC STREET PURPOSES PER RESOLUTION NO. 108 OF THE HARBOR COMMISSION OF THE CITY OF SAN DIEGO, ADOPTED MAY 23, 1935; THENCE SOUTHERLY ALONG SAID WESTERLY, 20.00 FOOT WIDE EASEMENT SIDELINE, SOUTH 00°32'36" WEST 362.76 FEET; THENCE DEPARTING SAID WESTERLY EASEMENT SIDELINE, NORTH 89°27'31" WEST 302.36 FEET; THENCE NORTH 00°32'29" EAST 362.73 FEET TO THE SOUTHERLY SIDELINE OF SAID 75.00 FOOT WIDE EASEMENT FOR STREET AND UTILITY PURPOSES; THENCE EASTERLY ALONG SAID SOUTHERLY EASEMENT SIDELINE, SOUTH 89°27'49" EAST 302.37 FEET TO THE POINT OF BEGINNING

SAID PARCEL 3 CONTAINS 4.371 ACRES, MORE OR LESS.

PARCEL 4: "E" STREET

LEGAL DESCRIPTION

(continued)

THOSE PORTIONS OF THE TIDE SUBMERGED OR FILLED LANDS OF THE BAY OF SAN DIEGO, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, BEING A PORTION OF THOSE LANDS CONVEYED TO THE CITY OF SAN DIEGO, BY THE STATE OF CALIFORNIA, UNDER THE PROVISIONS OF THAT CERTAIN ACT OF THE LEGISLATURE OF THE STATE OF CALIFORNIA, APPROVED MAY 1, 1911 AS SUBSEQUENTLY AMENDED AND LYING WITHIN THE FOLLOWING DESCRIBED LAND:

COMMENCING FOR REFERENCE AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE SOUTHERLY RIGHT OF WAY LINE OF BROADWAY AND THE U. S. BULKHEAD LINE, AS SAID LINE IS NOW ESTABLISHED FOR THE BAY OF SAN DIEGO; THENCE ALONG SAID WESTERLY PROLONGATION OF THE SOUTHERLY RIGHT OF WAY LINE OF BROADWAY, SOUTH 89°58'20" EAST, 175.00 FEET; THENCE SOUTHWESTERLY ON A LINE PARALLEL WITH AND DISTANT 175.00 FEET EASTERLY FROM SAID BULKHEAD LINE, SOUTH 0°01'40" WEST, 300.82 FEET; THENCE AT RIGHT ANGLES TO THE LAST MENTIONED COURSE, SOUTH 89°58'20" EAST, 25.00 FEET TO THE TRUE POINT OF BEGINNING;

1. THENCE ALONG THE NORTHERLY BOUNDARY LINE OF "E" STREET, SOUTH 89°58'20" EAST, 480.16 FEET TO THE WESTERLY BOUNDARY LINE OF THE PACIFIC HIGHWAY;

2. THENCE ALONG THE WESTERLY BOUNDARY OF THE PACIFIC HIGHWAY, SOUTH 0°01'40" WEST, 75.00 FEET TO THE SOUTHERLY BOUNDARY LINE OF SAID "E" STREET;

3. THENCE ALONG THE SOUTHERLY BOUNDARY LINE OF SAID "E" STREET NORTH 89°58'20" WEST, 480.16 FEET TO THE EASTERLY BOUNDARY LINE HARBOR DRIVE;

4. THENCE ALONG THE EASTERLY BOUNDARY LINE OF HARBOR DRIVE NORTH 0°01'40" EAST, 75.00 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING AND RESERVING TO THE STATE OF CALIFORNIA, ALL DEPOSITS OF MINERALS, INCLUDING OIL AND GAS, IN SAID LANDS, AND TO THE STATE OF CALIFORNIA, OR PERSONS AUTHORIZED BY THE STATE OF CALIFORNIA, THE RIGHT TO PROSPECT FOR, MINE, AND REMOVE SUCH DEPOSITS FROM SAID LANDS AS SET OUT IN THE SAN DIEGO UNIFIED PORT DISTRICT ACT, STATUTE 1962 CHAPTER 67 AS AMENDED.

SAID PARCEL 4 CONTAINING .826 OF AN ACRE, MORE OR LESS

PARCEL 5: "F" STREET

THOSE PORTIONS OF THE TIDE SUBMERGED OR FILLED LANDS OF THE BAY OF SAN DIEGO, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, BEING A PORTION OF THOSE LANDS CONVEYED TO THE CITY OF SAN DIEGO, BY THE STATE OF CALIFORNIA, UNDER THE PROVISIONS OF THAT CERTAIN ACT OF THE LEGISLATURE OF THE STATE OF CALIFORNIA, APPROVED MAY 1, 1911 AS SUBSEQUENTLY AMENDED AND LYING WITHIN THE FOLLOWING DESCRIBED LAND:

LEGAL DESCRIPTION

(continued)

COMMENCING FOR REFERENCE AT THE POINT OF BEGINNING FOR THE ABOVE DESCRIBED PARCEL "1"; THENCE, ALONG THE EASTERLY BOUNDARY LINE OF HARBOR DRIVE, SOUTH 0°01'40" WEST, 374.93 FEET TO ITS INTERSECTION WITH THE NORTHERLY BOUNDARY LINE OF "F" STREET, THE TRUE POINT OF BEGINNING:

1. THENCE ALONG THE NORTHERLY BOUNDARY LINE OF SAID "F" STREET, SOUTH 89°58'20" EAST, 475.98 FEET TO THE MEAN HIGH TIDE LINE, AS SHOWN ON MISCELLANEOUS MAP NO. 42, RECORDS OF SAID COUNTY;

2. THENCE ALONG SAID MEAN HIGH TIDE LINE, SOUTH 1°53'20" EAST 75.04 FEET TO THE SOUTHERLY BOUNDARY LINE OF SAID "F" STREET;

3. THENCE ALONG THE SOUTHERLY BOUNDARY LINE OF SAID "F" STREET, NORTH 89°58'20" WEST, 478.49 FEET TO THE EASTERLY BOUNDARY LINE OF HARBOR DRIVE;

4. THENCE ALONG THE EASTERLY BOUNDARY LINE OF HARBOR DRIVE, NORTH 0°01'40" EAST, 75 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING AND RESERVING TO THE STATE OF CALIFORNIA, ALL DEPOSITS OF MINERALS, INCLUDING OIL AND GAS, IN SAID LANDS, AND TO THE STATE OF CALIFORNIA, OR PERSONS AUTHORIZED BY THE STATE OF CALIFORNIA, THE RIGHT TO PROSPECT FOR, MINE, AND REMOVE SUCH DEPOSITS FROM SAID LANDS AS SET OUT IN THE SAN DIEGO UNIFIED PORT DISTRICT ACT, STATUTE 1962 CHAPTER 67 AS AMENDED.

SAID PARCEL 5 CONTAINING .821 OF AN ACRE, MORE OR LESS.

END OF LEGAL DESCRIPTION