

L E A S E

VICTOR P. TRAVERSO, JR.,
JOHN A. TRAVERSO and
WILLIAM F. TRAVERSO,

Lessors

and

V. TRAVERSO CO., a corp-
oration,

Lessee

DATED

January 16, 1948

LAW OFFICES

WALTER A. DOLD

MONADNOCK BUILDING, 681 MARKET ST.

SAN FRANCISCO, CALIF.

1 made of the said premises L E A S E done, which will increase
2 the existing rate of insurance upon the building in which said
3 premises. THIS LEASE, executed in duplicate at San Francisco,
4 California, this 16th day of January, 1948, by and between
5 VICTOR P. TRAVERSO, JR., JOHN A. TRAVERSO and WILLIAM F. TRAVERSO,
6 Lessors, and V. TRAVERSO CO., a corporation, Lessee, hereinafter
7 called respectively "Lessor" and "Lessee" without regard to cost
8 number or gender, by with any and all requirements, pertaining
9 to said premises, of any insurance organization or company,
10 necessary for the W I T N E S S E T H: reasonable fire and public

11 liability. That Lessor hereby leases to Lessee, and Lessee hires
12 from Lessor, for the purpose of conducting therein and thereat,
13 a wholesale grocery and liquor business, and for no other purposes,
14 those certain premises with the appurtenances, situated in the
15 City and County of San Francisco, State of California, and more
16 particularly described as follows, to wit: none to, or alterations

17 of, the said premises: 1050 Battery Street. Furniture and trade fix-
18 tures, shall be furnished by Lessee. The term shall be for one (1) year, commencing on the
19 1st day of February, 1948, at the total rent or sum of Twelve
20 Thousand and 00/100 Dollars (\$12,000.00) lawful money of the
21 United States of America, which Lessee agrees to pay to Lessor,
22 without deduction or offset, at such place or places as may be
23 designated from time to time by Lessor, in installments, as
24 follows: the premises shall be deemed to be abandoned, at the
25 option of One Thousand Dollars (\$1000.00) on the first day of
26 each and every month, in advance.

27 It is further mutually agreed between the parties, as
28 follows: none and appurtenances and every part thereof (except-
29 ing exterior). Lessee shall not use, or permit said premises, or
30 any part thereof, to be used, for any purpose or purposes other
31 than the purpose or purposes for which the said premises are
32 hereby leased; and no use shall be made or permitted to be in

made of the said premises, nor acts done, which will increase the existing rate of insurance upon the building in which said premises may be located, or cause a cancellation of any insurance policy covering said building, or any part thereof, nor shall Lessee permit to be kept or used, in or about said premises, any article which may be prohibited by the standard form of fire insurance policies. Lessee shall, at its sole cost and expense, comply with any and all requirements, pertaining to said premises, of any insurance organization or company, necessary for the maintenance of reasonable fire and public liability insurance, covering said building and appurtenances.

2. Lessee shall not commit, or suffer to be committed, any waste upon the said premises, or any nuisance. Lessee shall not make, or suffer to be made, any alterations of the said premises, or any part thereof, without the written consent of Lessor first had and obtained, and any additions to, or alterations of, the said premises, except movable furniture and trade fixtures, shall become at once a part of the realty and belong to Lessor.

3. Lessee shall not vacate or abandon the premises at any time during the term; and if Lessee shall abandon, vacate or surrender said premises, or be dispossessed by process of law, or otherwise, any personal property belonging to Lessee and left on the premises shall be deemed to be abandoned, at the option of Lessor, except such property as may be mortgaged to Lessor.

4. Lessee shall, at its sole cost, keep and maintain said premises and appurtenances and every part thereof (excepting exterior walls and roofs which Lessor agrees to repair), including glazing, and the interior of the premises, in good and sanitary order, condition and repair, hereby waiving all right to make repairs at the expense of Lessor, as provided in

harmless from any damage or injury to any person, or to the

Section 1942 of the Civil Code of the State of California, and all rights provided for by Section 1941 of said Civil Code. By entry hereunder, Lessee accepts the premises as being in good and sanitary order, condition and repair and agrees on the last day of said term, or sooner termination of this lease, to surrender unto Lessor all and singular said premises with said appurtenances in the same condition as when received, reasonable use and wear thereof and damage by fire, act of God, or by the elements excepted, and to remove all the Lessee's signs from said premises.

5. Lessee shall keep the demised premises and the property in which the demised premises are situated free from any liens arising out of any work performed, materials furnished, or obligations incurred by Lessee.

6. Lessee shall, at its sole cost and expense, comply with all of the requirements of all Municipal, State and Federal authorities now in force, or which may hereafter be in force, pertaining to the said premises, and shall faithfully observe in the use of the premises all Municipal ordinances and State and Federal statutes now in force or which may hereafter be in force. The judgment of any court of competent jurisdiction, or the admission of Lessee in any action or proceeding against Lessee, whether Lessor be a party thereto or not, that Lessee has violated any such ordinance or statute in the use of the premises, shall be conclusive of that fact as between Lessor and Lessee.

7. Lessee, as a material part of the consideration to be rendered to Lessor, hereby waives all claims against Lessor for damages to goods, wares and merchandise, furnishings, equipment and supplies in, upon or about said premises and for injuries to persons in or about said premises, from any cause arising at any time, and Lessee will hold Lessor exempt and harmless from any damage or injury to any person, or to the

1 furnishings, supplies, equipment and goods, wares and merchandise
2 of any person, arising from the use of the premises by Lessee,
3 or from the failure of Lessee to keep the premises in good condi-
4 tion and repair, as herein provided. 11. Lessee shall not place
5 upon said premises any sale by auction on said premises. Lessee shall not place or
6 permit to be placed any projecting sign, marquee or awning on
7 the front of the said premises without the written consent of
8 Lessor; Lessee, upon request of Lessor, shall immediately re-
9 move any sign or decoration which Lessee has placed or permitted
10 to be placed in, on, or about the front of the premises and
11 which, in the opinion of Lessor, is objectionable or offensive,
12 and if Lessee fails so to do, Lessor may enter upon said premises
13 and remove the same. Lessor has reserved the exclusive right
14 to the walls and roof of said premises, and Lessee shall not
15 place or permit to be placed upon the said walls or roof, any
16 sign, advertisement or notice without the written consent of
17 Lessor. 12. Lessee shall pay for all water, gas, heat, light,
18 power, telephone service and all other service supplied to the
19 said premises. 13. Lessee shall permit Lessor and his agents to
20 enter into and upon said premises at all reasonable times for
21 the purpose of inspecting the same or for the purpose of
22 maintaining the building in which said premises are situated,
23 or for the purpose of making repairs, alterations or additions
24 to any other portion of said building, including the erection
25 and maintenance of such scaffolding, canopies, fences and props
26 as may be required, or for the purpose of posting notice of
27 non-liability for alterations, additions, or repairs, or for
28 the purpose of placing upon the property in which the said
29 premises are located any usual or ordinary "For Sale" signs,

without any rebate of rent and without any liability to Lessee for any loss of occupation or quiet enjoyment of the premises thereby occasioned; and shall permit Lessor, at any time within thirty (30) days prior to the expiration of this Lease, to place upon said premises any usual or ordinary "To Let" or "To Lease" signs.

third aml. In the event of a partial destruction of the said premises during the said term, from any cause, Lessor shall forthwith repair the same, provided such repairs can be made within sixty (60) days under the law and regulations of State, Federal, County or Municipal authorities, but such partial destruction shall in no wise annul or void this lease, except that Lessee shall be entitled to a proportionate deduction of rent while such repairs are being made, such proportionate deduction to be based upon the extent to which the making of such repairs shall interfere with the business carried on by Lessee in the said premises. If such repairs cannot be made in sixty (60) days, Lessor may, at his option, make same within a reasonable time, this lease continuing in full force and effect and the rent to be proportionately rebated, as aforesaid in this paragraph provided. In the event that Lessor does not so elect to make such repairs which cannot be made in sixty (60) days, or such repairs cannot be made under such laws and regulations, this lease may be terminated at the option of either party. In respect to any partial destruction which Lessor is obligated to repair or may elect to repair under the terms of this paragraph, the provisions of Section 1932, Subdivision 2, and of Section 1933, Subdivision 4, of the Civil Code of the State of California, are waived by Lessee. In the event that the building in which the demised premises may be situated be destroyed to the extent of not less than thirty-three and one-third per cent (33-1/3%) of the replacement cost thereof, Lessor may

elect to terminate this lease, whether the demised premises be injured or not. A total destruction of the building in which the said premises may be situated shall terminate this lease. In the event of any dispute between Lessor and Lessee relative to the provisions of this paragraph, they shall each select an arbitrator, the two arbitrators so selected shall select a third arbitrator and the three arbitrators so selected shall hear and determine the controversy and their decision thereon shall be final and binding upon both Lessor and Lessee, who shall bear the cost of such arbitration equally between them.

12. Lessee shall not assign this lease, or any interest therein, and shall not sublet the said premises or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person (the agents and servants of Lessee excepted) to occupy or use the said premises, or any portion thereof, without the written consent of Lessor first had and obtained and a consent to one assignment, subletting, occupation or use by any other person, shall not be deemed to be a consent to any subsequent assignment, subletting, occupation or use by another person. Any such assignment or subletting without such consent shall be void, and shall, at the option of Lessor, terminate this lease. This lease shall not, nor shall any interest therein, be assignable, as to the interest of Lessee, by operation of law, without the written consent of Lessor.

13. Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of Lessee, or (b) a general assignment by Lessee for the benefit of creditors, or (c) any action taken or suffered by Lessee under any insolvency or bankruptcy act shall constitute a breach of this lease by Lessee.

14. In the event of any breach of this lease by Lessee, then Lessor besides other rights or remedies he may have,

shall have the immediate right of re-entry and may remove all persons and property from the premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Lessee. Should Lessor elect to re-enter, as herein provided, or should he take possession pursuant to legal proceedings or pursuant to any notice provided for by law, he may either terminate this lease or he may from time to time, without terminating this lease, re-let said premises, or any part thereof, for such term or terms (which may be for a term extending beyond the term of this lease) and at such rental or rentals and upon such other terms and conditions as Lessor in his sole discretion may deem advisable with the right to make alterations and repairs to said premises; upon each such re-letting (a) Lessee shall be immediately liable to pay to Lessor, in addition to any indebtedness other than rent due hereunder, the cost and expenses of such re-letting and of such alterations and repairs, incurred by Lessor, and the amount, if any, by which the rent reserved in this lease for the period of such re-letting (up to but not beyond the term of this lease) exceeds the amount agreed to be paid as rent for the demised premises for such period on such re-letting; or (b) at the option of Lessor, rents received by such Lessor from such re-letting shall be applied: First, to the payment of any indebtedness, other than rent due hereunder from Lessee to Lessor; second, to the payment of any costs and expenses of such re-letting and of such alterations and repairs; third, to the payment of rent due and unpaid hereunder and the residue, if any, shall be held by Lessor and applied in payment of future rent as the same may become due and payable hereunder. If Lessee has been credited with any rent to be received by such re-letting under option (a), and such rent shall not be promptly paid to Lessor by the new tenant, or if such rentals received from such re-

2 removed and stored in a public warehouse or elsewhere at the
3 expense and benefit of the tenant: such removal shall be
4 made at the expense of the tenant and shall remove all
5
6 letting under option (b) during any month be less than that to
7 be paid during that month by Lessee hereunder, Lessee shall pay
8 any such deficiency to Lessor. Such deficiency shall be cal-
9 culated and paid monthly. No such re-entry or taking possession
10 of said premises by Lessor shall be construed as an election
11 on his part to terminate this lease unless a written notice of
12 such intention be given to Lessor or unless the termination to be
13 thereof be decreed by a court of competent jurisdiction. Not-
14 withstanding any such re-letting without termination, Lessor
15 may at any time thereafter elect to terminate this lease for
16 such previous breach. Should Lessor at any time terminate this
17 lease for any breach, in addition to any other remedy he may
18 have, he may recover from Lessee all damages he may incur by
19 reason of such breach, including the cost of recovering the
20 premises, and including the worth at the time of such termina-
21 tion of the excess, if any, of the amount of rent and charges
22 equivalent to rent reserved in this lease for the remainder of
23 the stated term over the then reasonable rental value of the
24 premises for the remainder of the stated term, all of which amounts
25 shall be immediately due and payable from Lessee to Lessor.

26 15. The voluntary or other surrender of this lease
27 by Lessee, or a mutual cancellation thereof, shall not work a
28 merger, and shall, at the option of Lessor, terminate all or
29 any existing subleases or subtenancies, or may, at the option
30 of Lessor, operate as an assignment to him of any or all such
31 subleases or subtenancies.

32 16. In case suit shall be brought for an unlawful
detainer of the said premises, for the recovery of any rent due
under the provisions of this lease, or because of the breach of
any other covenant herein contained, on the part of Lessee to
be kept or performed, Lessee shall pay to Lessor a reasonable
attorney's fee which shall be fixed by the court.

17. All notices to be given to Lessee may be given in writing personally, or by depositing the same in the United States mail, postage prepaid, and addressed to Lessee at the said premises, whether or not Lessee has departed from, abandoned or vacated the premises.

18. The waiver by Lessor of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this lease, other than the failure of Lessee to pay the particular rental so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such rent.

19. Any holding over after the expiration of the said term, with the consent of Lessor, shall be construed to be a tenancy from month to month, at a rent of One Thousand Dollars (\$1000.00) per month, and shall otherwise be on the terms and conditions herein specified, so far as applicable.

20. The covenants and conditions herein contained shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of both parties hereto.

21. Time is of the essence of this lease.

2 states that the foregoing leasehold and addressed to Lessee at the
3 in writing personally or by depositing the same in the United
4 in the VIT offices to be given to Lessee may be given

1 IN WITNESS WHEREOF, Lessor and Lessee have executed
2 these presents, the day and year first above written.

4
5 VICTOR P. TRAVERSO, JR.

6
7 JOHN A. TRAVERSO

8
9 WILLIAM F. TRAVERSO

10 Lessors

11 V. TRAVERSO CO.

12
13 By Victor P. Traverso, Jr.
14 PRESIDENT

15
16 By John A. Traverso
17 ASSISTANT SECRETARY

18 Lessee

