

accruing on account of said deposit.

7.6 If at any time during the term of this Lease, any rent or any other sum payable to State shall be overdue and unpaid, State may, at State's option, apply any portion of this security deposit to the payment of any overdue rent or any other sums due and payable to State under this Lease.

7.7 Should the entire security deposit or any portion thereof, be appropriated and applied by State for the payment of overdue rent or any such other sum due and payable to State by Lessee, then Lessee shall within thirty (30) days after written demand by State restore said security deposit with the required amount.

7.8 Lessee shall maintain the required security deposit throughout the Lease term. Failure to do so shall be deemed a default and shall be grounds for immediate termination of this Lease.

7.9 The security deposit shall be rebated, reassigned, released or endorsed to Lessee or order, as applicable, at the end of the Lease term, provided Lessee is not then in default and has performed its obligations required to be performed upon termination of this Lease. Interest on the security deposit required hereunder shall accrue for the benefit of Lessee and shall be made available to Lessee from time to time except as the same is required to remedy or cure any default of Lessee; provided, however, that if the security deposit is given in the form of cash then Lessee shall not be entitled to any interest thereon.

8. Books, Records and Reports.

8.1 Commencing twenty-five (25) days after the close of the calendar month in which the hotel opens for business and within twenty-five (25) days after the close of each calendar month thereafter Lessee shall render to the State, an account of its business transactions during the preceding month in connection with the property, setting

forth in particular its Gross Receipts. Lessee shall keep true and accurate books and records showing all its business transactions in connection with the Property. The State shall have the right, through its representatives and at all reasonable times, to inspect or audit such books and records, including State of California sales tax return records at Lessee's offices. Lessee hereby agrees to make such books and records available to the State or its authorized representatives at Lessee's offices upon request. If Lessee's books and records, or any of them, are not located in the State of California, Lessee shall pay to the State the reasonable and necessary costs incurred by the State in traveling out of state to inspect the books and records, including but not limited to travel, lodging and subsistence costs.

8.2 For each calendar year of this Lease, Lessee shall furnish a written statement directed to the State prepared by the Lessee's chief financial officer certifying that to the best of his knowledge, the rental payments, both minimum and percentage rental, made by Lessee to the State during the preceding calendar year pursuant to the Lease, have been made in accordance with the terms of this Lease and that all revenues upon which such payments, deposits and expenditures are based have been properly reported and considered in making such rental payments, deposits and expenditures. Such statements shall also contain a list of the revenues by month as shown upon the books and records of the Lessee and which were used to compute the rental payments made to the State during the period covered by the statement. Such statement shall be submitted to the State by Lessee not later than ninety (90) days after the end of each such Lease year. Such statement by Lessee's chief financial officer shall contain a statement that such information is accurate under penalty of perjury.

8.3 Lessor reserves the right to require Lessee to furnish a written statement directed to Lessor prepared by an independent certified public accountant, wherein the certified public accountant shall certify whether rental payments, both minimum and percentage rental, made by Lessee to the State during the period reported have been

made in accordance with the terms of this Lease and whether all revenues upon which such payments are based have been properly reported and considered in making such rental payments.

9. Standards of Service; Rates and Charges.

9.1 Lessee shall construct, furnish, maintain and operate said hotel, appropriate amenities and parking facilities, and provide all other services and facilities offered in connection therewith, in a first-class manner and shall furnish and maintain a standard of service at least equal to that of the better class of similar businesses providing similar services and facilities in the City of Burlingame and adjacent communities during the entire term of this Lease at reasonable prices comparable to those prevailing for similar services and facilities in said area and without discrimination. The State shall have reasonable access to and the right to inspect all room rates, rental schedules, parking facility rates and rentals, menus, lists, portions and schedules of rates or prices for services and facilities performed or provided upon the Property.

9.2 The State and Lessee hereby acknowledge and agree that it is to the mutual benefit of the State and Lessee that any rate or price charged by Lessee be not unreasonable nor inappropriate for the services rendered, the product sold, or the facility provided, and that any portion or portions of the product offered by Lessee to the public be not inadequate in size or quantity nor deficient in quality; provided however, Lessee reserves the right in its sole discretion, which shall be reasonably exercised, to charge or permit the charge of rates and prices and to sell or permit the sale of goods and services at either no charge or less than market rates.

9.3 Lessee shall keep said hotel, and ancillary facilities open for business seven (7) days per week and provide services there during such hours of each day as is customary for similar hotels in the Burlingame area.

10. Condition of Property. The taking of possession of the Property by Lessee shall in itself constitute acknowledgement that said Property is in good and tenable condition. Lessee agrees to accept said Property in its then existing condition, "as is", and that the State shall not be obligated to make any improvements, alterations or additions thereto. Lessee acknowledges that it has made a sufficient investigation of the conditions of the property existing immediately prior to the execution of this Lease (or will make such investigation pursuant to Paragraph 50), including without limitation the condition of the soil, and underground water pressure and is satisfied (or will be satisfied pursuant to Paragraph 50) that said Property will safely and feasibly support the type of improvements to be maintained by Lessee upon said Property.

11. Construction of Improvements by Lessee.

11.1 No structures, improvements or facilities shall be constructed, erected or made within the Property without the prior written consent of the State which shall not be unreasonably withheld or delayed. All such structures, improvements and facilities shall be constructed in strict compliance with detailed plans and specifications approved by the responsible government agencies in accordance with good engineering practice.

11.2 Lessee acknowledges that the Hotel covered by this Lease is one part of an overall planned development of State Parcels 6, 7, 8, and 14 of the Anza Airport subdivision. Therefore the design of each structure within this development, including the Hotel, the landscaping, and surrounding paving, should be coordinated so that their overall appearance is harmonious and complementary. To achieve this goal all site plans, exterior architectural design drawings, landscaping and paving plans shall be submitted by Lessee to the State for its approval or disapproval at least sixty (60) days prior to the beginning of construction. The State shall have thirty (30) days after receipt of Lessee's architectural design drawings in which to approve or disapprove them, provided, however, that such disapproval shall not be

unreasonable. If after thirty (30) days the State has neither approved or disapproved the aforementioned architectural design drawings, then they shall be deemed approved.

11.3 Lessee shall proceed with due diligence to obtain all necessary permits and shall begin construction within sixty (60) days of receipt of all non-appealable entitlement permits and satisfaction of all contingencies as set forth in paragraph 50 hereof. In any event Lessee must have substantially commenced construction on the Lease Premises no later than July 1, 1991. Substantially commenced construction shall mean that all foundation work must be completed and passed inspection by local governmental authority. All improvements must be completed and the Hotel and related facilities open for business within twenty four (24) months of the beginning of construction subject to delays as a result of force majeure or other causes beyond Lessee's control. Lessee's failure to substantially commence construction and complete the improvements as provided in this paragraph 11 shall constitute a default of the Lease terms and conditions and shall be subject to the remedies available to Lessor as provided in paragraph and at law, including termination of this Lease. The period of time for Lessee to commence construction shall be extended in the event Lessee is prevented from commencing construction due to litigation brought by Jin Jiang Restaurant Corp., Ltd. concerning a purported thirty-five foot height restriction effecting the Lease Premises.

11.4 On the first day of each month after the effective date of this Lease and continuing until construction of the hotel begins Lessee shall provide Lessor with a report detailing Lessee's efforts in obtaining all required permits or other entitlements for use, financing, environmental clearance, architectural and landscaping design drawings, soils analysis, bidding and contracting for hotel construction and any other information that may be reasonably requested by Lessor.

From and after the date that construction begins on the hotel and continuing until the final certificate of occupancy is issued by the

City of Burlingame Lessee shall provide Lessor with a monthly report which describes construction progress to date including percentage completion, tenant purchases of materials and supplies, contractor/vendor progress payments to date, payables, liens filed/withdrawn, claims filed, accidents on the premises, city inspection reports, status of construction loan, estimated completion date and any other information that may be reasonably requested by Lessor.

11.5 All improvements constructed on the Property by Lessee shall be at Lessee's sole expense. Lessee shall diligently prosecute to completion the construction of the improvements including the installation of all necessary furniture, fixtures and equipment and complete landscaping.

11.6 Lessee shall within one hundred ninety (190) days of completion of said improvements submit to the State a detailed report of Lessee's expenditures for said improvements, equipment, furnishing and trade fixtures, and it is hereby understood and agreed that the State shall have the right, through its representatives and at all reasonable times, to inspect Lessee's books.

12. Performance and Labor Bonds. Prior to the commencement of any construction work hereunder, Lessee, or its contractor, at its own expense, shall furnish to Lessor a bond(s) as follows:

12.1 A surety bond issued by a surety company licensed to transact business in the State of California and satisfactory to the State with Lessee's contractor or contractors, as principals, in a sum not less than one hundred percent (100%) of the total estimated cost of the labor contract or contracts for the construction work, guaranteeing the payment for the labor done thereon of any kind whatsoever and protecting the State from any liability, losses or damages arising therefrom. Lessor will not require any bond for contracts which do not exceed fifty thousand dollars (\$50,000.00).

12.2 Prior to the commencement of construction on the Lease Premises Lessee shall provide Lessor with evidence that Lessee has financing (including equity and/or loan funds) covering 100% of the estimated costs of constructing and completing the hotel project. In the event loaned funds are used to finance construction of the hotel project Lessee shall have obtained Lessor's approval pursuant to paragraphs #18 and #19 of this Lease prior to commencement of construction.

13. Maintenance, Repairs and Alterations.

13.1 Lessee, at its expense, shall perform all maintenance, repairs and alterations, including all painting and maintenance of landscaping, necessary to keep the Property and all improvements therein in first-class order, repair and condition throughout the term of this Lease. In addition, Lessee shall maintain, at its expense, all equipment, furnishings and trade fixtures upon the Property required for the maintenance and operation of a first-class business of the type to be conducted pursuant to Paragraph 4 hereof. Lessee waives the right to make repairs at the expense of the State and the benefit of the provisions of sections 1941 and 1942 of the Civil Code of California relating thereto; and further agrees that if and when any repairs, alterations, additions or betterments shall be made by it as in this paragraph provided, it promptly shall pay for all labor done or materials furnished in that behalf and shall keep said Property and Lessee's possessory interest therein free and clear of any lien or encumbrance of any kind whatsoever, subject to Lessee's right to contest the validity of any lien as provided in Paragraph 17 of this Lease. Should Lessee fail to make any repairs or perform any maintenance work for which it is liable, the State shall have the option to make the same, and Lessee shall immediately reimburse the State for the cost thereof, including the State's administrative overhead. The making of such repairs or performance of maintenance by the State shall in no event be construed as a waiver of the duty of Lessee to make repairs or

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perform maintenance as herein provided.

13.2 Lessee agrees to be responsible for and maintain the rip-rap located along the Property in order to prevent damage to the Property.

13.3 Lessee may make alterations, additions, or betterments to the Hotel only after securing the necessary governmental permits. Lessee may not make alterations, additions or betterments that require significant structural or architectural changes or additions to the improvements on the Property, or which will cost more than Five Hundred Thousand Dollars (\$500,000), without first obtaining approval from the State, which shall not be unreasonably withheld or delayed.

13.4 Lessee agrees that it shall institute a quality assurance program and keep reserves sufficient to maintain the Property in a first-class order. Lessee shall deliver to the State copies of all inspection reports and documents describing remedial work made and carried out in connection with Lessee's quality assurance program.

13.5 "First-class order" and "first-class business," as those terms are used herein, shall mean the maintenance, repair, renovation or replacement of buildings, equipment, furniture, fixtures, landscaping and appurtenances necessary to keep the Property in efficient and attractive condition, at least substantially equal in quality to that condition originally represented by the improvements approved by the State and provided by Lessee. The State and Lessee do not intend by the immediately preceding sentence that a property item is not first-class merely because of ordinary and reasonable wear and tear that does not materially and substantially reduce the attractiveness or utility of the item. Said terms also require that Lessee employ Lessee's best efforts to operate or cause to be operated the business conducted on the Property in a manner that will produce at all times the maximum volume of Gross Receipts.

13.6 Lessee shall include in each monthly report of its Gross

Receipts required by this Lease, a detailed statement of the renovations and replacements made during the month covered by the report and the amount of expenditures therefor.

14. Fire Insurance.

14.1 Lessee shall and hereby agrees to maintain, at its own cost and expense, during the entire term of this Lease, a policy or policies of insurance against loss or damage by fire with extended coverage endorsement covering all buildings and improvements placed or erected upon the property in an amount equal to one hundred percent (100%) of the full replacement cost of all such buildings and improvements. The State will be named as an insured and loss payee on all such policies.

14.2 During any time that a leasehold mortgage is in effect with respect to the Property, such policy or policies shall name the Lessee, the State and the mortgagee as insureds as their interest may appear. Losses shall be adjusted with the State and Lessee jointly and, if required by the State, Lessee and the leasehold mortgagee jointly, the proceeds thereof shall be payable to the State, or if the leasehold mortgagee so requires, to the leasehold mortgagee, or to a bank or trust company selected by the leasehold mortgagee. In any event such proceeds shall be held by the State, or the leasehold mortgagee, as the case may be, as trust funds to be used for the purpose of restoring the buildings, facilities and improvements damaged by fire or other casualty, and shall be made available to the Lessee from time to time as Lessee proceeds with the necessary restoration as provided in Paragraph 15 hereof.

14.3 A certificate evidencing such insurance coverage shall be filed with the State upon the commencement of the term of this Lease, and said certificate shall provide that such insurance coverage will not be cancelled or reduced without at least thirty (30) days prior written notice to the State. At least thirty (30) days prior to the expiration of any such policy, a certificate showing that such insurance

coverage has been renewed shall be filed with the State. If such coverage is cancelled or reduced, Lessee shall, within fifteen (15) days after receipt of written notice from the State of such cancellation or reduction in coverage, but in no event later than the effective date of cancellation or reduction, file with the State a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies. On failure to so file such certificate, the State may without further notice proceed to obtain the required insurance at Lessee's expense and Lessee shall pay to the State the State's cost of procurement of such insurance upon receipt of billing from the State for said cost.

14.4 Lessee shall also carry course of construction insurance, at its own cost and expense, at all times during construction of improvements, and provide to the State prior to commencement of construction a certificate evidencing the same.

14.5 Lessee shall and hereby agrees to maintain, at Lessee's own cost and expense, during the entire term of this Lease a policy or policies of insurance against loss or damage by fire with extended coverage endorsements upon all of its furnishings, fixtures and equipment located in and upon the Property to the full amount of the replacement value thereof. A certificate or certificates evidencing such insurance coverage shall be filed with the State prior to the commencement of the term of this Lease, and said certificate or certificates shall provide that such insurance coverage will not be cancelled or reduced without at least thirty (30) days prior written notice to the State. Lessee agrees that the policy or policies of insurance that Lessee procures and maintains pursuant to this paragraph 14 may be part of Lessee's blanket coverage and shall contain a waiver by the insurer of all rights of subrogation against the State, and Lessee hereby releases the State from any loss covered by Lessee's insurance.

14.6 Lessee shall carry business interruption insurance in an

amount sufficient to pay the minimum annual rent due during the period of any damage or destruction to the improvements to the Property.

15. Damage or Destruction of Improvements.

15.1 If during the term of this Lease the buildings and structures located upon the Property shall be damaged or destroyed by fire or other casualty insured against by the insurance required to be carried pursuant to Paragraph 14 to an extent in excess of fifty (50) percent of the then value thereof, Lessee is hereby granted the privilege, upon giving sixty (60) days written notice to the State (such notice to be given within sixty (60) days after such damage or destruction), to cancel and annul this Lease; provided, however, that if in such case Lessee shall not so elect to cancel and annul this Lease, it hereby agrees with due diligence to restore the Property to a good and tenantable condition. Notwithstanding an election by Lessee to so cancel this Lease under the circumstances set out, the State, within sixty (60) days after Lessee's notice to such effect, may, nevertheless, elect by notice in writing to Lessee to cause Lessee to restore the Property using the proceeds of insurance, afforded under Paragraph 14 hereof, to the extent they are available, in which event Lessee shall prosecute and complete the work of restoration with reasonable diligence, and this Lease shall continue in effect; provided, however that in no event shall Lessee be required to utilize funds of its own (other than the insurance proceeds) to carry out said restoration.

15.2 If in accordance with the provisions of this Paragraph 15 this Lease is cancelled or annulled, Lessee's interest shall be determined by the ratio which the then remaining portion of the term of this Lease bears to the initial term of the Lease, and such ratio shall be applied to the total amount of such insurance proceeds to determine the amount thereof which is payable to Lessee after first deducting from said total insurance proceeds any amount thereof which is payable to any leasehold mortgagee.

15.3 . If during the term of this Lease the buildings and structures located upon the Property shall be damaged or destroyed by a casualty for which no insurance coverage is provided to an extent in excess of twenty-five (25) percent of the then full replacement cost of such improvements, Lessee may elect not to rebuild, if Lessee has advised the State in writing of its intent not to rebuild and restore within sixty (60) days of the date of the loss. In the event that Lessee elects not to rebuild, Lessee shall promptly at no cost or expense to the State clear the Property of all debris, demolish and remove from the Property such improvements as directed by the State and leave the Property in a safe condition. Upon completion of said work this Lease shall terminate.

15.4 In addition to the requirements to repair or rebuild stipulated in this Paragraph 15, all damage and destruction to an extent less than twenty-five (25) percent of the then existing value will be the sole responsibility of the Lessee, who shall promptly repair or restore any such loss unless specifically released from this responsibility by the State.

15.5 Except as otherwise provided herein, responsibility for repair and/or replacement shall be determined solely by the provisions of this Paragraph 15 and will not be modified, reduced or otherwise changed because of any inadequacies of insurance funds provided for in Paragraph 14.

15.6 In the event of damage or destruction, Lessee's obligation to pay the Percentage Rental under Paragraph 5 shall abate until such damage or destruction is repaired. If the damage or destruction is caused by a risk covered by the business interruption insurance required to be carried by Lessee hereunder, then Lessee shall remain obligated to pay the Annual Rental due under Paragraph 5 herein. If the damage or destruction is caused by a risk not covered by the business interruption insurance required to be carried by Lessee hereunder, then payment of the rent otherwise due under Paragraph #5 herein shall be

deferred until the completion of the repair of the damage or destruction at which time Lessee shall commence paying such deferred Minimum Rent, plus interest on such deferred Minimum Rent at the rate of twelve percent (12%) per annum, in equal monthly installments spread equally over a period twice as long in duration as the period of time between the occurrence of the damage or destruction and the completion of the repair thereof.

15.7. Title to Improvements.

15.7.1 All improvements constructed, erected or installed upon the Property shall be the property of Lessee until expiration of the term of this Lease as set forth in Paragraph 1 herein or sooner termination and upon such expiration or termination they shall become the property of the State. The State may at its option require Lessee at no cost to the State to remove and properly dispose of all or any portion of the improvements to the Property as follows:

15.7.2 In the event of termination by expiration of the term of this Lease, if the State gives to Lessee written notice at least one hundred eighty (180) days prior to the expiration date of the term of this Lease of the improvements Lessee shall remove, Lessee shall in said event prior to said expiration date remove said improvements and leave the Property and any remaining improvements in a safe, clean and first-class operating condition; and

15.7.3 In the event of termination on account of Lessee's default, the State shall give to Lessee written notice of the improvements Lessee shall remove together with the notice of forfeiture, and Lessee shall within one hundred eighty (180) days thereafter remove said improvements and leave the Property and any remaining improvements in safe, clean and first-class operating condition.

15.8 Title to all equipment, furniture, furnishings and trade fixtures placed by Lessee upon the Property shall remain in Lessee, and replacements, substitutions and modifications thereof may be made by Lessee throughout the term of this Lease. And Lessee may remove the same upon termination of this Lease, if Lessee is not then in default under this Lease; provided that Lessee shall repair to the satisfaction of the State any damage to the property and improvements caused by such removal and, provided further, that usual and customary lighting, plumbing, air conditioning and heating fixtures shall remain upon said Property and be surrendered therewith upon termination of this Lease. Any equipment, furniture, furnishings and trade fixtures remaining upon the Property after termination of this Lease shall, at the State's election, become the property of the State.

16. Hold Harmless Agreement and Liability Insurance.

16.1 It is an express covenant of this Lease that the State, its officers, employees and agents shall be free from any and all liabilities and claims for damages and/or suits for or by reason of any death or deaths of or any injury or injuries to any person or persons or damages to property of any kind whatsoever, whether the person or property of Lessee, its agents or employees, or third persons, from any cause or causes whatsoever while in or upon said Property or any part thereof during the term of this Lease or occasioned by any occupancy or use of said Property or any activity carried on by Lessee in connection therewith, and Lessee hereby covenants and agrees to indemnify and to save harmless the State from all liabilities, charges, expenses (including counsel fees) and costs on account of or by reason of any such death or deaths, injury or injuries, liabilities, claims, suits or losses, however occurring, or damages growing out of the same; provided, however, that Lessee shall not be responsible any such death or deaths, injury or injuries, liabilities, claims, suits or losses caused solely by the State's negligent or intentional and wrongful acts or omissions.

16.2 Lessee shall maintain in force during the term of this Lease comprehensive general liability and property damage insurance, including personal injury, products, liquor liability, contractual, and owned and non-owned automobiles, with such coverage and limits as may be reasonably requested by the State from time to time, but in no event for less than the sum of three million dollars (\$3,000,000) combined single limit, and garage keepers' liability coverage, with such coverage and limits as may be reasonably requested by the State from time to time, but in no event for less than the sum of two hundred fifty thousand dollars (\$250,000) per vehicle and one million dollars (\$1,000,000) per occurrence; and Lessee agrees that the State shall be named as an insured under such liability insurance policy or policies.

16.3 All such policies shall be endorsed with a severability of interest or cross-liability endorsement, reading generally as follows: Cross-Liability - In the event of one of the assureds incurring liability to any other of the assureds, this policy shall cover the assured against whom claim is or may be made in the same manner as if separate policies had been issued to each assured. Nothing contained herein shall operate to increase underwriters' limit of liability.

16.4 A certificate or certificates evidencing such insurance coverage shall be filed with the State prior to the commencement of the term of this Lease, and said certificate shall provide that such insurance coverage will not be cancelled or reduced without at least thirty (30) days prior written notice to the State. At least thirty (30) days prior to the expiration of any such policy, a certificate showing that such insurance coverage has been renewed or extended shall be filed with the State. If such coverage is cancelled or reduced, Lessee shall, within fifteen (15) days after receipt of written notice from the State of such cancellation or reduction in coverage but in no event later than the effective date of cancellation or reduction, file with the State a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies. Upon failure to so file such certificate, the State may

without further notice procure such insurance coverage at Lessee's expense and Lessee shall promptly reimburse the State for such expense.

17. No Liens.

17.1 Except as otherwise expressly provided in this Lease, Lessee shall pay for all labor done or materials furnished in the repair, replacement, development or improvement of the Property by Lessee and shall keep said Property and Lessee's possessory interest therein free and clear of any lien or encumbrance of any kind whatsoever created by Lessee's act or omission. However, Lessee may in good faith and at Lessee's own expense contest the validity of any such asserted lien, claim or demand, provided Lessee has furnished the bond (with a copy to the State) required by California Civil code Section 3143 (or any comparable statute hereafter enacted for providing a bond freeing the Property from the effect of such a lien claim).

18. Assignment and Subletting.

18.1 Except as expressly provided in Paragraph 19 of this Lease, Lessee shall not, either directly or indirectly, assign, hypothecate, encumber or transfer this Lease or any interest in this Lease, or sublet the whole or any part of the Property, or lease the use of same in whole or in part without written consent of the State which shall be not be unreasonably withheld or delayed.

18.2 Lessor acknowledges that Lessee contemplates the subletting or assignment of this lease upon the completion of improvements on the property. For purposes of this agreement completion of improvements shall mean the date on which the notice of completion is filed. In the event of such assignment Lessor agrees to relieve Lessee of any and all of its obligations under this Lease; provided that Lessor shall have approved such assignment as provided for in this paragraph 18. Lessor's consent to such assignment shall not be unreasonably withheld. The assignment/subletting provided for in the preceding three sentences

shall be available to Lessee only once and shall thereafter terminate. The assignment/subletting provided for in this paragraph 18.2 shall not be subject to the provisions of paragraph 18.6. The form of assignment contemplated for use in this subparagraph 18.2 shall be substantially as set forth Exhibit "C" attached hereto and by this reference made apart hereof. In approving the assignment contemplated by this paragraph 18.2 the State shall be governed by the standard of commercial reasonableness as set forth in current case law.

18.3 Neither this Lease nor any interest therein shall be assignable or transferable in proceedings in attachment, garnishment or execution against Lessee, or in voluntary or involuntary proceedings or bankruptcy or insolvency or receivership taken by or against Lessee or by any process of law, and that possession of the whole or any part of the Property shall not be divested from Lessee in such proceedings or by any process of law, without written consent of the State, and any breach of the provisions of this paragraph shall cause this Lease to terminate immediately at the option of the State.

18.4 If the Lessee hereunder is a corporation or any unincorporated association or partnership, the transfer or assignment of any stock or interest in said corporation, association, or partnership in the aggregate exceeding fifty (50) percent shall be deemed an assignment or transfer within the meaning of this Lease and shall require the prior written consent of the State which shall not be unreasonably withheld or delayed. The State's consent to any assignment, transfer or occupation or use shall not be construed or deemed to be a waiver of the restrictions hereinabove contained or to be a consent to any subsequent assignment, transfer or occupation or use by another person.

18.5 If Lessee desires to assign, sublet, encumber or otherwise transfer all or any portion of the Lease Premises, Lessee shall do all of the following:

18.5.1 give prior written notice to Lessor.