SEVENTH AMENDMENT TO

FIXED BASE OPERATION LEASE NO. 21569

THIS SEVENTH AMENDMENT TO FIXED BASE OPERATION LEASE NO. 21569 is made and entered into, in duplicate, as of the 1st day of November, 2014, pursuant to a minute order adopted by the City Council of the City of Long Beach at its meeting of October 14, 2014, by and between the CITY OF LONG BEACH, a municipal corporation ("LANDLORD") and GULFSTREAM AEROSPACE CORPORATION, a California corporation, formerly known as 7701 Woodley Avenue Corporation, having its place of business at 4150 Donald Douglas Drive, Long Beach, California 90808 ("TENANT").

- 1. <u>Recitals</u>. This Seventh Amendment is made with reference to the following facts and objectives:
 - 1.1 The parties entered into a lease as of March 14, 1989 (the "Lease"), pursuant to which LANDLORD leased certain land at the Long Beach Municipal Airport ("Leased Premises") to TENANT, as more particularly described in the Lease.
 - 1.2 The Lease was amended by (i) a First Amendment to Fixed Base Operation Lease dated as of September 21, 1990, (ii) a Second Amendment to Fixed Base Operations Lease dated as of December 24, 1998 ("Second Amendment"), (iii) a Third Amendment to Fixed Base Operations Lease dated as of March 5, 2003, (iv) a Fourth Amendment to Fixed Base Operation Lease dated as of December 1, 2006, (v) a Fifth Amendment to Fixed Base Operation Lease No. 21569 dated as of April 8, 2011, and (vi) a Sixth Amendment to Fixed Base Operation Lease dated as of March 14, 2013. The Lease, as amended, is referred to herein as the "Lease".
 - 1.3 The Lease provides for certain changes to the rent to be paid by TENANT to LANDLORD in connection therewith. The parties desire to amend

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

the Lease to, among other things, establish revised rental payments under the Lease, add additional area to the Leased Premises immediately adjacent to the west of the current Leased Premises ("Additional Leased Premises"), remove a northerly portion of the current Leased Premises from the Leased Premises, and apply use restrictions to certain portions of the Leased Premises.

- 2. Leased Premises. LANDLORD does hereby lease, and TENANT does hereby take and accept the Additional Leased Premises, and both parties agree that the Additional Leased Premises shall be subject to the terms and conditions of the Lease. TENANT accepts the Additional Leased Premises, including any improvements thereon, "AS IS, WHERE IS, AND WITH ALL FAULTS", excepting therefrom any environmental contamination on the Additional Leased Premises not created by LANDLORD shall be responsible for all liability associated with any TENANT. environmental contamination on the Additional Leased Premises existing prior to January 1, 1990, except to the extent such contamination is caused by TENANT. TENANT shall not be responsible for any liability associated with any environmental contamination on the Additional Leased Premises not caused by TENANT; provided, however, that TENANT shall respond to all inquiries and provide any applicable information in TENANT'S possession to any applicable state or federal agency with jurisdiction over environmental matters. In the event environmental contamination is discovered which is not caused by TENANT, LANDLORD shall have no obligation to TENANT to remediate such contamination, TENANT shall have no obligation to LANDLORD to remediate such contamination, and TENANT's sole remedy in such event shall be exercise of its early termination clause hereunder.
- 3. Base Rent. Base Rent shall remain Twenty-Eight Thousand Five Hundred Four Dollars (\$28,504) per month as provided in the Lease.
- Additional Rental Payment Adjustment. LANDLORD and TENANT agree that the Fair Market Rental Value for the Leased Premises (which include the Additional Leased Premises as defined in this Seventh Amendment) is Forty-Seven

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Thousand Seven Hundred Seventy-Three Dollars (\$47,773) per month, as more particularly outlined in Exhibit "C" attached hereto, until subsequently adjusted in accordance with the Lease. The monthly Additional Rental Payment required by the Second Amendment shall be equal to the monthly Fair Market Rental Value less the monthly Base Rent (as defined in the Second Amendment). Therefore, the monthly Additional Rental Payment payable by TENANT to LANDLORD under the Lease shall be Nineteen Thousand Two Hundred Sixty-Nine Dollars (\$19,269). The Additional Rental Payment shall be adjusted in the future in accordance with the Lease.

- 5. Leased Premises. Paragraph 1 of the Lease is hereby amended by changing "15.773 acres" to read "16.513 acres". Exhibit "A" attached to this Seventh Amendment hereby supersedes and replaces in its entirety Exhibit "A" attached to the Lease.
- 6. Early Termination. If any environmental contamination is discovered on the Additional Leased Premises, then the provisions of Section 2 shall apply and TENANT and LANDLORD may unilaterally terminate the Lease insofar as it respects the Additional Leased Premises upon ninety (90) days' prior written notice to LANDLORD or TENANT, as applicable. Upon termination of the Lease with respect to the Additional Leased Premises, all Additional Leased Premises Land Rent obligations shall cease and (i) TENANT shall return possession of the Additional Leased Premises to LANDLORD in a broom-clean condition, and (ii) TENANT shall remove any hazardous materials used or placed on the Additional Leased Premises by TENANT.
- 7. In addition to all other applicable rules and regulations Use. promulgated by the LANDLORD or other authorities with jurisdiction over the Leased Premises, TENANT shall at all times comply with the parking restrictions shown in Exhibit "B" attached hereto and incorporated herein.
- Binding Effect. Except as amended by this Seventh Amendment, the 8. Lease remains unchanged and in full force and effect.

CITY OF LONG BEACH, a municipal Assistant City Manager TO SECTION 301 OF

THE CITY CHARTER

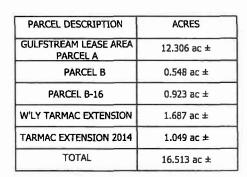
Deputy

28



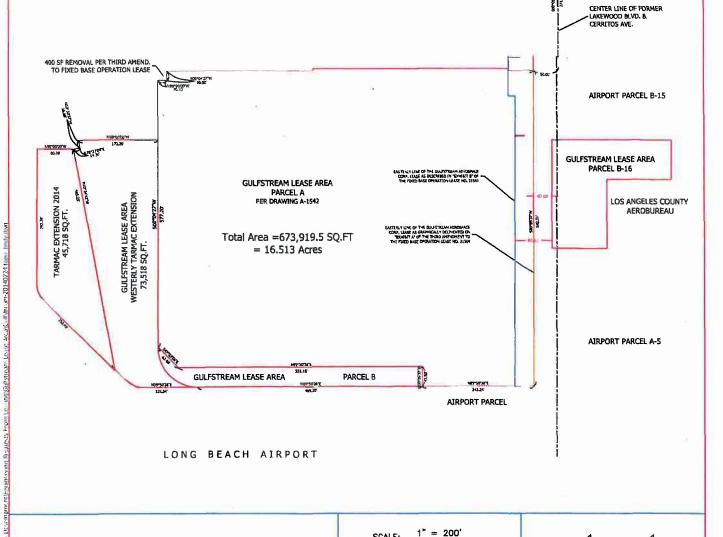






AIRPORT MON G-10 C.L.B. MON, NO, 2905

DONALD DOUGLAS DRIVE



LONG BEACH AIRPORT

1" = 200' SCALE: 07-24-14 SHEET No. DATE: DRAWING NUMBER H.F.M. DRAWN BY: CHECKED BY:

quel

EXHIBIT "B" *CONTOUR ELEVATIONS SHOWN ARE ABOVE GROUND LEVEL(AGL) FUEL TRUCK PARKING RESTRICTION LINE ELEV.= 15.00'(AGL) G-550 PARKING RESTRICTION LINE ELEV.= 25.583'(AGL) 1" = 200' SCALE: 07-24-14 SHEET No. DATE: DRAWING NUMBER DRAWN BY: H.F.M. CHECKED BY:

qued

EXHIBIT "C"

Modified Leasehold Rent Summary:

Summary of Land Values, and Blended Rate:

Parcels A and B:

Land Area			Mfg/FBO Allocation			Mfg/FBO <u>Land</u>			Unit Rate Per SF			Land Value			Rate of Return	Total Annual Land Rent		
559,920	sf	X	0.245	(Mfg.)	=	137,180	sf	X	\$	16.90	=	\$	2,318,342					
FBO Land ` 559,920		x	0.755	(FBO)	=	422,740	sf	x	\$	8.90	=	\$	3,762,386					
Totals:			1.000			559,920	sf		Ad	justed:			6,080,728 6,081,000	×	0.080	\$	486,480	
Parcel B	-16:																	
Land Va	ue:																	
40,206	sf	X	1.0		=	40,206	sf	х		8.75 justed:	=	\$	351,803 352,000	X	0.080	\$	28,160	
Westerly Tarmac Extension:																		
Land Val						70.510	-		•	0.45		•	450 400					
73,518	ST	X	1.0			73,518	St	Х	\$	6.15		\$	452,136	0				
45,718	sf	х	1.0			45,718	sf	Х	\$	6.15		\$	281,166 733,301					
									Ad	justed:		\$	733,000	х	0.080	<u>\$</u>	58,640	
														15		\$	573,280	Total Annual Land Rent
																\$	47,773	Total Monthly Land Rent

