

**FOURTH AMENDMENT TO LEASE NO. 26751**

**26751**

THIS FOURTH AMENDMENT TO LEASE NO. 26751 ("Fourth Amendment") is made and entered into as of the 19 day of April 2006, for reference purposes only, pursuant to a minute order adopted by the City Council of the City of Long Beach at its meeting on April 18, 2006, by and between 110 PINE, LLC, an Arizona Limited Liability Company ("Landlord") and CITY OF LONG BEACH, a municipal corporation ("Tenant").

**RECITALS:**

A. Landlord and Tenant entered into that certain Lease ("Lease"), dated November 17<sup>th</sup>, 1999, pertaining to space described as Suite 1200 in the 110 Pine Building, 110 Pine Avenue, Long Beach, California 90802 ("Premises") and known as Lease No. 26751.

B. Landlord and Tenant entered into that certain First Amendment to Lease No. 26751 ("First Amendment") dated May 31, 2002.

C. Landlord and Tenant entered into that certain Second Amendment to Lease No. 26751 ("Second Amendment") dated May 13, 2003.

D. Landlord and Tenant entered into that certain Third Amendment to Lease No. 26751 ("Third Amendment") dated June 14, 2005.

E. The Premises total approximately 20,466 rentable square feet and consist of Suite 820 (measuring approximately 2,943 rentable square feet), Suite 1100 (measuring approximately 8,841 rentable square feet) and Suite 1200 (measuring approximately 8,682 rentable square feet).

F. The Lease Term, Expiration Date, Option Term(s), Minimum Monthly Rent, Tenant Improvements and Parking terms of the Lease are to be modified and effective upon the full execution of this Fourth Amendment.

NOW, THEREFORE, the parties agree as follows:

1. Lease Term. The Lease Term shall be extended sixty (60) months.
2. Expiration Date. The Expiration Date shall be adjusted to September 30, 2011.
3. Option Term(s). The Option Term(s) provision as identified in the Lease, as amended in the First Amendment, shall be deleted in its entirety.
4. Minimum Monthly Rent. The Minimum Monthly Rent for the Premises shall be as follows:

October 1, 2006: Free Rent  
November 1, 2006 through September 30, 2007: \$1.40 per RSF or \$28,652.40  
(\$343,828.80 per annum)  
October 1, 2007 through September 30, 2008: \$1.44 per RSF or \$29,471.04  
(\$353,652.48 per annum)  
October 1, 2008 through September 30, 2009: \$1.48 per RSF or \$30,289.68  
(\$363,476.16 per annum)  
October 1, 2009 through September 30, 2010: \$1.52 per RSF or \$31,108.32  
(\$373,299.84 per annum)

October 1, 2010 through September 30, 2011: \$1.57 per RSF or \$32,131.62  
(\$385,579.44 per annum)

5. Tenant Improvements. Landlord shall provide Tenant with a tenant improvement allowance ("Allowance") not to exceed \$163,728.00 (\$8.00 per rentable square foot) for use during the Lease Term. Tenant shall pay for all improvement costs that exceed the Allowance. Landlord shall schedule with Tenant construction meetings as needed to administer the Allowance. Except as provided for otherwise, Landlord and Tenant shall comply with the terms of Exhibit "C" – Landlord's Improvement Letter to complete the tenant improvements described herein. Landlord shall prepare the bid packages and provide a copy of the bid analysis (i.e., comparison of 3 bids) to Tenant for review. Tenant and Landlord shall mutually select the general contractor. Tenant may use up to \$61,398.00 (\$3.00 per rentable square foot) of the Allowance towards the cost of (i) installing new voice and data cabling, (ii) modular furniture systems, or (iii) towards Minimum Monthly Rent which may be applied towards the last rent due at the end of the Lease Term until fully credited.

6. Parking. Tenant's parking costs shall be fixed at the parking charge as published for the Project (defined in paragraph 1.7 of the Lease) on September 30, 2006 for the period October 1, 2006 through September 30, 2007. Thereafter, the parking charge shall be at the prevailing monthly rate.

7. Non-Disturbance, Subordination and Attornment Agreement. With respect to any mortgages, deeds of trust or other liens entered into by and between Landlord and any such mortgagee or any and all future mortgagee(s) (collectively referred to as "Landlord's Mortgagee"), upon the written request of Tenant, Landlord shall use its "best efforts" to secure and deliver to Tenant a Non-Disturbance, Subordination and Attornment Agreement from and executed by Landlord's Mortgagee for the benefit of Tenant for the extended Lease Term.

8. Tenant's Right To Terminate the Lease. Landlord shall grant Tenant the one-time right to terminate all or a portion of the leased Premises on the first day of the thirty-seventh (37<sup>th</sup>) month of the extended lease term of this Fourth Amendment (October 1, 2009) subject to the following: (1) Tenant shall provide Landlord with 180 days prior written notice (April 1, 2009), and (2) within 90 days thereafter Tenant shall deliver to Landlord a termination fee equal to (i) the unamortized costs of the Allowance actually paid plus the commissions paid for all or a portion of the Premises canceled by this provision, and (ii) one (1) month of the rent concession on a per rentable square foot basis (\$1.40 per rentable sq. ft.) for all or a portion of the Premises cancelled by this provision. If Tenant exercises its right to terminate a portion of the Premises, a portion of the Premises shall be defined as Suite 820, Suite 1100 and/or Suite 1200. The amortization period shall be sixty (60) months and shall be on a straight-line basis.

9. Landlord's Right To Terminate the Lease. Landlord shall have the one-time right to terminate the Lease on the first day of the thirty-seventh (37<sup>th</sup>) month of the extended Lease Term of this Fourth Amendment (October 1, 2009) subject to the following: (1) Landlord shall provide Tenant with 365 days prior written notice before exercising such option (October 1, 2008), and (2) Landlord shall abate the last three month's of rent due (July 2009, August 2009 and September 2009).

10. Lease Terms. All terms and condition of the Lease, including, without limitation, the amounts of additional rent and other payments to be made by Tenant to Landlord as specified in the Lease, shall remain in effect throughout the term of the Lease.

11. Miscellaneous.

(a) Except as modified herein, the Lease is ratified and confirmed and shall remain in full force and effect as originally written. All capitalized, defined terms used in this Fourth Amendment that are not otherwise defined herein shall have the meanings most recently given to them in the Lease.


(b) Each person signing this on behalf of Tenant warrants and represents that Tenant has full right and authority to enter into this Fourth Amendment, that each person executing this Fourth Amendment on behalf of Tenant is authorized to do so and that execution is binding on Tenant.

(c) Tenant warrants, represents and certifies to Landlord that as of the date of this Fourth Amendment (i) Landlord is not in default under the Lease, and (ii) Tenant does not have any defenses or offsets to payment of rent and performance of its obligations under the Lease as and when the same become due.

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment as of the day and year first above written.

**LANDLORD:**

**110 PINE, LLC,  
an Arizona Limited Liability Company**

By:   
Its: Manager

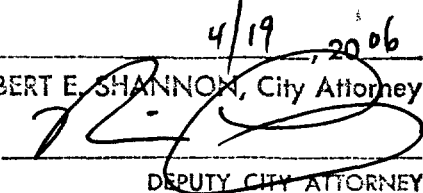
**TENANT:**

**CITY OF LONG BEACH,  
a municipal corporation**

By: Christine J. Shippey  
Its: Asst. City Manager

ASSISTANT

APPROVED AS TO FORM

4/19, 2006  
By:   
ROBERT E. SHANNON, City Attorney  
DEPUTY CITY ATTORNEY

**EXECUTED PURSUANT  
TO SECTION 301 OF  
THE CITY CHARTER.**

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

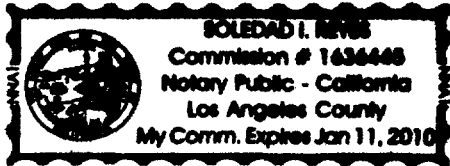
State of California }  
County of Los Angeles } ss.

On March 20, 2006 before me, Soledad I. Reyes, N.P.  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Kam Babaoff  
Name(s) of Signer(s)

- personally known to me
- 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 upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

[Signature]  
Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Fourth Amendment to

Document Date: \_\_\_\_\_ Number of Pages: 3

Signer(s) Other Than Named Above: MA

**Capacity(ies) Claimed by Signer**

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

