SECOND AMENDMENT TO SUBLEASE

THIS SECOND AMENDMENT TO SUBLEASE (the "Second Amendment") is entered into as of ________, 2010, between THE CITY OF LONG BEACH, CALIFORNIA, a municipal corporation and charter city ("City") and HTL AUTOMOTIVE, INC. dba HOOMAN TOYOTA OF LONG BEACH, a California limited liability company ("Owner").

RECITALS

- A. City and Owner's predecessor-in-interest, Salta Pacific, LLC, entered into that certain Sublease, (the "Sublease") dated as of February 24, 1998. Capitalized terms when used herein shall have the same meanings ascribed to them in the Agreement unless expressly defined otherwise herein.
- B. Effective December 4, 2001, Salta Pacifica, LLC sold all of its assets, including the Toyota franchise, to Jentra, LLC.
- C. On January 8, 2008, Jentra, LLC sold all of its assts, including the Toyota franchise, to Owner.
- D. The City and Owner now desire to amend the Sublease in order to provide additional assistance to Owner.

THE PARTIES AGREE AS FOLLOWS:

- 1. Section 2.1 is hereby amended to read:
- "2.1 <u>Calculating of Rent</u>. For a period commencing upon the Commencement Date and terminating on the earlier of (i) the date upon which the cumulative amount of the Rent, without interest, paid to Owner exceeds the "Capital Investment Amount" as defined below, or (ii) the fifteenth (15th) anniversary of the Commencement Date (the "Term"), City shall pay Rent in amounts as provided in this Section 2.1.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1.1 For a period commencing upon the Commencement
Date and terminating five (5) years thereafter, City shall pay Rent
equal to seventy five percent (75%) of the Excess Sales Tax
Increment for that calendar year.

- 2.1.2 For a period commencing upon the fifth anniversary of the Commencement Date and terminating ten (10) years thereafter, City shall pay Rent equal to fifty percent (50%) of the Excess Sales Tax Increment for that calendar year.
- 2.1.3 In no event shall the cumulative amount of the Rent, without interest, paid to Owner exceed the Capital Investment Amount."
- 2. Section 2.3.3 is hereby amended to read:
 - "2.3.3 "Capital Investment Amount" shall mean the amount of One Million Three Hundred Seven Thousand Seven Hundred Twenty-one Dollars (\$1,307,721.00)."
- Except as expressly set forth above, the terms and conditions of the Sublease shall continue in full force and effect.

The City and Owner have signed this Second Amendment of the date set forth above.

21 | /// 22 | /// 23 | ///

///

24 | ///

///

26 ///

25

27 | ///

28 || ///

OFFICE OF THE CITY ATTORNEY ROBERT E. SHANNON, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664