

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

1 THIRD AMENDMENT TO LEASE NO. 24851

2 24851

3 THIS THIRD AMENDMENT TO LEASE NO. 24851 ("Third Amendment") is
4 made and effective as of April 10, 2012, pursuant to minute order adopted by the City
5 Council of the City of Long Beach at its meeting of April 3, 2012, by and between CITY
6 OF LONG BEACH, a municipal corporation ("Lessee") and BOJARO, LLC, A
7 CALIFORNIA LIMITED LIABILITY COMPANY, and GREGORY R. GILL AND TOMILEE
8 TILLEY GILL, TRUSTEES OF THE GILL FAMILY TRUST, (collectively, "Lessor").

9 1. RECITALS

10 1.1 On or about October 3, 1996, Lessor and Lessee entered into Lease
11 No. 24851 for Suites No. 205 and 230 consisting of approximately 4,352 feet of space in
12 the building commonly known as 236 E. 3rd Street.

13 1.2 Effective January 17, 2002, Lease No. 24851 was amended by the
14 First Amendment which extended the term for five years through February 28, 2007.

15 1.3 Effective March 1, 2007, Lease No. 24851 was amended by the
16 Second Amendment which extended the term for five (5) additional years through
17 February 28, 2012.

18 1.4 Now the parties desire to extend the term of the Lease for an
19 additional five (5) years.

20 1.5 Unless otherwise defined herein, all capitalized terms shall have the
21 meanings ascribed to them in the Lease.

22 NOW, THEREFORE, the parties do hereby agree as follows:

23 2. TERM

24 The term of the Lease shall be extended for a period of five (5) years (Third
25 Extended Term) commencing on February 29, 2012 ("Commencement Date") and
26 expiring on February 28, 2017.

27 3. BASE RENT

28 Commencing March 1, 2012, the new monthly base rent shall be One

1 Dollar and Fifty Cents (\$1.50) per square foot and shall increase by four cents per square
2 foot on March 1 of each successive year.

3 Exhibit "A" outlines the monthly Base Rent payment for the extended term
4 inclusive of Rent Abatement periods. Exhibit "A" is subject to modification pursuant to
5 the uses of the Tenant Improvement Allowance and the acceptance of the Elevator Shaft.

6 4. RENT ABATEMENT

7 The monthly base rent shall be abated for months thirteen (13), twenty-five
8 (25), thirty-seven (37) and forty-nine (49) of the extended term. In addition, the Lessee
9 shall receive an additional rent abatement amount of \$21,760.00 to be used in months
10 five (5), six (6), seven (7) and partially eight (8) of the extended term.

11 5. TENANT IMPROVEMENT ALLOWANCE

12 Lessor shall provide a Tenant Improvement Allowance (TI Allowance) equal
13 to Five Dollars (\$5.00) per square foot leased. Lessee may use the TI Allowance during
14 the extended term towards their costs of general construction, architectural services,
15 space planning and construction management services, repainting the interior walls and
16 resurfacing the floor of the Leased Premises, installing new voice/data cabling, or
17 towards Base Rent until fully credited.

18 6. ELEVATOR SHAFT

19 Subject to a mutually acceptable space plan with a scope of work and
20 finishes, Lessee, at Lessee's election, will consider adding the "elevator shaft" space to
21 the Leased Premises consisting of approximately one hundred-fifty (150) square feet to
22 the Base Rent schedule. Lessor and Lessee shall mutually agree upon the actual square
23 foot measurement of the area utilizing BOMA measurement standards. In the event
24 Lessee elects to add such space to the Leased Premises, Lessor, at Lessor's sole cost
25 (independent of the TI Allowance) shall improve such space pursuant to the agreed upon
26 space plan.

27 7. OPERATING EXPENSE BASE YEAR

28 Effective March 1, 2012, the Base Year for annual operating expenses shall

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1 be adjusted to calendar year 2012.

2 8. OPTION TO RENEW

3 Provided Lessee is not in default of the Lease, Lessee shall have one (1)
4 Option to Renew the Lease, for a period of five (5) years upon written notice to Lessor no
5 less than two hundred forty (240) days prior to the expiration of the Third Extended Term.
6 Lessor and Lessee shall have sixty (60) days following the Lessor's receipt of the written
7 notice to negotiate a fair market rental rate, refurbishment allowance for tenant
8 improvements, parking rates (if applicable) for the renewal term "the Fair Market Terms".
9 The Fair Market Terms shall include the adjustment of the Base Year to calendar year
10 2017. If Lessor and Lessee agree on the Fair Market Terms, Lessee shall have ninety
11 (90) days to obtain the approval of the City Council for the renewal option. If Lessor and
12 Lessee cannot agree on the Fair Market Terms within such sixty (60) day period, the
13 Option to Renew shall not be exercised. All other terms of the Lease shall remain the
14 same and the provisions of Paragraph 39 of the Lease are conditions of this Option.

15 9. RIGHT TO CANCEL

16 Lessor shall grant Lessee the right to terminate the Lease after the
17 eighteenth (18th) month of the extended term subject to the following: (1) Lessee shall
18 provide Lessor with one hundred-eighty (180) days prior written notice, and (2) within
19 ninety (90) days thereafter, Lessee shall deliver to Lessor the unamortized costs of the TI
20 Allowance utilized for the extended term and the commissions paid for the Leased
21 Premises for the extended term. The amortization period shall be over the extended term
22 and shall be on a straightline basis.

23 10. FULL FORCE AND EFFECT

24 Except as otherwise provided herein, all of the terms and conditions of the
25 Lease shall remain unchanged and in full force and effect.

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11. EFFECTIVE DATE

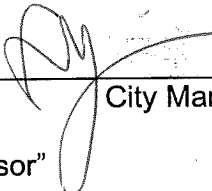
This Third Amendment to Lease No. 24851 shall be effective March 1, 2012.

3-23, 2012 By , *MANAGER*
BOJARO, LLC, a California Limited Liability Company

3-23, 2012 By 
GREGORY R. GILL, trustee of the Gill Family Trust

3-23, 2012 By 
TOMILEE TILLEY GILL, trustee of the Gill Family Trust
"LESSOR"

CITY OF LONG BEACH, a municipal corporation

4-11, 2012 By  Assistant City Manager
City Manager
"Lessor" EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.

This Third Amendment to Lease No. 24851 is approved as to form on April 4, 2012.

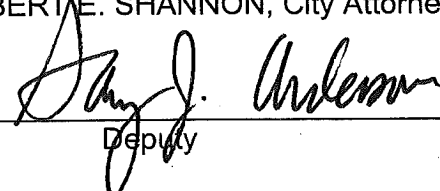
ROBERT E. SHANNON, City Attorney
By 
Deputy

Exhibit "A"
Third Amendment to Lease No. 24851
Monthly Base Rent Payment Schedule

1	Mar-12	\$6,528.00	
2	Apr-12	\$6,528.00	
3	May-12	\$6,528.00	
4	Jun-12	\$6,528.00	
5	Jul-12	\$0.00	Rent Abatement
6	Aug-12	\$0.00	Rent Abatement
7	Sep-12	\$0.00	Rent Abatement
8	Oct-12	\$4,352.00	Rent Abatement
9	Nov-12	\$6,528.00	
10	Dec-12	\$6,528.00	
11	Jan-13	\$6,528.00	
12	Feb-13	\$6,528.00	
13	Mar-13	\$0.00	Rent Abatement
14	Apr-13	\$6,702.08	
15	May-13	\$6,702.08	
16	Jun-13	\$6,702.08	
17	Jul-13	\$6,702.08	
18	Aug-13	\$6,702.08	
19	Sep-13	\$6,702.08	
20	Oct-13	\$6,702.08	
21	Nov-13	\$6,702.08	
22	Dec-13	\$6,702.08	
23	Jan-14	\$6,702.08	
24	Feb-14	\$6,702.08	
25	Mar-14	\$0.00	Rent Abatement
26	Apr-14	\$6,876.16	
27	May-14	\$6,876.16	
28	Jun-14	\$6,876.16	
29	Jul-14	\$6,876.16	
30	Aug-14	\$6,876.16	
31	Sep-14	\$6,876.16	
32	Oct-14	\$6,876.16	
33	Nov-14	\$6,876.16	
34	Dec-14	\$6,876.16	
35	Jan-15	\$6,876.16	
36	Feb-15	\$6,876.16	
37	Mar-15	\$0.00	Rent Abatement
38	Apr-15	\$7,050.24	
39	May-15	\$7,050.24	
40	Jun-15	\$7,050.24	
41	Jul-15	\$7,050.24	
42	Aug-15	\$7,050.24	
43	Sep-15	\$7,050.24	
44	Oct-15	\$7,050.24	
45	Nov-15	\$7,050.24	
46	Dec-15	\$7,050.24	
47	Jan-16	\$7,050.24	
48	Feb-16	\$7,050.24	
49	Mar-16	\$0.00	Rent Abatement
50	Apr-16	\$7,224.32	
51	May-16	\$7,224.32	
52	Jun-16	\$7,224.32	
53	Jul-16	\$7,224.32	
54	Aug-16	\$7,224.32	
55	Sep-16	\$7,224.32	
56	Oct-16	\$7,224.32	
57	Nov-16	\$7,224.32	
58	Dec-16	\$7,224.32	
59	Jan-17	\$7,224.32	
60	Feb-17	\$7,224.32	