

# 32584

## LEASE

THIS LEASE (the "Lease"), dated as of January 1, 2011, is entered into by and between CABE BROTHERS, a California corporation, John R. Cabe, Glenda L. Favilla and Marilyn J. Glidden, as Trustees under the CAROLINE M. CABE FAMILY TRUST u/t/d/ April 17, 1990, John R. Cabe, James J. Favilla and Glenda L. Favilla, as Trustees under the FAVILLA FAMILY TRUST u/t/d May 19, 1997, MARILYN J. GLIDDEN, an individual, CRUISER 2801 LONG BEACH BLVD., LLC, a California limited liability company, and JOHN R. CABE, an individual (collectively, the "Owner"), as lessor, and the CITY OF LONG BEACH, a municipal corporation (the "City"), as lessee.

### RECITALS

A. Owner owns and occupies certain property within the City of Long Beach at 2895 Long Beach Boulevard (the "Site"). The Site is legally described and depicted on the Legal Description attached hereto as "Exhibit "A".

B. Owner has fully stocked, equipped and staffed the Site as an automobile sales, leasing and service facility.

C. Cabe Brothers and City entered into that certain Agreement dated as of even date herewith (the "Agreement"), pursuant to which City agreed to provide certain assistance to Owner in order that Owner may rehabilitate and expand the Site as a retail automobile sales, leasing and service complex. This Lease is entered into pursuant to the Agreement.

D. Contemporaneously herewith, City is subletting the Site to Owner pursuant to the Sublease.

E. Capitalized terms when used herein shall have the same meanings ascribed to them in the Agreement, unless otherwise defined herein.

### WITNESSETH

1. Lease of Site. Owner does hereby lease, and City does hereby rent, the Site, with all appurtenances, areas, approaches, and rights-of-way incident thereto, commencing on January 1, 2011 (the "Commencement Date"), and ending on the date which is the fifteenth (15<sup>th</sup>) anniversary of the Commencement Date unless earlier terminated in accordance with this Lease (the "Termination Date").

2. Rent. So long as Owner is not in default under this Lease, and after City has received proof of Sales Taxes owed and paid by Owner, City shall pay annual rent (the "Rent") in an amount as calculated in this Section. City's obligation to pay the Rent may be suspended as provided below.

2.1. Calculation of Rent. 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 "Maximum Rent Amount" as defined below, or (ii) the fifteenth (15th) anniversary of the Commencement Date (the "Term"), City shall pay Rent equal to fifty percent (50%) of the Excess Sales Tax Increment for that calendar year. In no event shall the cumulative amount of the Rent, without interest, paid to Owner over the term of this Lease exceed the Maximum Rent Amount.

2.2. Principles Regarding Calculation and Payment of Rent. The calculation and payment of Rent shall be performed in light of the following principles:

2.2.1. Rent shall be paid quarterly in arrears, thirty (30) days after each of the following conditions has been met: (i) the applicable calendar quarter has ended, (ii) Owner has submitted to City an Owner's Certificate in the form attached hereto as Attachment No. 1, and (iii) City has received written documentation from the Board of Equalization confirming the exact amounts of Sales Tax paid by Owner and Sales Tax Increment received by City for the applicable calendar quarter. For example, assume the Commencement Date is January 1, 2011; the amount of the first Rent payment will be based upon taxable sales which occurred on the Site between January 1, 2011, and March 31, 2011, and would be paid thirty (30) days after the satisfaction of each of the above conditions.

2.2.2. That portion of the Rent based upon Sales Tax Increment generated from leases shall be payable annually, within forty-five (45) days after the expiration of the calendar year.

2.2.3. Rent shall be applied to the calendar year quarter in which the Sales Tax Increment was generated on the Site. For example, assume the Commencement Date is January 1, 2011; while the first Rent payment may not be paid until about June 1, 2011 (or later), the amount of the first Rent payment will be based upon taxable sales which occurred on the Site between January 1, 2011, and March 31, 2011, and the Rent shall be applied to the period between January 1, 2011, and March 31, 2011.

2.2.4. The Excess Sales Tax Increment threshold amount and other adjustments for any period which is less than a calendar quarter or calendar year shall be prorated on a per diem basis using the actual number of days elapsed and the actual number of days in that calendar quarter or calendar year.

2.2.5. In any calendar quarter, no Rent shall be payable on account of the prorated Base Year Sales Tax Increment for that quarter, or in the instance of a partial calendar quarter, on account of the prorated amount of Base Year Sales Tax Increment. Rent shall be payable only after City has received the Base Year Sales Tax Increment for that calendar quarter. For example, assume the Commencement Date is January 1, 2011; the amount of the first Rent payment will be based upon taxable sales which occurred on the Site between January 1, 2011, and March 31, 2011. No Rent would be paid for that calendar quarter until City has received the Base Year Sales Tax Increment for that partial year (i.e., 50% of the Base Year Sales Tax Increment prorated for that

quarter). If City received more than 50% of the Base Year Sales Tax Increment attributable to that calendar quarter, the appropriate percentage of the excess amount would be paid as Rent.

### 2.3. Definitions Applicable to Determination of Rent.

2.3.1. "Base Year Sales Tax Increment" shall mean the Sales Tax Increment generated by operations of Owner on the Site in 2010, which was \$221,714.91.

2.3.2. "Calendar year" shall mean the calendar year, January 1 through December 31.

2.3.3. "Maximum Rent Amount" shall be One Million Dollars (\$1,000,000).

2.3.4. "Event of Default" means any event so designated in this Lease.

2.3.5. "Excess Sales Tax Increment" shall mean, for a given calendar quarter, the amount of the Sales Tax Increment for that calendar quarter in excess of the Base Year Sales Tax Increment prorated for that calendar quarter. In any calendar quarter or year in which this Lease is in effect for a portion of the calendar quarter or calendar year, the Base Year Sales Tax Increment threshold shall be prorated on a per diem basis using the actual number of days elapsed and the actual number of days in that calendar quarter or calendar year.

2.3.6. "Penalty Assessments" shall mean penalties, assessments, collection costs and other costs, fees or charges resulting from late or delinquent payment of Sales Taxes and which are levied, assessed or otherwise collected from the business on the Site owing or obligated to pay Sales Tax.

2.3.7. "Sales Tax" means all taxes levied under the authority of the California Sales and Use Tax Law, Part 1 of Division 2 of the California Revenue and Taxation Code commencing at Section 6001, or any successor law thereto.

2.3.8. "Sales Tax Increment" shall mean that portion of the Sales Taxes, if any, levied by City upon taxable sales and uses on or attributable to the Site pursuant to an ordinance adopted by City, which Sales Taxes, when collected, are allocated and paid to, and actually received by, City, less any amounts received earlier by City which are to be refunded to Owner because of an overpayment of Sales Taxes. Sales Tax Increment shall not include Penalty Assessments, any Sales Taxes levied by, collected for or allocated to the State of California, the County of Los Angeles, a district or any other entity, or any funds paid, granted or allocated to City by the State of California, the County of Los Angeles, a district or any other entity, notwithstanding that such funds received by City are derived or measured by such other entity based upon Sales Taxes. This definition of Sales Tax Increment includes amounts attributable to Sales Taxes levied on lease payments paid by the lessee of a vehicle, as provided by California Revenue and Taxation Code § 7205.1. For purposes of this Lease, the Sales Tax Increment levied on lease payments shall be based upon leases financed through

Toyota Motor Credit Corporation (or other such independent, third party major automobile lease finance companies) which will provide and verify such information annually. The Sales Tax Increment for a calendar year shall include the Sales Tax Increment arising from lease payments.

2.4. Suspension of Obligation to Pay Rent. City's obligation to pay Rent shall be suspended at any time after thirty (30) days after written notice of an Event of Default under this Lease, the Sublease or the Agreement. If City has suspended its payment of Rent in accordance with the terms of this Lease, then upon cure of such Event of Default, City shall resume its payment of the Rent, but shall have no obligation to pay Rent payments for any calendar quarter or portion thereof during which Rent was suspended in accordance with this Lease (other than to the extent City is obligated to continue the payment of Rent after a cure of the default until the Termination Date).

2.5. Unsecured, Special Obligation of City. Owner acknowledges and agrees that the Rent is an unsecured, special obligation of City payable only out of the Excess Sales Tax Increment from the Site from and after commencement of this Lease. Notwithstanding anything contained in this Agreement to the contrary, Owner acknowledges and agrees that neither the Sales Tax Increment from the Site, nor any revenues of the City are, have been, or will be pledged or hypothecated by City to or for payment of the Rent. If and when requested by City, Owner agrees to execute and deliver to City, within five (5) business days after receipt, a certificate acknowledging for the benefit of any and all third parties that the Rent is an unsecured obligation of City for which neither Sales Tax Increment, nor any revenues of City are, have been, or will be pledged or hypothecated to or for payment.

### 3. Agreement to Reimburse City for Rent.

3.1. Reimbursement of Rent. If, for any reason, Owner does not receive a Certificate of Occupancy for the improvements generally described in the Scope of Development on the expanded Site on or before January 1, 2015 ("Completion Date"), as the same may be extended by City in its sole and absolute discretion or as provided for in Section 8.11 of this Agreement, then the Rent Reimbursement Amount shall immediately be due and payable by Owner to City and the Agreement, this Lease and the Sublease shall terminate. The "Rent Reimbursement Amount" shall be an amount equal to the sum of (i) all Rent previously received by Owner from City under this Lease, and (ii) simple interest accrued on such Rent at three percent (3%) per annum beginning on the date Owner received such Rent and continuing until City receives reimbursement.

3.2. Security for the Rent Reimbursement Amount. As further security for the payment of the Rent Reimbursement Amount, Owner has executed and delivered to City the Deed of Trust for recordation in the Real Property Records of Los Angeles County, California.

4. No Right of Possession. City acknowledges that it shall have no right to take possession of the Site, or any portion thereof.

5. Right to Sublease or Assign. Concurrent with the execution and delivery of this Lease, City has entered into the Sublease pursuant to which City has subleased the Site to Owner, and Owner has subleased the Site from City. Except for such Sublease, City shall not enter into any other agreement for the sublease of the Site or any portion thereof during the term of this Lease, without the prior written consent of Owner. City shall not assign the Lease or the Sublease without the prior written consent of Owner. Owner expressly acknowledges and agrees that City has only agreed to payment of the Rent as a means by which to induce development and expansion of the Site and the specific occupancy of Owner in the Site throughout the term of this Lease. Accordingly, Owner further expressly acknowledges and agrees that the payment of Rent is a personal right of Owner that is neither negotiable, transferable, nor assignable (other than as expressly permitted in the Agreement), nor may it be pledged or hypothecated under any circumstances without the prior written consent of City. This Lease shall terminate upon the earlier of (y) the Termination Date or (z) the conveyance of all or a portion of the Site by Owner.

6. Confirmation that Sales Tax Increment Has Been Received. City may confirm that Sales Tax Increment has been received in one of several ways. First, Owner may provide City with copies of the quarterly (or, if applicable, monthly) Board of Equalization reports filed by Owner together with a copy of its canceled check or other proof of payment of Sales Taxes reasonably satisfactory to City and, if applicable, a schedule of current leases initiated by Owner showing the taxable amount of lease payments to be made that calendar year not otherwise reported on Owner's Board of Equalization report. In the alternative, City may rely upon the Board of Equalization report which follows payment to City setting forth the sources of City's portion of the Sales Tax; provided, however, that this alternative shall only be available for Owner if it either (i) has no other place of business in the City other than on the Site, or (ii) has a Board of Equalization tax identification number or numbers for reporting Sales Tax generated by its business on the Site only. Further, the Board of Equalization report may not attribute to the Site Sales Tax on lease payments paid by a vehicle lessee. Finally, Owner may offer confirmation that Sales Tax Increment has been received by other means satisfactory to City in City's sole discretion. In any event, no Rent shall be payable until the Sales Tax payment by Owner upon which the Rent is calculated has been confirmed. For purposes of determining the Base Year Sales Tax Increment, Owner shall provide City with copies of the quarterly (or, if applicable, monthly) Board of Equalization reports filed by its Owner together with a copy of its canceled check, and a schedule of leases initiated in 2010 and lease payments to be made by those vehicle lessees during 2010.

7. Further Covenants. Owner and City further stipulate, covenant, and agree as follows:

7.1. Title. Owner covenants that Owner has lawful title and right to make this Lease for the term aforesaid.

7.2. Cooperation of Owner. Owner covenants that it shall cooperate fully with City as more specifically set forth in the Agreement.

7.3. Accounts and Records. Owner covenants that it shall maintain accounts and records, including financial records, adequate to identify and account for all costs pertaining to this Lease, and such other records as may be deemed necessary by City to enforce the covenants contained in this Lease and to verify costs and expenses used in the computation of Rent, including but not limited to the Base Year Sales Tax Increment, and Sales Tax Increment. These records shall be made available for audit purposes to City or any authorized representative of City upon two hours telephonic notice and during normal business hours, and shall be retained for the duration of this Lease unless permission to destroy them earlier is granted by City.

7.4. Indemnification. Owner will protect, indemnify and save City and its officers, employees and agents, harmless from and against all liabilities, obligations, claims, damages, penalties, causes of action, judgments, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) imposed upon or incurred by or asserted against City, the Site unless caused by the acts, errors or omissions of City, by reason of (a) any accident or injury to or death of persons or loss of or damage to property occurring on or about the Site, or any part thereof, (b) any failure on the part of Owner to perform or comply with any of the terms of this Lease, (c) any negligent or tortious act on the part of Owner or any of its agents, contractors, subtenants, licensees or invitees, or (d) the condition of the Site, including but not limited to the existence of any hazardous and/or toxic substance(s), other kinds of soil or other water contamination, or pollutants of any kind located on or within the Site, or any part thereof, whether such condition, liability, loss, damage, costs and/or expense shall accrue or be discovered before or after any termination of this Lease; provided however that Owner shall not be required to indemnify, defend or hold the City harmless from liability, loss, damage, costs or expenses arising out of the acts of City's officers, employees or agents. In the event that any action, suit or proceeding is brought against City by reason of any such occurrence, Owner, upon City's request, will, at Owner's expense, defend such action, suit or proceeding with counsel reasonably acceptable to City.

## 8. Default and Termination.

### 8.1. City Events of Default.

The occurrence of any of the following, whatever the reason therefore, shall constitute an Event of Default:

(i) Failure by the City to pay any Rent when due and payable hereunder.

(ii) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, and failure of City to remedy or to commence to remedy such failure within thirty (30) days after receipt by City of written notice specifying the failure and requesting that it be remedied.

8.2 Owner's Remedies Upon City's Default. Upon the occurrence of any City Event of Default, and thirty (30) days after written notice of default, and after a reasonable opportunity to cure such default, Owner may pursue an action for breach of contract or any other remedy available at law or in equity, or may terminate this Lease.

8.3. Owner Events of Default. The occurrence of any of the following, whatever the reason therefore, shall constitute an Event of Default:

- (i) Default by Owner pursuant to this Lease; or
- (ii) Default by Owner pursuant to the Sublease; or
- (iii) Default by Owner pursuant to the Agreement.

8.4. Remedies Upon an Event of Default. Upon the occurrence of any Owner Event of Default, and thirty (30) days after written notice of default, and after a reasonable opportunity to cure such default, City may, at its option, either:

- (i) Terminate this Lease;
- (ii) pursue an action for breach of contract or any other remedy available at law or in equity; or
- (iii) suspend or terminate the payment of Rent.

Except as expressly provided elsewhere in this Lease, termination of this Lease under this Section shall not relieve Owner from any obligation incurred pursuant to this Lease with respect to the period prior to the date of such termination including, without limitation, the obligation to pay any sum due to City or from any claim for damages against Owner.

8.5. Institution of Legal Actions; Applicable Law. In addition to any other rights or remedies, either party may institute legal action to cure, correct, or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Lease. Such legal actions must be instituted in the County of Los Angeles, State of California, or in the Federal District Court in the Central District of California. The laws of the State of California shall govern the interpretation and enforcement of this Lease.

8.6. Automatic Termination of Lease. This Lease shall immediately and automatically, without further action of the City, terminate upon the earlier of (i) the date Rent is paid attributable to the period ending on the fifteenth (15<sup>th</sup>) anniversary of the Commencement Date, (ii) the date upon which Rent in the cumulative amount of the Maximum Rent Amount has been paid, (iii) the date that New Dealership Operations cease on the Site, (iv) the conveyance of all or a portion of the Site by Owner, or (v) termination of the Sublease.

## 9. Miscellaneous.

9.1. No Obligation to Pay Costs. City shall have no obligation to pay any costs, fees, rents, utilities, maintenance fees, taxes, assessments, impositions and the like imposed upon Owner as lessee of the Site, or imposed upon Owner under the Leases. City's only payment obligation under this Lease is the Rent.

9.2. Notices. Any notice, approval, demand or other communication required or desired to be given pursuant to this Lease shall be in writing and shall be personally served (including by means of professional messenger service) or, in lieu of personal service, deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, or by Federal Express or other similar reputable overnight delivery service, and shall be effective upon receipt and shall be addressed as set forth below:

If to City: City Manager  
City of Long Beach  
333 West Ocean Blvd., 13<sup>th</sup> Floor  
Long Beach, California 90802

If to Owner: Cabe Brothers  
2895 Long Beach Blvd.  
Long Beach, CA 90802  
Attn: John Cabe

Either City or Owner may change its respective address by giving written notice to the other in accordance with the provisions of this Section.

9.3. Successors. The provisions of this Lease shall bind and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors, and assigns.

9.4. Amendment of Lease. This Lease may only be amended by a writing signed by all parties.




IN WITNESS WHEREOF, said parties have hereunto set their hands and seals.

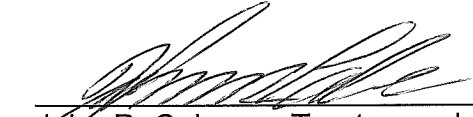
"Owner"


CABE BROTHERS


JANUARY 23, 2012

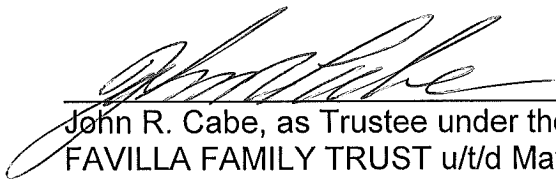
By:   
Its: John

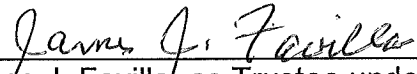
By: \_\_\_\_\_  
Its: \_\_\_\_\_


  
John R. Cabe, as Trustee under the  
CAROLINE M. CABE FAMILY TRUST u/t/d  
April 17, 1990


  
Glenda L. Favilla, as Trustee under the  
CAROLINE M. CABE FAMILY TRUST u/t/d  
April 17, 1990

  
Marilyn J. Glidden, as Trustee under the  
CAROLINE M. CABE FAMILY TRUST u/t/d  
April 17, 1990

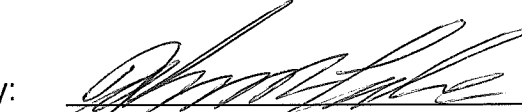
  
John R. Cabe, as Trustee under the  
FAVILLA FAMILY TRUST u/t/d May 19,  
1997


  
James J. Favilla, as Trustee under the  
FAVILLA FAMILY TRUST u/t/d May 19,  
1997

  
Glenda L. Favilla, as Trustee under the  
FAVILLA FAMILY TRUST u/t/d May 19,  
1997

  
Marilyn J. GLIDDEN

CRUISER 2801 LONG BEACH BLVD.,  
LLC, a California limited liability company

By:   
John R. Cabe  
Manager

  
JOHN R. CABE

"City"

CITY OF LONG BEACH, a municipal  
corporation

3-30 ~~2011~~  
2012

By:   
City Manager

Approved as to form this 1 day of March, 201~~1~~<sup>2</sup>

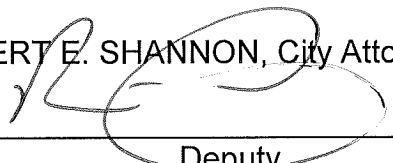
ROBERT E. SHANNON, City Attorney  
By:   
Deputy

EXHIBIT "A" TO LEASE

LEGAL DESCRIPTION OF THE SITE

THE LAND REFERRED TO HEREIN IS SITUATED IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND DESCRIBED AS FOLLOWS:

**PARCEL A:**

LOTS 27, 28, 29, 30, 31, 32, 33 and 34 IN BLOCK 3 OF CROWE'S VISTA DEL MAR TRACT, AS PER MAP RECORDED IN BOOK 7, PAGE 175 OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER.

ALSO KNOWN AS APN: 7206-023-059 (2901 LONG BEACH BLVD., LONG BEACH, CA)

**PARCEL B:**

LOTS 15, 16, 17, 18, 19, 20 AND 21 OF BLOCK 2, CROWE'S VISTA DEL MAR TRACT, AS PER MAP RECORDED IN BOOK 7, PAGE 175 OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER.

ALSO KNOWN AS APN: 7206-023-058 (2895 LONG BEACH BLVD., LONG BEACH, CA)

**PARCEL C:**

LOTS 22, 23 AND 24, BLOCK 2, CROWE'S VISTA DEL MAR TRACT, AS PER MAP RECORDED IN BOOK 7, PAGE 175 OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER.

ALSO KNOWN AS APN: 7206-023-018 (247 COLUMBIA STREET, LONG BEACH, CA)

**PARCEL D:**

LOTS 7, 8, 9, 10, 11, 12, 13 AND 14 OF BLOCK 1 OF THE CROWE'S VISTA DEL MAR TRACT, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 7, PAGE 175 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO KNOWN AS APN: 7206-023-050, 051, 052, 053 AND -054 (2841 LONG BEACH BLVD., LONG BEACH, CA)

**PARCEL E:**

LOTS 15 THROUGH 21 INCLUSIVE IN BLOCK ONE (1) OF CROWE'S VISTA DEL MAR TRACT, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 7, PAGE 175 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

TOGETHER WITH THAT PORTION OF THE VACATED ALLEY, VACATED BY THE CITY OF LONG BEACH, BY RESOLUTION RECORDED DECEMBER 16, 1991 AS INSTRUMENT NO. 91-1969846, OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF BLOCK 1 OF CROWE'S VISTA DEL MAR TRACT, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 7, PAGE (S) 175 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDED OF SAID COUNTY, DESCRIBED AS FOLLOWS:

THOSE ALLEYS SHOWN IN BLOCK 1 OF SAID CROWE'S VISTA DEL MAR TRACT BOUNDED TO THE NORTH BY THE SOUTHERLY LINE OF COLUMBIA STREET, FORMERLY KNOWN AS ARLINGTON STREET, 60 FEET WIDE AS SHOWN ON SAID CROWE'S VISTA DEL MAR TRACT, AND BOUNDED TO THE WEST BY THE EASTERLY LINE OF THE PACIFIC ELECTRIC RAILWAY RIGHT-OF-WAY, 120 FEET WIDE AS SHOWN ON SAID CROWE'S VISTA DEL MAR TRACT AND BOUNDED TO THE SOUTH BY THE NORTHERLY LINE OF FARM LOT 56 OF THE AMERICAN COLONY TRACT AS SHOWN ON SAID CROWE'S VISTA DEL MAR TRACT, AND BOUNDED TO THE EAST BY THE WESTERLY LINE OF LONG BEACH BOULEVARD, FORMERLY KNOWN AS AMERICAN AVENUE, 90 FEET WIDE AS SHOWN ON SAID CROWE'S VISTA DEL MAR TRACT, EXCEPTION THEREFROM THE EASTERLY 5 FEET OF THE SOUTHERLY EAST-WEST ALLEY.

ALSO EXCEPT THAT PORTION OF SAID VACATED ALLEY, LYING NORTHERLY OF THE CENTER LINE OF THE EAST/WEST ALLEY PORTION LYING BETWEEN LOTS 1 TO 6 AND LOT 21 OF SAID BLOCK 1, BOUNDED ON THE WEST BY THE PACIFIC ELECTRIC RAILWAY RIGHT OF WAY, 120 FEET WIDE AS SHOWN ON SAID MAP OF CROWE'S VISTA DEL MAR AND BOUNDED ON THE EAST BY THE WESTERLY LINE OF LOT 12 OF SAID BLOCK 1.

ALSO EXCEPT THE EAST ONE-HALF OF SAID NORTH/SOUTH VACATED ALLEY, BOUNDED ON THE NORTH BY THE ABOVE MENTIONED CENTER LINE AND BOUNDED ON THE SOUTH BY THE WESTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 15 OF SAID BLOCK 1.

ALSO KNOWN AS APN: 7206-023-055, 056 AND 057 (2819 LONG BEACH BLVD.,

LONG BEACH, CA

**PARCEL F:**

LOTS 5 AND 6 IN BLOCK 1 OF THE CROWE'S VISTA DEL MAR TRACT, AS PER MAP RECORDED IN BOOK 7 PAGE 175 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO KNOWN AS APN: 7206-023-049 (226 E. CLOUMBIA ST.)

ATTACHMENT NO. 1 TO LEASE

OWNER'S CERTIFICATE

Date: \_\_\_\_\_

The undersigned, on behalf of Owner, hereby requests the payment of Rent in the amount, and on the date, set forth below, pursuant to that certain Lease (the "Lease") dated as of January 1, 2011; between CABE BROTHERS, a California corporation, John R. Cabe, Glenda L. Favilla and Marilyn J. Glidden, as Trustees under the CAROLINE M. CABE FAMILY TRUST u/t/d/ April 17, 1990, John R. Cabe, James J. Favilla and Glenda L. Favilla, as Trustees under the FAVILLA FAMILY TRUST u/t/d May 19, 1997, MARILYN J. GLIDDEN, an individual, CRUISER 2801 LONG BEACH BLVD., LLC, a California limited liability company, and JOHN R. CABE, an individual (collectively, the "Owner") and the City of Long Beach, a municipal corporation ("City"). Capitalized terms used and not otherwise defined herein shall have the meanings set forth for them in the Lease.

REQUESTED AMOUNT: \_\_\_\_\_.



REQUESTED DATE: \_\_\_\_\_.

Owner hereby represents and warrants to City that:

1. On \_\_\_\_\_, Owner paid Sales Taxes, and lessees of automobiles purchased at the Site are scheduled to pay Sales Taxes, for the \_\_\_\_\_ to \_\_\_\_\_ calendar quarter to the California Board of Equalization in the amount of \$\_\_\_\_\_. Attached hereto is a true and complete copy of our quarterly filings and proof of payment, and a schedule of current leases and lease payments to be made by those vehicle lessees during such calendar quarter.
2. For the twelve month period commencing on the most recent anniversary of the Commencement Date, Owner (or a lessee) has paid Sales Taxes (including the payment described in Paragraph 1 above) in the total amount of \$\_\_\_\_\_.
3. No Event of Default pursuant to the Agreement, the Lease or the Sublease remains uncured, and no event has occurred which, with the giving of notice or the passage of time or both, would constitute an Event of Default under any of the Lease, the Sublease or the Agreement.

CABE BROTHERS

DATE: \_\_\_\_\_

By:   
Its: 

By: \_\_\_\_\_  
Its: \_\_\_\_\_

PAYMENT APPROVED:

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City Representative