

SECOND AMENDMENT TO MASTER LEASE NO. 23509

**23509**

THIS SECOND AMENDMENT TO MASTER LEASE NO. 23509 is made and entered, in duplicate, as of January 20, 1994, for references purposes only, pursuant to a minute order adopted by the City Council of the City of Long Beach at its meeting held on October 18, 1994, by and between the CITY OF LONG BEACH, a municipal corporation, as Lessor, and BANCAP MARINA CENTER, INC., a California corporation, doing business as Alamitos Bay Marina Center, as Master Lessee.

WHEREAS, the parties entered Master Lease No. 23509 as of June 29, 1994, for the Alamitos Bay Marina Center, formerly known as the Marine Bazaar Building; and

WHEREAS, the parties desire to amend said Lease to accommodate financing of improvements by Master Lessee;

NOW, THEREFORE, in consideration of the mutual terms, covenants, and conditions contained in Master Lease No. 23509 and herein, the parties agree as follows:

1. Section 3.1.A of the Lease is hereby amended in its entirety to read as follows:

"3.1 Definitions.

"A. Development Costs. The term 'Development Costs' shall mean the direct and indirect costs that Master Lessee incurs in constructing the Common Area improvements, office and retail space on the Leased Premises, expansion of subtenant West Marine Products, Inc., and tenant improvements and expanded retail space beneath subtenant Seal Beach Yacht Club, as well as capital costs and allowance for tenant improvements on 'spec' area. Said costs

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1 are detailed in Exhibit 'D', attached hereto and incorporated herein  
2 by this reference, and shall not exceed \$1,845,000. Development  
3 Costs shall also mean any costs associated with asbestos removal,  
4 repair of sewer lines, or repair of other latent defects by Master  
5 Lessee, and these costs shall be treated in accordance with Section  
6 3.5 of this Lease and shall not be included in the amount of  
7 \$1,845,000. Any costs to be included as Development Costs for  
8 purposes of this Lease that exceed \$1,845,000 shall have the prior  
9 written approval of Lessor acting through the Manager of its  
10 Property Services Bureau."

11 2. Section 3.4 of the Lease is hereby amended to read in  
12 its entirety as follows:

13 "3.4 Construction Rent. Upon execution of this Lease and  
14 assignment of leases with subtenants identified in Appendix 1 and  
15 until the date that the Project is completed, (as evidenced by the  
16 recordation of a Notice of Completion or the issuance of a  
17 Certificate of Occupancy, or other evidence satisfactory to Lessor,  
18 in its sole discretion), Master Lessee shall deliver all rents in  
19 any form that Master Lessee receives from all subtenants in the  
20 Alamitos Bay Marina Center (those identified in Appendix 1 and all  
21 others) less a six percent (6%) management fee and less taxes and  
22 insurance premiums paid by Master Lessee (which are not paid by  
23 subtenants through their Common Area Maintenance fees)  
24 ('Construction Rent') to Lessor to the attention of the Accounting  
25 Officer of the Tidelands Accounting Division at the address shown  
26 in Article XVII. Subject to Lessor's prior written approval, Master  
27 Lessee may also deduct (prior to deposit) costs attributable to  
28 change orders (if said change order were approved by Lessor) that

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1 exceed Development Costs as described in Section 3.2 hereof. Master  
2 Lessee may also deduct one time only the sum of \$5,000 which Master  
3 Lessee shall expend in consideration of relocation of an outdoor  
4 refrigerator, or construction of screening for said refrigeration,  
5 which refrigeration serves subtenant Schooner or Later, Inc. Master  
6 Lessee may also deduct the interest related to its financing of  
7 Development Costs if Master Lessee does not capitalize said  
8 interest; if there is a Foreclosure Sale by Lender prior to the  
9 completion of construction, then Master Lessee may deduct that sum  
10 which would have been payable as interest related to its financing  
11 of Development Costs, as shown on Exhibit 'E', if Master Lessee did  
12 not capitalize said interest.

13 "If Master Lessee uses all or any portion of Construction  
14 Rent to reduce the principal balance of its construction loan, then  
15 Exhibit 'E' shall be revised and replaced."

16 3. Section 3.6 if the Lease is hereby amended in its  
17 entirety to read as follows:

18 "3.6 Deposit after Construction Rent Period. Subsequent  
19 to the Construction Rent period described in Section 3.4, Master  
20 Lessee shall deliver Base Rent, Percentage Rent and additional rent  
21 due hereunder to the person identified in Section 3.4. Lessor  
22 intends or may use all or a portion of said Base Rent, Percentage  
23 Rent or additional rent to reduce the indebtedness of Master Lessee  
24 to Harbor Bank relating to Harbor Bank's loan to Master Lessee for  
25 the Development Costs. Said reduction shall constitute a buy back  
26 credit toward enabling Lessor to buy back the Lease pursuant to  
27 Article XX hereof."

28 4. Section 3.7 of the Lease is hereby amended in its

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1 entirety to read as follows:

2           "3.7 Rent Statements. Within thirty (30) days after the  
3 end of each calendar quarter, Master Lessee shall deliver to Lessor  
4 a statement identifying the amount of Base Rent and Percentage Rent  
5 and additional rent paid to Lessor, and the basis for computing the  
6 amount of Percentage Rent so paid. If Lessor uses all or a portion  
7 of said Base Rent, Percentage Rent or additional rent as described  
8 in Section 3.6 hereof, then Master Lessee shall obtain from Harbor  
9 Bank and deliver to Lessor a statement which shows that Harbor Bank  
10 has applied an amount equal to Lessor's payment on Master Lessee's  
11 indebtedness to Harbor Bank relating to said loan for the  
12 Development Costs and the outstanding balance of said indebtedness  
13 as of the date of the statement."

14           6. Article XVI is hereby amended by the addition of the  
15 following Section:

16           "16.8 Estoppel Certificates. Lessor and Master Lessee  
17 shall from time to time on not less than ten (10) days prior written  
18 request by the other deliver to the requesting party a signed  
19 statement certifying that (a) the Lease is unmodified and in full  
20 force and effect (or if the Lease has been modified or if the Lease  
21 is not in full force and effect, then stating the nature of the  
22 modification or the basis on which the Lease has been terminated,  
23 whichever is applicable); (b) to its knowledge, the requesting party  
24 is not in default under the Lease (or if any default exists, then  
25 stating the specific nature and extent of the default); and (c) the  
26 dates to which Base Rent, Percentage Rent, additional rent, if any,  
27 and other charges under the Lease have been paid in advance."

28           7. Article XVII of the Lease is amended in its entirety

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1 to read as follows:

2 "Article XVII

3 "Notices. Any notice or approval required by this Lease  
4 shall be in writing and either personally delivered or deposited in  
5 the U.S. Postal Service, first class, postage prepaid. Notices  
6 shall be effective on the date of mailing or on the date personal  
7 delivery is made, whichever first occurs. Notices shall be  
8 addressed as follows:

9 "To Lessor: City of Long Beach  
333 West Ocean Boulevard  
10 Long Beach, CA 90802  
Attn: City Manager

11 "With a copy to: Department of Parks, Recreation  
12 and Marine  
205 Marina Drive  
13 Long Beach, CA 90803  
Attn: Director

14 "To Master Lessee: As first stated herein.

15 "With a copy to: Harbor Bank  
16 11 Golden Shore  
Long Beach, CA 90801

17  
18 "Either party may from time to time by notice given as  
19 prescribed herein designate a different address which shall be  
20 substituted for the one above."

21 8. Article XXIII is amended by the addition of Section  
22 Q to read as follows:

23 "Q. Following receipt from Lessor of notice of Master  
24 Lessee's breach, Harbor Bank or its successor in interest shall have  
25 the right to cure the breach by Master Lessee within thirty (30)  
26 days after receipt of notice from Lessor or to begin to cure such  
27 breach within thirty (30) days after receipt of notice if the cure  
28 cannot be completed within a thirty-day period. In addition, Harbor

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1 Bank or its successor in interest shall have those rights and  
2 remedies afforded to it pursuant to that certain document entitled  
3 "Assignment of Lessee's Interest in Master Lease dated as of  
4 February 1, 1995 between Master Lessee and Harbor Bank."

5 9. Exhibit "D" and Exhibit "E" of the Lease are hereby  
6 replaced with Exhibit "D" and Exhibit "E" attached hereto and  
7 incorporated herein by this reference.

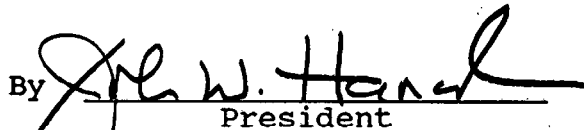
8 10. Amendments Controlling. If there is a conflict or  
9 inconsistency between this Second Amendment and the Lease, then the  
10 terms, covenants and conditions of this Second Amendment shall  
11 control the rights and obligations of the parties.

12 11. Except as expressly provided herein, all of the  
13 terms, covenants, and conditions of Master Lease No. 23509 shall  
14 remain unchanged and in full force and effect and are hereby  
15 ratified and confirmed.

16 IN WITNESS WHEREOF, the parties have caused these presents  
17 to be duly executed with all of the formalities required by law as  
18 of the date first stated above.

19 BANCAP MARINA CENTER, INC., a  
20 California corporation, doing  
21 business as ALAMITOS BAY M A R I N A  
22 CENTER

22 Jan 25, 1995

By   
President

24 Jan 25, 1995

By   
Secretary

"Master Lessee"

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CITY OF LONG BEACH, a municipal corporation

1/26, 1995

By [Signature]  
ASSISTANT City Manager

"Lessor" EXECUTED PURSUANT  
TO SECTION 301 OF  
THE CITY CHARTER.

This Second Amendment to Master Lease No. 23509 is hereby approved as to form this 25th day of Jan., 1995.

JOHN R. CALHOUN, City Attorney

By [Signature]  
Deputy

John R. Calhoun  
City Attorney of Long Beach  
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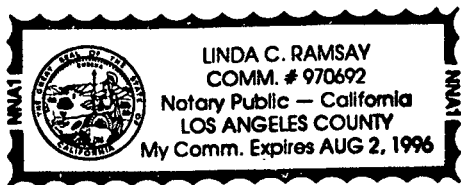
DFG:rmb  
1-24-95  
BANCAP.AMD

State of CALIFORNIA  
County of Los Angeles

On 1/26/95 before me, LINDA C. RAMSAY  
(DATE) (NAME/TITLE OF OFFICER-i.e. "JANE DOE, NOTARY PUBLIC")  
personally appeared Henry Taboada  
(NAME(S) OF SIGNER(S))

personally known to me -OR-

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.

(SEAL)

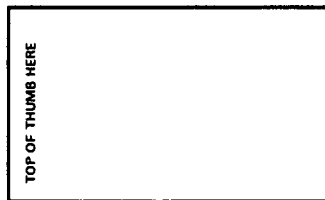
Linda C. Ramsay  
(SIGNATURE OF NOTARY)

**ATTENTION NOTARY**

The information requested below and in the column to the right is **OPTIONAL**. Recording of this document is not required by law and is also optional. It could, however, prevent fraudulent attachment of this certificate to any unauthorized document.

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:  
Title or Type of Document \_\_\_\_\_  
Number of Pages \_\_\_\_\_ Date of Document \_\_\_\_\_  
Signer(s) Other Than Named Above \_\_\_\_\_

RIGHT THUMBPRINT (Optional)

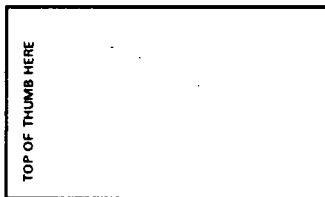


CAPACITY CLAIMED BY SIGNER(S)  
 INDIVIDUAL(S)  
 CORPORATE \_\_\_\_\_

OFFICER(S) \_\_\_\_\_ (TITLES)  
 PARTNER(S)  LIMITED  GENERAL  
 ATTORNEY IN FACT  
 TRUSTEE(S)  
 GUARDIAN/CONSERVATOR  
 OTHER: \_\_\_\_\_

SIGNER IS REPRESENTING:  
(Name of Person(s) or Entity(ies))

RIGHT THUMBPRINT (Optional)



CAPACITY CLAIMED BY SIGNER(S)  
 INDIVIDUAL(S)  
 CORPORATE \_\_\_\_\_

OFFICER(S) \_\_\_\_\_ (TITLES)  
 PARTNER(S)  LIMITED  GENERAL  
 ATTORNEY IN FACT  
 TRUSTEE(S)  
 GUARDIAN/CONSERVATOR  
 OTHER: \_\_\_\_\_

SIGNER IS REPRESENTING:  
(Name of Person(s) or Entity(ies))



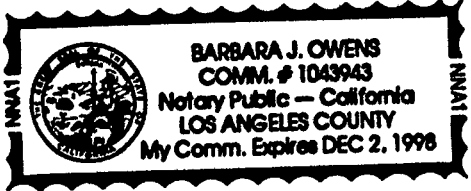


State of California  
County of Los Angeles

On 1-25-95 before me, Barbara J. Owens  
(DATE) (NAME/TITLE OF OFFICER-i.e. "JANE DOE, NOTARY PUBLIC")  
personally appeared John Walker Hancock  
(NAME(S) OF SIGNER(S))

III

personally known to me -OR-  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.

(SEAL)

Barbara J. Owens  
(SIGNATURE OF NOTARY)

RIGHT THUMBPRINT (Optional)  
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CAPACITY CLAIMED BY SIGNER(S)  
 INDIVIDUAL(S)  
 CORPORATE

OFFICER(S) \_\_\_\_\_ (TITLES)  
 PARTNER(S)  LIMITED  
 GENERAL  
 ATTORNEY IN FACT  
 TRUSTEE(S)  
 GUARDIAN/CONSERVATOR  
 OTHER: \_\_\_\_\_

SIGNER IS REPRESENTING:  
(Name of Person(s) or Entity(ies))

RIGHT THUMBPRINT (Optional)  
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CAPACITY CLAIMED BY SIGNER(S)  
 INDIVIDUAL(S)  
 CORPORATE

OFFICER(S) \_\_\_\_\_ (TITLES)  
 PARTNER(S)  LIMITED  
 GENERAL  
 ATTORNEY IN FACT  
 TRUSTEE(S)  
 GUARDIAN/CONSERVATOR  
 OTHER: \_\_\_\_\_

SIGNER IS REPRESENTING:  
(Name of Person(s) or Entity(ies))

**ATTENTION NOTARY**

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THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:  
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Number of Pages \_\_\_\_\_ Date of Document \_\_\_\_\_  
Signer(s) Other Than Named Above \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

No. 5907

State of California

County of Los Angeles

On JANUARY 25, 1995 before me, Barbara J. Owens

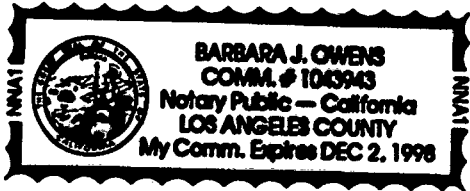
DATE

NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Robert Whitney Latimer II

NAME(S) OF SIGNER(S)

personally known to me - **OR** -  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.

Barbara J. Owens  
SIGNATURE OF NOTARY

**OPTIONAL**

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

**CAPACITY CLAIMED BY SIGNER**

**DESCRIPTION OF ATTACHED DOCUMENT**

- INDIVIDUAL
- CORPORATE OFFICER

\_\_\_\_\_  
TITLE OR TYPE OF DOCUMENT

TITLE(S)

- PARTNER(S)       LIMITED
- GENERAL

\_\_\_\_\_  
NUMBER OF PAGES

- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: \_\_\_\_\_

\_\_\_\_\_  
DATE OF DOCUMENT

**SIGNER IS REPRESENTING:**  
NAME OF PERSON(S) OR ENTITY(IES)

\_\_\_\_\_  
SIGNER(S) OTHER THAN NAMED ABOVE

PROJECT DEVELOPMENT COSTS  
(Exhibit D)

Direct Costs

Demolition  
Earthwork & Grading  
Landscape & Irrigation  
Asphalt Patching  
Striping/Bumpers/H.C. Signs  
Bollards (Removable)  
Concrete  
Brick Masonry  
Concrete Masonry Units  
Masonry Veneer  
Structural Steel/Misc  
Steel Sails  
Rough Carpentry  
Waterproof Masonry  
Insulation  
Deck Coating  
B.U. Roofing  
Flashing/Sheetmetal  
Roll-up Doors  
Doors/Frames/Hrdwr  
Glass & Glazing  
Drywall & Metal Studs  
Lath & Plaster  
Ceramic Tile  
Resilient Floor  
Painting/Sandblast  
Acoustical Ceilings  
Awnings  
Toilet Partitions/Accessories  
H.C. Lift  
Plumbing  
Electrical  
West Marine T.I.  
Subtotal  
General Conditions  
Fee  
Total

Indirect Costs

Architectural & Engineering  
City Permits & Fees  
Legal & Accounting  
Taxes & Insurance  
Construction Interest  
Financing Fees  
Development Fee  
Miscellaneous

Total Development Costs

\$1,845,000

|                   |             |
|-------------------|-------------|
| Principal Amount  | \$1,845,000 |
| Interest Rate     | 0.1         |
| Number of Years   | 10          |
| Number of Periods | 120         |

**Exhibit E**  
**Amortization Schedule**

| <u>Month</u>      | <u>Principal</u> | <u>Interest</u> | <u>Total<br/>Payment</u> | <u>O/S<br/>Principal</u> |
|-------------------|------------------|-----------------|--------------------------|--------------------------|
| Beginning Balance |                  |                 |                          | \$1,845,000              |
| 1                 | 9,007            | 15,375          | 24,382                   | 1,835,993                |
| 2                 | 9,082            | 15,300          | 24,382                   | 1,826,911                |
| 3                 | 9,158            | 15,224          | 24,382                   | 1,817,753                |
| 4                 | 9,234            | 15,148          | 24,382                   | 1,808,519                |
| 5                 | 9,311            | 15,071          | 24,382                   | 1,799,208                |
| 6                 | 9,389            | 14,993          | 24,382                   | 1,789,819                |
| 7                 | 9,467            | 14,915          | 24,382                   | 1,780,352                |
| 8                 | 9,546            | 14,836          | 24,382                   | 1,770,806                |
| 9                 | 9,625            | 14,757          | 24,382                   | 1,761,181                |
| 10                | 9,705            | 14,677          | 24,382                   | 1,751,476                |
| 11                | 9,786            | 14,596          | 24,382                   | 1,741,690                |
| 12                | 9,868            | 14,514          | 24,382                   | 1,731,822                |
| 13                | 9,950            | 14,432          | 24,382                   | 1,721,872                |
| 14                | 10,033           | 14,349          | 24,382                   | 1,711,839                |
| 15                | 10,117           | 14,265          | 24,382                   | 1,701,722                |
| 16                | 10,201           | 14,181          | 24,382                   | 1,691,521                |
| 17                | 10,286           | 14,096          | 24,382                   | 1,681,235                |
| 18                | 10,372           | 14,010          | 24,382                   | 1,670,863                |
| 19                | 10,458           | 13,924          | 24,382                   | 1,660,405                |
| 20                | 10,545           | 13,837          | 24,382                   | 1,649,860                |
| 21                | 10,633           | 13,749          | 24,382                   | 1,639,227                |
| 22                | 10,722           | 13,660          | 24,382                   | 1,628,505                |
| 23                | 10,811           | 13,571          | 24,382                   | 1,617,694                |
| 24                | 10,901           | 13,481          | 24,382                   | 1,606,793                |
| 25                | 10,992           | 13,390          | 24,382                   | 1,595,801                |
| 26                | 11,084           | 13,298          | 24,382                   | 1,584,717                |
| 27                | 11,176           | 13,206          | 24,382                   | 1,573,541                |
| 28                | 11,269           | 13,113          | 24,382                   | 1,562,272                |
| 29                | 11,363           | 13,019          | 24,382                   | 1,550,909                |
| 30                | 11,458           | 12,924          | 24,382                   | 1,539,451                |

| <u>Month</u> | <u>Principal</u> | <u>Interest</u> | <u>Total<br/>Payment</u> | <u>O/S<br/>Principal</u> |
|--------------|------------------|-----------------|--------------------------|--------------------------|
| 31           | 11,553           | 12,829          | 24,382                   | 1,527,898                |
| 32           | 11,650           | 12,732          | 24,382                   | 1,516,248                |
| 33           | 11,747           | 12,635          | 24,382                   | 1,504,501                |
| 34           | 11,844           | 12,538          | 24,382                   | 1,492,657                |
| 35           | 11,943           | 12,439          | 24,382                   | 1,480,714                |
| 36           | 12,043           | 12,339          | 24,382                   | 1,468,671                |
| 37           | 12,143           | 12,239          | 24,382                   | 1,456,528                |
| 38           | 12,244           | 12,138          | 24,382                   | 1,444,284                |
| 39           | 12,346           | 12,036          | 24,382                   | 1,431,938                |
| 40           | 12,449           | 11,933          | 24,382                   | 1,419,489                |
| 41           | 12,553           | 11,829          | 24,382                   | 1,406,936                |
| 42           | 12,658           | 11,724          | 24,382                   | 1,394,278                |
| 43           | 12,763           | 11,619          | 24,382                   | 1,381,515                |
| 44           | 12,869           | 11,513          | 24,382                   | 1,368,646                |
| 45           | 12,977           | 11,405          | 24,382                   | 1,355,669                |
| 46           | 13,085           | 11,297          | 24,382                   | 1,342,584                |
| 47           | 13,194           | 11,188          | 24,382                   | 1,329,390                |
| 48           | 13,304           | 11,078          | 24,382                   | 1,316,086                |
| 49           | 13,415           | 10,967          | 24,382                   | 1,302,671                |
| 50           | 13,526           | 10,856          | 24,382                   | 1,289,145                |
| 51           | 13,639           | 10,743          | 24,382                   | 1,275,506                |
| 52           | 13,753           | 10,629          | 24,382                   | 1,261,753                |
| 53           | 13,867           | 10,515          | 24,382                   | 1,247,886                |
| 54           | 13,983           | 10,399          | 24,382                   | 1,233,903                |
| 55           | 14,099           | 10,283          | 24,382                   | 1,219,804                |
| 56           | 14,217           | 10,165          | 24,382                   | 1,205,587                |
| 57           | 14,335           | 10,047          | 24,382                   | 1,191,252                |
| 58           | 14,455           | 9,927           | 24,382                   | 1,176,797                |
| 59           | 14,575           | 9,807           | 24,382                   | 1,162,222                |
| 60           | 14,697           | 9,685           | 24,382                   | 1,147,525                |
| 61           | 14,819           | 9,563           | 24,382                   | 1,132,706                |
| 62           | 14,943           | 9,439           | 24,382                   | 1,117,763                |
| 63           | 15,067           | 9,315           | 24,382                   | 1,102,696                |
| 64           | 15,193           | 9,189           | 24,382                   | 1,087,503                |
| 65           | 15,319           | 9,063           | 24,382                   | 1,072,184                |
| 66           | 15,447           | 8,935           | 24,382                   | 1,056,737                |
| 67           | 15,576           | 8,806           | 24,382                   | 1,041,161                |
| 68           | 15,706           | 8,676           | 24,382                   | 1,025,455                |
| 69           | 15,837           | 8,545           | 24,382                   | 1,009,618                |

| <u>Month</u> | <u>Principal</u> | <u>Interest</u> | <u>Total<br/>Payment</u> | <u>O/S<br/>Principal</u> |
|--------------|------------------|-----------------|--------------------------|--------------------------|
| 70           | 15,969           | 8,413           | 24,382                   | 993,649                  |
| 71           | 16,102           | 8,280           | 24,382                   | 977,547                  |
| 72           | 16,236           | 8,146           | 24,382                   | 961,311                  |
| 73           | 16,371           | 8,011           | 24,382                   | 944,940                  |
| 74           | 16,507           | 7,875           | 24,382                   | 928,433                  |
| 75           | 16,645           | 7,737           | 24,382                   | 911,788                  |
| 76           | 16,784           | 7,598           | 24,382                   | 895,004                  |
| 77           | 16,924           | 7,458           | 24,382                   | 878,080                  |
| 78           | 17,065           | 7,317           | 24,382                   | 861,015                  |
| 79           | 17,207           | 7,175           | 24,382                   | 843,808                  |
| 80           | 17,350           | 7,032           | 24,382                   | 826,458                  |
| 81           | 17,495           | 6,887           | 24,382                   | 808,963                  |
| 82           | 17,641           | 6,741           | 24,382                   | 791,322                  |
| 83           | 17,788           | 6,594           | 24,382                   | 773,534                  |
| 84           | 17,936           | 6,446           | 24,382                   | 755,598                  |
| 85           | 18,085           | 6,297           | 24,382                   | 737,513                  |
| 86           | 18,236           | 6,146           | 24,382                   | 719,277                  |
| 87           | 18,388           | 5,994           | 24,382                   | 700,889                  |
| 88           | 18,541           | 5,841           | 24,382                   | 682,348                  |
| 89           | 18,696           | 5,686           | 24,382                   | 663,652                  |
| 90           | 18,852           | 5,530           | 24,382                   | 644,800                  |
| 91           | 19,009           | 5,373           | 24,382                   | 625,791                  |
| 92           | 19,167           | 5,215           | 24,382                   | 606,624                  |
| 93           | 19,327           | 5,055           | 24,382                   | 587,297                  |
| 94           | 19,488           | 4,894           | 24,382                   | 567,809                  |
| 95           | 19,650           | 4,732           | 24,382                   | 548,159                  |
| 96           | 19,814           | 4,568           | 24,382                   | 528,345                  |
| 97           | 19,979           | 4,403           | 24,382                   | 508,366                  |
| 98           | 20,146           | 4,236           | 24,382                   | 488,220                  |
| 99           | 20,313           | 4,069           | 24,382                   | 467,907                  |
| 100          | 20,483           | 3,899           | 24,382                   | 447,424                  |
| 101          | 20,653           | 3,729           | 24,382                   | 426,771                  |
| 102          | 20,826           | 3,556           | 24,382                   | 405,945                  |
| 103          | 20,999           | 3,383           | 24,382                   | 384,946                  |
| 104          | 21,174           | 3,208           | 24,382                   | 363,772                  |
| 105          | 21,351           | 3,031           | 24,382                   | 342,421                  |
| 106          | 21,528           | 2,854           | 24,382                   | 320,893                  |
| 107          | 21,708           | 2,674           | 24,382                   | 299,185                  |
| 108          | 21,889           | 2,493           | 24,382                   | 277,296                  |

| <b>Month</b> | <b>Principal</b> | <b>Interest</b>  | <b>Total<br/>Payment</b> | <b>O/S<br/>Principal</b> |
|--------------|------------------|------------------|--------------------------|--------------------------|
| 109          | 22,071           | 2,311            | 24,382                   | 255,225                  |
| 110          | 22,255           | 2,127            | 24,382                   | 232,970                  |
| 111          | 22,441           | 1,941            | 24,382                   | 210,529                  |
| 112          | 22,628           | 1,754            | 24,382                   | 187,901                  |
| 113          | 22,816           | 1,566            | 24,382                   | 165,085                  |
| 114          | 23,006           | 1,376            | 24,382                   | 142,079                  |
| 115          | 23,198           | 1,184            | 24,382                   | 118,881                  |
| 116          | 23,391           | 991              | 24,382                   | 95,490                   |
| 117          | 23,586           | 796              | 24,382                   | 71,904                   |
| 118          | 23,783           | 599              | 24,382                   | 48,121                   |
| 119          | 23,981           | 401              | 24,382                   | 24,140                   |
| 120          | 24,140           | 201              | 24,382                   | 0                        |
|              | <u>1,845,000</u> | <u>1,080,799</u> | <u>2,925,840</u>         |                          |

## EXHIBIT "E"

|                      |   |   |
|----------------------|---|---|
| Principal Amount     | - | \$1,845,000                                 |
| Annual Interest Rate | - | 10%   |
| Payment Schedule     | - | Monthly payments of \$24,382 for 120 months |

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TERMS OF MASTER LESSEE'S LOAN COMMITMENT

Lender's Name: HARBOR BANK

Borrower's

Name: BANCAP MARINA CENTER, INC.dba Alamitos Bay Marina Center.

Amount: \$1,500,000.

Maturity: December 31, 1995 for the construction loan.

On completion of construction - 5 year term loan.

At the maturity of the 5 year term loan the Bank will consider a 3 to 5 year additional period fully amortized providing financials are as strong as those currently in file.

Interest Rate: Construction loan 10% fixed

5 year term loan 10% fixed

3 to 5 year at the end loan - Prime (in effect at that time) plus 2% floating.

Payment: Construction loan monthly payments of interest only on balance disbursed.

5 year term loan - 5 years with payments of principle and interest of approximately \$19,942.41 per month. Amortized on a ten year basis.

Loan Costs

& fees: Out of pocket expenses including costs of documentation (\$200 minimum), and a 2% loan fee.

Collateral: Assignment and recording of assignment of Master Lease with Lessor's approval.

Assignment of Tenant Leases.

Guarantors: John W. Hancock III.

Steven T. and Frances S. Conley.

Monitoring

requirements: 1. Annual financial statements both personal and business.  
2. Annual income tax reports for both personal and business.  
3. Copies of accounting records given to the City, including monthly operating statements.

Subject to: Harbor Bank Board approval 1-31-95.

Recordation of Assignment of Master Lease.

Assignment of Tenant Leases.

Subordination of stockholder and third party loans totaling \$350,000.

Subordination of lease payments to the City of Long Beach to Harbor Bank's loan.

Commitment

expiration

date: 2-15-95