

1 AMENDMENT No. 3
2 PARCEL 50-R

3 THIS AMENDMENT TO LEASE, made and entered into this 1st
4 day of March, 1966,

5 BY AND BETWEEN

6 COUNTY OF LOS ANGELES, herein-
7 after referred to as "County,"

8 AND

9 THE LINCOLN ROSE CORPORATION,
10 a California corporation, here-
11 inafter referred to as "Lessee,"

12 WITNESSETH:

13 WHEREAS, the predecessor in interests of Lessee and
14 County entered into a lease and agreement on May 8, 1964, under
15 which County leased to Lessee certain real property in the
16 Marina del Rey Small Craft Harbor, known as Parcel 50-R; and,

17 WHEREAS, it is the desire of Lessee to construct on
18 said parcel a retail shopping center, including office build-
19 ings and financial institutions in accordance with provisions
20 of said lease and amendments thereto; and,

21 WHEREAS, Lessee desires to implement the construction
22 of said shopping center by entering into a sublease of the
23 entire demised premises with the Marina's Shopping Center
24 Company, a partnership, hereinafter referred to as "Company";
25 and,

26 WHEREAS, it is the further desire of Lessee and Company
27 that Company enter into subleases with retail super-markets,
28 drug companies, and other retail institutions in order to
29 finance and put into operation the projected shopping center;
30 and,

31 WHEREAS, all of said subleases cannot be entered into
32 unless County consents to the terms and conditions thereof as
required by the provisions of Section 22 of the Master Lease

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1 between County and Lessee; and,

2 WHEREAS, it is the desire of County, before consenting
3 to said subleases, to amend the Master Lease with Lessee to
4 provide greater security to County in event of default by Lessee
5 under the Master Lease; and,

6 WHEREAS, it is also the desire of County to provide
7 adequate security for the said sublessees of Company by provi-
8 ding that the subleases shall not be automatically terminated
9 in the event of default by Lessee under the Master Lease; and

10 WHEREAS, an arrangement providing such security to said
11 sublessees is of benefit to the County of Los Angeles, in that
12 it will implement and accelerate the development of the said
13 shopping center,

14 NOW, THEREFORE, in consideration of the above and of
15 the mutual covenants and conditions contained herein below the
16 parties, and each of them, agree as follows:

17 1. The following paragraph is hereby added to the
18 original lease and shall be known as Paragraph 22.5:

19 "The parties hereto acknowledge that in the
20 event the subject lease is forfeited by reason
21 of any default on the part of lessee, or that
22 if the subject lease is terminated or rescinded
23 for any reason, County would suffer the loss of
24 revenues accruing to the project and the project
25 would be impaired in view of the fact that a
26 considerable lapse of time would necessarily
27 take place between the date of such forfeiture,
28 termination or rescission and the date of
29 commencement of a new lease awarded through the
30 procedures of competitive bidding.

31 The parties hereto acknowledge that the
32 Marina del Rey Bond Resolution of 1959 and amendments

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thereto requires that the County at all times make every reasonable effort to keep the project leased in order that the maximum possible revenues may flow into the Revenue Fund set up by said Bond Resolution. In order to provide such security for County, and in order to enable County to better meet its obligations under the said Bond Resolution, the parties agree that in the event that Lessee shall default in the keeping, observing and performing of any or all of the covenants, conditions and agreements required to be kept, observed or performed by Lessee as herein provided, and if this lease shall be forfeited by County by reason of any such default, or in the event there is a voluntary or other surrender of this lease by Lessee, or a mutual cancellation thereof, such forfeiture surrender or mutual cancellation shall not constitute a termination of that certain sublease by and between Lessee and Company, nor a termination of any sublease between Company and any entity performing retail, commercial, financial and office building services on the demised premises, nor shall said forfeiture, surrender or mutual cancellation constitute a termination of Lessee's right and title as sublessor in and to its sublease with Company, or a termination of Company's right and title as a sublessor in and to the said subleases for retail, commercial, office and financial purposes. However, subject to compliance with the provisions of the next paragraph below, any forfeiture, surrender or mutual cancellation of

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this lease shall be deemed to be an automatic assignment by Lessee to County of Lessee's right and title as sublessor in and to its sublease with Company and an automatic assignment by Company to County of any and all subleases which it may have at the time of such assignment with entities performing retail, commercial, office and financial functions on the demised premises.

In the event of any such default or forfeiture, County shall first notify in writing, any lender or lenders on the security of the leasehold estate of such default or forfeiture, and said lender or lenders shall first have all rights granted to it or them under paragraph 22 of the Master Lease before such automatic assignment to the County shall be effective; and if such lender or lenders can cure any such default, said lender or lenders shall assume the position of the Lessee and/or the Company hereunder, and shall be substituted in every respect for said Lessee and/or Company, and shall assume all duties and obligations hereunder, and be entitled to all rights and privileges hereunder. It is the intention of the parties that this paragraph does not confer any rights or remedies in favor of lenders on the security of the leasehold estate in addition to those set forth in other Sections of this lease but is inserted herein to indicate that the provisions of this amendment shall not in any way be construed to affect, modify or negate the rights of such lenders as set forth elsewhere in this lease.

Upon such assignment, any interest that Company

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may have as sublessor in connection with retail, commercial, office and financial sublessees on the demised premises shall be deemed to have merged with the right and title of County as owner of the land herein and as lessor, and by virtue of such merger, and all of the assignments above referred to, County shall become the direct lessor of said retail, commercial, office and financial sublessees under the terms of the subleasing documents so assigned and set over unto County. In the event of such assignment and merger, the parties acknowledge that County shall have the sole and exclusive right to receive any and all rents and other amounts due any sublessor under said retail, commercial and office subleases and shall be entitled to the performance by said sublessees of all of the terms, conditions and obligations contained in said subleases on the part of the sublessees named therein to be performed.

It is agreed that the above provisions shall not apply to any sublease which has not been consented to by County in accordance with the provisions of paragraph 22 of the Master Lease. In the event that there are in effect, at the time of any forfeiture, surrender or mutual cancellation of this lease, any subleases which have not been consented to by County, said subleases shall terminate as of the date of the forfeiture, surrender or mutual cancellation of the Master Lease.

On and after such time as County enters into a new Master Lease after following the procedures for competitive bidding provided for in Government Code

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Sections 25520 et seq., all subleases assigned to County by the provisions of this paragraph shall become subordinate to and subject to the provisions of the new Master Lease so entered into and the award of such new lease by County shall be deemed to be an assignment by County to the new Master Lessee of any and all right and title that County may have as lessor in and to any sublease assigned to it by the provisions of this paragraph.

Lessee agrees to notify County of any amendment it may make in the sublease between itself and Company after the date on which this amendment is executed, and further agrees that it shall notify County of any amendment that Company might make in any sublease that it might have between itself and any entity performing retail, commercial, or office services on the demised premises. In the event any such change is not approved by County, the sublease so amended shall not be assigned to County under the provisions of this paragraph, and shall terminate as of the date of any forfeiture, surrender or mutual cancellation of the Master Lease."

2. Any reference to "Lessee" contained in Section 18 of the Master Lease shall be deemed to include sublessee of

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1 Lessee and any sublessees of Lessee's sublessees.

2 IN WITNESS WHEREOF, County has, by Order of its Board
3 of Supervisors, caused this AMENDMENT TO LEASE to be subscribed
4 by the Chairman of said Board and attested by the Clerk thereof,
5 and the Lessee has executed the same the day and year first
6 hereinabove written.

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8 Attest:

THE LINCOLN ROSE CORPORATION

9

10 *Harold K. Kelly*
11 Assistant Secretary

By: *W. Shroy*
Vice President

12

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14

THE COUNTY OF LOS ANGELES

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16 GORDON T. NESVIG,
17 Clerk of the Board of
18 Supervisors

B. J. [Signature]
Chairman of its Board of
Supervisors
MAR 22 1966

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APPROVED AS TO FORM:

HAROLD W. KENNEDY
County Counsel

By: *James Johnson*
Deputy

APPROVED BY BOARD OF SUPERVISORS

MAR 22 1966

Gordon T. Nesvig Gordon T. Nesvig
Clerk of the Board