

AMENDMENT NO. 3 TO LEASE NO. 11834
PARCEL NO. 113S - MARINA DEL REY

11834
SUPPLEMENT.....

THIS AMENDMENT TO LEASE made and entered into this 25th
day of April, 1972,

BY AND BETWEEN

COUNTY OF LOS ANGELES, hereinafter
referred to as "County"

AND

MARINA ADMIRALTY COMPANY, herein-
after referred to as "Lessee,"

WITNESSETH:

WHEREAS, on February 14, 1967, County and the predecessors
in interest of Lessee entered into a lease of premises now known as
Parcel No. 113S, Marina del Rey, consisting of a total of 958,820
square feet and situated in the Marina del Rey Small Craft Harbor of
the County of Los Angeles, State of California, and more particularly
described in Exhibit "A" attached thereto and incorporated therein;
and

WHEREAS, the parties hereto wish to amend said lease in order
to clarify and alter said lease for the purpose of making said lease
more protective to all parties;

NOW, THEREFORE, in consideration of the mutual promises and
covenants of each of the parties hereto, it is hereby agreed as
follows:

1. Section 21 (DEFAULT AND CANCELLATION) is hereby deleted
in its entirety and the following substituted therefor:

"21. .DEFAULT, FORECLOSURE, FORFEITURE AND CANCELLATION.

"A. Events of Default

"The following are deemed to be 'events of default':

"(1) The failure of Lessee to pay the rentals
due, or make any other payments required under this
lease, within ten (10) days after written notice from
Director that said payments are due and owing.

"(2) The failure of Lessee to keep, perform,
and observe any and all promises, covenants, conditions,

and agreements set forth in this lease within thirty-five (35) days after written notice of default thereof from Director; provided, however, that where fulfillment of any such promises, covenants, conditions, or agreements requires activity over a period of time, and Lessee has commenced to perform whatever may be required to cure the particular default, County will not exercise any remedy available to it hereunder so long as Lessee diligently continues to pursue the performance of whatever may be required to cure the default in a manner satisfactory to Director. Director's determination shall not be arbitrary.

"(3) The abandonment, vacation, or discontinuance of the demised premises, or any substantial portion thereof, for a period of thirty-five (35) days at any one time after written notice from Director calling attention to such abandonment, except when prevented by fire, earthquake, strikes, or other similar conditions beyond Lessee's control.

"Lessee shall not be considered in default as to any provisions of this lease when such default is the result of or pursuant to any process, order, or decree of any court or regulatory body of competent jurisdiction, provided Lessee diligently pursues whatever is required to obtain release from or reversal of such process, order or decree.

"B. Rights of Encumbrance Holders

"Any trustee, beneficiary, mortgagee, or lender under a deed of trust, mortgage, or similar security instrument (hereinafter referred to individually and collectively as an 'encumbrance holder') to which County has given its consent pursuant to Section 22 shall have the right at any time during the term of its encumbrance, and while this lease is in full force and effect, to do any act or thing required of Lessee in order to prevent a forfeiture of Lessee's rights hereunder, and all such acts or things so done shall prevent a forfeiture of Lessee's rights hereunder as if done by Lessee.

"An encumbrance holder shall have all the rights with respect to the demised premises as set forth in the deed of trust, mortgage, or other lending instrument consented to by the County as provided in Section 22, including the right to commence an action against the Lessee for the appointment of a receiver and to obtain possession of the demised premises under and in accordance with the terms of said deed of trust, mortgage, or other lending instrument.

"County shall not exercise any remedy available upon the occurrence of an 'event of default' unless it shall first have given written notice of such default to each and every encumbrance holder as provided herein. Such notice shall be sent by registered mail simultaneously with the notice or notices to Lessee referred to in Subsection A above, to each such encumbrance holder addressed as shown on the deed of trust, mortgage, or security instrument, or as Director shall otherwise be instructed by such encumbrance holder. An encumbrance holder shall have the right and the power to cure the event of default specified in such notice in the manner described below. If such event or events of default are so cured, this lease shall remain in full force and effect.

"Said event or events of default may be cured by an encumbrance holder in the following manner:

"(1) If the event of default be in the payment of rental, taxes, insurance premiums, utility charges or any other sum of money, an encumbrance holder may pay the same to County or other proper payee within thirty-five (35) days after mailing of the aforesaid notice of default to the encumbrance holder. If, after any such payment by an encumbrance holder, the Lessee pays the same or any part thereof to County, County shall promptly refund said payment to such encumbrance holder.

"(2) If the event of default cannot be cured by the payment of money as aforesaid, the default shall be cured:

"(a) If an encumbrance holder cures, remedies and corrects the default in a manner satisfactory to Director within thirty-five (35) days after mailing of the aforesaid notice of default; provided, however, if curing of such default requires activity over a period of time, such default may be cured if within said thirty-five (35) days an encumbrance holder commences and thereafter diligently continues to perform whatever may be required to cure the particular default in a manner satisfactory to Director; or

"(b) If during said thirty-five (35) days the encumbrance holder notifies Director of its intent to commence foreclosure, and within sixty (60) days after the mailing of said notice of default, said encumbrance holder actually commences foreclosure proceedings and prosecutes the same thereafter with reasonable diligence. Said sixty (60) day period shall be extended by the time during which the encumbrance holder is prevented from commencing foreclosure by any order, judgment, or decree of any court or regulatory body of competent jurisdiction, provided said encumbrance holder diligently seeks release from or reversal of said order, judgment or decree. Within thirty-five (35) days after such foreclosure sale and the vesting of title free of redemption in the purchaser thereat (whether or not such purchaser is the encumbrance holder), said purchaser shall, as a condition to the completion of such transfer, cure, remedy, or correct the default, or commence and thereafter

diligently pursue the performance of the thing or work required to be done to cure, correct, and remedy said default, in a manner satisfactory to Director. If said transferee and the Director agree said event of default is then impossible to cure, said transferee shall not be obligated to cure such event of default.

"Wherever in this Section 21 (B) the phrase 'in a manner satisfactory to Director' appears, it is understood that Director's determination shall not be arbitrary.

"C. Forfeiture and Cancellation

"If an event or events of default have occurred and have not been cured by Lessee or an encumbrance holder under the provisions and within the time limits set forth above, then the County at its option may send a notice of forfeiture by registered mail to Lessee, and to each and every such encumbrance holder. Such notice of forfeiture shall specify the date upon which this lease shall be deemed forfeited. Upon such date this lease shall be forfeited and cancelled in its entirety without any further action of the County. Upon such termination, all rights of Lessee or of any encumbrance holder to possession of the premises shall terminate, and Lessee or any encumbrance holder shall surrender possession thereof immediately. Upon exercise of such right by County, Lessee hereby grants County license to enter upon the demised premises, and take possession thereof, including all improvements, equipment, and inventory."

2. Section 22 (SUBLEASES, ASSIGNMENTS, TRUST DEED BENEFICIARIES, MORTGAGEES AND SUCCESSORS) is hereby deleted in its entirety and the following substituted therefor:

"A. Subleases

"The term 'sublease' as used in this section shall include any lease, license, permit, concession or other interest in the demised premises which is conveyed by Lessee to a third party.

"(1) Commercial Subleases

"Commercial sublease as used in this subsection shall mean any activity conducted on the leasehold by the

sublessee which generates gross receipts as defined in Section 11 hereof.

"At least thirty (30) days prior to the effective date of any commercial sublease of the demised premises or of any amendment to an existing commercial sublease, Lessee shall submit a copy of the sublease or amendment to Director for approval. To the extent practical, Director shall approve or disapprove said proposed sublease or amendment within thirty (30) days of receipt thereof.

"In no event, however, shall any such sublease or amendment thereto be made or become effective without the prior approval of Director. Each such sublease shall specifically provide that the sublessee shall comply with all the terms, covenants and conditions of this lease.

"(2) Non-Commercial Subleases

"Lessee may, without prior approval of Director, sublease portions of the demised premises for a period not to exceed one year for personal, non-commercial uses, including but not limited to single residential units, boat slips, and dry storage racks. Lessee may at any time request approval by the Director of a plan to sublease specific residential units for stated periods in excess of one year. Any such sublease shall, however, specifically provide that it shall be subject to the absolute power of the County at its sole election to cancel such sublease at any time. No condominium or cooperative dwelling plan shall be employed without the prior approval of Director.

"B. Encumbrances

"Lessee may, with the prior written consent of the County and subject to any specific conditions imposed by County, give, assign,

transfer, mortgage, hypothecate, grant control of, or encumber all or a specific portion of Lessee's interest under this lease and the leasehold estate so created to a lender on the security of the leasehold estate, or on the security of a specific portion of the leasehold estate. One (1) copy of any and all security devices or instruments as finally executed and recorded by the parties shall be filed with Director not later than seven (7) days after the effective date thereof.

"Notwithstanding the provisions of the foregoing paragraph, the written consent of County shall not be required in the case of:

"(1) A transfer of this lease at a foreclosure sale of trust deed or at a judicial foreclosure;

"(2) A subsequent transfer of the lease by an encumbrance holder who was a purchaser at such foreclosure sale, provided the transferee expressly agrees in writing to assume and to perform all of the obligations under this lease.

"In the event of such a transfer, the encumbrance holder shall forthwith give notice to County in writing of any such transfer setting forth the name and address of the transferee and the effective date of such transfer, together with a copy of the document by which such transfer was made. Any transferee under the provisions of subparagraph (1) of this paragraph shall be liable to perform the full obligations of the Lessee under this lease until a subsequent transfer of the lease but not thereafter. Any subsequent transferee under the provisions of subparagraph (2) of this paragraph shall be liable to perform the full obligations of the Lessee under this lease and as a condition to the completion of such transfer must cure, remedy, or correct any event of default existing at the time of such transfer in a manner satisfactory to County.

"C. Assignments

"Except as specifically hereinbefore provided, Lessee shall not, without the prior written consent of County, either directly or indirectly give, assign, hypothecate, encumber, transfer, or

grant control of this lease or any interest, right, or privilege therein, or sublet the whole or any portion of the demised premises, or license the use of the same in whole or in part. In addition, for purposes of this provision, the following acts of lessee shall be considered assignments and shall require the prior written consent of County to be effective:

"(1) The change in one or more general partners in a limited partnership;

"(2) The transfer of the controlling financial or stock interest in a corporate lessee.

"Neither this lease nor any interest therein shall be assignable or transferable in proceedings in attachment, garnishment, or execution against Lessee, or in voluntary or involuntary proceedings in bankruptcy or insolvency or receivership taken by or against Lessee, or by any process of law including proceedings under Chapters X and XI of the Bankruptcy Act.

"D. Successors

"Each and all of the provisions, agreements, terms, covenants and conditions herein contained to be performed, fulfilled, observed and kept by the Lessee hereunder shall be binding upon the heirs, executors, administrators, successors and assigns of the Lessee, and all rights, privileges and benefits arising under this lease in favor of the Lessee shall be available in favor of its heirs, executors, administrators, successors and assigns, provided that no assignment or subletting by or through Lessee in violation of the provisions of this lease shall vest any rights in any such assignee or sublessee."

3. Any and all other terms and conditions contained in the lease shall remain in full force and effect and are hereby reaffirmed.

IN WITNESS WHEREOF, the COUNTY OF LOS ANGELES, by order of its Board of Supervisors, has caused this Amendment to Lease to be executed on its behalf by the Chairman of said Board and attested by the Executive Officer-Clerk thereof, and the Lessee has executed

this Amendment to Lease, or caused it to be duly executed, the day,
month and year first above written.

MARINA ADMIRALTY COMPANY,
a limited partnership



By *[Signature]*
By *[Signature]*

ATTEST:

JAMES S. MIZE, Executive
Officer-Clerk of the
Board of Supervisors

By *[Signature]*
Deputy

APPROVED AS TO FORM:

JOHN D. MAHARG
County Counsel

By *[Signature]*
Deputy

COUNTY OF LOS ANGELES

By *[Signature]*
Chairman, Board of Supervisors

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

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[Signature]
JAMES S. MIZE
EXECUTIVE OFFICER