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Caring for Our Coast

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February 27, 2024

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVE AND AUTHORIZE EXECUTION OF AMENDMENT NO. 10 TO SECOND AMENDED
AND RESTATED LEASE NO. 55624– PARCEL 125R (MARINA CITY CLUB) – MARINA DEL REY
(SECOND DISTRICT) (4 VOTES)**

SUBJECT

Request for approval of a lease amendment providing, among other things, a restructured rent schedule for the remainder of the lease term and a mechanism to address partial funding of infrastructure and capital improvements of the Marina City Club leasehold facilities (“Marina City Club” or “Property” or “Leasehold Facilities”).

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed actions are exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines Section 15301 (Existing Facilities).
2. Approve and authorize the Chair of the Board to execute three copies of each of the following: a) Amendment No. 10 (Amendment), a copy of which is attached hereto, to the Second Amended and Restated Lease No. 55624 for Parcel 125R, as amended (Lease), which will: i) provide for a revised rent schedule for the remainder of the Lease term, and ii) establish a payment schedule to fund, in part, infrastructure and capital improvements needed on the Property, and (b) Memorandum of Lease, in form approved by County Counsel and County’s outside counsel.
3. Delegate authority to the Director of Beaches and Harbors (Director), on behalf of the County, to execute and deliver such other ancillary documentation, including without limitation, a ground lease estoppel certificate and the Memorandum of Lease, as is acceptable to the Director relating to the implementation of Amendment No. 10.

4. Delegate authority to the Director to execute and deliver, on behalf of the County, any required amendment to the Master Sublease or any other documents relating to the prior and future conversion of Category B units to Category A units.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Marina City Club, located at 4333 Admiralty Way in Marina del Rey, is a project comprised of three high-rise towers containing 600 condominium units and 101 rental apartments, along with boat slips, commercial boat charters, retail, and office uses. On December 22, 2003, your Board consented to the assignment of the Second Amended and Restated Lease to Essex Marina City Club, L.P. (Lessee) for Marina City Club (Parcel 125R). The Lease is the only ground lease in Marina del Rey (and the only County-owned property generally) that allows condo/leasehold ownership as well as apartment rentals. At the time conversion from apartments to condos was approved in 1987, it was agreed that the condo owners would pay ground rent to the County (via Lessee) that would in effect mimic the rent the County would have otherwise received if the units had remained as apartments rather than converting to condos/leasehold interests. Said ground rent represented a percentage of what the apartment rent paid to Lessee would have been (called the "Shadow Rent" under the Lease) had the Lessee not converted the apartments into condo units. The Shadow Rent is not paid to anyone; it is merely used as a tool to calculate the ground rent payable to the County. Both the Percentage Rent Rate and the Shadow Rent are adjusted periodically pursuant to the Lease.

It should be noted that although the Lease and other governing documents refer to the Marina City Club and its 600 residential units within the Property as "condominiums" and/or "condos," the Marina City Club and such units are not technically a condominium pursuant to the California Subdivision Map Act, and each unit/condo owner holds a subleasehold interest as a sublessee under the Master Sublease, and holds a prepaid subleasehold interest for the term of the Lease.

Lease Amendment No. 4, which your Board approved on June 22, 2004, created two categories of condominium subleases. Category A unit owners had to modify their respective subleases to opt into the provisions of Amendment No. 4 which, among other things, provided for a temporary freeze on annual increases to the Shadow Rent, with a fixed increase (3.75%) thereafter, a mechanism for such accumulated rents to fund certain repairs and a mechanism to repay to the County the advanced and deferred rent (including an increase of 1.5% in the condo transfer fee, payable to the County). Category B unit owners, on the other hand, who did not opt in, were subject to a variable rent increase, assessed individually for covered repairs, and were subject to a 1% transfer fee. There were only nine condo units (out of a total 600) in 2004 that were Category B units. Three of the nine Category B unit owners previously converted to Category A unit owners.

The proposed authority to allow conversions to Category A will help ease the administrative burden on the Department of Beaches and Harbors (Department) and promote more efficient administration of the Lease. Whether the remaining Category B owners convert will have a de minimis fiscal impact on County revenues. The Amendment provides for the Board's approval of the three previous conversions and approval of the remaining six conversions from Category B unit owners to Category A unit owners, and delegate to the Director the authority, on behalf of the County, to execute all necessary documents to effectuate the conversion of said six remaining Category B unit owners to Category A unit owners.

The Lease between the County and Essex (Lessee) places the sole responsibility for maintenance

and repair of Marina City Club on the Lessee, including maintenance and capital improvements to the buildings in which the condo units are located. Certain maintenance costs and capital improvement contributions attributable to the condo owners are assessed against each condo owner by the Lessee, collected by the Condo Owners Association (COA), which in turn remits said assessments to the Lessee. However, the Lessee is responsible under the Lease for payment of the entire amount due to the County (even if COA does not collect the entire assessments).

Since the late 1990's the COA has sought County assistance in addressing certain deferred maintenance and capital improvements at Marina City Club and in recent years has requested that the County negotiate with it (and, necessarily, with the Lessee as well) to effectuate a funding mechanism for infrastructure and capital improvements at the property, as well as a restructuring of the rent to bring it in line with the intent of the parties as stated in the original Lease.

After lengthy negotiations, with the threat of impending arbitration and litigation surrounding both the appropriate rent amount and the lack of proper maintenance of the property, the parties (County, Lessee, and COA) reached an agreement. The proposed Lease attached Amendment that resulted from those negotiations will: (1) simplify and stabilize the formula for payment of County rent, and (2) establish a funding mechanism to assist in making necessary infrastructure and capital improvements to the property. This should help ensure that the buildings are appropriately and safely maintained, that the rents paid to County are fair, tenable, and reflective of the parties' intent, and that the County's real estate assets are protected.

Summary of Proposed Lease Amendment No. 10:

A. Revenue to County

The Lease provides three sources of revenue to the County: 1) rent from the condos; 2) rent from apartments and commercial uses; and 3) Administrative Transfer Fees paid to County upon the sale of individual condos. Each revenue source is calculated differently, and the proposed Amendment would modify only the first of those (condo rents).

1. Rent from the condos (prepaid subleases): The formula for calculating the rent is:

Assigned Rent Basis (allocated per Amendment No. 10 to each individual unit) x Percentage Rent Rate (equal to 14.5%)

The Assigned Rent Basis is equivalent in concept to what was formerly called Shadow Rent. The amount has been renegotiated to update assumptions that were made both in 1987 (Second Amended and Restated Lease) and 2004 (Amendment No. 4) and conform the rent amounts to the Lease's stated intent that they mimic apartment market rents. The percentage rent rate for the condos for the remaining lease term will be increased from the current 12.5% to 14.5% commencing January 1, 2024.

Under proposed Amendment No. 10, the Assigned Rent Basis for 2024 would be \$31,966,200. The Annual Rent for 2024 would thus be \$4,635,099 (i.e., 14.5% of the Assigned Rent Basis), allocated to the individual condo units in accordance with the schedule attached to the proposed Amendment, of which amount \$1,678,190 will be designated as a Rent Credit and placed in the Marina City Club Repair Fund. (See below for more detail.) Total Annual Rent to the County from the condos in 2024 will be \$2,956,909, payable monthly. As is the case now, total Annual Rent will be collected by Lessee from the COA, which will in turn collect from the individual condo unit owners. However, the Lessee is responsible for payment of the entire amount, even if the COA does not collect the entire

amount.

The Annual Rent from the condos will increase annually by 3.25% (as compared to the current 3.75%) commencing on January 1, 2025 and ending at the expiration of the term, providing predictability to the condo owners and the County in terms of future revenue.

2. Rent from Commercial Uses (included in this category are the 101 rental apartments, boat slips, and all other commercial uses/activities on the premises) shall be calculated in the same manner as it is currently being calculated:

Gross Receipts x Percentage Rent Rate for the appropriate category of Commercial Uses.

The Percentage Rent Rates for each Commercial Use are set forth in Amendment No. 10 and are not being changed via the proposed Amendment.

3. Administrative Transfer Fee. Upon a change in ownership of a condo, a percentage of the sales price will be paid to the County as an administrative fee at 2.5% from Category A units and 1.0% from Category B units. No change is proposed to this revenue source.

B. Sources of funding for infrastructure and capital improvements:

As stated above, Lessee has the obligation to maintain the Marina City Club and all improvements thereon, and may request reimbursement from the COA for repairs and improvements relating to the Marina City Club; however there has been no mechanism for funding reserve accounts for such maintenance and improvements and no way for County to directly compel the condo owners to fund that work. Amendment No. 10 addresses this issue and provides, as follows, for such funding (requirements to be applied retroactively as needed).

1. MCC Repairs Account. Under the proposed Amendment, Lessee would agree to have the following two sources of funds deposited into the MCC Repairs Account:

- Rent Credit. The sum of \$1,678,190 of the Annual Rent for the COA ("Rent Credit") will be deposited into the MCC Repairs Account, on a monthly basis (\$139,849.17 per month), each year through December 31, 2053, so long as all of Lessee's Lease obligations are fulfilled.
- On or before December 31, 2024, Lessee shall contribute \$2,072,959 to the MCC Repairs Account as an Additional Contribution to MCC Repairs Account. The Additional Contribution to the MCC Repairs Account shall be increased annually by 3.25% thereafter through the end of the term.

2. Shared Area Reserve Account. As of December 31, 2023, \$2,280,000 (Base Contributions to Shared Area Account) shall have been contributed to said account by the COA. The Base Contribution to Shared Area Account shall be increased by 5% annually on January 1, 2024 and every year thereafter. These annual contributions shall not limit Lessee or the COA from imposing additional contributions/assessments, as needed.

Implementation of Strategic Plan Goals

In furtherance of County Goal #3, "Realize Tomorrow's Government Today," Strategy III.3, "Pursue Operational Effectiveness, Fiscal Responsibility and Accountability," the proposed actions will allow

the County to resolve outstanding disputes and help ensure resources are expended in a responsible, efficient and strategic manner to preserve County assets and limit potential future liability exposure related to the maintenance of the towers.

FISCAL IMPACT/FINANCING

The County will provide a temporary annual rent credit of \$1,678,190, which will accrue to the repair and maintenance funds for the upkeep, renovation, and repair of the Marina City Club property, in addition to the Lessee's/COA's \$4,352,959, subject to annual increases, that Lessee had not previously been obligated to fund. These increased contributions should help provide Lessee sufficient preliminary funding to help repair current deficiencies to help ensure the safety of the buildings, maintain the current value of the property, and increase the value of the County's reversionary interest, as the property will revert to County ownership upon expiration of the Lease in 2067. The proposed rent restructuring will result in decreased revenue to the County; however, the amount of such decrease over the remaining Lease term is uncertain since the Lease required the rent to have been reset in 2019, and the appropriate amount of rent from then on (which is the subject of the subject Amendment 10) is subject to dispute and would likely need to be arbitrated and litigated to ascertain.

Operating Budget Impact

No change to the Department's operating budget is expected as a result of this action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The term of the current Lease commenced on November 7, 1986, and will expire on July 29, 2067. Marina City Club contains 600 condominium units, 101 low-rise apartment units, a marina, a promenade, commercial spaces, a restaurant, and certain common area facilities. As noted, Marina City Club is unique in that it is the only leasehold in Marina del Rey that allows for condo ownership; all of the other residential properties in the Marina are comprised of rental apartment units only.

The proposed Amendment is authorized by Government Code Sections 25536 and 25907 and has been approved as to form by County Counsel and County's outside counsel. At its regular meeting on February 14, 2024, the County's Small Craft Harbor Commission endorsed the Department's recommendations as set forth herein.

ENVIRONMENTAL DOCUMENTATION

Approval of the proposed Amendment is categorically exempt from the California Environmental Quality Act (CEQA). The Amendment, modifying the rent provisions, is within a class of projects that have been determined not to have a significant effect on the environment and which meet the criteria of section 15301 (existing facilities) of the State CEQA Guidelines ("Guidelines") and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. In addition, based on the proposed project records, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historic resource that would make the exemption inapplicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on other current services or projects.

CONCLUSION

Please return one adopted copy of this letter to the Department of Beaches and Harbors, Asset Management Division. Should you have any questions, please contact Don Geisinger at (424) 526-7730 or dgeisinger@bh.lacounty.gov.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Gary Jones', with a stylized, cursive script.

GARY JONES
Director

GJ:SP:dlg

Enclosures

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors

AMENDMENT NO. 10 TO THE SECOND AMENDED AND RESTATED

LEASE (IMPROVED PARCEL) NO. 55624

PARCEL NO. 125R – MARINA DEL REY SMALL CRAFT HARBOR

THIS AMENDMENT NO. 10 TO THE SECOND AMENDED AND RESTATED LEASE (IMPROVED PARCEL) NO. 55624, PARCEL NO. 125R – MARINA DEL REY SMALL CRAFT HARBOR (this “Amendment” or “Amendment No. 10”) is dated as of _____, 2023 (the “Effective Date”),

BY AND BETWEEN

COUNTY OF LOS ANGELES,
Hereinafter referred to as “County,”

AND

ESSEX MARINA CITY CLUB, L.P., a California limited partnership, as successor in interest to Marina City Club, L.P., a California limited partnership (f/k/a J.H. Snyder Company), hereinafter referred to as “Lessee.”

W I T N E S S E T H:

WHEREAS, County and Marina City Club, L.P., a California limited partnership (“Original Lessee”), entered into that certain Second Amended and Restated Lease (Improved Parcel) dated October 27, 1987 and identified as Lease No. 55624 (“The Original Lease”), as amended by (i) that certain First Amendment to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R – Marina del Rey dated November 4, 1988, (ii) that certain Second Amendment to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R – Marina del Rey dated August 1, 1992, (iii) that certain Amendment No. 3, to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R – Marina del Rey Small Craft Harbor dated December 3, 2002, (iv) that certain Amendment No. 4 to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R – Marina del Rey Small Craft Harbor dated June 22, 2004, (v) that certain Amendment No. 4A to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R – Marina del Rey Small Craft Harbor dated September 28, 2004, (vi) that certain Amendment No. 5 to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R – Marina del Rey Small Craft Harbor dated December 16, 2008, (vii) that certain Amendment No. 6 to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R – Marina del Rey Small Craft Harbor dated June 3, 2010, (viii) that certain Amendment No. 7 to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R – Marina del Rey Small Craft Harbor dated March 31, 2015, (ix) that certain Amendment No. 8 to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R – Marina del Rey Small Craft Harbor dated March 11, 2020, and (x) that certain Amendment No. 9 to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R – Marina del Rey Small Craft Harbor dated August 4, 2020 (the Original Lease, as so amended, is hereinafter referred to as the “Lease”);

WHEREAS, the Premises under the Lease are improved with, among other things, three high-rise towers that include 600 residential subleasehold condominium units commonly known as the Marina City Club Condominiums, with subleasehold interests in said units having been sold to Prepaid Sublessees, each of whom owns its subleasehold interest in the leasehold interest unit subject to the terms of the Lease (each of the Prepaid Sublessees is a “Condominium Sublessee” for purposes of and as defined in the Master Condominium Sublease; however, such persons have not prepaid all amounts payable with respect to their subleasehold interests as each Prepaid Sublessee is obligated to pay, among other things, monthly “Rent” as defined and described in the Master Condominium Sublease and this Amendment);

WHEREAS, the Lease requires Lessee to pay to County, among other payments, the Ground Rent on a monthly basis and an Administrative Transfer Fee upon each Change of Ownership of a Prepaid Sublessee’s interest, all as more particularly defined and provided in the Lease.

WHEREAS, each Prepaid Sublease requires the applicable Prepaid Sublessee to make corresponding payments to Lessee. Specifically, each Prepaid Sublessee is required to pay Lessee (i) “Ground Rent” as set forth in the Lease, and (ii) a “Change in Ownership Fee” upon certain transfers of the Prepaid Sublessee’s interest, as more particularly provided in the Prepaid Sublease for such Prepaid Sublessee’s condominium unit (i.e. the Master Condominium Sublease and the Assignment and Assumption of Condominium Sublease for the Marina City Club Tower Apartments between Snyder/Marina, the initial lessee under the Master Condominium Sublease, and the initial condominium sublessee for such unit), and as described in the Lease;

WHEREAS, Prepaid Sublessees are represented for certain purposes by the Board of Directors of the Marina City Club Condominium Owners Association (“COA”);

WHEREAS, a dispute arose between County, Lessee and COA, as representatives of Prepaid Sublessees, regarding the past and future monthly rent payable under the Lease;

WHEREAS, the County filed JAMS Arbitration No. 5220001578 (the “Arbitration”), seeking adjudication of certain components of monthly rent payable under the Lease;

WHEREAS, Lessee and County desire to enter into this Amendment to resolve the dispute regarding monthly rent, resolve the Arbitration, and further amend the Lease, as set forth in this Amendment, pursuant to the following terms and conditions hereof:

NOW, THEREFORE, with reference to the foregoing recitals, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, County and Lessee hereby agree as follows:

1. Definitions. Except as modified in this Amendment, all initially-capitalized terms used but not defined in this Amendment have the meanings given such terms in the Lease. The term and concept of “Shadow Rent” as set forth in the Lease is hereby deleted and superseded by Section 5.02 set forth in Paragraph 3 hereunder.

2. Amendment Conditions. County and Lessee agree and acknowledge that the terms and conditions of this Amendment shall be effective as of January 1, 2024. County and

Lessee's obligations pursuant to this Amendment shall be subject to and contingent upon the satisfaction of each of the conditions precedent set forth in Exhibit "A" attached hereto and incorporated herein by this reference (the "Amendment Conditions").

3. Deletion of Certain Amendments to the Original Lease and Substitution of Article 5 of the Original Lease. The County and Lessee hereby acknowledge and agree that Sections 2 and 3 of Amendment No. 3 to the Original Lease, dated December 3, 2002, are hereby deleted, Amendment No. 4 to the Original Lease, dated June 22, 2004, is hereby deleted in its entirety, Sections 1 and 3 of Amendment No. 7 to the Original Lease, dated March 31, 2015, are hereby deleted, and Article 5 of the Original Lease is hereby deleted in its entirety, and replaced as follows:

"Article 5. Rent and Other Payments.

5.01 Categories of Uses for Rent Purposes. For purposes of calculating the rent, the various uses of the Premises shall be divided into two (2) basic categories. The actual rent shall be determined by calculating the rent with respect to each category, and then adding together the amounts so determined. Lessee shall pay County annual rent in an amount equal to the sum of the amounts provided for in this Section 5.01, at the times hereinafter set forth ("Annual Rent").

A. Prepaid Subleases. The first category consists of those 600 residential apartments which are subleased for the entire remainder of the term of the Lease, where rent is paid to Lessee during the term of the Lease. This category is herein called the "Prepaid Subleases" and the apartments subject to Prepaid Subleases are hereinafter called "Prepaid Subleased Apartments" or "Prepaid Sublease(s)."

B. Commercial Uses. The second category consists of any other use made of the Premises, including without limitation, the 101 apartments (the "Promenade Apartments"), boat slips, and all other commercial uses/activities on the Premises. This category is hereinafter called the "Commercial Uses."

C. Annual Rent. The term "Annual Rent," due and payable by Lessee to the County shall mean: (i) the Prepaid Sublessee's Annual Rent (as defined in Subsection 5.02.A.(2) of this Amendment), PLUS (ii) the Commercial Annual Rent (as defined in Subsection 5.02.B(cc) of this Amendment), MINUS the Rent Credits (as defined in Subsections 5.02.A(2)(bb) and 5.02.A(2)(cc) of this Amendment).

5.02 Rent. Lessee hereby agrees to pay as "rent" to the County the following (collectively, the "Rent"):

A. Prepaid Subleases Rent.

(1) Prepaid Subleases Percentage Rent: Commencing January 1, 2024 and during the Term, the percentage rent for each Prepaid Sublease shall be 14.5% of the applicable "Assigned Rent Basis" (as defined below) for each such

Prepaid Sublease (the “Prepaid Sublease Percentage Rent”). The Assigned Rent Basis for each Prepaid Sublease shall be calculated as follows:

(aa) As of January 1, 2024, the Assigned Rent Basis for each Prepaid Sublease is as set forth in Exhibit “B,” attached hereto and incorporated herein by this reference. County and Lessee hereby agree and confirm that the sum of the Assigned Rent Basis for all 600 Prepaid Subleases for 2024 is \$31,966,200.

(bb) Commencing on January 1, 2025, and continuing on each January 1st thereafter throughout the remainder of the Term, the Assigned Rent Basis for each Prepaid Sublease shall be increased by 3.25%.

(2) Prepaid Subleases Annual Rent

(aa) County and Lessee hereby acknowledge, agree and confirm that commencing January 1, 2024, the Annual Rent for the six hundred (600) Prepaid Subleases shall be \$4,635,099, payable in monthly installments on the first day of each month, in the sum of \$386,258.25 (the “Prepaid Sublessee Annual Rent”). Each Prepaid Sublessee’s Annual Rent shall be increased by 3.25% of the preceding year’s Prepaid Sublessee’s Annual Rent on each January 1st anniversary date thereafter until the end of the Term of the Lease.

(bb) Notwithstanding Subsection 5.02.A(2)(aa) above, the Prepaid Sublessees’ Annual Rent shall be decreased by \$1,678,190.00 per year (i.e. \$139,849.17/month), commencing January 1, 2024, and terminating on December 31, 2053, (collectively, the “Rent Credits”). Accordingly, subject to Paragraph (cc) below, for 2024 the Prepaid Sublessees Annual Rent shall be \$2,956,909, payable \$246,409.08 per month.

(cc) Lessee shall deposit the Rent Credits into an account created in the name of, and for the benefit of, COA and its members, as described below (the “MCC Repairs Account”). The County and Lessee hereby agree (1) that COA may, from time to time and in its sole discretion, pledge, lien, encumber, assign, or otherwise grant a security interest in all assets in the MCC Repairs Account (each, a “Security Interest”) as collateral for securing one or more loans from third parties (each, a “Secured Party”) to help finance the construction of improvements and repairs to the Premises, with each such Security Interest having a first priority security interest over the MCC Repairs Account, (2) that any rights the County or Lessee may have under this Lease with respect to the MCC Repairs Account shall be unconditionally subordinate to the rights of any Secured Party, and (3) to cooperate fully and to execute and deliver any agreements or other documents and do all things customarily required by such Secured Parties to facilitate a loan to COA secured by the MCC Repairs Account. With respect to funds used for the construction of improvements and repairs that are used from the MCC Repairs Account, Lessee agrees to provide County quarterly written updates on the status and expected timing of completion of each project, which updates will

include: i) a summary of the scope of work; and ii) expected or completed commencement and completion dates. The County, in the ordinary course of Lease compliance, will receive copies of plans and specifications for each Project in advance and will continue to be invited to periodic (typically monthly) Construction Committee meetings at Marina City Club, at which the Projects may be discussed (the "Quarterly Update Obligation"). In the event that Lessee is in breach of the Quarterly Update Obligation, such breach shall constitute a non-monetary default under Section 8.01.B., and then the Rent Credits shall cease, and no further Rent Credits shall be taken, subject to any cure periods provided in Article 8 with respect to non-monetary obligations. The County agrees to provide written notice directly to COA's Board Members by the means set forth in this Lease of any default regarding this paragraph at the same time any notice of default is provided to Lessee.

B. Commercial Rent. Rent for the Commercial Uses shall be paid by Lessee to the County as calculated for the below categories (the "Commercial Rent Categories") according to the following ("Commercial Rent Percentages") for the duration of the Term of the Lease:

(aa) Rent Percentages

(1) Fourteen and one half percent (14.5%) of Gross Receipts from the rental of the Promenade Apartments;

(2) Twenty-five percent (25%) of Gross Receipts from the rental or other fees charged for the use of boat slips, anchorages, moorings, dockside gear lockers, dockside storage space, and such other facilities and services ancillary thereto as are provided in common to all tenants, provided, however, that where Lessee operates an anchorage, mooring, or boat slips and ancillary facilities in conjunction with a yacht club, all Gross Receipts from said operation shall cover all costs for above facilities including but not limited to, investment, operation and administration costs and overhead;

(3) Twenty percent (20%) of Gross Receipts from the rental or other fees charged for the use of dry storage facilities, landside gear lockers, landside storage space, boats, motors, tackle, recreational equipment, tools, equipment, launch and retrieving of small boats and from the sale of live bait;

(4) Eleven percent (11%) of Gross Receipts or other fees charged for the occupancy of the other structures and other facilities located on the Premises including but not limited to (a) hotel and motel accommodation, (b) house trailers, (c) meeting rooms, (d) rental of land and/or water or facilities for activities not otherwise provided for in this section such as but not limited to television and/or motion pictures, (e) parking fees or charges except where such parking fees or charges are collected in conjunction with an activity, the Gross Receipts from which are required to be reported in a percentage category greater than eleven percentage (11%), (f) offices utilized for banking, financial or investment activities, internal

clerical or administrative activities or business enterprises, real estate and insurance brokerage, legal, medical, engineering, travel agencies, or similar professional services but not to include, however, stores, shops or other commercial establishments, the Gross Receipts pertaining to which are subject to percentage rentals and specifically required to be reported under other subsections of this section, and twenty five percent (25%) of Gross Receipts from (g) liveaboard charges over and above slip rental fees imposed by anchorages for the privilege of a boat owner living on his boat;

(5) One percent (1%) of Gross Receipts from the sale of new or used boats, boat trailers, house trailers and trailer cabanas including credits for used items taken in trade as part payment for new items, as reflected in the bill of sale. However, the trade-in allowance for such used item taken in trade may be deducted from the sale price of said used item, provided said used item is sold within one hundred twenty (120) days of the date of the bill of sale which established said trade-in allowance;

(6) Five percent (5%) of commissions or other fees earned from boat brokerage, car rental agencies, marine insurance commissions where the sale of insurance is conducted in conjunction with boat sales and/or boat brokerage, telephone service charges, laundry and dry cleaning commissions and other similar activities where earnings are normally on a commission basis when said activity is approved in advance by Director;

(7) Five percent (5%) of Gross Receipts received by Lessee or Sublessee or twenty percent (20%) of any commissions or fees collected by Lessee from service enterprises;

(8) Six percent (6%) of Gross Receipts received by Lessee or Sublessee or twenty percent (20%) of any commissions or fees collected from commercial boating activities including, but not limited to, charter boat, bareboat charters and sportfishing boats;

(9) Five percent (5%) of Gross Receipts received by Lessee or Sublessee or twenty five percent (25%) of any commissions or other fees collected for the installation and/or operation of coin-operated vending or service machines including pay telephones;

(10) Ten percent (10%) of Gross Receipts from the operation of a bar, tavern, cocktail lounge, discotheque, night club or other facilities engaged primarily in the on-premises sale of alcoholic beverages except as provided for in subsection (11);

(11) Three and one-half percent (3.5%) of Gross Receipts from the operation of restaurants, restaurant/cocktail lounge combination, coffee shops, beach and theater food facilities, except that Gross Receipts from facilities

established and operated as a take-out food operation shall be reported under subsection (20);

(12) One and one-half cents (\$0.015) per gallon of gasoline, diesel fuel or mixed fuel sold or six percent (6%) of Gross Receipts of such sales, whichever is greater;

(13) Five percent (5%) of Gross Receipts from sales by a fuel sales facility of petroleum or fuel products other than those covered by subsection (12) above;

(14) Fifteen percent (15%) of Gross Receipts from club dues, initiation fees, and assessments, except that: (a) with respect to the facilities affected by that certain sublease between Lessee and Marina Club Management, Inc., dated as of December 9, 1986 (the "Club"): each and every Prepaid Sublessee shall be deemed to have become a member of the Club at the time it entered into the Prepaid Sublease, even if that Prepaid Sublessee was already a member of the Club, and irrespective of whether the Prepaid Sublease is entered into on the Approved Prepaid Sublease Form or through the approved condominium structure; unless a higher initiation fee is agreed to in writing by the Prepaid Sublessee, Three Thousand and no/100ths Dollars (\$3000.00) of the Sublease Payment or Condominium Payment (as defined in the Approved Prepaid Sublease Form and Master Condominium Sublease, respectively), whichever is appropriate, shall be deemed to be the initiation fee for such membership for Prepaid Subleases entered into prior to April 1, 1990, and the then customary initiation fee charged by the Club shall be deemed to be the initiation fee for such membership for Prepaid Subleases entered into thereafter; and, the reporting requirements, payment responsibilities and other provisions of Subsections 2.05.B through 2.05.D, inclusive, of the Consent and Nondisturbance Agreement identified as Item 2 in Exhibit J shall apply irrespective of whether the payment is made through a Sublease Payment or a Condominium Payment; (b) separate assessments for capital improvements are exempted provided that Lessee complies with the "Criteria for Eligibility for Exemption of Special Assessments from Gross Receipts" issued by the Director; (c) this subsection shall not apply to the assessments of the Owners Association contemplated by Subsection 10.01.C(1); and (d) this subsection shall not apply to a yacht club operated and/or maintained by Lessee and/or any Sublessee in compliance with the terms and conditions of Section 3.09 of this Lease;

(15) Five percent (5%) of Gross Receipts of other fees charged from the operation of sightseeing boats, tour boats or water taxis;

(16) Two percent (2%) of Gross Receipts from the operation of a cable television facility under a franchise granted by the County of Los Angeles;

(17) Three percent (3%) of Gross Receipts or other fees charged by authorized boat repair yards, including repair, painting, tugboat, salvage and

boat pump-out services and similar activities, except that where parts and materials are separately invoiced, they may be reported under subsection (20) of this section;

(18) Five percent (5%) of Gross Receipts of cover charges or other fees charged for admission to facilities featuring entertainment, excluding movie theaters whose Gross Receipts shall be reportable under subsection (20);

(19) Twenty percent (20%) of Gross Receipts from parking fees except as provided for in subsection (4);

(20) Five percent (5%) of Gross Receipts from the sale of miscellaneous goods and services not specifically provided for elsewhere in this Section;

(21) Ten percent (10%) of Gross Receipts from yacht club dues, initiation fees and assessments, except that separate assessments for leasehold improvements are exempt provided that to qualify for such an exemption Lessee must comply with the "Criteria for Eligibility for Exemption of Building Fund Assessments from Gross Receipts" issued by the Director on May 6, 1974;

(22) Five percent (5%) of Gross Receipts from the operation of all stores, shops or boutiques selling items at retail;

(23) Two percent (2%) of Gross Receipts from the operation of hair-dressing salons.

(bb) Interpretation of Percentages Categories. The Director, by policy statement and with approval of Lessee, Auditor-Controller and County Counsel, may further interpret the percentage categories as set forth in Subsection 5.02.B(aa)(1)-(23), with such determination and interpretation to be a guideline in determining the appropriate categories.

(cc) Commercial Annual Rent. The total of the Commercial Rent Percentages of Gross Receipts multiplied by the corresponding Gross Receipts for the categories described in Subsection 5.02.B(aa)(1)-(23) shall be defined as "Commercial Rent" or "Commercial Annual Rent."

(dd) Reporting Procedures. Within fifteen (15) days after the close of each and every calendar month of the Term hereof, Lessee shall file with County a report of Gross Receipts by category for such previous month, and the amount of Commercial Rent due the County resulting therefrom. Lessee shall include with such report as payment to County the percentages due the County pursuant to Subsections 5.02.B(aa)(1)-(23) hereinabove. The aggregate amount due and payable to the County in a calendar year is referred to as the "Commercial Annual Rent." Lessee agrees to and shall comply with, and shall cause all of Sublessees to agree to and comply with, the recordkeeping and accounting procedures, as well as the inspection and audit rights granted to County, set forth in Article 13 of the Lease.

(ee) Gross Receipts. The term “Gross Receipts” for purposes of calculation of Commercial Rent shall include, without limitation, all money, rents, and other consideration paid to Lessee from its Sublessees, assignees, licensees, concessionaires and permittees, for all services, goods, rentals or facilities provided by Lessee or its Sublessees, assignees, licensees, concessionaires or permittees. Bona fide bad debts actually incurred by Lessee, or its Sublessees, assignees, licensees, concessionaires and permittees may be deducted from Gross Receipts. There shall, however, be no deduction for bad debts based on past experience or transfers to a bad debt reserve. Subsequent collection of bad debts previously not reported as Gross Receipts shall be included in Gross Receipts at the time they are collected.

(1) The Director, by policy statement, consistent with recognized and accepted business and accounting practices, and with the approval of the Lessee, Auditor-Controller and County Counsel, may further interpret the term “Gross Receipts” as used in this Lease.

(2) Gross Receipts shall not include brokerage fees or similar fees received by Lessee in connection with the transfer of Prepaid Subleases where County is receiving a 14.5% Prepaid Sublessee’s Percentage Rent or an Administrative Transfer Fee.

(3) Gross Receipts shall not include any payments to Lessee from the Prepaid Sublessees for Administrative Transfer Fees, utilities, maintenance costs, taxes, capital reserves or other expense items, or any transfer fee imposed by Lessee, whether identified as rent or otherwise.

(ff) No Renegotiation of Rent Percentages. County and Lessee hereby agree and confirm that notwithstanding anything contained in this Section 5.02, there shall be no further Renegotiation Date for the Commercial Rent Percentages, Promenade Apartments Rent Percentage, or the Prepaid Sublessees’ Annual Rent.

5.03 Shared Area Reserve Account and MCC Repairs Account.

A. Lessee hereby represents and warrants to the County that: (i) by no later than thirty (30) days after approval of this Amendment by the Los Angeles County Board of Supervisors, the amount that shall have been contributed to the existing Shared Area Reserve Account for 2023 shall not be less than \$2,280,000 (“Base Contributions To Shared Area Account”), and (ii) the Base Contributions to the Shared Area Account shall be deposited into the Shared Area Reserve Account annually thereafter, and increased by at least 5.0% per year thereafter, commencing on January 1, 2024 and continuing on said anniversary date thereafter until the end of the term of the Lease; provided, however, said annual increase shall not limit either Lessee’s or the Marina City Club Owners Association’s rights under their governing documents to impose additional assessments, or the right of the Management Council to enact additional contributions/assessments to be held in the Shared Area Reserve Account.

B. Lessee hereby represents and warrants to the County, and agrees that: (i) as of December 31, 2024 an additional annual amount for 2024 shall be contributed to the MCC Repairs Account ("Additional Contribution to MCC Repairs Account") in the sum of \$2,072,959, which amount shall have been payable in monthly installments on the first day of each month, in the sum of \$172,746.59, and (ii) the annual Additional Contribution to the MCC Repairs Account shall be deposited into the MCC Repairs Account in monthly installments thereafter, and increased by 3.25% per year thereafter, commencing on January 1, 2025 and continuing on said anniversary date thereafter until the end of the term of the Lease.

C. As of January 1, 2024, the Additional Contribution to MCC Repairs Account for each Prepaid Sublease is as set forth in Exhibit "B" hereto and incorporated herein by this reference. Commencing on January 1, 2025, and continuing on each January 1st thereafter throughout the remainder of the Term, the Additional Contribution to MCC Repairs Account for each Prepaid Sublease shall be increased by 3.25%

5.04. Administrative Transfer Fee – Leasehold. Except as otherwise provided in this Section 5.04, each time there is a Change in Ownership in the Lease as defined in this Section 5.04, below, the County shall be paid an administrative fee in the amount provided for in this Section 5.04 ("Administrative Transfer Fee").

A. Definition of Change in Ownership. "Change in Ownership" shall mean any transaction which results, directly or indirectly, in the Aggregate Transfer of fifty percent (50%) or more of the beneficial interest in this Lease.

(1) The "Aggregate Transfer" shall mean the total percentage of the beneficial interest transferred in all transactions occurring since the later of the execution of this Lease or the most recent transfer of a beneficial interest in this Lease upon which an Administrative Transfer Fee was paid, but transfers of the same interest or portions thereof shall not be counted more than one (1) time, unless such interest is itself fifty percent (50%) or more of the beneficial interest in this Lease. For example, if forty percent (40%) of the beneficial interest in the Lease is sold two (2) times, but the remaining sixty percent (60%) is not sold, no Change in Ownership shall have occurred; a Change in Ownership would occur when ten percent (10%) out of that sixty percent (60%) is subsequently transferred. Beneficial interests in this Lease shall include, without limitation, general and limited partnership interests with respect to any partnership or stock with respect to a corporation which is an owner of an interest in the Lease.

(2) Where an interest in an entity is itself held by an entity, the provisions of this Section 5.04 shall likewise apply with respect to the entity holding such interests; however, a Change of Ownership would not be deemed to occur merely because fifty percent (50%) or more of the ownership of such entity were to be transferred. For example, if a corporation held a ten percent (10%) interest in Lessee, then a transfer of sixty percent (60%) ownership in such corporation would be treated as a transfer of a six percent (6%) interest in the Lease.

(3) By way of clarification, a Change in Ownership shall not include a mere change in the form or method and/or status of ownership; and shall not include a transfer between or among individuals and/or entities, provided that the transfer does not result in a cumulative total of fifty percent (50%) or more of the beneficial interest in this Lease having been transferred by the individuals and/or entities owning such beneficial interests at the later of the time of execution of this Lease or the time an Administrative Transfer Fee was most recently paid.

(4) As used in this Lease, the phrase "beneficial interest in this Lease" shall refer to the ultimate owner or owners of the interest in the Lease regardless of the form of such ownership and regardless of whether such interests are owned through corporations or partnerships or layers thereof; provided, however, that: (a) neither the initial creation of a Prepaid Sublease nor the subsequent transfer of the Prepaid Sublessee's interest shall be deemed to be a transfer of a "beneficial interest in this Lease"; and (b) if an entity with an ownership interest in this Lease is a partnership or corporation whose beneficial interest in this Lease is less than fifteen percent (15%) of its total assets or is one in which there are not less than ten (10) shareholders or partners who together own more than thirty percent (30%) of the partnership interests or shares of the entity, then the entity itself shall be deemed to be the owner of the beneficial interest in this Lease and the owners of such entity shall be disregarded. Section 318(a) of the Internal Revenue Code of 1954, as amended, shall apply for purposes of determining a person's or an entity's ownership of partnership interests or shares.

For example, if the Lessee is a partnership, with one partner owning fifty percent (50%) and being a corporation and one partner owning fifty percent (50%) and being an individual (X) and the corporation is itself owned eighty percent (80%) by an individual (Y) and twenty percent (20%) by an individual (Z) then the beneficial interest in this Lease shall be deemed to be owned as follows: 50% X; 40% Y; 10% Z.

(5) If an owner of a beneficial interest in this Lease is an entity which owns assets other than this Lease and if interests in such entity are transferred, thereby causing the transfer of a beneficial interest in this Lease, the sales proceeds from the sale of interests in such entity shall be apportioned to this Lease and to other assets owned by such entity in the same proportion as the relative fair market values of this Lease and such other assets. Defined Net Transfer Proceeds, if any, and the Administrative Transfer Fee, if any, shall be calculated only with respect to the amount of such sales proceeds apportioned to this Lease and shall not be calculated with respect to the amount of such sales proceeds apportioned to such other assets.

B. Exempt Changes in Ownership. There shall be no Administrative Transfer Fee due with respect to any Change in Ownership in the Lease which occurs by reason of:

(1) A transfer to a spouse in connection with a property settlement agreement or decree of dissolution of a marriage or legal separation;

(2) A transfer which serves as security for a loan from any Approved Encumbrance Holder but which does not entitle such holder to any immediate right to use, occupy, possess or receive the rents or profits from the leasehold for so long as the assignor makes the required periodic payments and complies with other provisions of the loan, or a transfer resulting from a foreclosure (by judicial foreclosure or trustee's sale) by such an Encumbrance Holder or a transfer in lieu thereof;

(3) A transfer of a beneficial interest in the Lease resulting from devise, bequest, intestate succession or by operation of law for the benefit of the spouse or descendants of (a) Lessee (if an individual), or (b) a partner of Lessee, if Lessee is a partnership, or (c) an owner of Lessee if other than an individual or partnership;

(4) A transfer of beneficial interest in this Lease resulting from public trading in the stock or securities of an entity, where such entity is (a) a corporation whose stock is traded publicly on a national stock exchange or is traded in the over-the-counter market and whose price is regularly quoted in recognized national quotation services, (b) is a Real Estate Investment Trust as defined in Section 856 of the Internal Revenue Code, or (c) one of the fifty (50) largest mutual insurance companies in the United States. This exemption shall not apply however if the Change of Ownership of such entities results from the sale of a controlling block of shares or interests in such entity or from the original public issuance of such interests.

C. Calculation and Payment of Fee. The Administrative Transfer Fee shall be due and payable concurrently with the transfer giving rise to the obligation to pay such fee.

(1) Where the entire Lessee's interest or all of the beneficial interest in the entity comprising Lessee is transferred, the Administrative Transfer Fee shall be an amount equal to one percent (1%) of the sales price or other consideration given for the interest transferred.

(2) Where the Change in Ownership has occurred by reason of the transfer of less than one hundred percent (100%) of the Lessee's beneficial interest in this Lease, the Administrative Transfer Fee would be due with respect to only those portions of the beneficial interest in this Lease which have been transferred since the later of the date of execution of this Lease or the time an Administrative Transfer Fee was most recently paid. The Administrative Transfer Fee shall be equal to one percent (1%) of the aggregate acquisition cost of the then owners of such interests, including the owner whose transaction resulted in the Change in Ownership.

(3) If the transferor of an interest accepts a note made by the transferee of such interest in payment of all or a portion of the acquisition cost (a "Purchase Money Note"), then such note shall be valued in accordance with this subsection 5.04.C(3). A Purchase Money Note shall be valued at its face amount unless, (a) by its terms, payment thereof is contingent upon the occurrence of some event other than either the mere passage of time or an event within the control of the transferor or (b) it is a note which is both secured only by the interest transferred and is nonrecourse. In either of these latter cases, the Purchase Money Note shall not be valued until payment is made, and the Administrative Transfer Fee thereon shall be equal to one percent (1%) of the payment(s) actually made on such note.

(4) Payment of the Administrative Transfer Fee shall be the obligation of the parties who are the Lessee immediately following the completion of the transfer giving rise to the Administrative Transfer Fee; provided, however, with respect to the transfer giving rise to the Administrative Transfer Fee, the obligation to pay that portion of the Administrative Transfer Fee applicable to such transfer shall be the joint and several obligation of both the transferor and transferee. Each such party shall be liable only with respect to the Administrative Transfer Fee due on its respective purchase price. In the event that a party fails to pay the Administrative Transfer Fee due with respect to its beneficial interest in this Lease, then County shall have the remedies provided for in Article 8 with respect to the percentage interest in the leasehold estate equal to such party's beneficial interest in this Lease.

5.05. Administrative Transfer Fee – Prepaid Subleases. Each time there is a Change in Ownership, as defined in subsection 5.05.A, below, of a Prepaid Sublessee's interest, the Lessee shall collect from Sublessee and forward to County an administrative fee equal to two and one-half percent (2.5%) of the fair market value of the Prepaid Sublease being transferred ("Administrative Transfer Fee"). The fair market value shall be deemed to be the sales price or other consideration given for the Prepaid Sublease interest transferred.

A. Meaning of "Change in Ownership." A Change in Ownership with respect to a Sublessee's interest shall have the same meaning and be subject to the same exceptions as set forth in Sections 60, et seq., of the California Revenue and Taxation Code as amended; provided, however, any Authorized Mortgagee and the holder of the Subleasehold Deed of Trust (as those terms are defined in the Approved Prepaid Sublease Form and the Master Condominium Sublease) shall be entitled to the exemption from the payment of an Administrative Transfer Fee provided to an Approved Encumbrance Holder in subsection 5.04.B(2).

B. Obligation to Pay is Joint and Several. Prepaid Subleases shall impose the obligation to pay this fee, and shall provide that such payment is the joint and several obligation of both the transferor and the transferee of the Prepaid Sublessee's interest.

C. Lessee's Obligations to Collect/Pay. Lessee shall adopt reasonable procedures and shall make reasonably diligent efforts to collect the Administrative Transfer Fees due pursuant to this Section 5.05. Lessee shall not be entitled to recoup from County any of its costs of collection. So long as Lessee has complied with the terms of subsections 5.05.B and 5.05.C, Lessee shall be obligated to pay County only such sums as Lessee has actually collected.

D. Transfer Fee Imposed by Lessee. Nothing in this Lease shall prevent Lessee from establishing now or in the future a transfer for its own account in addition to the Administrative Transfer Fee, or from recouping costs of collection from Prepaid Sublessees. This transfer fee shall, if established by Lessee, represent income to the Lessee that will: (1) not be subject to any Percentage Rents payable to County under Section 5.01 or any other provision herein; and (2) shall not count as income to Lessee in determining whether Lessee has complied with any applicable County policy or guideline relating to Prepaid Subleases. Nothing in this section 5.05.D shall modify or affect Section C of that certain Letter Agreement dated June 30, 1994 between COA and Lessee's predecessor in interest.

E. Special Exemption for 1031 Exchange. In the event that a particular transaction involves more than one Change in Ownership solely because of the Lessee or Lessee's Prepaid Sublessee's interest being held for an interim period (not to exceed twenty-four (24) hours) by an accommodation party as part of a tax-deferred exchange under Section 1031 of the Internal Revenue Code, and there is no increase in consideration given, then for purposes of the Administrative Transfer Fee, the transaction shall be deemed to contain only one Change in Ownership. If the transaction described in the preceding sentence is the original creation of a Prepaid Sublease by Lessee, there shall be no Administrative Transfer Fee.

5.06 Effect of Sublessee, etc., Doing Business. Where a Sublessee, licensee, concessionaire or permittee is conducting a business or engaged in any use or occupation or any combination thereof on the Premises except for those uses or occupations delineated under subsection 5.02.B(aa)(4)(ff), irrespective of whether such uses or occupations are conducted in an office or an apartment, Lessee shall report whichever of the following results in the greater percentage rental: (1) the Gross Receipts of each Sublessee under on or more of the appropriate subsections of this Section 5.06; or (2) Lessee's receipts from each Sublessee under subsection 5.02.B(aa)(4).

5.07 Interest; Etc. Interest, service, or late charges collected in conjunction with a transaction, sale or activity of Lessee or Sublessee shall be reported in the same percentage category as the transaction, sale or activity is reported.

5.08 Use Not Covered. Where the Director and the Lessee and/or Sublessee find that a percentage of Gross Receipts is not suitable or applicable for a particular activity not otherwise provided for herein, the Director may establish a minimum

monthly rental or fee for that activity. Said rental or fee shall be set by the mutual consent of Director and Lessee and shall be reasonable in accordance with the revenue generated by the Lessee and/or Sublessee.

5.09 Cooperation in Case of Rent Control. In the event that Rent Control is enacted thereby limiting the rent that may be charged hereunder, Lessee shall fully cooperate with any efforts County may make in order to either minimize or eliminate the effects of Rent Control on such rent; provided, however, that Lessee shall not be obligated to incur costs or expenses in connection with such cooperation. If Lessee also challenges any Rent Control, then Lessee shall bear its own costs and expenses.

5.10 Deposit. County hereby acknowledges receipt from Lessee of the sum of One Hundred One Thousand Five Hundred Sixty-One and 31/100ths Dollars (\$101,561.31) (the "Initial Deposit"). The Initial Deposit shall be retained by County as a security deposit to cover delinquent rent and any other obligations of Lessee under this Lease, and shall be so applied at the discretion of the County.

A. Increase in Deposit. The Initial Deposit shall be increased on November 7, 1987, and on each November 7 of each year thereafter to the sum which is equal to the lesser of the following amounts:

(1) Three (3) times the monthly Annual Rent then in effect; or

(2) The Initial Deposit increased by the same percentage increase in the CPI Rental Index. In order to determine the new deposit amount under this subsection 5.10.A(2), the Initial Deposit shall be multiplied by a fraction, the numerator of which is the CPI Rental Index most recently published before the date of the adjustment, and the denominator of which is the CPI Rental Index most recently published before November 7, 1986 ("Commencement Index"). The greater of the resultant figure, or the Initial Deposit, shall be the deposit amount under this subsection 5.10.A(2). If the CPI Rental Index is changed so that the Base Year differs from that used for the Commencement Index, the CPI Rental Index shall be converted in accordance with the conversion factor published by the Bureau of Labor Statistics. If the CPI Rental Index is discontinued or revised during the term, such other government index of computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the CPI Rental Index had not been discontinued or revised. In the event County and Lessee fail to agree on the use of a replacement index within sixty (60) days of such discontinuance or revision, the selection of the same shall be resolved by binding arbitration in accordance with Section 16.16.

B. Replacement. In the event all of any part of said sum so deposited is applied against any rent or other obligations of Lessee due and unpaid, the Lessee shall, within ten (10) days of receipt of written notice of the amount so applied and the reasons for such application reimburse the County an amount equal to that portion of the security deposit applied by County so that at all times during the life

of this Lease said full security deposit shall be maintained with County. Failure to maintain the full amount of security deposit shall constitute an Event of Default as provided for in Section 8.01.

C. Refund; Interest. Upon termination of this Lease, any portion of said deposit due the Lessee shall be returned. Any interest earned on cash deposits shall be disbursed to Lessee on a quarterly basis. County shall deposit security funds in a demand interest-bearing account.

D. Replacement With Bond. At any time subsequent to the first three (3) years of the term of this Lease, Lessee may, with approval of Director, substitute for said cash security deposit a corporate surety bond issued by a surety company licensed to transact business in the State of California, or such other bond or written undertaking satisfactory to Director, in an amount equal to said deposit.

5.11 Late Charge. Lessee agrees to pay County a late charge on all sums not received by County within ten (10) days of the date the sum is due. The late charge shall be equal to six percent (6%) of the sum not so received.

5.12 Utilities. In addition to the rental charges as herein provided, Lessee shall pay or cause to be paid all utility and service charges for furnishing water, power, sewage disposal, light, telephone service, garbage and trash collection and all other utilities and services, to the premises.

5.13 Net Lease. The parties acknowledge that this Lease is intended to be absolutely net to County. The rent and other sums to be paid to County hereunder are not subject to any demand, set-off or other withholding.

4. Approval of Amendment by the BOS. Notwithstanding anything to the contrary contained in this Amendment, in the event that the BOS fails to approve this Amendment (in their sole and absolute discretion) on or before September 30, 2023, or such extended date as agreed in writing by County and Lessee, then this Amendment shall automatically be deemed terminated and of no further force or effect.

5. Director's Authority. Director shall be authorized to enforce the terms of this Amendment and to execute and deliver any further amendments as required in connection with implementing the terms of this Amendment.

6. Dispute Resolution. Notwithstanding anything to the contrary contained in the Lease or any provision that may be inconsistent hereto, any and all disputes involving this Lease, including the breach or alleged breach thereof, shall not be submitted to arbitration unless otherwise provided for herein or specifically agreed to in writing by the County, but must instead only be enforced by any appropriate legal or equitable remedy by a court having jurisdiction. Nothing in this Lease shall be construed to limit the parties' rights to fully pursue any and all judicial remedies available under law in the event of violation of this Lease.

7. Representations and Warranties. To induce County to enter into this Amendment, Lessee hereby represents and warrants to County as follows:

(a) Lessee has not assigned its interests as lessee under the Lease or as sublessor under any Condominium Sublease; and

(b) Lessee has not encumbered its interests in the Lease or in any Condominium Sublease with any deed of trust, mortgage or similar security instrument, nor has Lessee expressly assumed any loan secured by a deed of trust, mortgage or similar security instrument encumbering the Lessee's interest in the Lease or the Sublessor's interest in any Condominium Sublease.

8. No Other Amendment. The Lease has not been modified, amended or supplemented except as set forth in this Amendment and, as amended by this Amendment, the Lease is and remains in full force and effect.

9. Amendment to Sublease. Lessee and the County acknowledge that, consistent with the deletion of Amendment No. 4, Lessee shall use commercially best efforts to obtain an amendment to the Master Condominium Sublease and each existing Condominium Sublease, including any remaining "Category B" Condominium Subleases, as that term is defined in Amendment No. 4. However, failure to obtain said amendments shall not nullify the validity or enforcement of this Amendment.

10. Approval of Conversion of Category B Condominium Subleases to Category A Condominium Subleases. The parties agree, confirm, and acknowledge that: a) three (3) of the original nine (9) Category B Condominium Subleases have been converted to "Category A" Condominium Subleases, as that term is defined in Amendment No. 4; b) such prior three (3) conversions are hereby deemed approved; and c) the Director shall have the authority, on behalf of the County, to execute all necessary documents to effectuate the conversions of the six (6) remaining Category B Condominium Subleases to Category A Condominium Subleases.

11. Recordation of Amendment. This Amendment shall be recorded in the Official Records of Los Angeles County, California (the "Official Records").

12. Counterparts; Electronic Signatures. This Amendment and any other document necessary for the consummation of the transaction contemplated by this Amendment may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Amendment and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Amendment had been delivered had been signed using a handwritten signature. County and Lessee (i) agree that an electronic signature, whether digital or encrypted, of a party to this Amendment is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such

signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Amendment based on the foregoing forms of signature. If this Amendment has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 (“E-SIGN”) and California Uniform Electronic Transactions Act (“UETA”)(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

(Signatures on following page)

IN WITNESS WHEREOF, County has, by order of its Board of Supervisors, caused this Amendment No. 10 to Lease No. 55624 to be subscribed by the Chairman of said Board and attested by the Executive Officer thereof, and the Lessee, by its duly authorized representative, has executed the same on the date first set forth above.

COUNTY:

THE COUNTY OF LOS ANGELES

By: _____
Lindsey P. Horvath,
Chair, Board of Supervisors

LESSEE:

ESSEX MARINA CITY CLUB, L.P.
a California Limited Partnership

By: Essex MCC, LLC,
a Delaware limited liability company,
its general partner

By: Essex Portfolio, L.P.,
a California limited partnership,
its sole member

By: Essex Property Trust,
Inc.,
a Maryland corporation,
its general partner

By: Anne Morrison

Its: SVP + General Counsel

ATTEST:

JEFF LEVINSON,
Interim-Executive Officer-Clerk of the
Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM

DAWYN HARRISON
County Counsel

By: _____
Deputy

APPROVED AS TO FORM

Counsel for County

GLASER, WEIL, FINK, HOWARD, JORDAN & SHAPIRO LLP

By: Roger H. Howard
Roger H. Howard, Esq.

Counsel for Lessee

ALLEN MATKINS LECK GAMBLE MALLOY & NATSIS LLP

By: _____
Marshall C. Wallace

Counsel for COA

GREENBERG GLUSKER LLP

By: _____
Dan Stone, Esq.

ATTEST:

JEFF LEVINSON,
Interim-Executive Officer-Clerk of the
Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM

DAWYN HARRISON
County Counsel

By: _____
Deputy

APPROVED AS TO FORM

Counsel for County

GLASER, WEIL, FINK, HOWARD, JORDAN & SHAPIRO LLP

By: _____
Roger H. Howard, Esq.

Counsel for Lessee

ALLEN MATKINS LECK GAMBLE MALLOY & NATSIS LLP

By: 
Marshall C. Wallace

Counsel for COA

GREENBERG GLUSKER LLP

By: _____
Dan Stone, Esq.

ATTEST:

JEFF LEVINSON,
Interim-Executive Officer-Clerk of the
Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM

DAWYN HARRISON
County Counsel

By: _____
Deputy

APPROVED AS TO FORM

Counsel for County

GLASER, WEIL, FINK, HOWARD, JORDAN & SHAPIRO LLP

By: _____
Roger H. Howard, Esq.

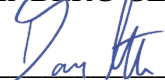
Counsel for Lessee

ALLEN MATKINS LECK GAMBLE MALLOY & NATSIS LLP

By: _____
Marshall C. Wallace

Counsel for COA

GREENBERG GLUSKER LLP

By:  _____
Dan Stone, Esq.

ATTEST:

JEFF LEVINSON,
Interim-Executive Officer-Clerk of the
Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM

DAWYN HARRISON
County Counsel

By: _____
Deputy

APPROVED AS TO FORM

Counsel for County

GLASER, WEIL, FINK, HOWARD, JORDAN & SHAPIRO LLP

By: _____
Roger H. Howard, Esq.

Counsel for Lessee

ALLEN MATKINS LECK GAMBLE MALLOY & NATSIS LLP

By: 
Marshall C. Wallace

Counsel for COA

GREENBERG GLUSKER LLP

By: _____
Dan Stone, Esq.

EXHIBIT A

Amendment Conditions

1. The execution of this Amendment and each of the other documents contemplated hereby shall have been approved by the Los Angeles County's Board of Supervisors, in their sole and absolute discretion.
2. The Condominium Owners Association ("COA") shall have executed a Joinder in the form attached to this Amendment as Exhibit C.
3. If required by an Approved Encumbrance Holder, the execution of this Amendment shall have been approved by each Approved Encumbrance Holder, if any.
4. The written approval by The Marina City Club Condominium Owners Association Board of Directors that they approve this Amendment and will seek to obtain agreement of all 600 Condominium Owners, including any remaining "Category B" owners as described in Amendment No. 4, and each Mortgagee of a Condominium unit, if any, to an amended Condominium Sublease to implement and enforce the obligations as set forth in this Amendment. Failure to obtain all 600 Condominium Owners approval shall not nullify the validity or enforcement of this Amendment.

Exhibit B

Tower	Flr	Unit	2024 Assigned	2024 County	2024 Additional
			County Rent Basis \$/mo	Rent Due \$/mo	Contribution to the MCC Repairs Account \$/mo
CN	1	19	4,460.14	646.72	289.23
CN	1	21	2,705.33	392.27	175.44
CN	1	23	2,705.33	392.27	175.44
CN	1	25	2,705.33	392.27	175.44
CN	1	27	3,626.62	525.86	235.18
CN	1	29	3,626.62	525.86	235.18
CN	1	31	3,626.62	525.86	235.18
CN	1	33	4,460.14	646.72	289.23
CN	2	19	4,635.62	672.17	300.61
CN	2	21	2,734.59	396.52	177.33
CN	2	23	2,734.59	396.52	177.33
CN	2	25	2,734.59	396.52	177.33
CN	2	27	3,802.10	551.30	246.56
CN	2	29	3,802.10	551.30	246.56
CN	2	31	3,802.10	551.30	246.56
CN	2	33	4,635.62	672.17	300.61
CN	3	19	4,811.10	697.61	311.99
CN	3	21	2,763.83	400.76	179.23
CN	3	23	2,763.83	400.76	179.23
CN	3	25	2,763.83	400.76	179.23
CN	3	27	3,977.58	576.75	257.94
CN	3	29	3,977.58	576.75	257.94
CN	3	31	3,977.58	576.75	257.94
CN	3	33	4,811.10	697.61	311.99
CN	4	19	5,132.83	744.26	332.86
CN	4	21	2,793.07	405.00	181.13
CN	4	23	2,793.07	405.00	181.13
CN	4	25	2,793.07	405.00	181.13
CN	4	27	4,153.07	602.19	269.32
CN	4	29	4,153.07	602.19	269.32
CN	4	31	4,153.07	602.19	269.32
CN	4	33	5,132.83	744.26	332.86
CN	5	19	5,235.18	759.10	339.49
CN	5	21	2,822.31	409.24	183.02
CN	5	23	2,822.31	409.24	183.02
CN	5	25	2,822.31	409.24	183.02
CN	5	27	4,255.42	617.04	275.96
CN	5	29	4,255.42	617.04	275.96
CN	5	31	4,255.42	617.04	275.96
CN	5	33	5,235.18	759.10	339.49
CN	6	19	5,337.55	773.95	346.13
CN	6	21	2,851.58	413.48	184.92
CN	6	23	2,851.58	413.48	184.92
CN	6	25	2,851.58	413.48	184.92
CN	6	27	4,357.79	631.88	282.60
CN	6	29	4,357.79	631.88	282.60
CN	6	31	4,357.79	631.88	282.60
CN	6	33	5,337.55	773.95	346.13
CN	7	19	5,366.79	778.19	348.03
CN	7	21	2,880.81	417.72	186.82
CN	7	23	2,880.81	417.72	186.82
CN	7	25	2,880.81	417.72	186.82

Exhibit B

Tower	Flr	Unit	2024 Assigned	2024 County	2024 Additional
			County Rent Basis \$/mo	Rent Due \$/mo	Contribution to the MCC Repairs Account \$/mo
CN	7	27	4,387.03	636.12	284.49
CN	7	29	4,387.03	636.12	284.49
CN	7	31	4,387.03	636.12	284.49
CN	7	33	5,366.79	778.19	348.03
CN	8	19	5,396.06	782.43	349.93
CN	8	21	2,910.05	421.96	188.71
CN	8	23	2,910.05	421.96	188.71
CN	8	25	2,910.05	421.96	188.71
CN	8	27	4,416.27	640.36	286.39
CN	8	29	4,416.27	640.36	286.39
CN	8	31	4,416.27	640.36	286.39
CN	8	33	5,396.06	782.43	349.93
CN	9	19	5,425.30	786.67	351.82
CN	9	21	2,939.32	426.20	190.61
CN	9	23	2,939.32	426.20	190.61
CN	9	25	2,939.32	426.20	190.61
CN	9	27	4,445.53	644.60	288.29
CN	9	29	4,445.53	644.60	288.29
CN	9	31	4,445.53	644.60	288.29
CN	9	33	5,425.30	786.67	351.82
CN	10	19	5,454.53	790.91	353.72
CN	10	21	2,968.56	430.44	192.51
CN	10	23	2,968.56	430.44	192.51
CN	10	25	2,968.56	430.44	192.51
CN	10	27	4,474.77	648.84	290.18
CN	10	29	4,474.77	648.84	290.18
CN	10	31	4,474.77	648.84	290.18
CN	10	33	5,454.53	790.91	353.72
CN	11	19	5,483.80	795.15	355.62
CN	11	21	2,997.80	434.68	194.40
CN	11	23	2,997.80	434.68	194.40
CN	11	25	2,997.80	434.68	194.40
CN	11	27	4,504.01	653.08	292.08
CN	11	29	4,504.01	653.08	292.08
CN	11	31	4,504.01	653.08	292.08
CN	11	33	5,483.80	795.15	355.62
CN	PH	23	9,870.83	1,431.27	640.11
CN	PH	24	8,408.48	1,219.23	545.28
CN	PH	25	8,408.48	1,219.23	545.28
CN	PH	26	8,408.48	1,219.23	545.28
CN	PH	27	8,408.48	1,219.23	545.28
CN	PH	28	8,408.48	1,219.23	545.28
CN	PH	29	9,870.83	1,431.27	640.11
CN		9101	1,242.99	180.23	80.61
CN		9102	1,242.99	180.23	80.61
CN		9103	1,242.99	180.23	80.61
CN		9104	1,242.99	180.23	80.61
CN		9105	1,242.99	180.23	80.61
CN		9106	1,242.99	180.23	80.61
CN		9107	1,242.99	180.23	80.61
CN		9108	1,242.99	180.23	80.61
CN		9109	1,242.99	180.23	80.61

Exhibit B

Tower	Flr	Unit	2024 Assigned	2024 County	2024 Additional
			County Rent Basis \$/mo	Rent Due \$/mo	Contribution to the MCC Repairs Account \$/mo
CN		9110	1,242.99	180.23	80.61
CN		9201	1,242.99	180.23	80.61
CN		9202	1,242.99	180.23	80.61
CN		9203	1,242.99	180.23	80.61
CN		9204	1,242.99	180.23	80.61
CN		9205	1,242.99	180.23	80.61
CN		9206	1,242.99	180.23	80.61
CN		9207	1,242.99	180.23	80.61
CN		9208	1,242.99	180.23	80.61
CN		9209	1,242.99	180.23	80.61
CN		9210	1,242.99	180.23	80.61
CN		9301	1,242.99	180.23	80.61
CN		9302	1,242.99	180.23	80.61
CN		9303	1,242.99	180.23	80.61
CN		9304	1,242.99	180.23	80.61
CN		9305	1,242.99	180.23	80.61
CN		9306	1,242.99	180.23	80.61
CN		9307	1,242.99	180.23	80.61
CN		9308	1,242.99	180.23	80.61
CN		9309	1,242.99	180.23	80.61
CN		9310	1,242.99	180.23	80.61
CS	1	16	5,776.26	837.56	374.58
CS	1	18	4,796.50	695.49	311.05
CS	1	20	4,796.50	695.49	311.05
CS	1	22	4,796.50	695.49	311.05
CS	1	24	3,085.54	447.40	200.09
CS	1	26	3,085.54	447.40	200.09
CS	1	28	3,085.54	447.40	200.09
CS	1	30	5,776.26	837.56	374.58
CS	2	16	5,805.50	841.80	376.48
CS	2	18	4,825.74	699.73	312.94
CS	2	20	4,825.74	699.73	312.94
CS	2	22	4,825.74	699.73	312.94
CS	2	24	3,114.80	451.65	201.99
CS	2	26	3,114.80	451.65	201.99
CS	2	28	3,114.80	451.65	201.99
CS	2	30	5,805.50	841.80	376.48
CS	3	16	5,834.76	846.04	378.38
CS	3	18	4,854.98	703.97	314.84
CS	3	20	4,854.98	703.97	314.84
CS	3	22	4,854.98	703.97	314.84
CS	3	24	3,144.04	455.89	203.89
CS	3	26	3,144.04	455.89	203.89
CS	3	28	3,144.04	455.89	203.89
CS	3	30	5,834.76	846.04	378.38
CS	4	16	5,864.00	850.28	380.27
CS	4	18	4,884.24	708.21	316.74
CS	4	20	4,884.24	708.21	316.74
CS	4	22	4,884.24	708.21	316.74
CS	4	24	3,173.28	460.13	205.78
CS	4	26	3,173.28	460.13	205.78
CS	4	28	3,173.28	460.13	205.78

Exhibit B

Tower	Flr	Unit	2024 Assigned	2024 County	2024 Additional
			County Rent Basis \$/mo	Rent Due \$/mo	Contribution to the MCC Repairs Account \$/mo
CS	4	30	5,864.00	850.28	380.27
CS	5	16	5,893.24	854.52	382.17
CS	5	18	4,913.48	712.45	318.63
CS	5	20	4,913.48	712.45	318.63
CS	5	22	4,913.48	712.45	318.63
CS	5	24	3,202.54	464.37	207.68
CS	5	26	3,202.54	464.37	207.68
CS	5	28	3,202.54	464.37	207.68
CS	5	30	5,893.24	854.52	382.17
CS	6	16	5,922.48	858.76	384.06
CS	6	18	4,942.72	716.69	320.53
CS	6	20	4,942.72	716.69	320.53
CS	6	22	4,942.72	716.69	320.53
CS	6	24	3,231.78	468.61	209.58
CS	6	26	3,231.78	468.61	209.58
CS	6	28	3,231.78	468.61	209.58
CS	6	30	5,922.48	858.76	384.06
CS	7	16	5,951.74	863.00	385.96
CS	7	18	4,971.98	720.94	322.43
CS	7	20	4,971.98	720.94	322.43
CS	7	22	4,971.98	720.94	322.43
CS	7	24	3,261.02	472.85	211.47
CS	7	26	3,261.02	472.85	211.47
CS	7	28	3,261.02	472.85	211.47
CS	7	30	5,951.74	863.00	385.96
CS	8	16	5,980.98	867.24	387.86
CS	8	18	5,001.22	725.18	324.32
CS	8	20	5,001.22	725.18	324.32
CS	8	22	5,001.22	725.18	324.32
CS	8	24	3,290.28	477.09	213.37
CS	8	26	3,290.28	477.09	213.37
CS	8	28	3,290.28	477.09	213.37
CS	8	30	5,980.98	867.24	387.86
CS	9	16	6,010.22	871.48	389.75
CS	9	18	5,030.46	729.42	326.22
CS	9	20	5,030.46	729.42	326.22
CS	9	22	5,030.46	729.42	326.22
CS	9	24	3,319.52	481.33	215.27
CS	9	26	3,319.52	481.33	215.27
CS	9	28	3,319.52	481.33	215.27
CS	9	30	6,010.22	871.48	389.75
CS	10	16	6,039.49	875.73	391.65
CS	10	18	5,059.72	733.66	328.12
CS	10	20	5,059.72	733.66	328.12
CS	10	22	5,059.72	733.66	328.12
CS	10	24	3,348.76	485.57	217.16
CS	10	26	3,348.76	485.57	217.16
CS	10	28	3,348.76	485.57	217.16
CS	10	30	6,039.49	875.73	391.65
CS	11	16	6,068.73	879.97	393.55
CS	11	18	5,088.96	737.90	330.01
CS	11	20	5,088.96	737.90	330.01

Exhibit B

Tower	Flr	Unit	2024 Assigned	2024 County	2024 Additional
			County Rent Basis \$/mo	Rent Due \$/mo	Contribution to the MCC Repairs Account \$/mo
CS	11	22	5,088.96	737.90	330.01
CS	11	24	3,378.02	489.81	219.06
CS	11	26	3,378.02	489.81	219.06
CS	11	28	3,378.02	489.81	219.06
CS	11	30	6,068.73	879.97	393.55
CS	PH	16	10,602.00	1,537.29	687.52
CS	PH	17	9,139.65	1,325.25	592.69
CS	PH	18	9,139.65	1,325.25	592.69
CS	PH	19	9,139.65	1,325.25	592.69
CS	PH	20	9,139.65	1,325.25	592.69
CS	PH	21	9,139.65	1,325.25	592.69
CS	PH	22	10,602.00	1,537.29	687.52
EN	1	35	4,460.14	646.72	289.23
EN	1	37	3,626.62	525.86	235.18
EN	1	39	3,626.62	525.86	235.18
EN	1	41	3,626.62	525.86	235.18
EN	1	43	2,705.33	392.27	175.44
EN	1	45	2,705.33	392.27	175.44
EN	1	47	2,705.33	392.27	175.44
EN	1	49	4,460.14	646.72	289.23
EN	2	35	4,635.62	672.17	300.61
EN	2	37	3,802.10	551.30	246.56
EN	2	39	3,802.10	551.30	246.56
EN	2	41	3,802.10	551.30	246.56
EN	2	43	2,734.59	396.52	177.33
EN	2	45	2,734.59	396.52	177.33
EN	2	47	2,734.59	396.52	177.33
EN	2	49	4,635.62	672.17	300.61
EN	3	35	4,811.10	697.61	311.99
EN	3	37	3,977.58	576.75	257.94
EN	3	39	3,977.58	576.75	257.94
EN	3	41	3,977.58	576.75	257.94
EN	3	43	2,763.83	400.76	179.23
EN	3	45	2,763.83	400.76	179.23
EN	3	47	2,763.83	400.76	179.23
EN	3	49	4,811.10	697.61	311.99
EN	4	35	5,132.83	744.26	332.86
EN	4	37	4,153.07	602.19	269.32
EN	4	39	4,153.07	602.19	269.32
EN	4	41	4,153.07	602.19	269.32
EN	4	43	2,793.07	405.00	181.13
EN	4	45	2,793.07	405.00	181.13
EN	4	47	2,793.07	405.00	181.13
EN	4	49	5,132.83	744.26	332.86
EN	5	35	5,235.18	759.10	339.49
EN	5	37	4,255.42	617.04	275.96
EN	5	39	4,255.42	617.04	275.96
EN	5	41	4,255.42	617.04	275.96
EN	5	43	2,822.31	409.24	183.02
EN	5	45	2,822.31	409.24	183.02
EN	5	47	2,822.31	409.24	183.02
EN	5	49	5,235.18	759.10	339.49

Exhibit B

Tower	Flr	Unit	2024 Assigned	2024 County	2024 Additional
			County Rent Basis \$/mo	Rent Due \$/mo	Contribution to the MCC Repairs Account \$/mo
EN	6	35	5,337.55	773.95	346.13
EN	6	37	4,357.79	631.88	282.60
EN	6	39	4,357.79	631.88	282.60
EN	6	41	4,357.79	631.88	282.60
EN	6	43	2,851.58	413.48	184.92
EN	6	45	2,851.58	413.48	184.92
EN	6	47	2,851.58	413.48	184.92
EN	6	49	5,337.55	773.95	346.13
EN	7	35	5,366.79	778.19	348.03
EN	7	37	4,387.03	636.12	284.49
EN	7	39	4,387.03	636.12	284.49
EN	7	41	4,387.03	636.12	284.49
EN	7	43	2,880.81	417.72	186.82
EN	7	45	2,880.81	417.72	186.82
EN	7	47	2,880.81	417.72	186.82
EN	7	49	5,366.79	778.19	348.03
EN	8	35	5,396.15	782.44	349.93
EN	8	37	4,416.27	640.36	286.39
EN	8	39	4,416.27	640.36	286.39
EN	8	41	4,416.27	640.36	286.39
EN	8	43	2,910.05	421.96	188.71
EN	8	45	2,910.05	421.96	188.71
EN	8	47	2,910.05	421.96	188.71
EN	8	49	5,396.15	782.44	349.93
EN	9	35	5,425.30	786.67	351.82
EN	9	37	4,445.53	644.60	288.29
EN	9	39	4,445.53	644.60	288.29
EN	9	41	4,445.53	644.60	288.29
EN	9	43	2,939.32	426.20	190.61
EN	9	45	2,939.32	426.20	190.61
EN	9	47	2,939.32	426.20	190.61
EN	9	49	5,425.30	786.67	351.82
EN	10	35	5,454.53	790.91	353.72
EN	10	37	4,474.77	648.84	290.18
EN	10	39	4,474.77	648.84	290.18
EN	10	41	4,474.77	648.84	290.18
EN	10	43	2,968.56	430.44	192.51
EN	10	45	2,968.56	430.44	192.51
EN	10	47	2,968.56	430.44	192.51
EN	10	49	5,454.53	790.91	353.72
EN	11	35	5,483.87	795.16	355.62
EN	11	37	4,504.01	653.08	292.08
EN	11	39	4,504.01	653.08	292.08
EN	11	41	4,504.01	653.08	292.08
EN	11	43	2,997.80	434.68	194.40
EN	11	45	2,997.80	434.68	194.40
EN	11	47	2,997.80	434.68	194.40
EN	11	49	5,483.87	795.16	355.62
EN	PH	37	9,870.83	1,431.27	640.11
EN	PH	38	8,408.48	1,219.23	545.28
EN	PH	39	8,408.48	1,219.23	545.28
EN	PH	40	8,408.48	1,219.23	545.28

Exhibit B

Tower	Flr	Unit	2024 Assigned	2024 County	2024 Additional
			County Rent Basis \$/mo	Rent Due \$/mo	Contribution to the MCC Repairs Account \$/mo
EN	PH	41	8,408.48	1,219.23	545.28
EN	PH	42	8,408.48	1,219.23	545.28
EN	PH	43	9,870.83	1,431.27	640.11
ES	1	32	5,776.26	837.56	374.58
ES	1	34	3,085.54	447.40	200.09
ES	1	36	3,085.54	447.40	200.09
ES	1	38	3,085.54	447.40	200.09
ES	1	40	4,796.50	695.49	311.05
ES	1	42	4,796.50	695.49	311.05
ES	1	44	4,796.50	695.49	311.05
ES	1	46	5,776.26	837.56	374.58
ES	2	32	5,805.50	841.80	376.48
ES	2	34	3,114.80	451.65	201.99
ES	2	36	3,114.80	451.65	201.99
ES	2	38	3,114.80	451.65	201.99
ES	2	40	4,825.74	699.73	312.94
ES	2	42	4,825.74	699.73	312.94
ES	2	44	4,825.74	699.73	312.94
ES	2	46	5,805.50	841.80	376.48
ES	3	32	5,834.76	846.04	378.38
ES	3	34	3,144.04	455.89	203.89
ES	3	36	3,144.04	455.89	203.89
ES	3	38	3,144.04	455.89	203.89
ES	3	40	4,854.98	703.97	314.84
ES	3	42	4,854.98	703.97	314.84
ES	3	44	4,854.98	703.97	314.84
ES	3	46	5,834.76	846.04	378.38
ES	4	32	5,864.00	850.28	380.27
ES	4	34	3,173.28	460.13	205.78
ES	4	36	3,173.28	460.13	205.78
ES	4	38	3,173.28	460.13	205.78
ES	4	40	4,884.24	708.21	316.74
ES	4	42	4,884.24	708.21	316.74
ES	4	44	4,884.24	708.21	316.74
ES	4	46	5,864.00	850.28	380.27
ES	5	32	5,893.24	854.52	382.17
ES	5	34	3,202.54	464.37	207.68
ES	5	36	3,202.54	464.37	207.68
ES	5	38	3,202.54	464.37	207.68
ES	5	40	4,913.48	712.45	318.63
ES	5	42	4,913.48	712.45	318.63
ES	5	44	4,913.48	712.45	318.63
ES	5	46	5,893.24	854.52	382.17
ES	6	32	5,922.48	858.76	384.06
ES	6	34	3,231.78	468.61	209.58
ES	6	36	3,231.78	468.61	209.58
ES	6	38	3,231.78	468.61	209.58
ES	6	40	4,942.72	716.69	320.53
ES	6	42	4,942.72	716.69	320.53
ES	6	44	4,942.72	716.69	320.53
ES	6	46	5,922.48	858.76	384.06
ES	7	32	5,951.74	863.00	385.96

Exhibit B

Tower	Flr	Unit	2024 Assigned	2024 County	2024 Additional
			County Rent Basis \$/mo	Rent Due \$/mo	Contribution to the MCC Repairs Account \$/mo
ES	7	34	3,261.02	472.85	211.47
ES	7	36	3,261.02	472.85	211.47
ES	7	38	3,261.02	472.85	211.47
ES	7	40	4,971.98	720.94	322.43
ES	7	42	4,971.98	720.94	322.43
ES	7	44	4,971.98	720.94	322.43
ES	7	46	5,951.74	863.00	385.96
ES	8	32	5,980.98	867.24	387.86
ES	8	34	3,290.28	477.09	213.37
ES	8	36	3,290.28	477.09	213.37
ES	8	38	3,290.28	477.09	213.37
ES	8	40	5,001.22	725.18	324.32
ES	8	42	5,001.22	725.18	324.32
ES	8	44	5,001.22	725.18	324.32
ES	8	46	5,980.98	867.24	387.86
ES	9	32	6,010.22	871.48	389.75
ES	9	34	3,319.52	481.33	215.27
ES	9	36	3,319.52	481.33	215.27
ES	9	38	3,319.52	481.33	215.27
ES	9	40	5,030.46	729.42	326.22
ES	9	42	5,030.46	729.42	326.22
ES	9	44	5,030.46	729.42	326.22
ES	9	46	6,010.22	871.48	389.75
ES	10	32	6,039.49	875.73	391.65
ES	10	34	3,348.76	485.57	217.16
ES	10	36	3,348.76	485.57	217.16
ES	10	38	3,348.76	485.57	217.16
ES	10	40	5,059.72	733.66	328.12
ES	10	42	5,059.72	733.66	328.12
ES	10	44	5,059.72	733.66	328.12
ES	10	46	6,039.49	875.73	391.65
ES	11	32	6,068.73	879.97	393.55
ES	11	34	3,378.02	489.81	219.06
ES	11	36	3,378.02	489.81	219.06
ES	11	38	3,378.02	489.81	219.06
ES	11	40	5,088.96	737.90	330.01
ES	11	42	5,088.96	737.90	330.01
ES	11	44	5,088.96	737.90	330.01
ES	11	46	6,068.73	879.97	393.55
ES	PH	30	10,602.00	1,537.29	687.52
ES	PH	31	9,139.65	1,325.25	592.69
ES	PH	32	9,139.65	1,325.25	592.69
ES	PH	33	9,139.65	1,325.25	592.69
ES	PH	34	9,139.65	1,325.25	592.69
ES	PH	35	9,139.65	1,325.25	592.69
ES	PH	36	10,602.00	1,537.29	687.52
WN	1	1	4,460.14	646.72	289.23
WN	1	3	2,705.33	392.27	175.44
WN	1	5	2,705.33	392.27	175.44
WN	1	7	2,705.33	392.27	175.44
WN	1	9	3,626.62	525.86	235.18
WN	1	11	3,626.62	525.86	235.18

Exhibit B

Tower	Flr	Unit	2024 Assigned	2024 County	2024 Additional
			County Rent Basis \$/mo	Rent Due \$/mo	Contribution to the MCC Repairs Account \$/mo
WN	1	15	3,626.62	525.86	235.18
WN	1	17	4,460.14	646.72	289.23
WN	2	1	4,635.62	672.17	300.61
WN	2	3	2,734.59	396.52	177.33
WN	2	5	2,734.59	396.52	177.33
WN	2	7	2,734.59	396.52	177.33
WN	2	9	3,802.10	551.30	246.56
WN	2	11	3,802.10	551.30	246.56
WN	2	15	3,802.10	551.30	246.56
WN	2	17	4,635.62	672.17	300.61
WN	3	1	4,811.10	697.61	311.99
WN	3	3	2,763.83	400.76	179.23
WN	3	5	2,763.83	400.76	179.23
WN	3	7	2,763.83	400.76	179.23
WN	3	9	3,977.58	576.75	257.94
WN	3	11	3,977.58	576.75	257.94
WN	3	15	3,977.58	576.75	257.94
WN	3	17	4,811.10	697.61	311.99
WN	4	1	5,132.83	744.26	332.86
WN	4	3	2,793.07	405.00	181.13
WN	4	5	2,793.07	405.00	181.13
WN	4	7	2,793.07	405.00	181.13
WN	4	9	4,153.07	602.19	269.32
WN	4	11	4,153.07	602.19	269.32
WN	4	15	4,153.07	602.19	269.32
WN	4	17	5,132.83	744.26	332.86
WN	5	1	5,235.18	759.10	339.49
WN	5	3	2,822.31	409.24	183.02
WN	5	5	2,822.31	409.24	183.02
WN	5	7	2,822.31	409.24	183.02
WN	5	9	4,255.42	617.04	275.96
WN	5	11	4,255.42	617.04	275.96
WN	5	15	4,255.42	617.04	275.96
WN	5	17	5,235.18	759.10	339.49
WN	6	1	5,337.55	773.95	346.13
WN	6	3	2,851.58	413.48	184.92
WN	6	5	2,851.58	413.48	184.92
WN	6	7	2,851.58	413.48	184.92
WN	6	9	4,357.79	631.88	282.60
WN	6	11	4,357.79	631.88	282.60
WN	6	15	4,357.79	631.88	282.60
WN	6	17	5,337.55	773.95	346.13
WN	7	1	5,366.79	778.19	348.03
WN	7	3	2,880.81	417.72	186.82
WN	7	5	2,880.81	417.72	186.82
WN	7	7	2,880.81	417.72	186.82
WN	7	9	4,387.03	636.12	284.49
WN	7	11	4,387.03	636.12	284.49
WN	7	15	4,387.03	636.12	284.49
WN	7	17	5,366.79	778.19	348.03
WN	8	1	5,396.06	782.43	349.93
WN	8	3	2,910.05	421.96	188.71

Exhibit B

Tower	Flr	Unit	2024 Assigned	2024 County	2024 Additional
			County Rent Basis \$/mo	Rent Due \$/mo	Contribution to the MCC Repairs Account \$/mo
WN	8	5	2,910.05	421.96	188.71
WN	8	7	2,910.05	421.96	188.71
WN	8	9	4,416.27	640.36	286.39
WN	8	11	4,416.27	640.36	286.39
WN	8	15	4,416.27	640.36	286.39
WN	8	17	5,396.06	782.43	349.93
WN	9	1	5,425.30	786.67	351.82
WN	9	3	2,939.32	426.20	190.61
WN	9	5	2,939.32	426.20	190.61
WN	9	7	2,939.32	426.20	190.61
WN	9	9	4,445.53	644.60	288.29
WN	9	11	4,445.53	644.60	288.29
WN	9	15	4,445.53	644.60	288.29
WN	9	17	5,425.30	786.67	351.82
WN	10	1	5,454.53	790.91	353.72
WN	10	3	2,968.56	430.44	192.51
WN	10	5	2,968.56	430.44	192.51
WN	10	7	2,968.56	430.44	192.51
WN	10	9	4,474.77	648.84	290.18
WN	10	11	4,474.77	648.84	290.18
WN	10	15	4,474.77	648.84	290.18
WN	10	17	5,454.53	790.91	353.72
WN	11	1	5,483.80	795.15	355.62
WN	11	3	2,997.80	434.68	194.40
WN	11	5	2,997.80	434.68	194.40
WN	11	7	2,997.80	434.68	194.40
WN	11	9	4,504.01	653.08	292.08
WN	11	11	4,504.01	653.08	292.08
WN	11	15	4,504.01	653.08	292.08
WN	11	17	5,483.80	795.15	355.62
WN	PH	8	9,870.83	1,431.27	640.11
WN	PH	9	8,408.48	1,219.23	545.28
WN	PH	10	8,408.48	1,219.23	545.28
WN	PH	11	8,408.48	1,219.23	545.28
WN	PH	12	8,408.48	1,219.23	545.28
WN	PH	14	8,408.48	1,219.23	545.28
WN	PH	15	9,870.83	1,431.27	640.11
WS	1	0	5,776.26	837.56	374.58
WS	1	2	4,796.50	695.49	311.05
WS	1	4	4,796.50	695.49	311.05
WS	1	6	4,796.50	695.49	311.05
WS	1	8	3,085.54	447.40	200.09
WS	1	10	3,085.54	447.40	200.09
WS	1	12	3,085.54	447.40	200.09
WS	1	14	5,776.26	837.56	374.58
WS	2	0	5,805.50	841.80	376.48
WS	2	2	4,825.74	699.73	312.94
WS	2	4	4,825.74	699.73	312.94
WS	2	6	4,825.74	699.73	312.94
WS	2	8	3,114.80	451.65	201.99
WS	2	10	3,114.80	451.65	201.99
WS	2	12	3,114.80	451.65	201.99

Exhibit B

Tower	Flr	Unit	2024 Assigned	2024 County	2024 Additional
			County Rent Basis \$/mo	Rent Due \$/mo	Contribution to the MCC Repairs Account \$/mo
WS	2	14	5,805.50	841.80	376.48
WS	3	0	5,834.76	846.04	378.38
WS	3	2	4,854.98	703.97	314.84
WS	3	4	4,854.98	703.97	314.84
WS	3	6	4,854.98	703.97	314.84
WS	3	8	3,144.04	455.89	203.89
WS	3	10	3,144.04	455.89	203.89
WS	3	12	3,144.04	455.89	203.89
WS	3	14	5,834.76	846.04	378.38
WS	4	0	5,864.00	850.28	380.27
WS	4	2	4,884.24	708.21	316.74
WS	4	4	4,884.24	708.21	316.74
WS	4	6	4,884.24	708.21	316.74
WS	4	8	3,173.28	460.13	205.78
WS	4	10	3,173.28	460.13	205.78
WS	4	12	3,173.28	460.13	205.78
WS	4	14	5,864.00	850.28	380.27
WS	5	0	5,893.24	854.52	382.17
WS	5	2	4,913.48	712.45	318.63
WS	5	4	4,913.48	712.45	318.63
WS	5	6	4,913.48	712.45	318.63
WS	5	8	3,202.54	464.37	207.68
WS	5	10	3,202.54	464.37	207.68
WS	5	12	3,202.54	464.37	207.68
WS	5	14	5,893.24	854.52	382.17
WS	6	0	5,922.48	858.76	384.06
WS	6	2	4,942.72	716.69	320.53
WS	6	4	4,942.72	716.69	320.53
WS	6	6	4,942.72	716.69	320.53
WS	6	8	3,231.78	468.61	209.58
WS	6	10	3,231.78	468.61	209.58
WS	6	12	3,231.78	468.61	209.58
WS	6	14	5,922.48	858.76	384.06
WS	7	0	5,951.74	863.00	385.96
WS	7	2	4,971.98	720.94	322.43
WS	7	4	4,971.98	720.94	322.43
WS	7	6	4,971.98	720.94	322.43
WS	7	8	3,261.02	472.85	211.47
WS	7	10	3,261.02	472.85	211.47
WS	7	12	3,261.02	472.85	211.47
WS	7	14	5,951.74	863.00	385.96
WS	8	0	5,980.98	867.24	387.86
WS	8	2	5,001.22	725.18	324.32
WS	8	4	5,001.22	725.18	324.32
WS	8	6	5,001.22	725.18	324.32
WS	8	8	3,290.28	477.09	213.37
WS	8	10	3,290.28	477.09	213.37
WS	8	12	3,290.28	477.09	213.37
WS	8	14	5,980.98	867.24	387.86
WS	9	0	6,010.22	871.48	389.75
WS	9	2	5,030.46	729.42	326.22
WS	9	4	5,030.46	729.42	326.22

Exhibit B

2024 County

Tower	Flr	Unit	2024 Assigned Basis \$/mo County Rent	Rent Due \$/mo	2024 Additional Repairs Account \$/mo Contribution to the MCC
WS	9	6	5,030.46	729.42	326.22
WS	9	8	3,319.52	481.33	215.27
WS	9	10	3,319.52	481.33	215.27
WS	9	12	3,319.52	481.33	215.27
WS	9	14	6,010.22	871.48	389.75
WS	10	0	6,039.49	875.73	391.65
WS	10	2	5,059.72	733.66	328.12
WS	10	4	5,059.72	733.66	328.12
WS	10	6	5,059.72	733.66	328.12
WS	10	8	3,348.76	485.57	217.16
WS	10	10	3,348.76	485.57	217.16
WS	10	12	3,348.76	485.57	217.16
WS	10	14	6,039.49	875.73	391.65
WS	11	0	6,068.73	879.97	393.55
WS	11	2	5,088.96	737.90	330.01
WS	11	4	5,088.96	737.90	330.01
WS	11	6	5,088.96	737.90	330.01
WS	11	8	3,378.02	489.81	219.06
WS	11	10	3,378.02	489.81	219.06
WS	11	12	3,378.02	489.81	219.06
WS	11	14	6,068.73	879.97	393.55
WS	PH	1	10,602.00	1,537.29	687.52
WS	PH	2	9,139.65	1,325.25	592.69
WS	PH	3	9,139.65	1,325.25	592.69
WS	PH	4	9,139.65	1,325.25	592.69
WS	PH	5	9,139.65	1,325.25	592.69
WS	PH	6	9,139.65	1,325.25	592.69
WS	PH	7	10,602.00	1,537.29	687.52
Monthly Total			\$2,663,850	\$386,258	\$172,747
Annual Total			\$31,966,200	\$4,635,099	\$2,072,959

EXHIBIT C

Form of Joinder

JOINDER

The undersigned Marina City Club Condominium Owners Association (the "COA") acknowledges and agrees as follows to and for the benefit of County and Lessee:

1. The COA is not a party to or a third-party beneficiary of the Lease or the Amendment, and is executing this Joinder solely for the purposes of evidencing the undersigned's acknowledgement of, approval and agreement to the matters set forth in the attached Amendment No. 10 to the Second Amended and Restated Lease, with the understanding that Lessee and County are relying upon the covenants of the COA set forth in the Amendment and Paragraph 4 of Exhibit "A," in entering into this Amendment.

MARINA CITY CLUB CONDOMINIUM OWNERS
ASSOCIATION,
a California nonprofit mutual benefit corporation

Dated: _____

By: _____
Name: _____
Its: _____

Dated: _____

By: _____
Name: _____
Its: _____