

Recording requested by
and when recorded return to:

CITY OF REDONDO BEACH
415 Diamond Street
Redondo Beach, CA 90277
Attn: City Clerk

No Recording Fee
Exempt pursuant to Government Code § 6103

**First Amendment to Lease
City of Redondo Beach and Portofino Hotel Partners, L.P.**

This First Amendment to Lease ("First Amendment") is made and entered into as of the 5TH day of AUGUST, 2014, by and between the City of Redondo Beach, a chartered municipal corporation ("Lessor") and Portofino Hotel Partners, L.P., a California Limited Partnership ("Lessee").

WHEREAS, Lessor and Lessee entered into a certain Lease dated as of April 1, 2006 (the "Lease"), for certain real property, including the improvements now located or in the future to be located thereon and the appurtenances related thereto, located in Los Angeles County, City of Redondo Beach, California as more particularly described on Exhibit "A" attached hereto and made a part hereof ("Real Property");

WHEREAS, the schedule displaying rates for "Percentage Rental" set forth on Exhibit "C" of the Lease is subject to renegotiation every five (5) years; and

WHEREAS, pursuant to the terms of Section 5.9 of the Lease, the parties have renegotiated the rates and desire to amend Exhibit "C" of the Lease, effective as of April 1, 2012.

NOW, THEREFORE, Lessor and Lessee hereby agree that the Lease shall be amended as follows:

1. Exhibit "C" to the Lease setting forth the rates for Percentage Rental is hereby amended as set forth in the attached Exhibit "C", effective as of April 1,

C06-022-1



2012, with a retroactive cash adjustment payment due as required under paragraph 5.9(c) the Lease.

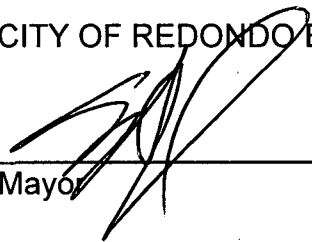
2. Except as expressly provided herein, all terms and provisions of the Lease shall remain unchanged and shall continue in full force and effect. In the event of any inconsistency between this First Amendment and the Lease, this First Amendment shall prevail. This First Amendment may be modified or amended only by a subsequent writing executed by all of the parties.

3. The parties signing below warrant and represent that they are duly authorized to enter into and execute this First Amendment on behalf of their respective principals.

IN WITNESS WHEREOF, the undersigned have executed this First Amendment as of the date set forth above.

LESSOR:

CITY OF REDONDO BEACH



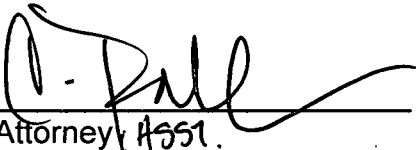
Mayor

ATTEST:



City Clerk

APPROVED AS TO FORM:

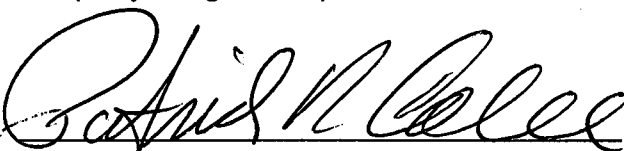


City Attorney #1951

LESSEE:

PORTOFINO HOTEL PARTNERS, L.P.
a California Limited Partnership

By: Portofino GP LLC, A Delaware limited liability company, its general partner

By: 

Name: PATRICK R. COLEE

Title: CHAIRMAN



State of California }
County of Los Angeles } ss.

On August 12, 2014, before me,
J. Espinoza, a Notary Public, personally
appeared, Steve Aspel, who proved to me
on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they
executed the same in his/her/their authorized capacity(ies), and that by
his/her/their signature(s) on the instrument the person(s), or the entity upon
behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California
that the foregoing paragraph is true and correct

WITNESS my hand and official seal.

Signature [Handwritten Signature]
(seal)



State of ~~California~~ Washington }
County of ~~Los Angeles~~ King } ss.

On June 24, 2014, before
me, Donna J. Repp, a Notary Public, personally
appeared, Patrick R. Colee, who proved to me
on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they
executed the same in his/her/their authorized capacity(ies), and that by
his/her/their signature(s) on the instrument the person(s), or the entity upon
behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California
that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Donna J. Repp
(seal)

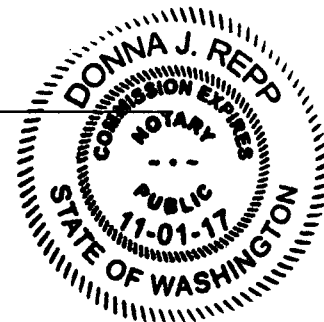


Exhibit "A"

Real Property Description

Legal Description

Real property in the City of Redondo Beach, County of Los Angeles, State of California, described as follows:

That certain parcel of land in the city of Redondo Beach, county of Los Angeles, state of California, more particularly described as follows:

Beginning at a point on an Official Los Angeles County Surveyor's Transit Line which line is described in Los Angeles County Surveyor's Field Book 2100 Pages 21 and 22 and which point is designated as S-12, a point on said Transit Line; thence North 20 degrees 45' 03" West 261.37 feet to a point on the said Transit Line; thence North 77 degrees 23' 54" East 200.97 feet to a point, which point is designated H-1, said H-1 also being South 65 degrees 43' 19" East 46.82 feet from the intersection of the centerline of Hemosa Avenue and the centerline of Tenth Street, as said intersection is shown on the map of Tract 1326, recorded in Book 18 Page 67 of Maps, records of said county and as said intersection is shown in Los Angeles County Surveyor's Field Book No. 1589 Page 134, in the office of the county engineer of said county; thence South 24 degrees 59' 36" East 516.87 feet; thence South 24 degrees 24' 43" East 509.95 feet to a point which point is designated H-2; thence South 27 degrees 07' 16" East 615.37 feet to a point; which point is designated H-3; thence South 65 degrees 54' 45" West 247.41 feet to a point, which point is designated H-8; thence South 16 degrees 39' 50" East 956.81 feet to a point, which point is designated H-10; thence South 73 degrees 21' 10" West 716.01 feet to a point, which point is designated H-11; thence South 58 degrees 09' 30" West 61.05 feet to the true point of beginning; thence South 31 degrees 44' 19" East 172.15 feet, to the beginning of a tangent curve concave Northeasterly and having a radius of 60 feet; thence Southeasterly, along said curve through a central angle of 74 degrees 54' 31", for an arc distance of 78.44 feet; thence tangent to said last mentioned curve, North 73 degrees 21' 10" East 117.50 feet; thence North 16 degrees 38' 50" West 276.60 feet; thence North 73 degrees 21' 10" East 196.69 feet; thence North 16 degrees 38' 40" West 45.00 feet; thence South 73 degrees 21' 10" West 50.00 feet; thence North 16 degrees 38' 40" West 910.87 feet; thence South 73 degrees 21' 20" West 287.01 feet; thence South 16 degrees 38' 40" East 50.00 feet; thence South 73 degrees 21' 20" West 127.94 feet; thence South 32 degrees 44' 55" West 50.32 feet; South 57 degrees 15' 05" East 36.00 feet; thence South 32 degrees 44' 55" West 65.00 feet; thence South 57 degrees 15' 5" East 40.00 feet; thence South 32 degrees 44' 55" West 112.15 feet to the beginning of a tangent curve concave Easterly and having a radius of 60.00 feet; thence Southeasterly along said curve through a central angle of 64 degrees 29' 14" for an arc distance of 67.54 feet; thence tangent to said last mentioned curve South 31 degrees 44' 19" East 730.15 feet to the true point of beginning.

APN: 8940-262-007 and 7503-008-907

ALL
COMMONLY KNOWN AS 260 Portofino Way, Redondo Beach, California 90277-2092

Exhibit "C"
Percentage Rental Rates

Item	Category	Percentage Rate
1	Boat slips	25.5%
2	Storage Lockers	25.5%
3	Boat Brokerage -% of gross commissions	15.0%
4	Sale of new boats: a. on 1 st \$400,000 per yr. b. on 400,000 - 600,000 per yr. c. on excess of \$600,000 per yr.	a. 1.0% b. 1.25% c. 1.5%
5	Sale of used boats	1.0%
6	Retail sale of marine hardware, accessories, paint, part, tackle	8.0%
7	Vending machines	9.0%
8	Marine insurance	5.0%
9	Service afloat	50.0%
10	Apartments	10.5%
11	Hotel and motel rooms	7.5%
12	Packaged liquor, beer & wine	5.0%
13	Office space	10.0%
14	Fuel, marine service station	5.5%
15	Bait, tackle, ice, sundries & other supplies	5.5%
16	Restaurant & bar	3.5%
17	Retail sales of sportswear, clothing & souvenirs	5.0%
18	Paid parking	30.0%
19	Laundry valet	50.0% of discount allowed Lessee
20	Guest Telephone	0.1%
21	Slip late fees	25.5%
22	Transportation for food from restaurant	3.5%
23	Car rental commission	50.0%
24	Sailing Lessons	7.5%
25	Boat & Motor rental a. w/out motor, dry stored b. w motor, dry stored	a. 20.0% b. 12.5%

