

FIRST AMENDMENT TO LEASE
BETWEEN THE
CITY OF REDONDO BEACH
AND
SUNRISE-HARBOR, LTD.

This FIRST AMENDMENT TO LEASE (this "Amendment") dated for reference purposes as of June 1, 2021 (the "Effective Date"), is made by and between CITY OF REDONDO BEACH ("Lessor") and SUNRISE-HARBOR, LTD., a California limited partnership ("Lessee"). with regard to the following:

Recitals

A. Lessor and Lessee are parties to that certain Lease entered into and effective as of December 18, 2013 (the "Lease"). Unless otherwise expressly stated herein, any term defined in the Lease and used in this Amendment shall have the same meaning herein as given in the Lease.

B. Lessor and Lessee desire to amend the Lease to delete and remove the FF&E Fund from the Lease and to confirm the release of existing funds in the FF&E Fund to the Lessee.

NOW, THEREFORE, for and in consideration of the mutual promises herein contained, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Amendment.**

The Lease is hereby amended to delete and remove the FF&E Fund from the terms and conditions of the Lease. To further implement the foregoing:

(i) Section 1.1 (v) "FF&E Fund" of the Lease is hereby amended by deleting it in its entirety and substituting the following in its place:

"(v) Omitted"

(ii) Section 1.1 (rr) "Net Sales Proceeds" of the Lease is hereby amended by deleting the words "or FF&E Fund".

(iii) Section 9.3 "FF&E" Fund" of the Lease is hereby amended by deleting it in its entirety and substituting the following in its place:

"9.3 Omitted"

2. **Release of FF&E Fund.**

The parties acknowledge that Lessor has allowed previous disbursements of the FF&E Fund for operating expenses by Lessee in connection with the COVID 19 pandemic and to the extent such disbursements were a default under the Lease, such default is waived by Lessor. Concurrent with

the mutual execution of the Amendment, any funds remaining in the FF&E Fund shall be released to Lessee and the Lessor shall no longer have any rights to such funds.

3. **Effect of Amendment.**

Except to the extent the Lease is amended and modified by this Amendment, the remaining terms and conditions of the Lease shall remain unmodified and in full force and effect. In the event of conflict between the terms and conditions of this Amendment and the terms and conditions of the Lease, the terms and conditions of this Amendment shall prevail and control.

4. **Counterparts; Facsimile or PDF Signatures.**

This Amendment may be executed in one or more counterparts, each of which shall be deemed an original but all of which, taken together, shall constitute one and the same instrument. Counterparts may be exchanged by pdf e-mail and this Amendment shall be effective upon such exchange by the parties of such pdf e-mail.

[Signatures Appear on the Following Page]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the date set forth above.

LESSOR
CITY OF REDONDO BEACH, a chartered city
and municipal corporation

By: William C. Brand
Its: Mayor

ATTEST:


By: Eleanor Manzano
Its: City Clerk

APPROVED A TO FORM:

By: Michael W. Webb
City Attorney

LESSEE
SUNRISE-HARBOR, LTD., a California limited
partnership

By: INVEST WEST FINANCIAL III, LLC, a
California limited liability company,
General Partner

By: _____
Matthew D. Marquis, Manager

By: ABEL REALTY CO., INC., a California
corporation, General Partner

By: _____
Harry R. Abelson, President

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corporation General Partner

By:  _____
Harry R. Abelson, President