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THE CITY OF SAN DIEGO

April 24, 2014

Mr. P. Michael Gerhardt  
Director Real Estate Assets  
Kaufman Financial Group  
200 Kaufman Financial Group  
30833 Northwestern Hwy  
Farmington Hills, MI 48334

Reference: Lease between the City of San Diego and Ruffin - SD, LLC  
9370 Chesapeake Drive, San Diego, CA 92123

Dear Mike:

The lease agreement between the City of San Diego and Ruffin - SD, LLC is expiring on May 31, 2014. The City confirms that the parties have agreed to the City remaining on a month-to-month lease agreement until such time as the City Council approves the lease extension.

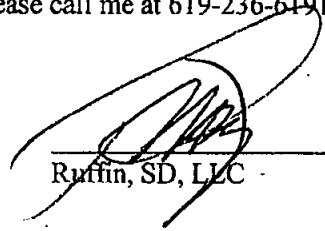
It is understood that the City will continue to pay the current monthly rent of \$33,575.01 plus electricity and CAM expenses over base year now equaling \$1,473.44 until the lease is approved by City Council which, at this time, the date is unknown.

Once the City Council approves the lease extension with the rental amount of \$25,884.00, subject to terms of the Second Amendment, the new lease terms will be retroactive to June 1, 2014. At that time, the City will be credited the difference each month between the former \$33,575.01 rent plus CAM paid and the new rent of \$25,884.00 plus electricity subject to the terms of the Second Amendment. Therefore, \$33,575.01-\$25,884.00 equals \$7,691.01 plus CAM paid. This amount will be taken as a rent credit each month until fully exhausted.

After your review and approval, please sign below and return an original to me. In the meantime, if you have any questions, please call me at 619-236-6191.

Sincerely,

  
Brad Bennett  
Asset Manager, City of San Diego

  
Ruffin, SD, LLC

4-25-14  
Date

BB/cb

cc: Ms. Kristin Geitz, Interim Real Estate Assets Director  
Ms. Mary Lou Houghton, Property Agent

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**Real Estate Assets Department**  
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