

Department of Real Estate and Airport Management

September 8, 2021

Mr. Robert Haskell
Vice President, Operations
Surf Cup Sports, LLC
2037 Park Dale Lane
Encinitas, CA 92024-4325

**RE: CITY OF SAN DIEGO "PERCENTAGE GROUND LEASE" DATED JULY 25, 2016,
FILED WITH THE OFFICE OF THE CITY CLERK AS DOCUMENT NUMBER RR-
310619 ("Lease")**

Dear Mr. Haskell:

Pursuant to our ongoing discussions regarding deferment of Rent due and payable under the above referenced Lease for the real property located 14555 El Camino Real, located in the City of Del Mar, County of San Diego and State of California, this second letter agreement ("Letter Agreement II") confirms that Surf Cup Sports, LLC, a California limited liability company ("Lessee") and the City of San Diego ("City") agree as follows:

1. Lessee's Percentage Rent in the amount of Twelve Thousand Seven Hundred Fifty-Two and 50/100 dollars (\$12,752.50) due and payable for the period commencing January 1, 2020 and expiring December 31, 2020 after the completion of the City's audit ("Deferred Percentage Rent Period") shall be deferred. Accordingly, the total amount of Rent attributable to the Deferred Percentage Rent Period that shall be deferred (collectively, "Deferred Percentage Rent") is Twelve Thousand Seven Hundred Fifty-Two and 50/100 dollars (\$12,752.50).
2. Lessee shall repay the Deferred Percentage Rent in twenty-two (22) equal monthly installments of Five Hundred Seventy-Nine and 66/100 dollars (\$579.66) commencing September 1, 2021, with the final payment being due on June 1, 2023.
3. Lessee's monthly installment of Deferred Percentage Rent shall be due and payable on or before the first day of each calendar month and shall be paid in conjunction with the normally scheduled Rent under the Lease.
4. Provided that Lessee timely complies with the repayment schedule detailed above, the City shall not assess any late fees applicable to the Deferred Percentage Rent, nor shall the Deferred Percentage Rent accrue any interest.

Department of Real Estate and Airport Management

Page 2

Mr. Robert Haskell

September 8, 2021

5. All capitalized terms not specifically defined in this Letter Agreement II shall have the same meaning as defined in the Lease.
6. This Letter Agreement II sets forth the parties' understanding with respect to Lessee's repayment to the City of the Deferred Percentage Rent and is not intended as an amendment or modification of the Lease.
7. Each person signing this Letter Agreement II warrants and represents that he or she has the full right and authority to enter into this Letter Agreement II, and to fully bind said persons to the terms and conditions defined within this Letter Agreement II.
8. This Letter Agreement II may be executed in one or more counterparts, each of which counterparts shall constitute an original and all of which counterparts together shall one constitute one and the same Letter Agreement II.

IN WITNESS WHEREOF, the parties have signed this Letter Agreement II effective on the date set forth below.

SURF CUP SPORTS, LLC,
a California limited liability company

By: _____

Robert Haskell
Vice President, Operations

Date: 9/21/21

THE CITY OF SAN DIEGO,
a California municipal corporation

By: _____

Penny Maus, Director
Real Estate Assets Department

Date: 9-22-21