June 1, 2021

Nicole McGinnis
Real Estate Assets Department
City of San Diego
1200 Third Avenue, Suite 1700-MS51
San Diego, CA 92101

RE: CITY OF SAN DIEGO PERCENTAGE LEASE WITH THE LODGE AT TORREY PINES PARTNERSHIP, a CALIFORIA LIMITED PARTNERSHIP ("Lessee"), DATED JUNE 5, 1995, AS AMENDED AND FILED WITH THE CITY CLERK AS DOCUMENT NUMBER 00-18172, ("Lease")

Dear Ms. McGinnis:

Pursuant to City of San Diego proposal regarding deferment of Rent due and payable under the above referenced Lease for the real property located at 11480 N. Torrey Pines Road, located in the City of San Diego, County of San Diego and State of California, this letter agreement ("Letter Agreement") confirms that Lessee and the City of San Diego ("City") agree as follows:

1. Portions of the Lessee's Minimum Rent in the amount of One Hundred Ninety-Six Thousand, Three Hundred Forty-Four Dollars ($196,344.00) per month due and payable for the period commencing March 1, 2020 and expiring June 30, 2021 ("Deferred Rent Period") shall be deferred. Accordingly, the total amount of Rent attributable to the Deferred Rent Period that shall be deferred (collectively, "Deferred Rent") is Two Million, Three Hundred Eighty-Nine Thousand, Eight Hundred Fifty-Eight Dollars and Fifty-Four Cents. ($2,389,858.54).

2. Lessee shall repay the Deferred Rent in twenty-four (24) equal monthly installments of Ninety-Nine Thousand, Five Hundred Seventy-Seven Dollars and Forty-Four Cents ($99,577.44) commencing July 1, 2021, with the final payment being due on June 1, 2023.

3. Lessee's monthly installment of Deferred 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 Rent, nor shall the Deferred Rent accrue any interest.

5. Lessee may repay in full the deferred rents owed prior to the expiration date and will not be assessed any penalty by the City for early repayment of the obligation.

6. All capitalized terms not specifically defined in this Letter Agreement shall have the same meaning as defined in the Lease.

7. This Letter Agreement sets forth the parties' understanding with respect to Lessee's repayment to the City of the Deferred Rent and is not intended as an amendment or modification of the Lease.

8. Each person signing this Letter Agreement warrants and represents that he or she has the full right and authority to enter into this Letter Agreement, and to fully bind said persons to the terms and conditions defined within this Letter Agreement.

9. This Letter Agreement may be executed in one or more counterparts, each of which counterparts shall constitute an original and all of which counterparts together shall constitute one and the same Letter Agreement.

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

LESSEE
The Lodge at Torrey Pines Partnership,
a California limited partnership

By: Anne L Evans
Anne L. Evans

Its: Managing General Partner

Date: 6-3-21

THE CITY OF SAN DIEGO, a California municipal corporation

By: _____
Penny Maus, Director
Real Estate Assets Department

Date: 6-28-21

Copy: Robert H. Gleason, President and Chief Executive Officer
Julia De Beers, Chief Administrative Officer and General Counsel
Scott Ward, Vice President, Finance