

March 2, 2020

Attn: Susan Casagrande
Torrey Pines Club Corp.
11480 N. Torrey Pines Road
La Jolla, CA 92037

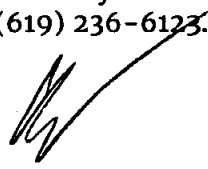
Dear Susan:

Reference: Renewal Option – Percentage Lease Between The City of San Diego and Torrey Pines Club Corp. Dated March 30, 1987 – Document No. RR-267979 (as Amended) in the Office of the City Clerk

This is to acknowledge receipt of your letter dated February 11, 2020 exercising the option to extend the term of your lease for and additional ten (10) years pursuant to Section 2 Paragraph 2.01 Term of the lease.

Pursuant the Section 2 Paragraph 2.01, the City acknowledges that the requirement of Section 2 Paragraph 2.01 have been satisfied. The lease termination date has been extended from December 31, 2022 to December 31, 2032 and all other terms and conditions remain the same.

Should you have any questions, please contact Pierre Saladin, Supervising Property Agent at (619) 236-6123.



Cybele L. Thompson, RPA, FMA, CCIM, LEED AP
Director

Enclosure

cc: Andy Field, Director, Parks and Recreation
Mark Marney, Deputy Director Golf Operations
CaSundra Perry, Asset Manager, Real Estate Assets
Pierre Saladin, Supervising Property Agent, Real Estate Assets

TORREY
PINES
CLUB
CORPORATION

02-13-20A08:14 RCVD

February 11, 2020

Via Hand Delivery and Federal Express

City of San Diego
Real Estate Assets Department
Attention: Cybele Thompson, Real Estate Assets Director
City Administration Building
1200 Third Avenue, Suite 1700 (M.S. 51A)
San Diego, CA 92101

RE: Exercise of Renewal Option

Dear Ms. Thompson,

The City of San Diego, a California municipal corporation (“CITY”), as lessor, and Torrey Pines Club Corporation, a California corporation f/k/a Vincent McKee Sports, Inc. (“TPCC”), as lessee, are parties to that certain PERCENTAGE LEASE AGREEMENT dated March 30, 1987, and filed in the Office of the San Diego City Clerk as Document No. RR-267979 (the “**Original Lease**”).

Subsequent to the Original Lease, CITY and TPCC are parties to that certain FIRST AMENDMENT TO LEASE, adopted January 16, 1990, and filed in the Office of the San Diego City Clerk as Document No. RR-274980 (the “**First Amendment**”); the SECOND AMENDMENT TO LEASE AGREEMENT, adopted on August 2, 1993, and filed in the Office of the San Diego City Clerk as Document No. RR-282439 (the “**Second Amendment**”), the THIRD AMENDMENT TO LEASE AGREEMENT, adopted on April 7, 2015, and filed in the Office of the San Diego City Clerk as Document No. RR-309584 (the “**Third Amendment**”), and FOURTH AMENDMENT TO LEASE adopted on January 31, 2018, and filed in the Office of the City Clerk of the City as Document No. RR-31151 (the “**Fourth Amendment**”, together with the First Amendment, Second Amendment and Third Amendment, the “**Subsequent Amendments**”).

In addition, the CITY and TPCC also executed that certain Memorandum of Understanding pertaining to the Original Lease, accepted by the City Attorney on November 4, 1991, and CITY, pursuant to letter dated February 4, 2010, acknowledged that the Lease termination date had been extended to December 31, 2022, pursuant to TPCC’s exercise of its first ten (10) year renewal option pursuant to a letter dated January 7, 2010 (collectively, the “**Written Understandings**”, and collectively with the Original Lease and the Subsequent Amendments, the “**Lease**”).

Under Lease Section 2.01 as replaced in its entirety in the Fourth Amendment, “The term of this agreement [i.e., the Lease] shall commence on January 1, 1988, and shall be twenty-five (25) years, with two (2) ten (10) year extension options. These options must be exercised by the Lessee no later than

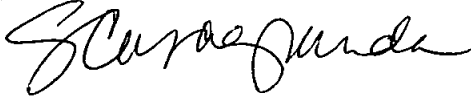
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Real Estate Assets Department
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twenty-four (24) months prior to the expiration of the then current term of the lease and no sooner than thirty-six (36) months before the expiration of the then current term of the lease.” [Clarification Added]

TPCC hereby exercises its second ten (10) year renewal option described in Lease Section 2.01 as replaced in its entirety in the Fourth Amendment.

We look forward to our continued relationship.

Regards,

A handwritten signature in black ink, appearing to read "Susan Casagrande", written in a cursive style.

Susan Casagrande
President and CEO

cc: Barry Slotten
Asset Manager
City of San Diego
Real Estate Assets Department
1200 3rd Ave., Suite 1700 (M.S. 51A)
San Diego, CA 92101