



THE CITY OF SAN DIEGO

January 24, 2012

Todd Alexander
Alexander Construction and Home Inspection
d.b.a. Downtown Johnny Brown's
1220 Third Ave.
San Diego, CA 92101

Reference: Lease Agreement with City of San Diego (City) dated May 21, 2002, filed with the City Clerk, Document #RR-296518 – Property Inspection

Dear Mr. Alexander:

This is to acknowledge receipt of your letter dated November 29, 2011 exercising the option to extend the term of your lease for an additional five (5) year period pursuant to Section 2.3 Right to Extend. Section 2.3 Right to Extend states that "Provided that Lessee is not in default of this Lease, Lessee has the right to extend the Lease Term for one (1) 5-year period, subject to all original agreements, considerations, covenants, and conditions, except that the rent shall be adjusted in the following manner: Percentage Rent of seven percent (7%) for Food, Beverage and Alcohol". Therefore, your lease term will be extended from May 31, 2012 to May 31, 2017 and effective June 1, 2012 percentage rent for food, beverage and alcohol will be increased from 6.5% to 7%.

Thank you for your cooperation in this matter. If you have any questions, I can be reached at (619) 236-6766.

Sincerely,

Patti D. Phillips
Supervising Property Agent

PDP/cb

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Real Estate Assets

1200 Third Avenue, Suite 1700, MS 51A • San Diego, CA 92101-4199
Tel (619) 236-6020 Fax (619) 236-6706

November 29, 2011

Via Certified Mail

City of San Diego Real Estate Assets
1200 Third Ave., Suite 1700
San Diego, CA 92101

RE: Downtown Johnny Browns / Alexander

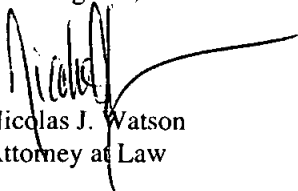
Dear Sir or Madam:

This firm represents Todd Alexander, the owner and operator of Downtown Johnny Brown's restaurant and bar in the San Diego Civic Center. Mr. Alexander has requested that we contact you regarding a potential extension of the current lease ("Lease") for the Downtown Johnny Brown's premises.

Section 2.3 of the existing Lease provides the Lessee with the right to extend the Lease for an additional five year period. Please accept this letter as written notification that Mr. Alexander hereby exercises his right to the five year extension.

Should you have any questions, please feel free to contact me.

Best Regards,



Nicolas J. Watson
Attorney at Law