



THE CITY OF SAN DIEGO

November 6, 2002

VIA CERTIFIED MAIL# 7001 2510 0005 4182 7030
AND FIRST CLASS MAIL

Ms. Bella Heule
President/CEO
World Trade Center Association San Diego
1250 Sixth Avenue, Ste. 100
San Diego, CA 92101

NOTICE OF THE LEASE (PORTION) TERMINATION

Reference: Retail/Office Space (5,750 square feet) of Lease Agreement
City of San Diego and World Trade Center Association San Diego, Dated
November 16, 1995, Document Number C-06659

Pursuant to Section 6, Holdover of the Lease between City of San Diego, as Lessor and World Trade Center Association San Diego, as Lessee, the City of San Diego has the right to terminate the holdover tenancy at will.

This notice shall serve as the City of San Diego's thirty (30) day written notice to World Trade Center Association San Diego to terminate a portion of the Lease, commonly known as the Retail/Office space (5,750 square feet) as shown on Exhibit A to be effective December 13, 2002.

Please contact Christy Novins, RPA, Property Agent at (619) 236-6191 if you have any questions regarding this termination.

Sincerely,

Tim Rothans
Deputy Director

CAN/cj

Attachment

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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

Bookstore Plan



A Street

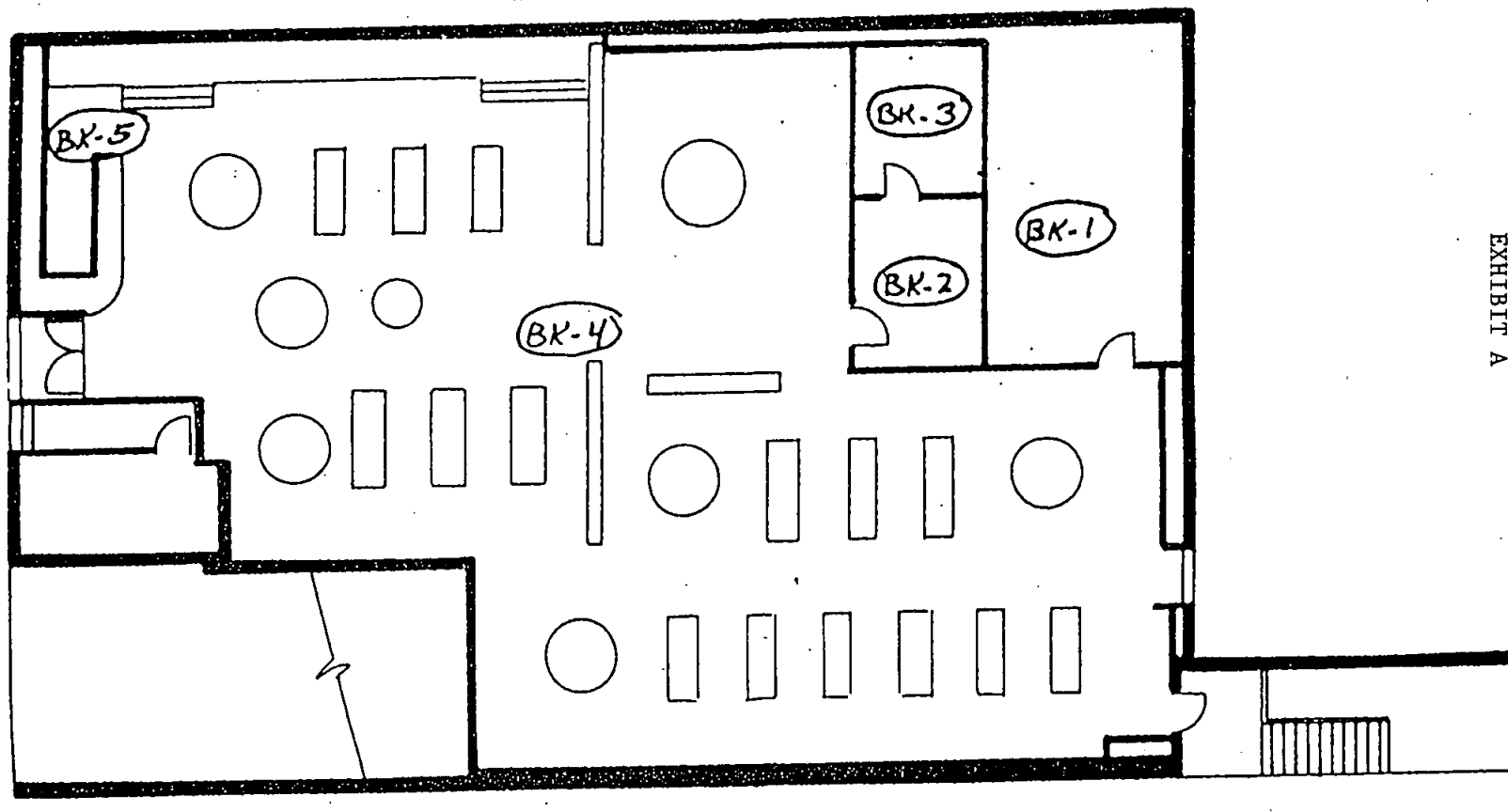


EXHIBIT A

1/16" = 1'0"

68/6

CONSENT TO SUBLEASE AGREEMENT

The City of San Diego (CITY), as LESSOR under that certain Lease Agreement (Master Lease) entered into with

The World Trade Center Association

(LESSEE) and filed in the Office of the City Clerk as Document C-06659, hereby consents to that certain Sublease Agreement between the above LESSEE (SUBLESSOR) and

The Benjamin Franklin Institute of International Merchants

(SUBLESSEE) dated April 1, 1996. Said Sublease shall be subordinate to the Master Lease in all respects. The CITY is merely approving the SUBLESSEE and the proposed use, and all terms and conditions of the Master Lease shall control and supersede any inconsistent or contrary provisions in the Sublease. The CITY is not bound by any term or condition in the Sublease which in any way conflicts with or is additional to the provisions of the Master Lease.

In addition, this consent is subject to the following conditions:

ASSIGNMENT AND SUBLEASING. Sublessee shall not assign this Lease or sublet the premises or any part thereof without the prior written consent of Lessee and the City of San Diego, hereinafter, "City." An assignment by operation of law shall automatically terminate this Lease.

HOLD HARMLESS. Sublessee shall assume the defense of, indemnify and save harmless Lessee and City from all claims, expenses and liability of every nature, directly or indirectly arising from, or alleged to have arisen from the operations conducted on the leased premises or from any act or omission of Sublessee, his agents and invitees.

INSURANCE. Sublessee shall be insured by the insurance carrier of the Sublessor in order to insure the City against loss from public liability arising from the use or condition of or operation conducted on the leased premises. Minimum coverage shall be \$1 million COMBINED SINGLE LIMIT LIABILITY, with an occurrence claims form. A copy of the policy of insurance shall be filed with City and shall name "THE CITY OF SAN DIEGO" as an additional insured. Said policy shall specify that the policy may not be terminated, altered or canceled without 30 days prior written notice to City by the insurance company.

LEGAL PROCEEDINGS. Should it become necessary for Lessee or City to commence legal proceedings to collect rent, to recover possession or enforce any other provision of this lease, Sublessee agrees to pay all legal costs in connection therewith, including a reasonable sum as attorney's fees.

SUBORDINATION. This agreement is in effect a sublease of a portion of the premises covered by that certain Lease Agreement dated October 1, 1994, between the sublessor herein and the City of San Diego. This sublease is subject and subordinate to the covenants and conditions of said Lease Agreement notwithstanding any provision hereof contrary to or in conflict with said agreement.

Alterations.

THE CITY OF SAN DIEGO

Dated _____

By _____
Jane E. Vickers, Supervisor
Asset Marketing

APPROVED AS TO FORM AND LEGALITY HERewith ON THIS _____
DAY OF 1996.

JOHN W. WITT, City Attorney

Dated _____

By _____
Harold O. Valderhaug
Chief Deputy City Attorney

SA:rc
03/13/96
I:\WPO\1996\AFSHAR\LEASES\SLA-FRAN.WPD

LEASE AGREEMENT
BETWEEN
THE CITY OF SAN DIEGO

AND

THE WORLD TRADE CENTER ASSOCIATION OF SAN DIEGO

DOCUMENT NO. **C-06659**
FILED Nov 16 1995
OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

LEASE AGREEMENT
BETWEEN
THE CITY OF SAN DIEGO

AND

THE WORLD TRADE CENTER ASSOCIATION OF SAN DIEGO

LEASE OUTLINE

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WORLD TRADE CENTER SAN DIEGO LEASE

THIS LEASE AGREEMENT is executed between the CITY OF SAN DIEGO, a municipal corporation, hereinafter called ("CITY") and World Trade Center Association of San Diego hereinafter called ("LESSEE") which is granted for the consideration hereinafter recited:

CITY leases to LESSEE and LESSEE leases from City certain space for the purposes of conducting LESSEE's business.

1. Location. World Trade Center San Diego hereinafter called "Building" located at 1250 Sixth Avenue, San Diego California.
2. Space Leased. The 1st floor, also known as Suite 100, consisting of approximately 3,453 rentable square feet and 5,750 square feet of Retail/Office space as shown on the attached floor plan shown as Exhibit A, herinafter called "Premises".
3. Use of Premises. World Trade Center, international trade, import/export, business/economic development, translation/travel/legal services, or other related uses as determined by CITY.
4. Term of Lease. The term of this lease shall be three (3) years. The Commencement date of this lease shall be October 1, 1994. This lease shall terminate on September 30, 1997.
5. Early Termination. This lease may be terminated by CITY with 30 days prior written notice to LESSEE, upon the occurrence of any one of the following events;
 - A) If by the mutual consent of both parties, City Council and LESSEE agree that LESSEE should relocate out of the Building to alternative office space, or
 - B) If the Port of San Diego and the City Council agree to relocate the Building's present designation as the "World Trade Center San Diego", or
 - C) If the Sudden and Severe Economic Dislocation Defense Adjustment Implementation Project Grant #07-49-02681, adopted by the City Council on October 25, 1994 by Resolution R-282856 hereinafter called "Grant", is not extended beyond September 30, 1996.
6. Holdover. Any holding over by LESSEE after expiration or termination shall not be considered as a renewal or extension of this lease. The occupancy of the premises after the expiration or termination of this agreement constitutes a month-to-month tenancy, and all other terms and conditions of this agreement shall continue in full force and effect;

provided, however, CITY shall have the right to apply a reasonable increase in rent to bring the rent to fair market value and to terminate the holdover tenancy at will.

7. Rent. Under the terms and conditions of the Grant, City hereby waives all rental payments during the term of this lease. Not inclusive of any services provided by CITY and or services or payments due CITY, the value of rental payments being waived herein are based on the initial rent of \$1.05 per square feet in the amount of 6,673 rentable square feet, with a 4% annual rental increase, beginning with the first anniversary of the commencement date and on each anniversary date thereafter, including any extension thereof. *RJC*
- a. Any statement of square footage set forth in this lease, or that may have been used in any calculation of rental charges is an approximation which CITY and LESSEE agree is reasonable.
8. Services. Services and uses provided by CITY and included in the monthly rent:
- a. Exclusive right to occupy space leased.
- b. Non-exclusive right to utilize common areas including reception area, conference rooms (subject to prior reservation), hallways, walkways, and restrooms.
- c. Utilities during normal business hours as defined by CITY.
- d. Janitorial services five nights per week.
- e. Listing in lobby directory, if available.
9. Indemnity. LESSEE agrees to defend, indemnify, protect, and hold the CITY, its agents, officers, and employees harmless from and against any and all claims asserted or liability established for damages or injuries to any person or property, including injury to LESSEE'S employees, invitees, guests, agents, or officers, which arise out of or are in any manner directly or indirectly connected with the development or operation of the leasehold or the work and operations to be performed under this agreement, and all expenses of investigating and defending against same; provided, however, that LESSEE'S duty to indemnify and hold harmless shall not include any claims or liability arising from the established active negligence, sole negligence, or sole willful misconduct of the CITY, its agents, officers, or employees.
10. Insurance.
- a. LESSEE shall take out and maintain at all times during the term of this lease the following insurance at its sole expense:
- (1) Public liability and property damage insurance in the amount of not less than One Million Dollars (\$1,000,000) Combined Single Limit Liability with an occurrence claims form. This policy shall cover all injury or damage, including death, suffered by any party or parties from acts or

failures to act by CITY or LESSEE or by authorized representatives of CITY or LESSEE on or in connection with the use or operation of the Premises.

- (2) Fire, extended coverage, and vandalism insurance policy on all insurable property on the Premises in an amount to cover 100 percent of the replacement cost. Any proceeds from a loss shall be payable jointly to CITY and LESSEE. The proceeds shall be placed in a trust fund to be reinvested in rebuilding or repairing the damaged property. If there is a mortgage or trust deed on the leasehold the proceeds may be paid to the approved mortgagee or beneficiary so long as adequate provision reasonably satisfactory to CITY has been made in each case for the use of all proceeds for repair and restoration of damaged or destroyed improvements on the Premises.

b. LESSEE's responsibility to maintain said insurance also includes the following:

- (1) Additional Insured. All insurance policies will name CITY as an additional insured, protect CITY against any legal costs in defending claims, and will not terminate without sixty (60) days' prior written notice to CITY. All insurance companies must be satisfactory to CITY and licensed to do business in California. All policies will be in effect on or before the first day of the lease, except "course of construction fire insurance" shall be in force on commencement of all authorized construction on the Premises, and full applicable fire insurance coverage shall be effective upon completion of each insurable improvement. A copy of the insurance policy will remain on file with CITY during the entire term of the lease. At least thirty (30) days prior to the expiration of each policy, LESSEE shall furnish a certificate(s) showing that a new or extended policy has been obtained which meets the terms of this lease.
- (2) Modification. CITY, at its discretion, may require the revision of amounts and coverages at any time during the term by giving LESSEE sixty (60) days' prior written notice. CITY'S requirements shall be designed to assure protection from and against the kind and extent of risk existing on the Premises. LESSEE also agrees to obtain any additional insurance required by CITY for new improvements, in order to meet the requirements of this lease.
- (3) Accident Reports. LESSEE shall report to CITY any accident causing more than Ten Thousand Dollars (\$10,000) worth of property damage or any serious injury to persons on the Premises. This report shall contain the names and addresses of the parties involved, a statement of the circumstances, the date and hour, the names and addresses of any

witnesses, and other pertinent information.

- (4) Failure to Comply. If LESSEE fails or refuses to take out and maintain the required insurance or fails to provide the proof of coverage, CITY has the right to obtain the insurance. LESSEE shall reimburse CITY for the premiums paid with interest at the maximum allowable legal rate then in effect in California. CITY shall give notice of the payment of premiums within thirty (30) days of payment stating the amount paid, names of the insurer(s), and rate of interest. Said reimbursement and interest shall be paid by LESSEE on the first (1st) day of the month following the notice of payment by CITY.

Notwithstanding the preceding provisions of this Subsection (4), if LESSEE fails or refuses to take out or maintain insurance as required in this lease or fails to provide the proof of insurance, CITY has the right to declare this lease in default without further notice to LESSEE, and CITY shall be entitled to exercise all legal remedies in the event of such default.

11. Prohibited Uses. LESSEE may not do the following, unless approved in writing in advance by CITY: (a) utilize the space for anything but use as stated in Paragraph 3; (b) make any alterations or changes to leased Premises of which the leased space is a part of; (c) effect any repairs amounting to more than \$5,000 per instance; (d) suffer or permit any liens or encumbrances to be placed on CITY's property; (e) operate or utilize any machine or device which results in excess use of utilities; (f) utilize the Premises in any manner which may create a health, safety, or fire hazard; (g) fail to pay all taxes assessed against LESSEE, personal property, the conduct of its business, etc.; (h) fail to obey the building rules and regulations (which may be changed from time to time, a copy of which is made a part of this lease as Exhibit "B"); (i) vacate or abandon the Premises for more than two (2) consecutive weeks without prior written notice to CITY.
12. Default. This lease shall be deemed in default, among other things, if rent and other charges are not timely received or late penalties are not paid. LESSEE hereby agrees to: (a) promptly pay rent and extra charges defined herein; (b) comply with any and all laws applicable to LESSEE's usage of the space; (c) indemnify the CITY against any damage, injury or liability which arises out of the LESSEE's use of or presence in the space or the common area or the building and provide CITY with proof of the ability to so indemnify; (d) repair and/or make whole any damage which LESSEE causes on or about the leased Premises of which the leased space is a part; (e) waive any and all rights of subrogation against CITY; (f) vacate the space upon expiration of this lease and not holdover unless CITY so permits (permission to be given in writing in advance); (g) terminate this lease upon fifteen (15) days written notice from CITY if LESSEE is adjudicated as bankrupt or LESSEE files bankruptcy, receivership, chapter proceedings or any other creditor proceedings; (h) permit CITY to enter the Premises, with prior appointment, (i) honor this lease if CITY sells or assigns the Building or this lease, (j) promptly complete and

sign an estoppel certificate if requested by CITY; (k) understand that LESSEE's rights are subordinate to rights of mortgages, lender, etc; (m) be responsible for paying all charges with regard to connecting and disconnecting telephone service (LESSEE is further responsible for notifying CITY of connect and disconnect dates for service required).

13. Keys. CITY shall supply keys to open areas to LESSEE's space. LESSEE may not duplicate keys. If a key is lost, LESSEE must apply to the CITY for additional keys or replacement keys (at a charge of \$2.00 per key) but if LESSEE loses a key, he takes the risk of the finder. If LESSEE desires, the lock can be changed but at the expense of the LESSEE. If the lost key affects access to other tenants, CITY may change the lock and charge the LESSEE whose lost key necessitated the replacement of the lock(s). When tenancy ends, all keys must be surrendered by LESSEE to CITY.

14. CITY's Remedies. In the event of default by LESSEE, CITY shall have all the remedies afforded to CITY by law and equity.

Any rent, charge, fee, or other monies paid by LESSEE to CITY is "rent" for which remedies are cumulative, not exclusive, including CITY's right to terminate LESSEE's right to possession of the Premises at any time. No act by CITY other than giving notice of termination to LESSEE shall terminate this lease. On termination, CITY shall have the right to recover from LESSEE any and all past due rental charges plus interest.

If LESSEE abandons the Premises, all personal property belonging to LESSEE and left on Premises will be considered abandoned; CITY may remove from the Premises and store such personal property at LESSEE's cost, and change locks, without prior notice to LESSEE.

Time is of the essence, and no grace periods apply. A waiver of one default does not waive any future default. Time is of the essence, is applicable at all times and need not be reinstated.

Any violation of the terms of this lease by LESSEE is an event of default.

The exercise of one remedy by CITY to the exclusion of others does NOT terminate this lease nor prevent CITY from exercising other remedies at a subsequent time by new notices from CITY.

15. Attorney's Fees. In the event of any action or proceedings brought by either party against the other under this lease, the prevailing party shall be entitled to recover the fees for its attorneys in such action or proceeding, in such amount as the court may adjudge reasonable as attorney's fees. In event the CITY intervenes in or becomes a party or is made a party to any action or proceeding arising in connection with this lease in order to protect its rights, then LESSEE will pay the CITY the fees of CITY's attorneys therein as fixed by the court.

16. Possession by LESSEE. Subject to the availability of budgeted funds, CITY shall use its best efforts to complete at CITY expense the improvements listed in "Exhibit C", in a timely manner. By taking possession of the Premises, LESSEE acknowledges that they are in good order and condition and agrees to take possession "as is". LESSEE will maintain the Premises in good condition and repair, and will not cause or permit the Premises to be damaged or defaced. LESSEE will make no alterations or additions to the Premises without CITY's prior written consent. LESSEE will return the Premises and any furniture contracted for hereunder at the end of term (or, when appropriate, at the end of each usage) in as good condition and repair as when LESSEE received the Premises or such furniture, as the case may be, normal wear and tear excepted. CITY may, but is not required to, make repairs or replacement for LESSEE's account, and LESSEE will pay to CITY all costs and expenses thereof upon demand.

17. Common Areas

- a. Definition - The term "Common Areas" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Building and interior utility raceways within the Premises that are provided and designated by the CITY from time to time for the general non-exclusive use of CITY, LESSEE and other lessees of the building.
- b. LESSEE's Rights - CITY hereby grants to LESSEE during the term of this lease, the non-exclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by CITY under the terms hereof or under the terms of any rules and regulations or right to store any property, temporarily or permanently, in the Common Areas.
- c. Rules and Regulations as Exhibit B - CITY or such other person(s) as CITY may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to establish, modify, amend and enforce reasonable Rules and Regulations with respect thereto. LESSEE agrees to abide by and conform to all such Rules and Regulations, and to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. CITY shall not be responsible to LESSEE for the non-compliance with said rules and regulations by other lessees of the building.
- d. Changes - CITY shall have the right, in CITY's sole discretion upon reasonable prior notice to LESSEE, from time to time:
 - (1) To make changes to the Common Area, including, without limitation, changes in the location, size, shape and number of driveways, entrances, parking spaces, parking area, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;

- (2) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;
 - (3) To designate other land outside the boundaries of the building to be a part of the Common Areas;
 - (4) To add additional buildings and improvements to the Common Areas;
 - (5) To use the Common Areas while engaged in making additional improvements, repairs, or alterations to the building or any portion thereof; and
 - (6) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and building as CITY may, in exercise of sound business judgement, deem to be appropriate.
18. Parking. Under the terms of this lease, LESSEE is entitled to six (6) parking spaces in the building at the rate of \$65 per month.
19. Assignment and Subletting. LESSEE shall not assign this lease or any interest therein and shall not sublet the Premises or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person, except employees, agents, and guests of LESSEE, to use or occupy the Premises or any part thereof, without the prior written consent of the City Manager in each instance. A consent to assignment, subletting, occupation, or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation, or use by another person. Any such assignment or subletting without such consent shall be void and shall, at the option of CITY, terminate this lease. This lease shall not, nor shall any interest therein, be assignable as to the interest of LESSEE by operation of law, without the written consent of the City Manager.

"Assignment" for the purposes of this clause shall include any transfer of any ownership interest in this lease by LESSEE or by any partners, principals, or stockholders, as the case may be, from the original LESSEE, its general partners, or principals.

Approval of any assignment or sublease shall be conditioned upon the assignee or sublessee agreeing in writing that it will assume the rights and obligations thereby assigned or subleased and that it will keep and perform all covenants, conditions, and provisions of this agreement which are applicable to the rights acquired. CITY may require, as a condition to approval of any sublease of the majority portion of the leasehold or any assignment, that the LESSEE pay additional consideration to CITY, as determined by the City Manager commencing on the effective date of such proposed sublease of the majority portion of the leasehold or assignment, and may further require that this lease or the requested sublease otherwise be revised to comply with standard CITY lease requirements that are then current.

Pursuant to City Charter Section 225, the City Manager must review and approve every person or entity which will have an interest in this lease as a sublessee or assignee. The City Manager's review period shall not exceed 10 working days and the City Manager's approval will not be unreasonably withheld, provided all such persons and entities are of good character and reputation in the community.

20. Successors and Assigns. The covenants and condition herein contained shall, subject to the provisions restricting LESSEE's assignments and subletting, apply to and bind the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto.
21. Nondiscrimination. LESSEE agrees not to discriminate in any manner against any person or persons on account of race, color, religion, gender, sexual orientation, medical status, national origin, age, marital status, or physical disability in LESSEE'S use of the Premises, including but not limited to the providing of goods, services, facilities, privileges, advantages, and accommodations; and the obtaining and holding of employment.
22. CITY Approval. The approval or consent of CITY, wherever required in this lease, shall mean the written approval or consent of the City Manager unless otherwise specified, without need for further resolution by the City Council.
23. Equal Opportunity. LESSEE will comply with Title VII of the Civil Rights Act of 1964, as amended; Executive Orders 11246, 11375, and 12086; the California Fair Employment Practices Act; and any other applicable federal and state laws and regulations hereafter enacted. LESSEE will not discriminate against any employee or applicant for employment based on race, religion, color, ancestry, age, gender, sexual orientation, disability, medical condition, or place of birth. Upon CITY'S request, LESSEE will submit a current Workforce Report and, if required, an Equal Opportunity Plan which set forth the actions that LESSEE will take to achieve the CITY'S goals for the employment of African Americans, American Indians, Asians, Filipinos, Latinos, women, and people with disabilities. Further, LESSEE will cause the foregoing provisions to be inserted in all subleases and all subcontracts for any work covered by this lease so that such provisions will be binding upon each sublessee and subcontractor.

LESSEE understands that failure to comply with the requirements listed above and/or submitting false information in response to these requirements may result in termination of this lease and debarment from participating in CITY contracts for a period of not less than one (1) year.

LESSEE acknowledges that the CITY seeks to promote employment and business opportunities for local residents and firms on all CITY contracts. LESSEE is encouraged to solicit applications for employment, bids and proposals for subcontracts, and work

associated with this lease from local residents and firms as opportunities occur. LESSEE is encouraged to hire qualified local residents and firms.

24. Taxes. LESSEE agrees to pay, before delinquency, all taxes, assessments, and fees assessed or levied upon LESSEE or the Premises, including the land, any buildings, structures, machines, equipment, appliances, or other improvements or property of any nature whatsoever erected, installed, or maintained by LESSEE or levied by reason of the business or other LESSEE activities related to the leased Premises, including any licenses or permits. LESSEE recognizes and agrees that this lease may create a possessory interest subject to property taxation, and that LESSEE may be subject to the payment of taxes levied on such interest, and that LESSEE shall pay all such possessory interest taxes. LESSEE further agrees that payment for such taxes, fees and assessments will not reduce any rent due CITY.
25. Disabled Access Compliance. LESSEE agrees to comply with the California Government Code, Sections 11135-11139.5; the Federal Rehabilitation Act of 1973, Section 504, Title V; the Americans with Disabilities Act of 1990 (ADA); and any other applicable state and federal laws and regulations hereafter enacted protecting the rights of people with disabilities. LESSEE's compliance shall include but not necessarily be limited to the following:
 - a. LESSEE shall not discriminate against qualified persons with disabilities in any aspects of employment, including recruitment, hiring, promotions, conditions and privileges of employment, training, compensation, benefits, discipline, layoffs, and termination of employment.
 - b. No qualified individual with a disability may be excluded on the basis of disability from participation in, or be denied the benefits of, services, programs, or activities of LESSEE.
 - c. LESSEE shall post a statement addressing the requirements of the ADA in a prominent place at the work site.
 - d. LESSEE shall include language in each sublease agreement which indicates the sublessee's agreement to abide by the foregoing provisions. LESSEE and sublessee shall be individually responsible for their own ADA employment programs.

LESSEE understands that failure to comply with the above requirements and/or submitting false information in response to these requirements shall constitute a default under this lease.
 - e. LESSEE will not be held responsible for any capital improvements which may be required by any applicable laws during the lease term and any extension thereof.

26. Signature Page.

IN WITNESS WHEREOF, this lease agreement is executed by CITY, acting by and through its City Manager, and by LESSEE, acting by and through its lawfully authorized officers.

THE CITY OF SAN DIEGO

Date 5/23/95

By Robert J. Collins Jr
James L. Spotts
Real Estate Assets Director

WORLD TRADE CENTER ASSOCIATION
OF SAN DIEGO

Date 6/29/95

By Robert Plotkin
Robert Plotkin, President

APPROVED as to form and legality this 28 day of April, 1995.

JOHN W. WITT, City Attorney

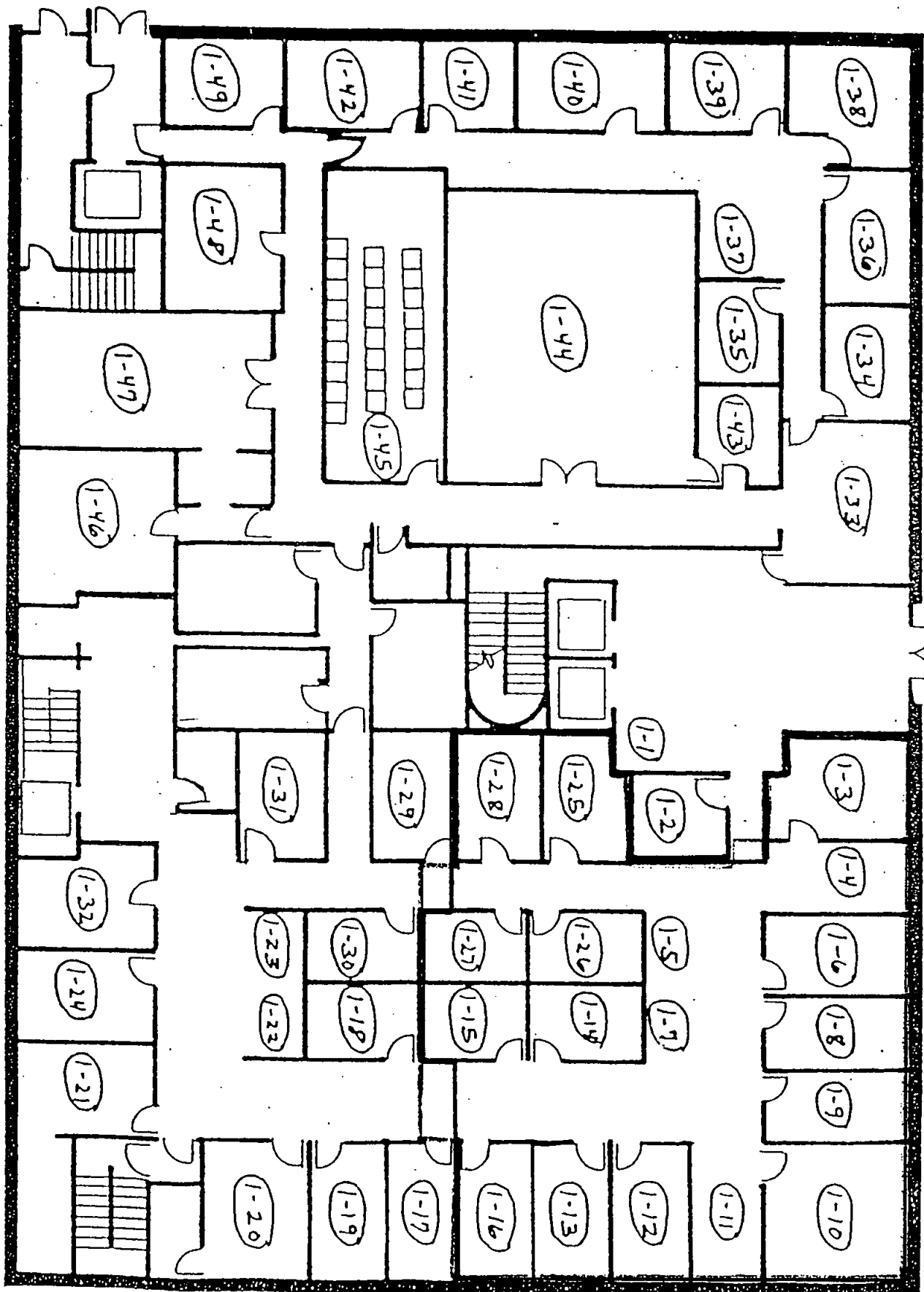
By [Signature]
Chief Deputy City Attorney

SA:dcj
3-17-95
I:\1995\WP0A\FSHAR\WTCWTAT.LS

1st Floor

P.A. n

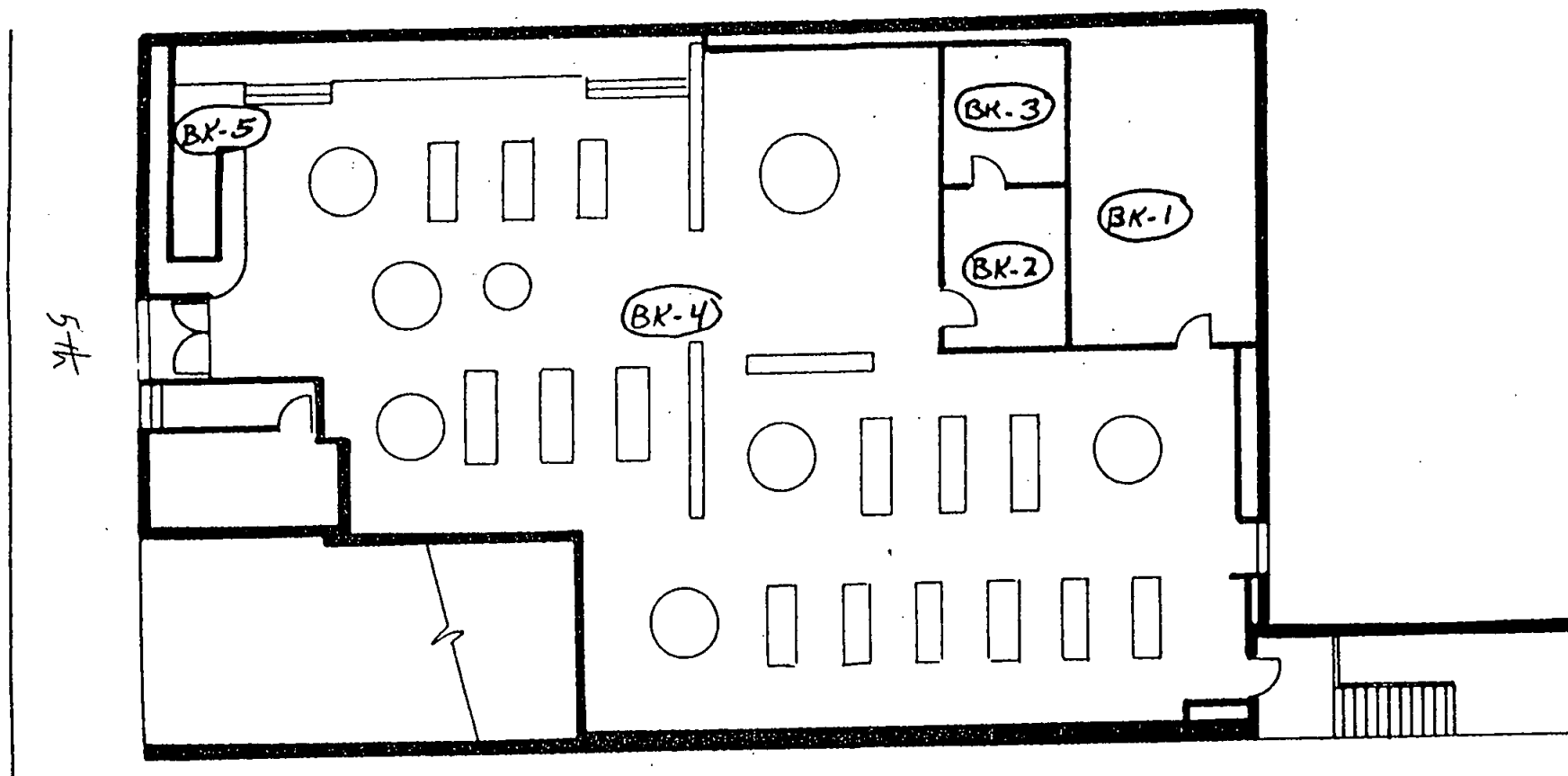
A Street



Bookstore Plan



A Street



1/16" = 1'0"

EXHIBIT B

RULES AND REGULATIONS

1. The sidewalks, entrances, halls, corridors, elevators and stairways of the building and project shall not be obstructed or used as a waiting or lounging place by LESSEEs, and their agents, servants, employees, invitees, licensees and visitors. All entrance doors leading from any leased premises to the hallways are to be kept closed at all times.
2. CITY reserves the right to refuse admittance to the building between the hours of 6:00 p.m. and 7:00 a.m., Monday through Friday and all day Saturday and Sunday to any person not producing both a key to the lease premises and/or a pass issued by CITY. In case of invasion, riot, public excitement or other commotion, CITY also reserves the right to prevent access to the building during the continuance of same. CITY shall in no case be liable for damages for the admission or exclusion of any person to or from the building. CITY reserves the right to exclude or expel from the building any person who, in CITY's judgement, is intoxicated or under the influence of liquor or drugs or who is in violation of any of the Rules and Regulations of the building.
3. CITY will furnish each LESSEE with keys to each door lock on the leased premises, and CITY may make a reasonable charge for any additional keys and access cards requested by any LESSEE. No LESSEE shall have any keys made for the leased premises; nor shall any LESSEE alter any lock, or install new or additional locks or bolts, on any door without the prior written approval of CITY. In the event of such alteration for installation approved by CITY, the LESSEE making such alteration shall supply CITY with a key for any such lock or bolt. Each LESSEE, upon the expiration or termination of its tenancy, shall deliver to CITY all keys and access cards in any such LESSEE's possession for all locks and bolts in the building and in the event of loss of any keys or cards so furnished, shall pay CITY therefor.
4. In order that the building may be kept in a state of cleanliness, each LESSEE shall during the term of each respective lease, permit CITY's employees (or CITY's agent's employees) to take care of and clean the leased premises and LESSEE shall not employ any person(s) other than CITY's employees (or CITY's agent's employees) for such purpose. No LESSEE shall cause any unnecessary labor by reason of such LESSEE's carelessness or indifference in the preservation of good order and cleanliness of the leased premises. In the event LESSEE must dispose of crates, boxes, etc. which will not fit into office waste paper baskets, it will be the responsibility of LESSEE to dispose of same. In no event shall LESSEE set such items in the public hallways or other areas of the building or garage facility, excepting LESSEE's own leased premises, for disposal. LESSEE shall store all of its trash and garbage within its leased premises or in any other facilities provided by CITY. All garbage and refuse disposal shall be made in accordance with directions issued from time to time by CITY.

5. CITY reserves the right to prescribe the date, time, method and conditions that any personal property, equipment, trade fixtures, merchandise and other similar items shall be delivered to or removed from the building. No iron safe or other heavy or bulky object shall be delivered to or removed from the building, except by experienced safe men, movers or riggers approved in writing by CITY. All damage done to the building by the delivery or removal of such items, or by reason of their presence in the building, shall be paid to CITY, immediately upon demand, by the LESSEE by, through, or under whom such damage was done. There shall not be used in any space, or in the public halls of the building, either by LESSEE or by jobbers or others, in the delivery or receipt of merchandise, any hand trucks, except those equipped with rubber tires. The building freight elevator(s) shall be available for use by all LESSEEs in the building, subject to such reasonable scheduling as CITY, in its discretion, shall deem appropriate. LESSEEs initial move-in and subsequent deliveries of bulky items, such as furniture, safes and similar items shall, unless otherwise agree in writing by CITY, be made during the hours of 6:00 p.m. to 6:00 a.m. or on Saturday or Sunday. Deliveries during normal office hours shall be limited to normal office supplies and other small items. No delivery shall be made which impede or interfere with other LESSEEs or the operations of the building.
6. The walls, partitions, skylights, windows, doors and transoms that reflect or admit light into passageways or into any other part of the building shall not be covered or obstructed by any of the LESSEEs.
7. The toilet rooms, toilets, urinals, wash bowls and water apparatus shall not be used for any purpose other than for those for which they were constructed or installed, and no sweepings, rubbish, chemicals, or other unsuitable substances shall be thrown or placed therein. The expense of any breakage, stoppage or damage resulting from violation(s) of this rule shall be borne by the LESSEE by whom, or by whose agents, employees, invitees, licensees or visitors, such breakage, stoppage or damage shall have been caused.
8. No sign, name, placard, advertisement or notice visible from the exterior of any leased premises, shall be inscribed, painted or affixed by any LESSEE on any part of the building or project without the prior written approval of CITY. All signs or letterings on doors, or otherwise, approved by CITY shall be inscribed, painted or affixed at the sole cost and expense of the LESSEE, by a person approved by CITY. A directory containing the names of all LESSEEs in the building shall be provided by CITY at an appropriate place on the first floor of the building.
9. No signaling, telegraphic or telephonic instruments or devices, burglar alarm systems or similar service, or other wire, instruments or devices, shall be installed in connection with any leased premises without the prior written approval of CITY. Such installations, and the boring or cutting for wires, shall be made at the sole cost and expense of the LESSEE and under the control and direction of CITY. CITY retains, in all cases, the right to require (i) the installation and use of such electrical protecting devices that prevent the transmission of excessive currents of electricity into or through the building, (ii) the changing of wires and of their installation and arrangement underground or otherwise as CITY may direct and (ii) compliance on the part of all using or seeking access to such

wires with such rules as CITY may establish relating thereto. All such wires used by LESSEEs must be clearly tagged at the distribution boards and junction boxes and elsewhere in the building, with (i) the number of the leased premises to which said wires lead, (ii) the purpose for which said wires are used, and (ii) the name of the company operating same.

10. LESSEEs, their agents, servants or employees, shall not (a) go on the roof of the building, (b) use any additional method of heating or air conditioning the leased premises, (c) sweep or throw any dirt or other substance from the leased premises into any of the halls, corridors, elevators, or stairways of the building, (d) bring in or keep in or about the leased premises any vehicles or animals of any kind, (e) install any radio or television antennae or any other device or item on the roof, exterior walls, windows or windowsills of the building, (f) place objects against glass partitions, doors or windows which would be unsightly from the interior or exterior the building, (g) use any leased premises for any manufacturing, storage or sale of merchandise or property of any kind, (h) cause or permit unusual or objectionable odor to be produced or permeate from the leased premises, including, without limitation, duplicating or printing equipment fumes, and (i) install or operate any vending machines in the leased premises without the written consent of CITY. LESSEE, its agents, servants and employees, invitees, licensees, or visitors shall not permit the operation of any musical or sound producing instruments or device which may be heard outside the leased premises, building, or garage facility, or which may emit electrical waves which will impair radio or television broadcast or reception from or into the building.
11. LESSEE shall not store or use in any leased premises any (a) either, naphtha, phosphorous, benzol, gasoline, benzine, petroleum, crude or refined earth or coal oils, flashlight power, kerosene or camphene, (b) any other flammable, combustible, explosive or illuminating fluid, gas or material of any kind, and (c) any other fluid, gas or material of any kind having an offensive odor, without the prior written consent of CITY.
12. No canvassing, soliciting, distribution of hand bills or other written material, or peddling shall be permitted in the building or the project, and LESSEEs shall cooperate with CITY in presentation and elimination of same.
13. LESSEE shall give CITY prompt notice of all accidents to or defects in air conditioning equipment, plumbing, electrical facilities or any part or appurtenances of the leased premises.
14. If any leased premises become infested with vermin, the LESSEE, at its sole cost and expense, shall cause its premises to be exterminated from time to time to the satisfaction of the CITY and shall employ such exterminators as shall be approved by CITY.
15. No curtains, blinds, shades, screens, awnings or other coverings or projections of any nature shall be attached to or hung in, or used in connection with any door, window or wall of the premises of the building without the prior written consent of CITY.

16. LESSEE shall not place a load upon any floor of the leased premises which exceeds the load per square foot which such floor was designated to carry and which is allowed by law. CITY shall have right to prescribe weight, size and position of all equipment, materials, furniture or other property brought into the building. Heavy object shall, if considered necessary by CITY, stand on such platforms as determined by CITY to be necessary to properly distribute the weight, which platform shall be provided at LESSEE's expense. Business machines and mechanical equipment belonging to LESSEE, which cause noise or vibration that may be transmitted to the structure of the building or to any space therein to such a degree as to be objectionable to CITY or to any LESSEES in the building, shall be placed and maintained by LESSEE, at LESSEE's expense, on vibration eliminators or other devices sufficient to eliminate noise or vibration. CITY will not be responsible for loss of, or damage to, any such equipment or other property for any cause, and all damage done to the building by maintaining or moving such equipment or other property shall be repaired at the expense of LESSEE.
17. LESSEE shall not waste electricity, water or air conditioning and agrees to cooperate with CITY to assure the most effective operation of the building's heat and air conditioning and to comply with the governmental energy saving rules, laws or regulations of which LESSEE has actual notice, and shall refrain from attempting to adjust controls. LESSEE shall keep corridors closed, shall keep windows coverings closed at the end of each business day.
18. CITY shall have the right to prohibit any advertising by LESSEE which, in CITY's opinion, tends to impair the reputation of CITY or of the building, or its desirability as an office building for existing or prospective LESSEES who require the highest standards of integrity and respectability, and upon written notice from CITY, LESSEE shall refrain from or discontinue such advertising.
19. Whenever the word "LESSEE" occurs, it is understood and agreed that it shall also mean LESSEE's associates, employees, agents and any other person entering the building or the leased premises under the express or implied invitation of LESSEE. LESSEE shall cooperate with CITY to assure compliance by all such parties with rules and regulations.
20. CITY reserves the right to make reasonable amendments, modifications and additions to the rules and regulations heretofore set forth, and to make additional reasonable rules and regulations, as in CITY's sole judgement may from time to time be needed for the safety, care, cleanliness and preservation or good order of the building.
21. The requirement of LESSEE will be attended to only upon application at the office of the building. Employees of CITY shall not perform any work or do anything outside of their regular duties unless under special instructions from CITY, and no employee will admit any person (LESSEE or otherwise) to any office without specific instructions from CITY.
22. CITY shall have the right, exercisable without notice and without liability to LESSEE, to change the name and the street address of the building of which the premises are a part. CITY will pay for all reasonable cost incurred by LESSEE as a result of changing the

street address of the building unless the change is requested by an authorized governmental agency.

23. No LESSEE shall obtain for use upon the leased premises ice, towel or other similar services or accept barbering or bootblackening services on the leased premises, except from persons authorized by CITY and at the hours and under regulations fixed by CITY.
24. CITY may waive any one or more of these rules and regulations for the benefit of any LESSEE, but no such waiver by CITY shall be construed as a waiver of such rules and regulations in favor of LESSEE or any other LESSEE nor prevent CITY from thereafter enforcing any such rules and regulations against any or all of the LESSEES of the building.
25. LESSEE assumes any and all responsibility for protecting its leased premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the leased premises secured. LESSEE shall comply with all safety and fire protection evacuation procedures and regulations established by CITY or any governmental agency.
26. All LESSEE's are required to accommodate, meet, and confer with any of their disabled patrons and visitors in the common area conference rooms available to all LESSEES on the First Floor of the Building, subject to prior reservations.

Exhibit "C"

**CITY OF SAN DIEGO
REAL ESTATE ASSETS DEPARTMENT
MEMORANDUM**

FILE NO.: WTC
DATE: March 7, 1995
TO: Distribution
FROM: Shahriar Afshar via Robert Collins, Deputy Director
SUBJECT: World Trade Center Update - Planned Improvements

After months of planning and consultation with our architectural consultant and some of you, we have devised a small improvement plan for the building. **All such improvements are subject to the availability of budgeted funds.**

Awnings - The present blue and white awnings atop the 1st floor exterior windows are difficult to maintain, outdated and have significantly deteriorated over time, especially due to the recent storms. Therefore, all of the awnings will be removed in the coming months, with the exception of the ones atop the entrance points to the building. These awnings will be refurbished and redone with a dark blue/gray flame retardant and acrylic top coat. A color sample is available in my office.

Signage - There is a sign program under way for the building which incorporates ADA compliance measures throughout. Further, the new awnings will display the "World Trade Center" name across the lower strip atop each entrance into the building. We are considering placing "WTC" lettering on the upper exterior levels. All exterior glass doors currently display the building's name and different addresses as follows:

- A. 1250 Sixth Avenue - Main Entrance & Building Address
- B. 555 A Street - Garage Elevator Entrance
- C. 1255 Fifth Avenue - Annex Entrance
- D. 1260 Fifth Avenue - Bookstore Entrance

Painting - At this time, we are planning on patching up the exterior paint as needed over the next few months.

Executive Suites - The 2nd floor is currently being improved to accommodate small office space tenants from 200 sq. ft. Work should be completed by the end of March 1995.

Lobby - A lobby reconfiguration and expansion is planned. Preliminary, we are planning on opening the lobby by removing the north wall, installing two double doors to the entrance ways into the Centre's future space and the WTC Association's present space, installing a new modern building directory, placing silk plants throughout the 1st floor, placing over a dozen international flags in the lobby, installing much needed additional spot lighting and raising the security desk platform. Further, a separate back elevator corridor will be built out to provide direct access from the single back elevator to the main lobby for the basement through the fifth floor.

Conference Rooms - The main classroom will be enlarged to support meetings of 50-75 persons. All 3 conference rooms to the right of the lobby will be refurbished and supplied with audio/visual equipment. Please contact the WTC Association at 685-1450 directly for future scheduling requests.

Door Locks - There is a master lock program in progress for the building. We will be installing new ADA door locks on each floor over the next few months.

1st Floor ADA

Bathrooms - We are improving the 1st floor bathrooms to accommodate all disabled patrons.

Mailroom - A U.S. Mailroom is also in process for the basement for picking up or dropping off U.S. Mail. All tenants will be assigned their own mailboxes.

Bookstore - The old bookstore space on Fifth Avenue is available for events or exhibits upon request. The space is approximately 5,800. Most recently, the Vladivostock Sister Cities reception was held there.

Storage - We are working on developing some tenant storage spaces on the lower levels.

Occupancy - Currently, the Annex, Bookstore, sub-basement, basement, 1st, 4th, 6th, 10th, and 11th floors are partially or fully occupied. Within the coming months, the 2nd floor will also be utilized.

Other

Work - A set of double-doors has been installed into the lobby for the WTC Association. The Annex is currently being remodeled to accommodate Parking Enforcement Division. The sub-basement will be eventually converted to library/City clerk storage space. The Police EEO office has taken remodeled space on the 6th floor.

The World Trade Center project is moving full speed ahead on all other fronts. There are other planned improvements and uses under consideration that are not listed here. If you know of any World Trade Center related business or

organization that would be interested in some office space in the building, please let me know.

For questions, comments, or concerns about any of the above mentioned items, please contact me at 236-7028 or MS-51A. Thank you for your patience and cooperation.



Shahriar Afshar, Property Agent
Asset Marketing

SA/dcj-c

Distribution: All WTCSD Tenants
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