

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE, is executed between the CITY OF SAN DIEGO, a California municipal corporation ("Lessor"), and assignees JACQUELYN LITTLEFIELD and LASZLO DE BORONY ("Lessee").

RECITALS

A. The parties entered into a Lease Agreement Assignment dated July 21, 1992 ("the Lease"), pursuant to the terms of the original lease dated March 30, 1992, wherein Lessor consented to the assignment of the original lease to Lessee, for that certain real property located in the City of San Diego situated in San Pasqual Valley consisting of approximately seventeen (17) acres of land.

B. The Lease is in full force and effect, and neither Lessee nor Lessor has actual knowledge of any default or breach by the other under the Lease.

C. To avoid litigation, the parties now desire to amend the Lease to provide for the payment of a previous Consumer Price Index (CPI) adjustment and periodic base rent increase by Lessee pursuant to a negotiated payment plan.

NOW, THEREFORE, in consideration of the Recitals stated above and incorporated herein by reference and the mutual obligation of the parties expressed herein, Lessor and Lessee agree to enter into this First Amendment to Lease, amending the Lease as follows:

1. Section 3.2 is amended to ADD the following: Additional rent is due resulting from a negotiated payment plan for a previous CPI adjustment and periodic base rent increase which were not added to the base rent. The additional rent of \$15,016 will be paid over the remaining term of the lease according to the rent schedule below. The additional rent amount of \$15,016 will not be subject to future rent adjustments. All other terms and conditions of rent, including all future CPI adjustments and future periodic base rent increases to remain in effect. The additional rent schedule is as follows:

May 1, 2003 through April 30, 2007 - \$312.83 per month.

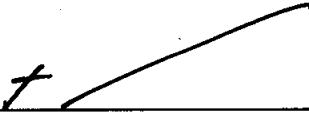
2. This First Amendment to Lease represents the entire understanding of the Lessor and Lessee with respect to this amendment and affects only those paragraphs referred to. All other terms and conditions of the Lease remain in full force and effect.

3. The effective date of this Amendment is May 1, 2003.

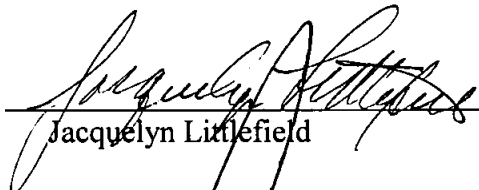
IN WITNESS WHEREOF, this First Amendment to Lease is executed by City, acting by and through its City Manager, and by Lessee, acting by and through its lawfully authorized officers.

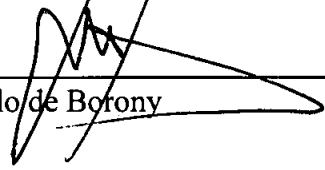
LESSOR:

CITY OF SAN DIEGO, a California
municipal Corporation

By: 
Tim C. Rothans, Deputy Director
Real Estate Assets Department

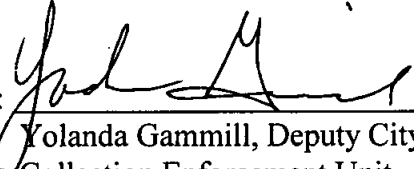
LESSEE:

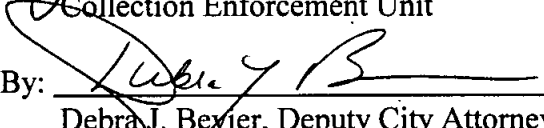
By: 
Jacquelyn Littlefield

By: 
DR, Laszlo de Borony

APPROVED AS TO FORM AND LEGALITY, this 1st day of May, 2003.

CASEY GWINN, City Attorney

By: 
Yolanda Gammill, Deputy City Attorney
Collection Enforcement Unit

By: 
Debra J. Bexier, Deputy City Attorney
Real Property Unit

DCM
04/22/03