

Grubb & Ellis Company
Commercial Real Estate Services
State of California

411 RAVEN STREET
SAN DIEGO, CA

THIRD ADDENDUM

**SALE/LEASE AMERICANS WITH DISABILITIES ACT
AND HAZARDOUS MATERIALS DISCLOSURE**

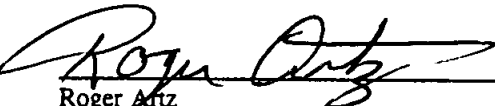
The United States Congress has enacted the Americans With Disabilities Act. Among other things, this act is intended to make many business establishments equally accessible to persons with a variety of disabilities; modifications to real property may be required. State and local laws also may mandate changes. The real estate brokers in this transaction are not qualified to advise you as to what, if any, changes may be required now, or in the future. Owners and tenants should consult the attorneys and qualified design professionals of their choice for information regarding these matters. Real Estate brokers cannot determine which attorneys or design professionals have the appropriate expertise in this area.

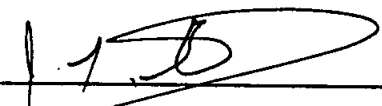
Various construction materials may contain items that have been or may in the future be determined to be hazardous (toxic) or undesirable and may need to be specifically treated/handled or removed. For example, some transformers and other electrical components contain PCB's, and asbestos has been used in components such as fire-proofing, heating and cooling systems, air duct insulation, spray-on and tile acoustical materials, linoleum, floor tiles, roofing, dry wall and plaster. Due to prior or current uses of the Property or in the area, the Property may have hazardous or undesirable metals, minerals, chemicals, hydrocarbons, or biological or radioactive items (including electric and magnetic fields) in soils, water, building components, above or below-ground containers or elsewhere in areas that may or may not be accessible or noticeable. Such items may leak or otherwise be released. Expert inspections are necessary. Current or future laws may require clean up by past, present and/or future owners and/or operators. It is the responsibility of the Seller/Lessor and Buyer/Tenant to retain qualified experts to detect and correct such matters and to consult with legal counsel of their choice to determine what provisions, if any, they may wish to include in transaction documents regarding the Property.

To the best of Seller/Lessor's knowledge, Seller/Lessor has attached to this Disclosure copies of all existing surveys and reports known to Seller/Lessor regarding asbestos and the hazardous materials and undesirable substances related to the Property. Sellers/Lessors are required under California Health and Safety Code Section 25915 et seq. to disclose reports and surveys regarding asbestos to certain persons, including their employees, contractors, co-owners, purchasers and tenants. Buyers/Tenants have similar disclosure obligations. Sellers/Lessors and Buyers/Tenants have additional hazardous materials disclosure responsibilities to each other under California Health and Safety Code Section 25359.7 and other California laws. Consult your attorney regarding this matter. Grubb & Ellis Company is not qualified to assist you in this matter or provide you with other legal or tax advice.

LESSOR: Plaza Del Sol Enterprises Trust

TENANT: City of San Diego

By: 
Roger Artz

By: 

Title: Vice President, Development

Title: Real Estate Assets Director

Date: 5-25-94

Date: 5/23/94

R- 283912

SECOND ADDENDUM TO STANDARD INDUSTRIAL/
COMMERCIAL SINGLE-TENANT LEASE - NET
BETWEEN PLAZA DEL SOL ENTERPRISES TRUST, "LESSOR"
AND CITY OF SAN DIEGO, "LESSEE"
FOR 411 RAVEN STREET, SAN DIEGO, CA
DATED APRIL 1, 1994

Additional Terms and Conditions

In the event of such early termination, Lessee shall not be responsible for any costs or damages sustained by Lessor which may result from early termination.

1. Lessee shall have the right to terminate this Lease any time after four years and nine months from the date of lease commencement upon one hundred and eighty (180) days prior written notice.
2. Lessor shall remove the existing in-ground fuel tank on the Premises under the supervision of the County of San Diego Board of Health Hazardous Materials Management within six (6) months of lease commencement subject to receipt of approvals of all governmental agencies, but in no event more than twelve (12) months from lease commencement.
3. Pursuant to Paragraph 8.1 of the Lease, all real property and liability insurance required under the provisions of this Lease shall be provided by the City of San Diego and evidenced by a certificate from the City naming the Lessor as additionally insured.
4. The roof of the subject property is in good condition as of this date and does not require repair.

Accepted By

Lessor: Plaza Del Sol Enterprises

Lessee: City of San Diego

By: Roger Artz
Roger Artz

By: [Signature]

Its: Vice President

Its: Real Estate Assets Director

Date: 5-25-94

Date: 5/23/94

R-283912

**ADDENDUM TO STANDARD INDUSTRIAL/COMMERCIAL
SINGLE-TENANT LEASE-NET
BETWEEN PLAZA DEL SOL ENTERPRISES TRUST, "LESSOR"
AND CITY OF SAN DIEGO, "LESSEE"
FOR 411 RAVEN STREET, SAN DIEGO, CA
DATED APRIL 1, 1994**

ADDITIONAL TERMS AND CONDITIONS

49. **Cost of Living Adjustments:** On the anniversary date of the commencement of this Lease, the base rent shall be adjusted as follows:
- Years One through Five - Fixed four percent (4%) annual adjustments
- Years Six through Ten - Fixed five percent (5%) annual adjustments
50. **Options to Renew:** Lessee shall have four (4) five (5) year options to renew this lease agreement at a rental rate and other terms mutually acceptable to Lessor and Lessee. Lessee shall provide Lessor with one hundred and eighty (180) days prior written notice of Lessee's intent to exercise their option to renew during all option periods. This option to renew is not assignable or transferrable and shall be in effect provided that Lessee is not in default of any terms or conditions of the lease agreement during the term of this lease and any extensions thereof.
51. **Right of First Refusal:** In the event Lessor elects to offer the subject property for sale during the term of this lease or any extensions thereof, Lessee shall have the right of first refusal to enter into negotiations with Lessor, under terms and conditions acceptable to both parties, for the purchase of the subject property provided that Lessee is not in default of any terms or conditions of the lease agreement. This right of first refusal is not assignable or transferrable. Lessee shall provide Lessor with written notice of its intent to enter into negotiations for the purchase of the subject property within thirty (30) days of receiving notification from Lessor of its election to offer the property for sale.
52. **Repairs:** The Lessor will make the following repairs to the premises:
- **Asphalt Surfaces** - The indentations in the rear yard will be filled and all asphalt surfaces will be slurry coated and re-stripped for parking.
 - **Fuel Tanks** - There are in-ground fuel tanks on the subject property in the rear yard below the concrete island. They have been inactive for over one (1) year. To the best of Lessor's knowledge, there are no known adverse environmental conditions in or upon the subject property at this time related to the fuel tank or other sources.
 - Lessor will remove the concrete island above the fuel tanks and the fuel tanks.
- Lessor will indemnify, hold harmless and agree to defend, with mutually acceptable counsel, Lessee from any and all actions that may arise from any pre-existing environmental condition in or upon the subject property.
- **Handicapped Parking Spaces** - Lessor will stripe and mark two (2) handicapped passenger vehicle parking spaces at the curb cuts at the grade level truck door closest to the front entrance to the building.
 - **Roll-Up Truck Door** - Lessor will install one (1) roll-up truck door at the dock high truck position where a previously installed door has been removed.

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53. **Expiration:** Unless written notice of Lessee's acceptance of this Lease is received by Lessor, or said Lease is executed by Lessee on or before 5:00 p.m. PST May 31, 1994. Lessor's obligations to lease the subject property to Lessee as provided for in this Lease shall expire and the parties shall have no further obligation to each other unless both parties agree, in writing, to extend the expiration date as provided herein.
54. **Zoning:** The subject property is zoned I-1, City of San Diego. Lessee has confirmed that their intended use is allowed under the provisions of this zone.
55. **Liability Insurance:** Lessor acknowledges and accepts that Lessee is self-insured. Lessee shall provide Lessor with a certificate or letter naming Lessor as additionally insured prior to occupancy.
56. **Exhibits:** The following exhibits are attached for Lessee's reference:
1. Declaration of Covenant's Conditions and Restrictions for Market Street Industrial Park (Recorded December 28, 1977)
 2. Plat Map showing subject property
 3. Legal description of subject property

ACCEPTED BY

LESSOR: Plaza Del Sol Enterprises Trust

By: 
Roger Artz

Its: Vice President, Development

Date: 5-25-94

LESSEE: City of San Diego

By: 

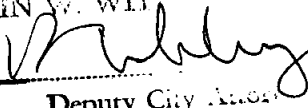
Its: Real Estate Assets Director

Date: 5/23/94

Approved as to form and legality

this 27 day of May 1994

JOHN W. WIT

By: 
Deputy City Attorney