

**Recorded, Requested By and
When Recorded Return To:**

Pier 1 Imports
301 Commerce Street, Suite 600
Fort Worth, TX 76102
Attn: Christopher L. Mabe, Esq.

MEMORANDUM OF LEASE

This Memorandum of Lease dated as of July 29, 1999, is entered into between CITY OF SAN DIEGO, a municipal corporation ("City"), and PIER 1 IMPORTS (U.S.), INC., a Delaware corporation ("Lessee").

A. City and Lessee are parties to that certain City of San Diego Flat Rate Lease filed in the office of the City Clerk, San Diego, California on July 13, 1992 as Document No. RR-280329, as amended by that certain First Amendment to Lease Agreement ("Amendment") approved by the City Council on July 26, 1999 (as amended, the "Lease"), pursuant to which the City leased to Lessee and Lessee leased from the City real property, more particularly described in Exhibit A, attached hereto and made a part hereof (the "Premises").

B. The City and Lessee desire to execute this Memorandum to provide constructive notice of Lessee's rights under the Lease to all third parties.

1. TERM

The City is leasing the Premises to Lessee for a term commencing on November 1, 1990 and ending on July 31, 2009. Provided that Lessee is not in default in payment of monetary obligations pursuant to the Lease beyond applicable cure periods, Lessee has the right to extend the Term of the Lease for one (1) additional five (5) year term, subject to all original agreements, considerations, covenants and conditions contained in the Lease, and Amendment except for payment of rent.

2. LEASE TERMS

This lease of the Premises to Lessee is pursuant to the Lease, which is incorporated in this Memorandum by reference.

3. SUCCESSORS AND ASSIGNS

This Memorandum and the Lease shall bind and inure to the benefit of the parties and their respective heirs, successors, and assigns, subject, however, to the provisions of the Lease on assignment.

4. GOVERNING LAW

This Memorandum and the Lease are governed by California law.

Executed as of the date first written above.

CITY

CITY OF SAN DIEGO,

By: Linda M. Fieno
for the City Manager

LESSEE

PIER 1 IMPORTS (U.S.), INC., a
Delaware corporation

By: [Signature]
Name: Richard T. Blackwelder
Title: Vice President
Real Estate/Development

APPROVED AS TO FORM AND LEGALITY THIS 3rd DAY OF August, 1999.

CASEY GWINN, CITY ATTORNEY

By: [Signature]
Deputy City Attorney

MEMOLSE

EXHIBIT A

LEGAL DESCRIPTION OF THE PREMISES

THAT PORTION OF PUEBLO LOT 337 OF THE PUEBLO LANDS OF SAN DIEGO, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF MADE BY JAMES PASCOE RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY AS MISCELLANEOUS MAP NO. 36, DESCRIBED AS FOLLOWS:

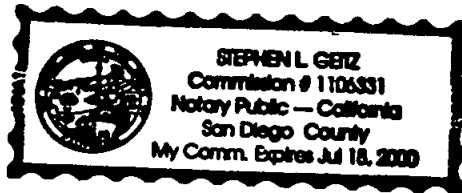
BEGINNING AT A POINT IN THE SOUTHEASTERLY LINE OF SAID LOT DISTANT SOUTH 35°56'45" WEST ALONG SAID LINE 7.00 FEET FROM THE NORTHEAST CORNER OF SAID LOT, SAID POINT BEING ALSO A POINT IN THE SOUTHWESTERLY LINE OF KURTZ STREET AS SAID STREET WAS WIDENED TO 57.00 FEET BY ORDINANCE NO. 7527 PASSED AND ADOPTED BY SAID CITY OF SAN DIEGO JULY 25, 1957; THENCE ALONG SAID SOUTHWESTERLY LINE NORTH 53°58'40" WEST 80 FEET; THENCE LEAVING SAID SOUTHWESTERLY LINE SOUTH 35°56'45" WEST 147.26 FEET; THENCE NORTH 54°03'15" WEST 50.00 FEET; THENCE SOUTH 35°56'45" WEST 93.80 FEET; THENCE NORTH 75°04'35" WEST 30.00 FEET; THENCE SOUTH 35°56'45" WEST 182.83 FEET TO A POINT IN THAT CERTAIN CURVE IN THE NORTHEASTERLY LINE OF SPORTS ARENA BOULEVARD (FORMERLY FRONTIER STREET), 115.00 FEET WIDE, HAVING A RADIUS OF 1,019.93 FEET AND BEING CONCAVE NORTHEASTERLY, A RADIAL LINE OF SAID CURVE THROUGH SAID POINT BEARS NORTH 18°04'01" EAST; THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9°07'51" AN ARC DISTANCE OF 162.54 FEET TO THE INTERSECTION OF SAID CURVE WITH THE SOUTHEASTERLY LINE OF SAID LOT, A RADIAL LINE OF SAID CURVE THROUGH SAID INTERSECTION BEARS NORTH 27°11'52" EAST; THENCE LEAVING SAID NORTHEASTERLY LINE NON-TANGENT TO SAID CURVE ALONG SAID SOUTHEASTERLY LINE NORTH 35°56'45" EAST 397.15 FEET TO THE POINT OF BEGINNING, CONTAINING 1,173 ACRES, MORE OR LESS.

COUNTY OF SAN DIEGO) SS.

On July 29, 1999 before me, STEPHEN L. GEITZ, Notary Public personally appeared LINNA M. FIERRO personally known to me (~~or proved to me on~~
~~the basis of satisfactory evidence~~) to be the person whose name(s) ~~are~~/is subscribed to the within
instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~
authorized capacity, and that by ~~his/her/their~~ signature(s) on the instrument the person(s), or the
entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Stephen J. Kim (SEAL)

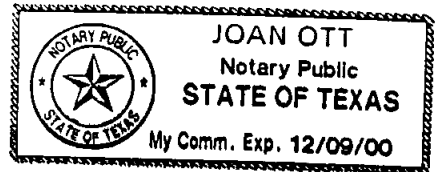


STATE OF TEXAS)
) ss.
COUNTY OF TARRANT)

On June 28, 1999 before me, Joan Ott, personally appeared **Richard T. Blackwelder** personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature Joan Ott (SEAL)



RESOLUTION NUMBER R-_____

ADOPTED ON _____

BE IT RESOLVED, by the Council of The City of San Diego, that the City Manager is authorized to execute, for and on behalf of The City of San Diego, a lease amendment to the Lease Agreement with Pier 1 Imports, Inc., on file in the office of the City Clerk as Document No. RR-280329, to extend the lease term to 10 years, at a yearly rent of \$154,090, for continued retail operations at 3220 Sports Arena Boulevard, under the terms and conditions set forth in that First Amendment to Lease Agreement on file in the office of the City Clerk as Document No. RR-_____.

APPROVED: CASEY GWINN, City Attorney

By 
Prescilla Dugard
Deputy City Attorney 

PD:cdk
07/09/99
Or.Dept:REA
R-2000-13
Form=leaser.frm

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to Lease Agreement ("Amendment") is entered into by and between the CITY OF SAN DIEGO, a municipal corporation ("CITY"), and Pier 1 Imports (U.S.), Inc., a Delaware corporation ("LESSEE").

A. On June 16, 1992, CITY and LESSEE entered into that certain lease agreement ("Lease"), filed on July 13, 1992 as Document No. RR-280329 in the office of the CITY Clerk.

B. LESSEE is now proposing to spend approximately \$495,000 for improvements to the leased premises.

C. In recognition of LESSEE'S expenditures, CITY is willing to provide a partial reimbursement of the expenditures for the improvements described herein in an amount up to \$117, 500, through a rent credit and to allow a ten-year extension of the term of the Lease.

D. The parties hereto now wish to amend the Lease as provided in this Amendment:

NOW, THEREFORE, the parties agree:

I. Paragraph 2.01 Commencement, of Section 2, Term, is hereby deleted in its entirety and the following is substituted therefor:

"2.01 Commencement. The term of this Lease shall commence on November 1, 1990 and terminate on July 31, 2009 "Lease Year", as used in this Lease shall mean the 12-month period commencing on the first day of calendar month following the execution of this Amendment by the City Manager and each successive 12-month period following."

Shall LESSEE fail to commence construction of tenant improvements in accordance with the Plan described herein within twelve months following the execution of this Amendment by the City Manager, then the term of this lease shall expire on October 31, 2000.

II. Paragraph 2.02 Right to Extend, of Section 2, Term, is hereby deleted in its entirety and the following is substituted therefor:

"2.02 Right to Extend. Provided that LESSEE is not in default in payment of monetary obligations pursuant to this Lease beyond applicable cure periods, LESSEE has the right to extend this Lease for one additional five-year term ("Extension Term"), subject to all original agreements, considerations, covenants and conditions contained in the Lease and Amendment except for payment of rent.

DOCUMENT NO. RR 291976

FILED JUL 26 1999

OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

If LESSEE intends to extend the Lease for an additional five-year term, LESSEE shall give CITY written notice at least four (4) months prior to the scheduled termination date of the Lease. If LESSEE provides such notice, the rent for the ensuing five-year term shall be determined by Market Value Adjustment as described in Section 3.02."

III. Paragraph 2.05 Rent Credit, is added to Section 2, Term, as follows:

"2.05 Rent Credit. CITY agrees to compensate LESSEE up to \$117,500 by way of credit against future rent due under the Lease ("Rent Credit"), for tenant improvements, approved by CITY and attached hereto as Exhibit A, if the following conditions are satisfied:

a. LESSEE shall construct tenant improvements in accordance with the plans and specifications referenced in Exhibit B attached hereto which were approved by CITY on December 21, 1998, under Building Permit Number B204112-98 ("Plan") and filed with the City Planning and Development Review Department.

b. The Rent Credit shall be amortized over the remaining term of the Lease, commencing on the first day of the calendar month following the later of (i) the date of execution of this Amendment by the City Manager, or (ii) the date the premises have been closed for remodeling consistent with the Plan. CITY has the right to reduce the amount of the Rent Credit proportionately if LESSEE fails to construct the improvements in accordance with the Plan or fails to submit invoices or other reasonable evidence showing compliance with Exhibit A as provided in Section 2.05.c. of this Amendment. [The Rent Credit shall be fifty percent (50%) of each item listed in Exhibit A up to the amount under the column "Pier 1 agreed to spend." For example, if LESSEE spends \$6,000 on pipe bollards, then the Rent Credit for that item will be \$1,800. If LESSEE spends \$2,000 on pipe bollards, then Rent Credit for that item will be reduced to \$1,000.]

c. Within 45 days after completion of the improvements and in accordance with the Plan, LESSEE shall submit to CITY paid invoices or other evidence reasonably satisfactory to CITY showing that LESSEE has spent at least the amounts agreed to in Exhibit A for the improvements. CITY will inspect the premises to verify improvements have been made in compliance with the Plan. If CITY fails to perform such inspection within twenty (20) days after its receipt of written notice from LESSEE that the improvements have been completed, then the improvements shall be deemed to be completed in accordance with the Plan."

IV. Paragraph 3.02 Rent, of Section 3, Rent, is hereby deleted in its entirety and the following is substituted therefor:

"3.02 Rent. Commencing on the first day of the calendar month following execution of this Amendment by the City Manager, the rent shall be Thirteen Thousand Eight Hundred Twenty Dollars (\$13,820) per month. The rent is subject to the Rent Credit described in paragraph 2.05, Rent Credit, above and adjustments based on increases, if any, in the Consumer Price Index (CPI) and in the Market Value Adjustment of the leased premises as hereinafter provided:

1. CPI Index Adjustments. At the end of the second and one-half (2-1/2) lease year, and at the end of the seventh and one-half (7-1/2) lease year, the rent shall be adjusted to reflect increases in the Consumer Price Index (CPI).

The index used will be the CPI for "All Urban Consumers" for Los Angeles/Anaheim/Riverside, California. If this index is no longer published, the Index for adjustment will be the U.S. Department of Labor's "Comprehensive Official Index" most comparable to the aforesaid index.

If the Department of Labor indices are no longer published, another index generally recognized as authoritative will be substituted by agreement of CITY and LESSEE. If the parties cannot agree within sixty (60) days after demand by either party, a substitute index will be selected by the Chief Officer of the Regional Office of the Bureau of Labor Statistics or its successor, notwithstanding continued reference herein to "CPI" in any event.

Regardless of the index publication dates, the effective date of the rent adjustment is as specified in this Subsection 1., CPI Index Adjustments. Until the rent adjustment can be reasonably determined by the Index method, LESSEE shall continue to make payments at the existing rental rate. When the adjustment is determined, the balance of rents due at the adjusted rate will be paid to CITY within thirty (30) days. In no event shall the adjusted rent as established by the Consumer Price Index be less than the rent in existence immediately prior to the adjustment date.

2. Index Adjustment Computation. The rent for each rental period following the adjustment until the next adjustment or other rental determination, as provided herein, shall be determined prior to the date of adjustment by multiplying the rent which is effective immediately prior to said adjustment by the "adjustment figure" established as follows:

The "adjustment figure" shall be established by dividing the "current index" by the "base figure", both as defined herein.

The "base figure" for the first such adjustment shall be a three-month average of index figures published by said CPI using the fourth, fifth, and sixth full months preceding the first lease year.

To illustrate, if the first lease year began in May, the CPI figures for November (sixth month), December (fifth month), and January (fourth month) preceding May would be averaged to establish the base figure (Example 1).

The "current index" shall be a three-month average of index figures published by said CPI. The three months to be used to establish said average shall be the fourth, fifth, and sixth full months preceding the adjustment date.

The "base figure" for each successive adjustment shall be the "current index" figure used in the last preceding adjustment period (Example 2).

Example 1

Current Index

Base Figure $\frac{121}{110} = 1.10$ (Adjustment Figure)

Effective Rent x 1.10 = Adjusted Rent

Example 2

Current Index

Base Figure $\frac{138}{121} = 1.14$ (Adjustment Figure)

Effective Rent x 1.14 = Adjusted Rent

The adjustment figure is then multiplied by the monthly rent from the preceding adjustment period to determine the new rent. Using the foregoing examples, if the rent is now \$1,000 per month, after the first adjustment it will be \$1,100 per month (\$1,000 x 1.10). In the second adjustment it will be \$1,254 per month (\$1,100 x 1.14).

3. Market Value Adjustment. In addition to said CPI adjustments, at the end of the ninth and one-half (9-1/2) lease year ("Market Value Adjustment Date"), the rent for the Extension Term shall be determined by multiplying the capitalization rate of ten percent (10%) by the fair market value of the leased premises as of the adjustment date. The fair market value of the leased premises shall be determined by an appraisal made by a professional independent real estate appraiser selected by mutual consent of the parties from the list of appraisers approved by CITY. In the event the parties cannot reach agreement upon selection of a mutually acceptable appraiser, then CITY and LESSEE shall each select a professional independent real estate appraiser who in turn will select a third independent real estate appraiser, which third appraiser will be employed to make the appraisal of the fair market value of the premises and which value will be utilized to determine the adjusted rent previously described herein. In the event that the two selected appraisers fail to mutually select a third appraiser within thirty (30) days, then the third appraiser will be appointed by the presiding judge of the Superior Court of the State of California, County of San Diego, acting in his or her individual capacity, on prompt application by either CITY or LESSEE with notice thereupon to the other party. In the event that the Superior Court judge declines to make the appointment, the parties hereto agree that the third appraiser shall be promptly determined in accordance with the rules of the American Arbitration Association. Said third appraiser shall complete the assignment within sixty (60) days of appointment. Each party shall pay the cost of its own selected appraiser, and both CITY and LESSEE agree to equally share the cost of the mutually selected or court

appointed third appraiser. CITY and LESSEE agree to accept and be bound by the valuation determined by the selected or appointed appraiser.

In establishing the fair market value of the premises, the appraiser shall consider leased property as a fee simple absolute estate and as vacant land (without any buildings or improvements) and available for lease or sale for the authorized purposes of this lease at the commencement of the rental period under review.

In the event the appraisal is not completed in time to permit the adjustment to be made upon the date specified, LESSEE agrees to continue to pay rent in accordance with the then existing rental rate, and the adjustment, when determined, will be retroactive to said effective date of rental adjustment. Any deficiency shall be paid by LESSEE to CITY within thirty (30) days after determination of the new rental rate. IN NO EVENT SHALL THE ADJUSTED RENT, AS ESTABLISHED BY APPRAISAL AS PROVIDED FOR HEREIN, BE LESS THAN THE RENT IN EXISTENCE IMMEDIATELY PRIOR TO THE ADJUSTMENT DATE."

V. Section 4.04, City's Participation Upon Transfer, of the Lease shall not apply to the renewal or extension of: (i) the Sublease with William Kenton and Edith Kenton for the parking area, or (ii) the Sublease with Eller Media Company for the installation and operation of signage facilities.

VI. Section 6.06, Construction Bond, of the Lease shall not apply to the tenant improvements specified in the Plan, shown on Exhibit B. LESSEE agrees that any revision to the Plan must be approved in advance by CITY. Notwithstanding Section 6.04 of the Lease, the execution of this Amendment by the City Manager shall constitute approval of the Plan shown on Exhibit B and no further approval of the City Manager shall be required unless the Plan is revised. For purposes of clarification, the parties hereby agree that pursuant to Section 6.10 b., CITY shall elect for LESSEE to remove all or none of the improvements, structures and installations at LESSEE'S sole cost.

VII. Paragraph 7. 19, Disabled Access Compliance, is added to Section 7, General Provisions, of said Lease as follows:

"7.19 Disabled Access Compliance. LESSEE agrees to comply with Title 24 of the California Code of Regulations (Building Code) as defined in California Health and Safety Code (Title 24), 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, to the extent required under the applicable law.

- b. No qualified individual with a disability may be excluded on the basis of disability from participation in, or be denied the benefits of, service, programs, or activities of LESSEE, to the extent required under the applicable law.
- c. LESSEE shall post a statement addressing the requirements of subsections a. and b. above in a prominent place at the work site.
- d. Where required by law, LESSEE shall comply with CITY'S disabled access requirements by bringing up to code and making accessible any areas of the premises which deny access to disabled persons. All such improvements and alterations shall be at sole cost of LESSEE.
- e. LESSEE shall include language in each sublease agreement which indicates the sublessee's agreement to abide by the foregoing provisions. LESSEE and subleases shall be individually responsible for their own compliance with ADA.

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, subject to the notice and cure periods set forth in Section 4.05 of the Lease."

VIII. Except as amended the parties agree that all terms of the Lease remain the same. Nothing contained in this Amendment is intended to alter or amend any other covenants or condition of the Lease.

IX. Corporate Authority. Each individual executing this Amendment on behalf of LESSEE and CITY represent and warrant that he/she is authorized to execute and deliver this Amendment on behalf of said entity, in accordance with a duly adopted resolution of the governing body of the entity, in accordance with the bylaws of the entity or in accordance with law, as the case may be, and that this Amendment is binding upon the party in accordance with its terms.

IN WITNESS WHEREOF this First Amendment to Lease Agreement is executed by CITY, acting by and through the CITY MANAGER, and by LESSEE, acting by and through its lawful authorized officers.

Dated:

7/29/99

THE CITY OF SAN DIEGO

By:



~~City Manager~~ Real Estate Assets Director

LESSEE: PIER 1 IMPORTS (U.S.),
INC., a Delaware corporation

Dated:

6/28/99

By:



Dated:

6/28/99

By:



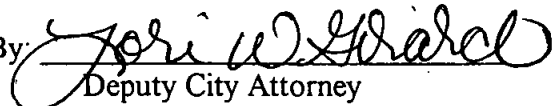
MICHAEL A. CARTER
ASSISTANT SECRETARY

APPROVED AS TO FORM AND LEGALITY THIS 29th DAY OF July, 1999.

Chapman 6-28-99

CASEY GWINN, City Attorney

By:



Deputy City Attorney

VEB:jmj

6/22/99

Exhibit A

Cost of Improvements Approved for the Rent Credit

(Building Permit Number B204112-98, Pier 1 Imports at 3220 Sports Arena Blvd.)

	<u>(City approved Rent Credit)</u>	<u>(Pier 1 agreed to spend)</u>
1. <u>Site Work</u>	up to \$20,750	\$41,500 ✓ \$57,567.00
(Installation of 3" average depth AC overlay, installation of 4" AC paving at removal areas, addition of 3" Class II base to paving at removal areas (excluding surveys, engineering and soil test), building footing and slab, construction G-1 Curb, PCC-pavement, PCC swale, PCC driveway)		
2. <u>Concrete</u>		
Structural Slab	up to \$15,800	\$31,600
Foundation	up to \$ 6,775	\$13,550
3. <u>Metals</u>		
Structural	up to \$4,300	\$8,600
Pipe bolards	up to \$1,800	\$3,600
5 x T.S. columns	up to \$5,700	\$11,400
Angles at bracing	up to \$1,400	\$2,800
4. <u>Moisture Protection</u>	up to \$3,575	\$7,150
(Roofing/roof repair, caulking/waterproofing)		
5. <u>Plumbing</u>	up to \$3,675	\$7,350
(Water and sewer piping)		
6. <u>Masonry</u>	up to \$3,500	\$7,000
(Brick, veneer, 8" CMU at building)		
7. <u>HVAC</u>	up to \$9,460	\$18,920
(HVAC equipment/recondition, duct work modifications)		
8. <u>Toilet Partions and Accessories</u>	up to \$1,525	\$3,050

9.	<u>Framing and Drywalls</u>	up to \$8,100	\$16,200
10.	<u>General Condition</u> (Supervision)	up to \$3,500	\$7,000
11.	<u>Two month waiver of rent</u> <u>During improvements</u>	\$27,640	-0-
TOTAL		up to \$117,500	\$179,720

EXHIBIT B

PLAN

Final Drawing Sheet Index

Henderson Architectural Group, Inc.
Pier 1 Imports
Store 119
Sports Arena Blvd., San Diego, CA 92110
(Job Nos. 97176 and 918-10)

SHT.	TITLE	REV.	DATE
T-1	Cover Sheet	1	3/2/98
A-0	Site Plan	2	3/4/98
D-1	Demolition Plan		1/30/98
A-1	Final Floor Plan	3	3/30/98
A-2	Reflected Ceiling Plan		1/30/98
A-3	Schedules	3	3/30/98
A-4	Interior Elevations/Partial Floor Plan		1/30/98
A-5	As-Built Exterior Elevations		1/30/98
A-6	Exterior Elevations/Partial Floor Plan		1/30/98
A-7	Wall Section & Details		1/30/98
A-8	Details		1/30/98
A-9	Details	3	3/30/98
A-10	Details		1/30/98
A-11	Roof Plan		1/30/98
S0.1	Structural Notes	1	3/3/98
S2.1	Floor & Foundation Plan/Details		1/30/98
S2.2	Roof Framing Plan/Details	1	3/3/98
S5.1	Structural Sections		1/30/08
S7.1	Structural Framing Plan/Details		1/30/98
S8.1	Structural Sections/Details	1	3/3/98
S8.2	Structural Sections/Details		1/30/98
S8.3	Structural Sections/Details	1	3/3/98
S8.4	Structural Details		3/3/98
P-1	Plumbing Plan	3	3/30/98
P-2	Plumbing Notes, Details & Schedule	3	3/30/98
M-1	Mechanical Plan	3	3/30/98
M-2	Mechanical Details, Notes & Schedules	3	3/30/98
E-1	Electrical Power Plan		1/30/98

E-2	Electrical Lighting Plan	2	3/4/98
E-3	Electrical Details		1/30/98
E-4	Single Line Diagram/Diagrams/Legend/Schedules	3	3/30/98
E-5	Title Z4 Forms		1/30/98
C-1	Civil General Notes		2/6/98
C-2	Civil Plan & Details		2/6/98
C-3	Site Demolition Plan		2/6/98
C-4	Site Plan		2/6/98

Passed and adopted by the Council of San Diego on

JUL 26 1999

by the following vote:

YEAS: MATHIS, WEAR, KEHOE, STEVENS, WARDEN, McCARTY,

VARGAS.

NAYS: NONE.

NOT PRESENT: STALLINGS, MAYOR GOLDING.

AUTHENTICATED BY:

SUSAN GOLDING

Mayor of The City of San Diego, California

CHARLES G. ABDELNOUR

City Clerk of The City of San Diego, California

(Seal)

By: Lori A. Witzel, Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. R- 291976, passed and adopted by the Council of The City of San Diego, California on JUL 26 1999.

CHARLES G. ABDELNOUR

City Clerk of The City of San Diego, California

(SEAL)

By: Lori A. Witzel, Deputy

(R-2000-13)

RESOLUTION NUMBER R- 291976

ADOPTED ON JUL 26 1999

BE IT RESOLVED, by the Council of The City of San Diego, that the City Manager is authorized to execute, for and on behalf of The City of San Diego, a lease amendment to the Lease Agreement with Pier 1 Imports, Inc., on file in the office of the City Clerk as Document No. RR-280329, to extend the lease term to 10 years, at a yearly rent of \$154,090, for continued retail operations at 3220 Sports Arena Boulevard, under the terms and conditions set forth in that First Amendment to Lease Agreement on file in the office of the City Clerk as Document No. RR- 291976.

APPROVED: CASEY GWINN, City Attorney

By Prescilla Dugard
Prescilla Dugard
Deputy City Attorney

PD:cdk
07/09/99
Or.Dept:REA
R-2000-13
Form=leaser.frm