



THE CITY OF SAN DIEGO

August 12, 2013

Mr. Justine D. Lee
c/o Presidio Hills Golf Course
4136 Wallace Street
San Diego, CA 92110

Re: Amendment to recently executed U&O Permit

Dear Mr. Lee:

You and CITY recently executed a new Use & Occupancy Permit for continuation of the operation and maintenance of the City-owned Presidio Hills Golf Course. However, we inadvertently included an out-dated clause which must be rectified. With your agreement, we can amend the Permit through this letter, signed by both you and CITY.

The particular clause refers to the process involved if you are late in your monthly rent payment to CITY ("Delinquent Payments"). The corrected clause is a benefit to you, in that the initial late charges due to CITY are actually less than previously stated. We expect that this correction should meet with your approval.

The incorrect language in the permit now reads:

14. Delinquent Payments. Amounts due CITY under this Permit and not paid when due will be referred to the San Diego City Treasurer for collection, and PERMITTEE shall pay to CITY a collection-referral fee in the amount of ten percent (10%) of the unpaid amount or Twenty-Five Dollars (\$25), whichever is greater, plus interest on the unpaid amount at the rate of twelve percent (12%) per year. After thirty (30) days past due, unpaid amounts due CITY under this Permit may be referred to the San Diego City Treasurer for collection, and shall be subject to San Diego Municipal Code section 22.1707, as may be amended from time to time. PERMITTEE shall pay to CITY any collection-referral fee and all other fees and charges plus interest as may then be charged by the San Diego City Treasurer under authority of the San Diego Municipal Code. Acceptance of late charges and any portion of the late payment by CITY shall neither constitute a waiver of PERMITTEE's breach or default with respect to the late payment nor prevent CITY from exercising any other rights and remedies available at law or in equity. As required by law, PERMITTEE is hereby notified that a negative credit report may be submitted to a credit reporting agency if amounts due CITY are not paid when due.



Real Estate Assets

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Instead, we'd like to change it to the following:

14. Delinquent Payments. If PERMITTEE fails to make any payment under this Permit when due, PERMITTEE shall pay to CITY, in addition to the unpaid amount, five percent (5%) of the unpaid amount, which shall be additional rent. If any amount of such payment remains unpaid after fifteen (15) days past due, PERMITTEE shall pay to CITY an additional five percent (5%) of the unpaid amount [being a total of ten percent (10%)], which shall be additional rent. Notwithstanding the foregoing, in no event shall the charge for late payment of rent be less than Twenty-Five Dollars (\$25). After thirty (30) days past due, unpaid amounts due CITY under this Permit may be referred to the San Diego City Treasurer for collection, and shall be subject to San Diego Municipal Code section 22.1707, as may be amended from time to time. PERMITTEE shall pay to CITY any collection-referral fee and all other fees and charges plus interest as may then be charged by the CITY's City Treasurer under authority of the San Diego Municipal Code. Acceptance of late charges and any portion of the late payment by CITY shall neither constitute a waiver of PERMITTEE's breach or default with respect to the late payment nor prevent CITY from exercising any other rights and remedies available at law or in equity. As required by law, PERMITTEE is hereby notified that a negative credit report may be submitted to a credit reporting agency if amounts due CITY are not paid when due.

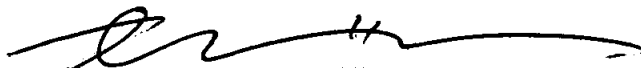
If this meets with your approval, please sign below and return this original signed letter to the attention of Barry Slotten, Property Agent, where it will be entered into our files. If you have any questions about this matter, please contact Barry directly at **619-236-6724** or at bslotten@sandiego.gov. We look forward to receiving the signed letter back from you soon. Thank you.

Sincerely,



David A. Sandoval, Deputy Director
Real Estate Assets Department

AGREED & ACCEPTED



JUSTINE LEE, an individual, d.b.a.
"Presidio Hills Golf Course"

Date:

8/28/2013