

CITY OF SAN DIEGO
CONSENT TO ASSIGNMENT OF LEASE AGREEMENT

This Consent to Assignment and Assumption of Lease Agreement ("Consent") is made as of October 8, 2004, by the City of San Diego ("CITY"), as ("LESSOR") under that certain Percentage Lease with

WAVE HOUSE SAN DIEGO, LLC, a California limited liability company
("LESSEE"/"ASSIGNOR")

and

WAVE HOUSE BELMONT PARK, LLC, a California limited liability company
("ASSIGNEE").

RECITALS

This Consent is made with regard to the following facts:

- A. CITY owns the real property located in San Diego California, described on the attached Exhibit "A" and commonly known as Belmont Park [the Park].
- B. CITY and Belmont Park Associates executed a Percentage Lease dated March 4, 1987 [the Percentage Lease] for the development and operation of the Park. The Percentage Lease was clarified and amended in an Operating Memorandum to Percentage Lease dated December 23, 1987; a Second Operating Memorandum to Percentage Lease dated December 11, 1990; a Third Operating Memorandum to Percentage Lease dated February 25, 1991; a Fourth Operating Memorandum to Percentage Lease dated August 12, 1991; and a Fifth Operating Memorandum to Percentage Lease dated June 26, 2000 [collectively, the Lease]. The Lease was assigned to PARS Belmont Park, LLC in a Lessor Consent, Estoppel and Nondisturbance Agreement dated December 1, 1995, which interest was subsequently assigned to Wave the Planet, LLC on June 22, 2000 with written consent and approval of the CITY pursuant to the Consent to Assignment of Ground Lease dated June 23, 2000, which interest was subsequently assigned to LESSEE as successor-in-interest on May 13, 2002, with written consent and approval of the CITY pursuant to the Consent to Assignment of Ground Lease dated May 20, 2002.
- C. ASSIGNOR desires to assign to ASSIGNEE all of its rights, title, interests, and obligations as LESSEE in and to the Lease pursuant to Assignment of Ground Lease ("Assignment") dated August 22, 2004 and attached as Exhibit "B" to the Consent.
- D. ASSIGNEE agrees to assume all rights and obligations of LESSEE under the Lease pursuant to Acceptance of Assignment of Ground Lease dated August 22, 2004, and attached as Exhibit "C" to the Consent.
- E. ASSIGNOR and ASSIGNEE desire to obtain LESSOR's Consent to the Assignment and LESSOR is willing to consent to the Assignment on the following terms and conditions.

NOW THEREFORE, in consideration of the mutual covenants contained in this Consent, and for valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the parties agree as follows.

- 1 Assumption. ASSIGNEE expressly assumes and agrees for the benefit of the LESSOR to be bound by, and to conform and comply with, every obligation of LESSEE under the Lease.
- 2 Assignments; Recapture. This Consent does not constitute a consent to any subsequent subletting or assignment or any existing subletting or assignment not approved by LESSOR in writing under the terms of the Lease and does not relieve ASSIGNOR or ASSIGNEE or any person claiming under or through ASSIGNEE of the obligation to obtain the consent of the LESSOR under Section 4.02 Assignment and Subletting, of the Lease to any assignment or sublease.
- 3 Default Under the Lease. In the event of any default of ASSIGNEE under the Lease, LESSOR may proceed directly against ASSIGNOR or ASSIGNEE, any guarantors, or anyone else liable under the Lease without first exhausting LESSOR's remedies against any other person or entity liable under the Lease to LESSOR.
- 4 Rent Credits and Audit. Pursuant to Section 3.06, Inspection of Records, of the Lease, the CITY, at its discretion, shall have right to inspect and audit the Lease to determine the exact amounts applicable for rent credits and potential rents owed to CITY, if any, and for final verification and application of Tier 2 rent credits in accordance with the Fifth Operating Memorandum. ASSIGNEE and ASSIGNOR agree to accept and be bound by the result of both audits.
- 5 Rent Credit Payoff Option. The parties hereto agree that in addition to the terms and conditions stated in the Lease, the CITY shall have the right, at any time, with sixty (60) days prior written notice to LESSEE, to pay down or pay off the remaining balance of the then outstanding Rent Credits as defined in the Lease and in so doing proportionately reduce or eliminate the outstanding Rent Credits as described in Section 3.03 of the Lease and modified by the Fifth Operating Memorandum to Percentage Lease dated June 22, 2000. Notwithstanding anything to the contrary set forth in this Consent, the CITY shall give any approved lender pursuant to Paragraph 4.03 of the Lease, written notice of CITY's election to so pay down or pay off the remaining balance of the then outstanding Rent Credits, along with a statement setting forth the amount it intends to pay off and the date upon which it intends to make such payment.
- 6 Capital Improvements. ASSIGNEE expressly agrees to implement the provisions outlined in the Fifth Operating Memorandum regarding construction and operation of permanent capital improvements within ten years from the date the Fifth Operating Memorandum to revitalize the Park with a new business concept, including recreational water features, retail shops and restaurants. The CITY and ASSIGNEE acknowledge and agree that the ten year period expires on June 25, 2010.
- 7 General Provisions.
 - 7.1 Consideration for Assignment. ASSIGNOR and ASSIGNEE represent and warrant that there are no payments or rent or any other consideration of any type which has been paid or is payable by ASSIGNEE to ASSIGNOR in connection with the Assignment or the Premises.

- 7.2 Brokerage Commission. ASSIGNOR and ASSIGNEE agree that LESSOR will not be liable for any brokerage commission or finders fee in connection with the consummation of the Assignment or this Consent. ASSIGNOR and ASSIGNEE will protect, indemnify and hold LESSOR harmless from any brokerage commission or finders fee in connection with the consummation of the Assignment or this consent, and from any cost or expense (including attorney's fees) incurred by LESSOR in resisting any claim for any such brokerage commission or finders fee. The provisions of this Section 7.2 shall survive the expiration or earliest termination of both the Assignment and this Consent.
- 7.3 Controlling Law. The terms and provisions of this Consent will be construed in accordance with and will be governed by the laws of the State of California.
- 7.4 Captions. Captions to the sections in this Consent are included for convenience only and do not modify any of the terms of this Consent.
- 7.5 Entire Agreement; Waiver. This Consent constitutes the final, complete and exclusive statement between the parties to this Consent pertaining to the terms of the LESSOR's Consent to the Assignment, supercedes all prior and contemporaneous understandings or agreements of the parties, and is binding on and inures to the benefit of their respective heirs, representatives, successors or assigns. No party has been induced to enter into this Consent by, nor is any party relying on, any representation or warranty outside those expressly set forth in this Consent. This Consent may be amended only in writing if mutually agreed to and signed by the effective parties.
- 7.6 Attorney Fees. If any party commences litigation against any other party for the specific performance of this Consent, for damages for the breach hereof or otherwise for enforcement of any remedy hereunder, the prevailing party shall be entitled to recover from the applicable party such costs and reasonable attorney fees as have been incurred.
- 7.7 Waiver. Except as explicitly stated in this Consent, nothing contained in this Consent will be deemed or construed to modify, waive, impair, or affect any of the covenants, agreements, terms, provisions, or conditions contained in the Lease. In addition, the acceptance of rents by LESSOR from ASSIGNEE or anyone else liable under the Lease will not be deemed a waiver by the LESSOR of any provisions of the Lease.
- 7.8 Notice. Any notice required or permitted to be given shall be done so in accordance with Section 7.01 of the Lease whereby notice shall be in writing and may be served personally or by United States mail, postage prepaid, addressed to LESSEE or other address designated in writing by LESSEE; and to CITY as follows:

City Manager, Attention Real Estate Assets Director
City Administration Building
202 C Street, M.S. 9B
San Diego, CA 92101-4155

And to any mortgagee, trustee or beneficiary, as applicable at such appropriate address designated in writing by the respective party. Any party entitled or required to receive notice under the Lease may by like notice designate a different address to which notice shall be sent.

LESSOR, ASSIGNOR and ASSIGNEE have executed this Consent as of the date shown.

ASSIGNEE:

WAVE HOUSE BELMONT PARK, LLC, a
California Limited Liability Company

Date: Sept. 1, 2004

By: [Signature]
Title: Member

Address of ASSIGNEE:

ASSIGNOR:

WAVE HOUSE SAN DIEGO, LLC, a California
Limited Liability Company

Date: Sept. 1, 2004

By: [Signature]
Title: Member

Address of ASSIGNOR:

THE CITY OF SAN DIEGO, LESSOR:

Date: 9-17, 2004

By: [Signature]
City Manager

APPROVED AS TO FORM AND LEGALITY:

CASEY GWINN, CITY ATTORNEY

Date: 10-8, 2004

By: [Signature]
Deputy City Attorney

VEB/cdj
08/26/04
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EXHIBIT "A"
THE REAL PROPERTY

All that portion of Pueblo Lot 1803 of Pueblo Lands, in the City of San Diego, County of San Diego, State of California, according to Map thereof made by James Pascoe in 1870, now known as Miscellaneous Map No. 36, and the unnumbered Tract of Mission Beach according to Map thereof No. 1809, filed in the Office of the County Recorder of San Diego County, more particularly described as follows:

Commencing at City of San Diego Survey Monument "Belmont" at the intersection of Ventura Place and Ocean Front Walk as shown on said Map of Mission Beach, said Monument having the NAD83 Coordinates of North 1862178.44 and East 6253378.64; Thence South 16°37'33" East 59.92 feet; Thence North 87°54'07" East 95.24 feet, to the TRUE POINT OF BEGINNING;

Thence North 87°54'07" East 282.37 feet to a point which bears South 58°19'53" West 117.98 feet from found City Engineers Disk, having the NAD83 coordinates of North 1862196.79 and East 6253873.55; Thence South 2°05'26" East 6.00 feet; Thence South 82°10'35" East 48.54 feet; Thence South 2°06'02" East 15.35 feet; Thence South 76°46'12" West 2.48 feet; Thence South 85°50'44" West 8.27 feet; Thence South 61°52'00" West 16.35 feet; Thence South 45°55'46" West 16.67 feet; Thence South 27° 35'45" West 16.17 feet; Thence South 8°34'44" West 16.24 feet; Thence South 0°48'23" West 7.96 feet; Thence South 10°58'52" East 16.51 feet; Thence South 18° 19'55" East 39.37 feet; Thence South 66°29'00" West 7.24 feet; Thence South 29°04'14" West 16.54 feet; Thence South 12°29'57" West 16.04 feet; Thence South 43°28'16" West 22.28 feet; Thence North 48°23'47" West 3.43 feet; Thence South 43°11'04" West 41.48 feet; Thence South 45°36'13" East 3.49 feet; Thence South 43°00'50" West 37.12 feet; Thence South 2°28'19" West 52.83 feet, to the beginning of a curve, having a radius of 20.00 feet, concave Westerly, a radial line to said point bears North 10°58'26" East; Thence Southerly along the arc of said curve a distance of 47.19 feet, through a central angle of 135°11'04"; Thence South 1°59'46" East 148.09 feet; Thence South 43°30'22" East 8.93 feet; Thence South 36°18'07" East 24.47 feet; Thence South 64°23'15" East 24.49 feet; Thence North 85°57'19" East 24.31 feet; Thence North 62°39'09" East 16.27 feet; Thence North 36°08'36" East 24.54 feet; Thence North 6°31'45" East 32.32 feet; Thence North 1°55'51" West 119.94 feet; Thence North 2°22'56" West 63.36 feet; to the beginning of a curve, having a radius of 120.00 feet, concave Southeasterly, a radial line to said point bears South 87°37'04" West; Thence Northeasterly along the arc of said curve a distance of 63.59 feet, through a central angle of 30°21'47"; Thence North 27°58'51" East 94.78 feet; Thence North 28°02'49" East 15.98 feet; Thence North 20°38'12" East 17.70 feet; to the beginning of a non-tangent curve, having a radius of 54.00 feet, concave Northwesterly, a radial line to said point bears South 69°21'52" East; Thence Northeasterly along the arc of said curve a distance of 9.70 feet, through a central angle of 10°17'47"; Thence North 81°24'11" East 7.51 feet, to the Westerly Right-of-way line of Mission Boulevard; Thence South 8°36'03" East 71.87 feet; to the beginning of a curve concave Westerly, having a radius of 1,980.00 feet, a radial line to said point bears North 81°23'57" East; Thence along the arc of said curve a distance of 224.62 feet, through a central angle of 6°30'00"; Thence South 2°06'03" East 363.91 feet; Thence South 87°50'57" West 511.36 feet; Thence North 2°01'38" West 532.19 feet; Thence North 87°58'21" East 75.73 feet; Thence North 2°02'55" West 92.48 feet; Thence North 87°56'16" East 19.62 feet; Thence North 2° 03'45" West 129.99 feet to the POINT OF BEGINNING.

Excepting there from any portion lying below the mean tide line of the Pacific Ocean.

Also excepting there from all deposits of mineral, including oil and gas with the right to prospect for, mine and remove and the same as reserved by the State of California by Chapter 119 Statutes of 1943, Recorded September 3, 1986 as File No. 86-385271 of Official Records.

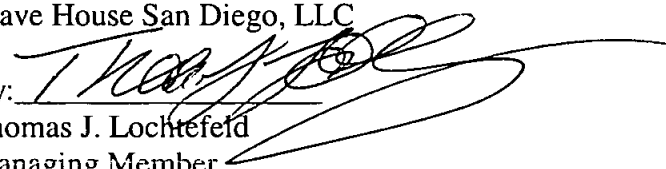
Above described parcel containing 313233.89 Square Feet, or 7.19086 Acres

ASSIGNMENT OF GROUND LEASE

FOR VALUE RECEIVED, the undersigned, Wave House San Diego, LLC, a California limited liability company ("Assignor") does hereby assign, transfer and set over unto Wave House Belmont Park, LLC, a California limited liability company ("Assignee"), all right, title and interest in and to that certain Percentage Lease dated March 4, 1987, as amended by an Operating Memorandum to Percentage Lease dated December 23, 1987; a Second Operating Memorandum to Percentage Lease dated December 11, 1990; a Third Operating Memorandum to Percentage Lease dated February 25, 1991; a Fourth Operating Memorandum to the Percentage Lease dated August 12, 1991 and a Fifth Operating Memorandum to Percentage Lease dated June 26, 2000 (hereinafter collectively referred to as the "Lease"), which was initially entered into by and between Belmont Park Associates, a California limited partnership as Lessee and the City of San Diego as Lessor, and thereafter assigned to Wave House San Diego, LLC, as Lessee, covering that certain property situated in the City of San Diego, County of San Diego, State of California commonly known as Belmont Park, together with all right, title and interest in rent credits and security deposits on said Lease.

Dated this 22 day of August, 2004

Wave House San Diego, LLC

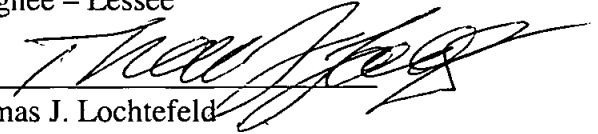
By: 
Thomas J. Lochtefeld
Managing Member

ACCEPTANCE OF ASSIGNMENT OF GROUND LEASE

Wave House Belmont Park, LLC does hereby accept the above assignment and agrees to be bound by all of the conditions and covenants contained in said Lease, and promises to pay the rent therein reserved in the manner and at all times therein specified.

Dated this 22 day of August, 2004

Wave House Belmont Park, LLC
Assignee – Lessee

By : 
Thomas J. Lochtefeld
Managing Member

CITY OF SAN DIEGO
CONSENT TO ASSIGNMENT OF LEASE AGREEMENT

This Consent to Assignment and Assumption of Lease Agreement ("Consent") is made as of May 20, 2002, by the City of San Diego ("CITY"), as ("LESSOR") under that certain Percentage Lease with

WAVE THE PLANET, LLC, a California limited liability company ("LESSEE"/"ASSIGNOR")
and

WAVE HOUSE SAN DIEGO, LLC, a California limited liability company ("ASSIGNEE")

RECITALS

This consent is made with regard to the following facts:

- A. CITY owns the real property located in San Diego California, described on the attached Exhibit "A" and commonly known as Belmont Park [the Park].
- B. CITY and Belmont Park Associates executed a Percentage Lease dated March 4, 1987 [the Percentage Lease] for the development and operation of the Park. The Percentage Lease was clarified and amended in an Operating Memorandum to Percentage Lease dated December 23, 1987; a Second Operating Memorandum to Percentage Lease dated December 11, 1990; a Third Operating Memorandum to Percentage Lease dated February 25, 1991; a Fourth Operating Memorandum to Percentage Lease dated August 12, 1991; and a Fifth Operating Memorandum to Percentage Lease dated June 26, 2000 [collectively, the Lease]. The Lease was assigned to PARS Belmont Park, LLC in a Lessor Consent, Estoppel and Nondisturbance Agreement dated December 1, 1995, which interest was subsequently assigned to LESSEE as successor-in-interest on June 22, 2000 with written consent and approval of the CITY pursuant to the Consent to Assignment of Ground Lease dated June 23, 2000.
- C. ASSIGNOR desires to assign to ASSIGNEE all of its rights, title, interests, and obligations as LESSEE in and to the Lease.
- D. ASSIGNOR and ASSIGNEE desire to obtain LESSOR's consent to the Assignment and LESSOR is willing to consent to the Assignment on the following terms and conditions.

NOW THEREFORE, in consideration of the mutual covenants contained in this Consent, and for valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the parties agree as follows.

- 1 Assumption. ASSIGNEE expressly assumes and agrees for the benefit of the LESSOR to be bound by, and to conform and comply with, every obligation of LESSEE under the Lease upon the effective date of the Assignment. ASSIGNOR has been released from all obligations under the Lease pursuant to the certain Settlement and Mutual Release Agreement dated May 13, 2002 between LESSOR and ASSIGNOR. Paragraphs 2 through 7

of this Agreement are between LESSOR and ASSIGNEE only and are in no way intended to obligate ASSIGNOR and shall not result in any obligations by ASSIGNOR.

- 2 Subsequent Assignments; Recapture. This Consent does not constitute a consent to any subsequent subletting or assignment and does not relieve ASSIGNEE or any person claiming under or through ASSIGNEE of the obligation to obtain the consent of the LESSOR under Section 4.02 Assignment and Subletting, of the Lease to any future assignment or sublease.
- 3 Default Under the Lease. In the event of any default of ASSIGNEE under the Lease, LESSOR may proceed directly against ASSIGNEE, any guarantors, or anyone else liable under the Lease without first exhausting LESSOR's remedies against any other person or entity liable under the Lease to LESSOR.
- 4 Rent Credit Payoff Option. The parties hereto agree that in addition to the terms and conditions stated in the Lease, the CITY shall have the right, at any time, with sixty (60) days prior written notice to LESSEE, to pay down or pay off the remaining balance of the then outstanding Rent Credits as defined in the Lease and in so doing proportionately reduce or eliminate the outstanding Rent Credits as described in Section 3.03 of the Lease and modified by the Fifth Operating Memorandum to Percentage Lease dated June 22, 2000. Notwithstanding anything to the contrary set forth in this Consent, the CITY shall give any approved lender pursuant to Paragraph 4.03 of the Lease, written notice of CITY's election to so pay down or pay off the remaining balance of the then outstanding Rent Credits, along with a statement setting forth the amount it intends to pay off and the date upon which it intends to make such payment.
- 5 Capital Improvements. ASSIGNEE acknowledges and agrees to implement the provisions outlined in the Fifth Operating Memorandum regarding construction and operation of permanent capital improvements within four years from the date the Fifth Operating Memorandum was executed to revitalize the Park with a new business concept, including recreational water features, retail shops and restaurants. The CITY and ASSIGNEE acknowledge and agree that the four year period expires on June 25, 2004 (hereafter the 'Four Year Date').
- 6 Rent Credits and Close-out Audit. LESSEE/ASSIGNOR has submitted to CITY a summary of capital improvement expenditures related to Tier 2 Rent Credits. These expenditures are sufficient in nature to offset the applicable rent due to CITY since the effective date of the Fifth Operating Memorandum and appear to be consistent with the approved Tier 2 rent credits referenced in Exhibit 2 thereof. The CITY consented to the removal of the temporary Improvements since permitting for the Phase I Water Themed Features could initially only allow for installation on a temporary basis, but only to the extent that the removal was temporary and the Improvements will be reinstalled permanently as soon as the permits are obtained, but no later than the Four Year Date as set forth in Exhibit C-1 of the Fifth Operating Memorandum. ASSIGNEE shall upon Assignment provide CITY with an acceptable security interest in conformance with the Uniform Commercial Code for the temporary improvements to insure they are permanently installed.

Pursuant to Section 3.06 Inspection of Records, of the Lease the CITY's Audit Division will conduct a close-out audit upon Assignment of the Lease to determine the exact amounts applicable for rent credits and potential rents owed to CITY if any. In addition a follow-up

audit will occur in July of 2004 for final verification and application of Tier 2 rent credits in accordance with the Fifth Operating Memorandum.

- 7 Accessory Use Permit. Effective upon Assignment the City Manager will issue a new Accessory Use Permit ("Permit") to Wave House San Diego, LLC under the same terms and conditions as the original Permit issued to Wave the Planet, LLC. In accordance with the settlement agreement authorized by the Mayor and City Council, payment of the Permit fee for the first year, October 1, 2000 to September 30, 2001 has been waived in the amount of Seventy Thousand Dollars (\$70,000). ASSIGNEE agrees to pay to CITY at close of escrow, Seventy Thousand Dollars (\$70,000) which will bring the Permit fee current through the second year, October 1, 2001 to September 30, 2002. The Seventy Thousand Dollar (\$70,000) annual permit fee is payable in minimum monthly installments of Five Thousand Eight-Hundred and Thirty-Three Dollars and Thirty-Three Cents (\$5,833.33) and shall be paid pursuant to the Fifth Operating Memorandum as long as such permit has been issued and not terminated. If the permit has been terminated and Lessee no longer has rights to utilize the permit, the Seventy Thousand Dollar (\$70,000) annual permit fee will not be required of Lessee, however, City may issue the Permit to another party in the City Manager's sole discretion.

Exhibit "A" to the Accessory Use Permit shows a Site Plan (identified as "Exhibit 1") that indicates nine (9) Valet/Passenger Drop-Off spaces located on the west side / southern edge of the Leasehold north parking lot. Due to physical space limitations, if nine (9) Valet/Passenger Drop-Off spaces do not fit within the designated area, then, in accordance with the terms of the Lease ASSIGNEE will propose an alternate site for the additional parking and the exact location of which must be approved by CITY.

8 General Provisions.

- 8.1 Consideration for Assignment. ASSIGNOR and ASSIGNEE represent and warrant that there are no additional payments or rent or any other consideration of any type which has been paid or is payable by ASSIGNEE to ASSIGNOR in connection with the Assignment or the Premises, other than as specifically disclosed to CITY by ASSIGNOR and ASSIGNEE herein or in the Purchase and Sale Agreement made April 30, 2002 between ASSIGNOR AND ASSIGNEE.
- 8.2 Brokerage Commission. ASSIGNOR and ASSIGNEE agree that LESSOR will not be liable for any brokerage commission or finders fee in connection with the consummation of the Assignment or this Consent. ASSIGNOR and ASSIGNEE will protect, indemnify and hold LESSOR harmless from any brokerage commission or finders fee in connection with the consummation of the Assignment or this consent, and from any cost or expense (including attorney's fees) incurred by LESSOR in resisting any claim for any such brokerage commission or finders fee. The provisions of this Section 8.2 shall survive the expiration or earliest termination of both the Assignment and this Consent.
- 8.3 Controlling Law. The terms and provisions of this Consent will be construed in accordance with and will be governed by the laws of the State of California.
- 8.4 Captions. Captions to the sections in this Consent are included for convenience only and do not modify any of the terms of this Consent.

- 8.5 Entire Agreement; Waiver. This Consent constitutes the final, complete and exclusive statement between the parties to this Consent pertaining to the terms of the LESSOR's Consent to the Assignment, supercedes all prior and contemporaneous understandings or agreements of the parties relating to LESSOR's Consent to the Assignment, and is binding on and inures to the benefit of their respective heirs, representatives, successors or assigns. No party has been induced to enter into this Consent by, nor is any party relying on, any representation or warranty outside those expressly set forth in this Consent. This Consent may be amended only in writing if mutually agreed to and signed by the effective parties.
- 8.6 Attorney Fees. If any party commences litigation against any other party for the specific performance of this Consent, for damages for the breach hereof or otherwise for enforcement of any remedy hereunder, the prevailing party shall be entitled to recover from the applicable party such costs and reasonable attorney fees as have been incurred.
- 8.7 Waiver. Except as explicitly stated in this Consent, nothing contained in this Consent will be deemed or construed to modify, waive, impair, or affect any of the covenants, agreements, terms, provisions, or conditions contained in the Lease. In addition, the acceptance of rents by LESSOR from ASSIGNEE or anyone else liable under the Lease will not be deemed a waiver by the LESSOR of any provisions of the Lease.
- 8.8 Notice. Any notice required or permitted to be given shall be done so in accordance with Section 7.01 of the Lease whereby notice shall be in writing and may be served personally or by United States main, postage prepaid, addressed to LESSEE or other address designated in writing by LESSEE; and to CITY as follows:

City Manager, Attention Real Estate Assets Director
City Administration Building
202 C Street, M.S. 9B
San Diego, CA 92101-4155

And to any mortgagee, trustee or beneficiary, as applicable at such appropriate address designated in writing by the respective party. Any party entitled or required to receive notice under the Lease may by like notice designate a different address to which notice shall be sent.

LESSOR, ASSIGNOR and ASSIGNEE have executed this Consent as of the date shown.

ASSIGNEE:

WAVE HOUSE SAN DIEGO, LLC, a California
Limited Liability Company

Date: May 20, 2002

By: [Signature]

Title: Manager

Address of ASSIGNEE: 210 Westbourne Street, La Jolla, CA, 92037

ASSIGNOR:

WAVE THE PLANET, LLC, a California Limited
Liability Company

Date: May 15, 2002

By: [Signature]

Title: Manager

Address of ASSIGNOR: _____

THE CITY OF SAN DIEGO, LESSOR:

Date: May 20, 2002

By: [Signature]
City Manager

APPROVED AS TO FORM AND LEGALITY:

CASEY GWINN, CITY ATTORNEY

Date: May 20, 2002

By: [Signature]
Head Deputy City Attorney, Prescilla Dugard

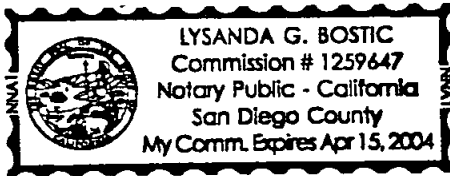
CEH/jmj
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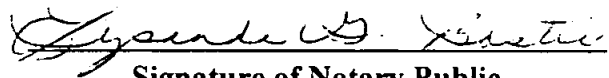
ALL-PURPOSE ACKNOWLEDGMENT

**STATE OF CALIFORNIA
COUNTY OF SAN DIEGO**

On May 20, 2002, before me, Lysanda G. Bostic, the undersigned, a Notary Public in and for said State, personally appeared William T. Griffith, personally known to me (~~or proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), 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 of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Consent of Assignment of Lease Agreement -- Wave House Planet, LLC.

Document Date: May 20, 2002

Number of Pages: Five

Signer is Representing: The City of San Diego

EXHIBIT "A"

All that portion of Pueblo Lot 1803 of Pueblo Lands, in the City of San Diego, County of San Diego, State of California, according to Map thereof made by James Pascoe in 1870, now known as Miscellaneous Map No. 36, and the unnumbered Tract of Mission Beach according to Map thereof No. 1809, filed in the Office of the County Recorder of San Diego County, more particularly described as follows:

Commencing at City of San Diego Survey Monument "Belmont" at the intersection of Ventura Place and Ocean Front Walk as shown on said Map of Mission Beach, said Monument having the NAD83 Coordinates of North 1862178.44 and East 6253378.64; Thence South 16°37'33" East 59.92 feet; Thence North 87°54'07" East 95.24 feet, to the TRUE POINT OF BEGINNING;

Thence North 87°54'07" East 282.37 feet to a point which bears South 58°19'53" West 117.98 feet from found City Engineers Disk, having the NAD83 coordinates of North 1862196.79 and East 6253873.55; Thence South 2°05'26" East 6.00 feet; Thence South 82°10'35" East 48.54 feet; Thence South 2°06'02" East 15.35 feet; Thence South 76°46'12" West 2.48 feet; Thence South 85°50'44" West 8.27 feet; Thence South 61°52'00" West 16.35 feet; Thence South 45°55'46" West 16.67 feet; Thence South 27°35'45" West 16.17 feet; Thence South 8°34'44" West 16.24 feet; Thence South 0°48'23" West 7.96 feet; Thence South 10°58'52" East 16.51 feet; Thence South 18°19'55" East 39.37 feet; Thence South 66°29'00" West 7.24 feet; Thence South 29°04'14" West 16.54 feet; Thence South 12°29'57" West 16.04 feet; Thence South 43°28'16" West 22.28 feet; Thence North 48°23'47" West 3.43 feet; Thence South 43°11'04" West 41.48 feet; Thence South 45°36'13" East 3.49 feet; Thence South 43°00'50" West 37.12 feet; Thence South 2°28'19" West 52.83 feet, to the beginning of a curve, having a radius of 20.00 feet, concave Westerly, a radial line to said point bears North 10°58'26" East; Thence Southerly along the arc of said curve a distance of 47.19 feet, through a central angle of 135°11'04"; Thence South 1°59'46" East 148.09 feet; Thence South 43°30'22" East 8.93 feet; Thence South 36°18'07" East 24.47 feet; Thence South 64°23'15" East 24.49 feet; Thence North 85°57'19" East 24.31 feet; Thence North 62°39'09" East 16.27 feet; Thence North 36°08'36" East 24.54 feet; Thence North 6°31'45" East 32.32 feet; Thence North 1°55'51" West 119.94 feet; Thence North 2°22'56" West 63.36 feet, to the beginning of a curve, having a radius of 120.00 feet, concave Southeasterly, a radial line to said point bears South 87°37'04" West; Thence Northeasterly along the arc of said curve a distance of 63.59 feet, through a central angle of 30°21'47"; Thence North 27°58'51" East 94.78 feet; Thence North 28°02'49" East 15.98 feet; Thence North 20°38'12" East 17.70 feet, to the beginning of a non-tangent curve, having a radius of 54.00 feet, concave Northwesterly, a radial line to said point bears South 69°21'52" East;

Thence Northeasterly along the arc of said curve a distance of 9.70 feet, through a central angle of 10°17'47"; Thence North 81°24'11" East 7.51 feet, to the Westerly Right-of-way line of Mission Boulevard; Thence South 8°36'03" East 71.87 feet, to the beginning of a curve concave Westerly, having a radius of 1,980.00 feet, a radial line to said point bears North 81°23'57" East; Thence along the arc of said curve a distance of 224.62 feet, through a central angle of 6°30'00"; Thence South 2°06'03" East 363.91 feet; Thence South 87°50'57" West 511.36 feet; Thence North 2°01'38" West 532.19 feet; Thence North 87°58'21" East 75.73 feet; Thence North 2°02'55" West 92.48 feet; Thence North 87°56'16" East 19.62 feet; Thence North 2°03'45" West 129.99 feet to the POINT OF BEGINNING.

CONTAINS 7.191 ACRES (MORE OR LESS)

RECORDING REQUESTED
CHICAGO TITLE COMPANY
AND WHEN RECORDED MAIL TO

FIROUZ D. MEMARZADAH
WAVE THE PLANET, LLC, a
California limited liability
company
7310 MIRAMAR ROAD, FIFTH FLOOR
SAN DIEGO, CA 92126

THE ORIGINAL OF THIS DOCUMENT
WAS RECORDED ON MAY 22, 2002
DOCUMENT NUMBER 2002-0434376
GREGORY J. SMITH, COUNTY RECORDER
SAN DIEGO COUNTY RECORDER'S OFFICE
TIME: 12:03 PM

Escrow No. 23071366-47
Order No. 23071366-52

SPACE ABOVE THIS LINE FOR RECORDER'S USE

ASSIGNMENT OF GROUND LEASE

THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION
(Additional recording fee applies)

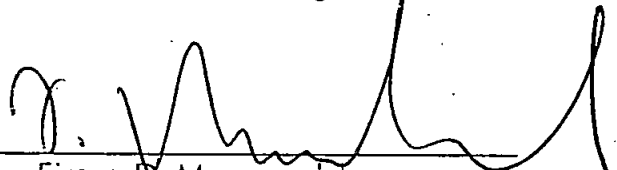
ASSIGNMENT OF GROUND LEASE

FOR VALUE RECEIVED, the undersigned, Wave the Planet, LLC, a California limited partnership (hereinafter sometimes referred to as "PARS" or "Assignor") does hereby assign, transfer and set over unto Wave House San Diego, LLC, a California limited liability company ("Assignee"), all right, title and interest in and to that certain Percentage Lease dated March 4, 1987, as amended by an Operating Memorandum to Percentage Lease dated December 23, 1987; a Second Operating Memorandum to Percentage Lease dated December 11, 1990; a Third Operating Memorandum to Percentage Lease dated February 25, 1991; a Fourth Operating Memorandum to Percentage Lease dated August 12, 1991 and a Fifth Operating Memorandum to Percentage Lease dated June 26, 2000 (hereinafter collectively referred to as the "Lease"), which was initially entered into by and between Belmont Park Associates, a California limited partnership as Lessee and the City of San Diego as Lessor, and thereafter assigned to PARS as Lessee, covering that certain property situated in the City of San Diego, County of San Diego, State of California commonly known as Belmont Park, together with all right, title and interest in rent credits and security deposit on said Lease.

Dated this 10th day of May, 2002

Wave the Planet, LLC, Assignor-Lessee

By:


Firouz D. Memarzadeh,
Co-Trustee of the Memarzadeh Family
Trust UDT June 13, 1997

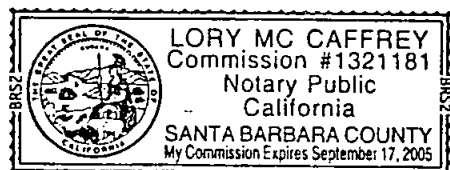
State of California

County of San Diego

On May 10, 2002 before me, the undersigned, a notary public in and for said state,
personally appeared Firouz D. Memarzadeh

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the entity upon belief of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Signature: Lory McCaffrey

Name: Lory McCaffrey

ACCEPTANCE OF ASSIGNMENT OF LEASE

Wave House San Diego, LLC does hereby accept the above assignment and agrees to be bound by all of the conditions and covenants contained in said Lease, and promises to pay the rent therein reserved in the manner and at all times therein specified.

Dated this 10th day of May, 2002

Wave House San Diego, LLC, Assignee-Lessee

By: Thomas J. Lochtefeld
Thomas J. Lochtefeld, Member

State of California

County of San Diego

On May 20, 2002 before me, the undersigned, a notary public in and for said state, personally appeared Thomas J. Lochtefeld

Personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the entity upon belief of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature: Renee A. K. Marshall

Name: Renee A. K. Marshall



CONSENT TO ASSIGNMENT OF GROUND LEASE

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

BELMONT PARK ASSOCIATES,
a California Limited partnership

and filed in the Office of the City Clerk as Document 266064, and assigned to

PARS BELMONT PARK, LLC,
a California Limited Liability Company

(LESSEE) on December 1, 1995, hereby consents to that certain Assignment of Ground Lease Agreement between the above LESSEE (ASSIGNOR) and

WAVE THE PLANET, LLC,
a California Limited Liability Company

(ASSIGNEE) dated June 22, 2000 and attached hereto.

THE CITY OF SAN DIEGO

Dated 6/23/00

By Linda M. Feins
Supervising Property Agent
for the City Manager

APPROVED AS TO FORM:

CASEY GWINN, City Attorney

Dated 6/23/00

By Zori W. Galarza
Deputy City Attorney

LMF/jmj
06/23/00

State of California)
County of San Diego)

On, July 27, 2000 before me, Antoinette D. Mancino, notary public, personally appeared Firouz D. Memarzadeh, 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 capacities, and that by his signatures on the instrument the person, or the entity on behalf of which the person acted, executed the instrument attached hereto.

WITNESS my hand and official seal.

[seal]

Antoinette D. Mancino
My Commission Expires on:



State of California)
County of San Diego)

On, July 27, 2000 before me, Antoinette D. Mancino, notary public, personally appeared Thomas J. Lochtefeld, 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 on behalf of which the person acted, executed the instrument attached hereto.

WITNESS my hand and official seal.

[seal]

Antoinette D. Mancino
My Commission Expires on:

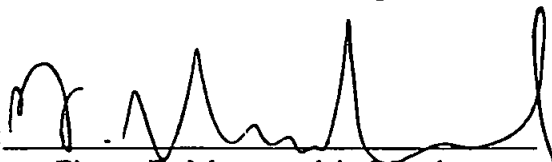


ASSIGNMENT OF GROUND LEASE

FOR VALUE RECEIVED, the undersigned, PARS Belmont Park, LLC, a California limited partnership (hereinafter sometimes referred to as "PARS" or "Assignor") does hereby assign, transfer and set over unto Wave the Planet, LLC, a California limited liability company ("Assignee"), all right, title and interest in and to that certain Percentage Lease dated March 4, 1987, as amended by an Operating Memorandum to Percentage Lease dated December 23, 1987; a Second Operating Memorandum to Percentage Lease dated December 11, 1990; a Third Operating Memorandum to Percentage Lease dated February 25, 1991; and a Fourth Operating Memorandum to Percentage Lease dated August 12, 1991 (hereinafter collectively referred to as the "Lease"), which was initially entered into by and between Belmont Park Associates, a California limited partnership as Lessee and the City of San Diego as Lessor, and thereafter assigned to PARS as Lessee, covering that certain property situated in the City of San Diego, County of San Diego, State of California commonly known as Belmont Park, together with all right, title and interest in rent credits and security deposit on said Lease.

Dated this 22nd day of June, 2000

PARS Belmont Park, LLC, Assignor-Lessee

By: 

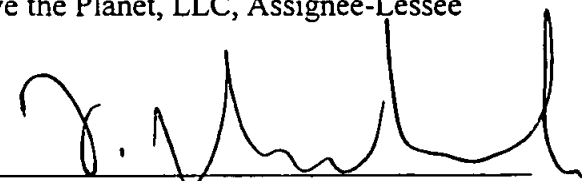
Firouz D. Memarzadeh, Member

ACCEPTANCE OF ASSIGNMENT OF LEASE

Wave the Planet, LLC does hereby accept the above assignment and agrees to be bound by all of the conditions and covenants contained in said Lease, and promises to pay the rent therein reserved in the manner and at all times therein specified.

Dated this 22nd day of June, 2000

Wave the Planet, LLC, Assignee-Lessee

By: 

Firouz D. Memarzadeh, Member

By: 

Thomas J. Lochtefeld, Member

ATTACHMENT TO GROUND LEASE

CONSENT TO ASSIGNMENT OF GROUND LEASE (Consisting of 1 page)