CONSENT TO ASSIGNMENT OF LEASE

This CONSENT TO ASSIGNMENT OF LEASE ("**Consent**") is executed by the CITY OF SAN DIEGO, a California municipal corporation ("**City**"), STEPHEN GLENN DALY, an individual ("**Lessee**"), and GREGG BEATY, an individual ("**Assignee**"), to be effective upon execution by the respective authorized representatives of City, Lessee, and Assignee, and approval as to form by the San Diego City Attorney (the "**Effective Date**").

RECITALS

A. City and Lessee entered into that certain City of San Diego Flat Rate Ground Lease for Ground Space within the Area Referred to as Flattop East, dated as of October 1, 2023 (the "**Lease**"), a copy of which is attached hereto as **Attachment A** and incorporated herein by reference.

B. Lessee has entered into that certain Hangar Sale and Lease Assignment and Assumption Agreement ("**Sale and Lease Assignment Agreement**"), attached hereto as **Attachment B**, to, among other things, assign all of Lessee's right, title and interest to and under the Lease to Assignee, and for Assignee to assume all obligations of the "Lessee" under the Lease.

C. Section 4.2 of the Lease requires City's prior written consent for Lessee to assign any interest in the Lease.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is acknowledged, City hereby consents to Lessee's assignment of the Lease to Assignee, subject to the following provisions:

1. Subject to the terms and conditions herein, City hereby consents to the assignment of the Lease to Assignee pursuant to the Sale and Lease Assignment Agreement. All terms and conditions of the Lease shall control and supersede any inconsistent or contrary provisions in the Sale and Lease Assignment Agreement, except as otherwise approved herein. Assignee expressly agrees for the benefit of City that it will assume all rights and obligations of Lessee under the Lease and that Assignee will keep and perform all covenants, conditions, and provisions of the Lease from the Effective Date of this Consent.

2. By granting this Consent, City does not release, discharge, or modify Lessee's obligations to City under the Lease. Lessee shall remain obligated to City as the lessee under the Lease. As set forth in applicable law, Lessee's obligations under the Lease shall survive assignment to Assignee and shall continue through the termination date of the Lease, as set forth therein. The City does not waive or relinquish any rights under the Lease as against Lessee. Any act or omission of Assignee or anyone claiming under or through Assignee that violates the Lease will be deemed a default under the Lease by Lessee.

3. This Consent does not constitute City's consent to any subsequent assignment of any interest in and to the Lease and does not relieve Assignee or any person claiming under or through Assignee of the obligation to obtain City's consent to any future assignment or sublease, if and to the extent City's consent is required by the terms of the Lease.

4. As a condition of and consideration for this Consent, Lessee agrees to pay City the "equity share" agreed to under Section 4.3 of the Lease, as well as any applicable processing and/or administrative fee(s) for processing this Consent.

5. Lessee and Assignee acknowledge and agree that City shall not be liable for any brokerage commissions or finder's fee in connection with the assignment of the Lease or this Consent. Further, Lessee and Assignee agree to protect, defend, indemnify and hold the City, its elected officials, officers, representatives, agents and employees harmless from and against any claim for any brokerage commission or finder's fee in connection with the assignment of the Lease to Assignee or this Consent, and from and against any cost or expense (including without limitation attorneys' fees) incurred by City in resisting any claim for any such broker's commission or finder's fee. The provisions of this Section 5 shall survive the expiration or earlier termination of both the Sale and Lease Assignment Agreement and this Consent.

6. Lessee and Assignee represent and warrant to City that there are no additional payments of rent or any other consideration of any type that has been paid, is payable, or may become payable by Assignee or any other person to Lessee in connection with the assignment of the Lease to Assignee, other than as disclosed in the Sale and Lease Assignment Agreement.

7. 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. This Consent constitutes the final, complete, and exclusive statement between the parties to this Consent pertaining to the terms of City's consent to the assignment of the Lease to Assignee under the Sale and Lease Assignment Agreement, supersedes all prior and contemporaneous understandings or agreements of the parties relating to the assignment, and is binding on and inures to the benefit of their respective heirs, representatives, successors, and 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. Any agreement made after the date of this Consent is ineffective to modify, waive, or terminate this Consent, in whole or in part, unless that agreement is in writing, is signed by the parties to this Consent, and specifically states that agreement modifies this Consent.

9. Nothing in this Consent or any document referenced in this Consent is intended to create or authorize the creation of any transfer, lien, or encumbrance affecting the fee title to the real property that is the subject of the Lease.

10. This assignment may be executed in counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

11. The parties agree: (a) to deliver and accept signatures on or under this Consent by e-mail or electronic means (including digital signatures); and (b) that signatures delivered by e-mail or electronic means (including digital signatures) shall be binding as originals upon the party so signing and delivering.

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IN WITNESS WHEREOF, City, Lessee, and Assignee enter into this Consent to Assignment of Lease by and through the signatures of their respective authorized representatives set forth below:

Date: 06/06/2025

THE CITY OF SAN DIEGO, a California municipal corporation

By: Jorge Rubio (Jun 6, 2025 14:54 PDT)
Jorge E. Rubio, Chief of Airports,
Economic Development Department

Approved as to Form: This 6th
Day of June, *2025.*

HEATHER FERBERT, City Attorney

By: Brian Byun (Jun 6, 2025 14:57 PDT)
Name:

Title: Deputy City Attorney

Date: 6/2/2025

STEPHEN GLENN DALY, an Individual

By:

Date: 6/2/2025

GREGG BEATY, an Individual

By:

ATTACHMENT A

Flat Rate Ground Lease for Ground Space within the Area Referred to as Flattop East, dated as of October 1, 2023 by and between City of San Diego and Stephen Glenn Daly

[*behind this cover page*]

ATTACHMENT B

Hangar Sale and Lease Assignment and Assumption Agreement by and between Stephen Glenn Daly, as Assignor, and Gregg Beaty, as Assignee

[*behind this cover page*]