

OPTION TO EXTEND THE TERM OF OFFICE LEASE
HARBOR DEPARTMENT AGREEMENT NO. 2513

This OPTION TO EXTEND THE TERM OF OFFICE LEASE ("**Option**") is made and entered into as of the _____ day of February, 2012, by and between Pacific Place Associates, LP, a California limited partnership ("**Landlord**"), and the CITY OF LOS ANGELES, a Municipal Corporation, acting by and through its Board of Harbor Commissioners, ("**Tenant**").

RECITALS:

A. Pacific Place Associates, LP, a California limited partnership ("**Landlord**") and the CITY OF LOS ANGELES, a Municipal Corporation, acting by and through its Board of Harbor Commissioners, ("**Tenant**") entered into that certain lease agreement (Harbor Department Agreement No. 2513) dated January 17, 2007 ("**Lease**"), and First Amendment dated July 9, 2007 ("**First Amendment**") whereby Landlord leased to Tenant and Tenant leased from Landlord certain office space located in that certain building located at 222 West 6th Street, Suite 1000, 1060, 1070, 1080, San Pedro, California (the "**Building**").

B. By this Option, Landlord and Tenant desire that Tenant extend the term of the Lease by an additional two years, and modify the Annual Base Rent, as permitted in Section 3(b) of the Lease.

C. Unless otherwise defined herein, capitalized terms as used herein shall have the same meanings as given thereto in the Lease.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT:

1. **Option Term.** The term for Tenant's lease shall be extended for two years, to commence on March 1, 2012 ("**New Commencement Date**") and terminate on the date that is two years after the New Commencement Date ("**New Expiration Date**"). The period from March 1, 2012 through the New Expiration Date specified above, shall be referred to herein as the "**Option Term**."

2. **Base Rent for Premises.** The monthly installment of Base Rent payable to Landlord ("**Base Rent**") for the Option Term for the Premises shall be \$28,934.78 per month for the first year (\$2.26 per rentable square foot per month), and \$29,802.82 per month for the second year (approximately \$2.33 per rentable square foot per month, inclusive of the rent escalation factor of 3% as provided in Section 5(b) of the Lease).

3. **Tenant Representations.** Each person executing this Option on behalf of Tenant represents and warrants to Landlord that: (a) Tenant is properly formed and

validly existing under the laws of the state in which Tenant is formed and Tenant is authorized to transact business in the state in which the Building is located; (b) Tenant has full right and authority to enter into this Option and to perform all of Tenant's obligations hereunder; and (c) each person (and persons if more than one signs) signing this Option on behalf of Tenant is duly and validly authorized to do so.

4. **No Further Modification.** Except as set forth in this Option, all of the terms and provisions of the Lease shall apply to the Existing Premises and shall remain unmodified and in full force and effect. Effective as of the date hereof, all references to the "Lease" shall refer to the Lease as amended by this Option.

5. **Counterparts.** This Option may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute together one and the same instrument.

6. **Successors and Assigns.** The Lease, as revised hereby, shall apply to and bind Landlord and Tenant and their respective successors and assigns.

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IN WITNESS WHEREOF, the parties hereto have executed this Option as of the date first above written.

Landlord:

Pacific Place Associates, LP
a California Limited Partnership

By: Pacific Place Associates, Inc.
its Managing General Partner

By: *Ronald N. Tutor*
Ronald N. Tutor,
its Authorized Representative

Date: 1-13-12

Tenant:

THE CITY OF LOS ANGELES,
by its Board of Harbor Commissioners

By: _____
Executive Director

Attest: _____
Board Secretary

Date: _____

APPROVED AS TO FORM AND
LEGALITY

January 20, 2012
CARMEN A. TRUTANICH, City Attorney
Thomas A. Russell, General Counsel

By: *Heather M. McCloskey*
HEATHER M. McCLOSKEY, Deputy

Account#	<u>59955</u>	W.O. #	_____
Ctr/Div #	<u>000/0424</u>	Job Fac. #	_____
Proj/Prog#	<u>000</u>		
Budget FY: Amount:			
	11/12	\$129,640	
	12/13	\$392,390	
	13/14	\$266,222	
	TOTAL	\$788,252	
For Acct/Budget Div. Use Only:			
Verified By:	<u><i>Janet Fernan</i></u>		
Verified Funds Available:	<u><i>Shyan C. King</i></u>		
Date Approved:	<u>1/19/2012</u>		