**ATTACHMENT 3**

OFFICIAL BUSINESS
Document entitled to free recording
Per Government Code Section 6103 and 27383

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

The Redevelopment Agency of the
City of San Diego
1200 Third Avenue, Suite 1400
San Diego, California 92101-4106
Attention: NTC Project Manager

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SECOND AMENDMENT TO GROUND LEASE

This Second Amendment to Ground Lease ("**Amendment**") is made and entered into as of June __, 2010, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO, a public body corporate and politic ("**Landlord**"), and LIBERTY STATION MARKETPLACE, LLC, a Delaware limited liability company ("**Tenant**") with reference to the following facts:

RECITALS

A. Landlord and McMillin-NTC, LLC, a Delaware limited liability company previously entered into that certain Ground Lease dated as of August 1, 2004 ("**Original Ground Lease**") related to the lease of that certain real property described in Exhibit A attached hereto (the "**Property**") located in the City of San Diego, County of San Diego, California, a memorandum of which was recorded in the Official Records of San Diego County ("**Official Records**") on October 27, 2004 as Document No. 2004-1015552.

B. The Original Ground Lease was amended by that certain First Amendment to Ground Lease dated as of June 1, 2006 and recorded in the Official Records on June 7, 2006 as Document No. 2006-0402429 ("**First Amendment**") and was subsequently assigned to Tenant pursuant to that certain Assignment of Ground Leases dated as of July 27, 2006 and recorded in the Official Records on July 28, 2006 as Document No. 2006-0537240 ("**Assignment**"). The Original Ground Lease as amended by the First Amendment and Assignment is referred to herein as the "**Ground Lease**".

C. Due to fluctuating real estate market conditions, Landlord and Tenant now desire to amend the Ground Lease in the manner described herein.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant agree as follows:

AGREEMENT

1. Modification. Section 2.30(b)(viii) of the Ground Lease is hereby deleted in its entirety and replaced with the following:

> "(viii) No extension, modification, change or amendment to a Permitted Leasehold Mortgage shall be effective, or binding upon Landlord, unless and until approved by Landlord, which approval shall be granted so long as such extension, modification, change or amendment satisfies the applicable requirements of paragraphs (i) through (vii), above. Any extension, modification, change or amendment to a Permitted Leasehold Mortgage that exceeds eighty percent (80%) of the fair market value of Tenant's interest in the Lease as set forth in paragraph (i) above, but that does satisfy the applicable requirements of paragraphs (ii) through (vii) above, may be approved by the Landlord's Executive Director, in his or her sole discretion, provided the Permitted Leasehold Mortgagee has not declared the involved mortgage in default and the extension, modification, change or amendment to the Permitted Leasehold Mortgage satisfies the underwriting standards of the Permitted Leasehold Mortgagee and of the Landlord, as imposed from time to time, which standards may include, but are not limited to, the following:
>
> (aa) Minimum loan to value standards
> (bb) Minimum net operating income
> (cc) Minimum operating and lease-up reserves
> (dd) Minimum debt service coverage
> (ee) Approval of new tenant leases or modifications to existing tenant leases
> (ff) use of encumbrance proceeds
> (gg) status of development of the improvements
> (hh) term of encumbrance"

2. Ratification. Except as modified by this Amendment, the Ground Lease remains in full force and effect.

3. Counterparts. This Amendment may be executed in counterparts, which when taken together shall constitute a single signed original as though all parties had executed the same page.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date first written above.

**REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO**

By: _____
Janice L. Weinrick, Deputy Executive Director

APPROVED the form and legality of this
Amendment this ____ day of _____, 2010.

JAN I. GOLDSMITH,
General Counsel

By: _____
Diane Bazan Young, Deputy General Counsel

**LIBERTY STATION MARKETPLACE, LLC,**
**a Delaware limited liability company**

By: Liberty Station Marketplace Investors, LLC, its manager

By: C.W. Clark, Inc., its Co-Manager

By: _____
Name: _____
Title: _____

By: McMillin Companies, LLC, its Co-Manager

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

CONSENTED TO BY PERMITTED LEASEHOLD MORTGAGEE:

BANK OF AMERICA, N.A.,
a national banking association

By: _____
Barbara Colter, Senior Vice President

STATE OF CALIFORNIA )
) ss.
COUNTY OF SAN DIEGO )

On ____ before me, _____, personally appeared _____, 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 _____

STATE OF CALIFORNIA )
) ss.
COUNTY OF SAN DIEGO )

On ____ before me, _____, personally appeared _____, 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 _____

EXHIBIT A

Legal Description

Real property in the City of San Diego, County of San Diego, State of California, described as follows:

Lot 23 of NTC-Unit No. 5, in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 14723, filed in the Office of the County Recorder of San Diego County, December 19, 2003.

Excepting and reserving unto the State of California, its successors and/or assigns, forever, as to a portion of the herein described property, all minerals and all mineral rights in the lands of every kind and character now known to exist or hereafter discovered including, but not limited to, oil and gas and rights thereto, together with the sole, exclusive, and perpetual right to explore for, remove, and dispose of those minerals by any means or methods suitable to the State of California or to its successors and/or assigns, except that notwithstanding Chapter 700 of the Statutes of 1911, as amended, or Section 6401 of the Public Resources Code, the reservations shall not include the right of the State or its successors and/or assignees in connection with any mineral reservation, removal, or disposal activity, to do either of the following: (1) enter upon, use or damage the surface of the lands or interfere with the use of the surface by any grantee or by the grantee's successor and/or assignees; or (2) conduct any mining activities of any nature whatsoever above a plane located five hundred feet below the surface of the lands without written permission of any grantee of the lands or the grantee's successors and/or assigns, as set forth in document entitled "State of California Patent of Trust Termination Parcels" recorded February 28, 2002 as File No. 2002-0170372 of Official Records.

**APN 450-840-13-00**