SERVICES AND FEE AGREEMENT

This Services and Fee Agreement ("Agreement") is made effective and entered into as of January 14, 2015, by and between HUGHES MARINO, INC., a California corporation ("Hughes Marino") and CISTERRA PARTNERS, LLC, a California limited liability company, ("Cisterra"), with reference to the following facts:

REQUITALS

A. Lowe SD California Property LLC, a New York limited liability company ("Lowe"), owns that certain property and buildings located at 201 A Street, commonly known as King-Chavez High School, and 1200 Third Avenue, San Diego, California 92101, commonly known as Civic Center Plaza (collectively the “Property”). Lowe desires to convey fee title to the Property.

B. The City of San Diego (the “City”) is currently a tenant occupying a portion of the Property. The City would like to continue utilizing and/or acquire the Property as part of its long-term usage plans. The City, however, has several present constraints that prevent it from directly acquiring the Property from Lowe at this time. Hughes Marino developed other potential solutions that would allow the City to continue utilizing and/or acquire the Property other than a direct acquisition from Lowe of fee title to the Property.

C. One such solution Hughes Marino developed and proposed was to identify and approach all necessary parties (including without limitation Lowe, the City, Cisterra, third party financier(s), etc.) and negotiate terms and conditions sufficiently acceptable to all of the necessary parties that would allow Cisterra (or an affiliate or entity sponsored by Cisterra) to acquire fee title or other interest in the Property from Lowe, and then have Cisterra (or an affiliate or entity sponsored by Cisterra) reach an agreement with the City by which an interest in the Property (including without limitation a leasehold interest) is transferred to the City (or other third party), which may include without limitation, an option for the City to eventually acquire fee title to the Property (singularly or collectively a “Transaction”). Cisterra is willing to pursue such a Transaction.

D. Cisterra desires to engage Hughes Marino to provide consulting and advisory services in connection with their pursuit of a Transaction and, including, without limitation, bringing various entities and individuals together, supplying information, analyzing the potential terms of a Transaction and to generally assist in the structuring, negotiation, financing, and/or acquisition of a Transaction (the “Services and Work”).

E. The Services and Work will include, but are not necessarily limited to, Hughes Marino: (i) interacting with Lowe to develop economic and material non-economic terms such that Cisterra (or any affiliate or entity sponsored by Cisterra) is able to acquire fee title or other interest in the Property from Lowe; (ii) interacting with the City to develop economic and material non-economic terms under which the City would enter into a long-term agreement with Cisterra (or an affiliate or entity sponsored by Cisterra) for the City’s use and occupancy, and possible future acquisition of title to the Property; and (iii) interacting with third parties in connection with Cisterra’s negotiating and securing of the financing required for the acquisition of title or other interest in the Property.
F. Cisterra will incur various third-party out-of-pocket costs and expenses associated with the pursuit of the Transaction, including (i) fees, which must be actual and reasonable, paid to third-party consultants (e.g. appraisers, environmental engineers, surveyors), accountants and attorneys, (ii) non-refundable deposits paid to lenders to arrange financing for the purchase of the Property, including, without limitation fees to secure fixed interest rate commitments (e.g. “rate lock” fees or deposits), and (iii) deposits paid to Lowe or placed into an escrow established as part of the Transaction that are or become non-refundable to Cisterra, all of which, if the Transaction is ultimately not successfully executed would not be recoverable or recovered by Cisterra (collectively “Dead Deal Costs”). For purposes of computing Dead Deal Costs, any amounts or fees payable to LexTerra PLC (or its affiliates or partners) in connection with the negotiation and preparation of this Agreement shall not be deemed Dead Deal Costs.

G. Hughes Marino desires to accept such engagement on each of the terms and conditions set forth herein.

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

AGREEMENT

1. Services and Work. Cisterra hereby engages Hughes Marino, and Hughes Marino hereby accepts such engagement, to provide the Services and Work in accordance with the terms and conditions of this Agreement. Hughes Marino shall devote such time to rendering the Services and Work as is reasonably necessary and commercially appropriate to assist Cisterra with the successful completion of the Transaction. Hughes Marino shall be free to engage in other business activities other than the Services and Work. Hughes Marino does not guarantee or warrant any specific results or outcome of any of the Services and Work.

2. Compensation. In consideration for the Services and Work provided by Hughes Marino hereunder and for Hughes Marino’s agreement to share Dead Deal Costs, Cisterra agrees to cause to be paid to Hughes Marino a fee of 45% of the net profit (calculated utilizing commercially reasonable methods and generally accepted accounting principles) realized, obtained, recognized, and/or achieved by Cisterra (or an affiliate or entity sponsored by Cisterra) in a Transaction (the “Compensation”) for the performance of the Services and Work. The Compensation will be paid to Hughes Marino in immediately available funds concurrently with, but expressly conditioned upon, Cisterra (or an affiliate or entity sponsored by Cisterra) completing a Transaction regarding the Property (the “Compensation Condition”) on financial and monetary terms consistent with the financial and monetary terms being discussed and documented by and among Cisterra, Lowe, the City and Cisterra’s lender as of the date of this Agreement (the “Baseline”). Should the financial and monetary terms of a completed Transaction be inconsistent with the Baseline (e.g. requires the contribution of risk capital or the delivery of guarantees or other credit enhancements, etc.), Cisterra and Hughes Marino shall reasonably and in good faith revise the terms or amount of the Compensation taking into account such factors as participation in the investment of risk capital and exposure to guarantees or other credit enhancements and the resulting alignment of economic risk and reward of the revised Transaction as between them, provided, however, a change in the terms of a Transaction that merely results in a reduction in the net profit derived from the Transaction shall not result in a
revision to the Compensation. It is expressly understood that the decision whether to execute a Transaction and decisions regarding the terms and conditions of such a Transaction are in Cisterra’s sole and absolute discretion and by engaging Hughes Marino to perform the Services and Work, Cisterra is not undertaking, directly or indirectly, expressly or impliedly, any commitment whatsoever to complete a Transaction. To the extent Cisterra is comprised of more than one entity or person, each of such entities or persons shall be jointly and severally liable for the obligations of Cisterra hereunder. Cisterra and Hughes Marino acknowledge and agree the Compensation does not include any payment or other consideration of any kind in connection with Hughes Marino brokering any leasing portion of a Transaction in connection with a lease of the Property by the City.

3. **Hughes Marino’s Agreement to Share Dead Deal Costs.** If, at any time Cisterra (or an affiliate or entity sponsored by Cisterra) determines, in its sole and absolute discretion, that the Transaction is not going to be successfully executed (e.g. an interest in the Property cannot be acquired, a lease cannot be executed, or financing cannot be obtained, in each case on terms and conditions satisfactory to Cisterra in its sole and absolute discretion), and Cisterra (or an affiliate or entity sponsored by Cisterra) elects to abandon pursuit of a Transaction, Cisterra (or an affiliate or entity sponsored by Cisterra) shall immediately deliver notice of such determination to Hughes Marino, including a reasonably detailed written statement of such Dead Deal Costs, which shall include itemized billing statements, invoices, and payment receipts showing the origination, total amount, description of the work performed, and sums actually paid (a “Dead Deal Notice”). Hughes Marino agrees, covenants and commits, subject to the provisions of this Section 3, that it shall be responsible for payment to Cisterra of an amount equal to forty-five percent (45%) of any Dead Deal Costs incurred by Cisterra (or an affiliate or entity sponsored by Cisterra) prior to the delivery of such Dead Deal Notice (the “HM Share”). Upon Cisterra (or an affiliate or entity sponsored by Cisterra) delivering a Dead Deal Notice to Hughes Marino, Hughes Marino shall have thirty (30) days to elect to either (i) pay Cisterra the HM Share, or (ii) pay one hundred percent (100%) of all of the Dead Deal Costs in which event Cisterra (or an affiliate or entity sponsored by Cisterra) shall transfer, sell, or assign to Hughes Marino all of Cisterra’s (or any affiliate or entity sponsored by Cisterra) right(s), interest(s), claim(s), position(s), or role(s) to or in a Transaction, including, without limitation if requested by Hughes Marino, structuring a double escrow to transfer such right(s), interest(s), claim(s), position(s) and/or role(s) to any entity or person identified by Hughes Marino (“Dead Deal Buyout”). To the extent any Dead Deal Costs are subsequently recovered by or reimbursed to Cisterra (or an affiliate or entity sponsored by Cisterra) after payment of the HM Share, Cisterra (or an affiliate or entity sponsored by Cisterra) shall, within ten (10) days after receipt thereof, reimburse to Hughes Marino the portion of the HM Share Hughes Marino paid equal to forty-five percent (45%) of the Dead Deal Costs so recovered or reimbursed. To the extent the ownership of Hughes Marino is comprised of more than one entity or person, each of such entities or persons shall be jointly and severally liable for the obligations of Hughes Marino hereunder. To the extent the ownership of Cisterra (or an affiliate or entity sponsored by Cisterra) is comprised of more than one entity or person, each of such entities or persons shall be jointly and severally liable for the obligations, covenants, and promises of Cisterra (and any affiliate or entity sponsored by Cisterra) hereunder.

4. **Term and Termination.** Hughes Marino’s engagement under this Agreement is mutually “at will” and may be terminated by either Cisterra or Hughes Marino immediately upon the delivery of written notice by either to the other party. Notwithstanding a termination of this
Agreement by Cisterra pursuant to the foregoing sentence or Section 3, Hughes Marino shall continue to be entitled to receive the Compensation pursuant to the terms of Section 2 if following such a termination, the Compensation Condition has been satisfied.

5. **Independent Contractor.** It is understood and agreed that Hughes Marino is an independent contractor of Cisterra. Nothing in this Agreement shall be deemed to create any form of joint venture or partnership or similar arrangement between Cisterra and Hughes Marino or with any other party. The nature of the relationship between the parties under this Agreement shall be considered as arms-length parties to a contract. Hughes Marino agrees that it shall be solely responsible for any and all taxes and other similar such payments related to the Compensation.

6. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to its conflicts of laws principles.

7. **Counterparts.** This Agreement may be executed in counterparts, each of which will be deemed an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile/electronic transmission shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile/electronic transmission shall be deemed to be their original signatures for all purposes.

8. **Severability.** If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction (or, if applicable, an arbitrator), the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

9. **Assignment; Binding Effect.** Hughes Marino may not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Cisterra (or an affiliate or entity sponsored by Cisterra), which may be granted or withheld in Cisterra’s (or an affiliate or entity sponsored by Cisterra) sole and absolute discretion. Cisterra (or an affiliate or entity sponsored by Cisterra) may not assign any of its rights or delegate any of its obligations under this Agreement, unless it has provided Hughes Marino with at least seven (7) days prior written notice of such assignment and unless such transferee or assignee assumes in writing Cisterra’s (or an affiliate or entity sponsored by Cisterra) obligations under this Agreement, and Hughes Marino provides written consent, which may be granted or withheld in Hughes Marino’s sole and absolute discretion. It is further provided that Cisterra (or an affiliate or entity sponsored by Cisterra) shall not be relieved of liability under this Agreement notwithstanding such assignment and assumption. Subject to the preceding, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

10. **Entire Agreement.** Subject to Section 16, this Agreement represents the entire agreement between the parties relating to the subject matter hereof and supersedes and replaces any and all prior and contemporaneous agreements, understandings and communications
between the parties, whether oral or written, with regard to the subject matter hereof. This Agreement may not be amended or modified except by a written agreement signed by both parties.

11. **Recitals.** The Recitals to this Agreement are incorporated herein by this reference.

12. **Waiver.** No party shall be deemed to have waived the exercise of any right that it holds hereunder unless such waiver is made expressly and in writing (and no delay or omission by any party hereto in exercising any such right shall be deemed a waiver of its future exercise). No such waiver by any party at any time shall be deemed a waiver of any other right hereunder.

13. **Legal Representation.** Cisterra and Hughes Marino acknowledge that this Agreement has been negotiated at arm's length and that each party has been represented by independent legal counsel. Any rule of construction or interpretation otherwise requiring this Agreement to be construed or interpreted against any party shall not apply to any construction or interpretation hereof.

14. **Arbitration.**

14.1 **Agreement to Arbitrate Disputes.** The Parties agree that any and all controversies, claims, or disputes arising out of, relating to, or resulting from this Agreement, shall be subject to binding arbitration under the Arbitration Rules set forth in California Code of Civil Procedure Section 1280 through 1294.2, including Section 1283.05 (the "Rules") and pursuant to California law by a single arbitrator who shall either be a retired judge of the San Diego Superior Court of the United States Federal District Court of the Southern District of California or an attorney licensed to practice by the State of California and who has at least fifteen (15) years of experience representing clients in commercial real estate matters.

14.2 **Procedure.** The parties agree that any arbitration shall be administered in accordance with the rules and procedures for expedited arbitration of either JAMS/Endispute or JuticateWest, as the initiating party may elect. The appropriate rules and procedures for such expedited arbitration may be found by navigating the respective administrating firm’s website. The parties agree that the arbitrator shall have the power to decide any motions brought by any party to the arbitration, including motions for summary judgment and/or adjudication and motions to dismiss and demurrers, prior to any arbitration hearing. The parties agree that the arbitrator shall have the power to award any remedies, including attorneys' fees and costs, available under applicable law. The parties understand that any administrative or hearing fees charged by the arbitrator or the administrating firm shall be equally shared. The parties agree that the decision of the arbitrator shall be in writing.

14.3 **Remedy.** Except as provided by this Agreement and by the Rules, including any provisional relief offered therein, arbitration shall be the sole, exclusive and final remedy for any dispute between any party. Accordingly, except as provided for by the Rules and this Agreement, neither party shall be permitted to pursue court action regarding claims that are subject to arbitration.

14.4 **Voluntary Nature of Agreement.** The parties acknowledge and agree that each is executing this Agreement voluntarily and without any duress or undue influence. The Parties further acknowledge and agree that each has carefully read this Agreement and that each
has asked any questions needed for that party to understand the terms, consequences and binding
effect of this Agreement and fully understands it, including that each party is waiving that party's
right to a jury trial.

15. **Attorneys' Fees.** In the event of the bringing of any action or suit by a party
hereto against another party hereunder to enforce the terms of this Agreement, then in that event,
the prevailing party in such action or dispute, whether by final judgment or out of court
settlement, shall be entitled to have and recover of and from the other party all costs and
expenses of suit, including actual attorneys' fees.

16. **Confidentiality.** Notwithstanding anything to the contrary contained in this
Agreement, this Agreement incorporates the prior-executed Confidentiality and Non-Disclosure
Agreement (dated November 17, 2014) between Hughes Marino and Cisterra. This Agreement
shall be governed by the provisions of said document; thus, the existence, terms, and provisions
of this Agreement are and shall remain strictly confidential as between Cisterra and Hughes
Marino and shall not be published, disseminated, released, revealed, communicated or disclosed
to any persons or entities except as provided in said Confidentiality and Non-Disclosure
Agreement. The provisions hereof shall otherwise survive the termination or assignment of this
Agreement.

17. **Acknowledgement and Waiver of any Potential or Actual Conflict of Interest.**
Despite any potential or actual conflict of interest which may exist now or in the future, Cisterra
(and any affiliate or entity sponsored by Cisterra) hereby consents to Hughes Marino's
simultaneously assisting both Cisterra (or any affiliate or entity sponsored by Cisterra), the City,
and any party providing financing in connection with a Transaction (but not any other third
party) with respect to a Transaction and agrees to waive and to not assert any such conflict of
interest or seek to disqualify Hughes Marino from participating in a Transaction, regardless of
whether any actual conflict exists now or in the future. Cisterra (and any affiliate or entity
sponsored by Cisterra) is aware of and acknowledges that Hughes Marino is not accepting or
receiving any compensation from or on behalf of its providing assistance to the City in a
Transaction.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and
year first written above.

**HUGHES MARINO, INC.**
a California corporation

By: [Signature]
Name: Jason Hughes
Title: President/CEO

**CISTERRA PARTNERS, LLC.**
a California limited liability company

By: [Signature]
Name: Steven L. Black
Title: Manager