

SEVENTH AMENDMENT TO LEASE

This Seventh Amendment to Lease dated May 21, 1999, is by and between KM Complex, L.P., a California Limited Partnership (as Successor in Interest to RREEF WEST-V, Inc. a Delaware Corporation) ("Lessor"), whose address is 6256 Greenwich Dr., Suite #230, San Diego, California 92122, and CTS Network Services, a Division of Datel Systems, Inc., a California corporation ("Lessee"), whose address is 8913 Complex Drive, Suite B, San Diego, CA 92123, who agree as follows:

RECITALS. This Seventh Amendment to Lease is made with reference to the following facts and objectives:

A Lessor and Lessee entered into a written Lease dated October 4, 1995; First Amendment to Lease dated January 10, 1996; Second Amendment to Lease dated August 1, 1996; Third Amendment to Lease dated September 18, 1996, Fourth Amendment to Lease dated April 9, 1998, Fifth Amendment to Lease dated July 13, 1998, and Sixth Amendment to Lease dated February 9, 1999 (collectively referred to as the "Lease"), in which Lessor leased to Lessee, and Lessee leased from Lessor, premises located in the County of San Diego, State of California, commonly known as 8913 Complex Drive, Suites B, C, D, E & F San Diego, California 92123, (the "Premises"), and further described as approximately 9,719 square feet.

B. The parties desire to alter the terms of the Lease to expand the premises and extend the term.

1. **TERM.** Article 3 of the Lease ("Term") shall hereinafter provide as follows:

The Term of the Lease shall be extended for ten (10) months commencing on June 1, 1999 and ending on May 31, 2004 unless sooner terminated pursuant to any provision hereof.

2. **PREMISES.** Article 1.2 of the Lease, ("Premises") shall hereinafter be modified as follows:

Effective June 1, 1999 Lessor hereby leases to Lessee and Lessee leases from Lessor for the term, at the rental, and upon all of the conditions set forth herein, that certain real property situated in the County of San Diego, State of California, commonly known as 8913 Complex Drive, Suites B, C, D, E and F and 8909 Complex Drive Suites A&B described as 12,486 square feet (altered from the Lease by the addition of 8909 Complex Drive Suites A&B, comprising 2,767 square feet as further described in Exhibit A-1 attached hereto).

3. **RENT SCHEDULE.** The rent schedule set forth in the Lease shall hereinafter be amended as follows:

Minimum monthly rent shall be as follows:

Rent for the period 6/1/99 through 7/31/99 shall be \$10,779.62 per month.
Rent for the period 8/1/99 through 3/31/00 shall be \$10,976.96 per month.
Rent for the period 4/1/00 through 7/31/00 shall be \$13,155.35 per month.
Rent for the period 8/1/00 through 7/31/01 shall be \$13,758.70 per month.
Rent for the period 8/1/01 through 7/31/02 shall be \$14,460.72 per month.
Rent for the period 8/1/02 through 7/31/03 shall be \$15,189.74 per month.
Rent for the period 8/1/03 through 5/31/04 shall be \$15,946.46 per month.

4. **CONDITION OF PREMISES** Lessee hereby acknowledges and agrees that, prior to the execution of the Lease, Lessee has performed all inspections of the Premises that Lessee deems necessary or appropriate, and Lessee hereby accepts the Premises in its "As-Is" current condition. Lessor shall provide no Tenant Improvement allowance for the

Initial: 

Premises. Lessee further acknowledges that neither Lessor nor any agent of Lessor has made any representation or warranty with respect to the Premises or its suitability for the conduct of Lessee's business therein. The taking of possession of the Premises by Lessee shall conclusively establish that the Premises were, at such time, in satisfactory condition.

5. **SECURITY DEPOSIT.** Article 1.7 of the Lease , Article 6 of the Third Amendment and Article 6 of the Fifth Amendment to Lease, (Security Deposit), shall hereinafter provide as follows:

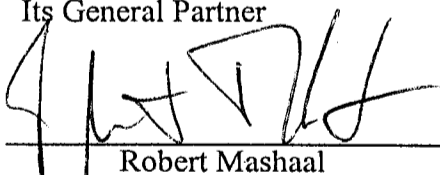
Lessor acknowledges that Lessee currently has on account \$8,539.00 which Lessee agrees to increase to \$15,946.46 upon execution of this Amendment.

6. **CORPORATE AUTHORITY.** If Lessee is a corporation, Lessee represents and warrants that this Seventh Amendment to Lease and the undersigned's execution of this Seventh Amendment to Lease has been duly authorized and approved by the corporation's Board of Directors. The undersigned officers and representatives of the corporation executing this Seventh Amendment to Lease on behalf of the corporation represent and warrant that they are officers of the corporation with authority to execute this Seventh Amendment to Lease on behalf of the corporation.
7. **BROKER'S FEE.** Lessee warrants and represents that Lessee has not dealt with any real estate broker or agent in connection with the Lease or its negotiation. Lessee shall indemnify and hold Lessor and the Premises harmless from and against any and all costs, expenses and liability (including actual attorney's fees and court costs) for any compensation, commission or fees claimed by any other real estate broker or agent in connection with the Lease or its negotiation based upon any act of Lessee.
8. **COMMON AREA OPERATING EXPENSES.** Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share of all Common Area Operating Expenses.
9. **EFFECTIVENESS OF LEASE.** Except as set forth in this Seventh Amendment to Lease, all of the provisions of the Lease shall remain unchanged and in full force and effect.

LESSOR:

KM COMPLEX, L.P.
A California Limited Partnership

BY: Kearny Mesa Complex LLC
Its General Partner

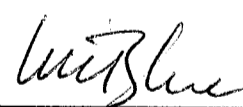
BY: 
Robert Mashaal

TITLE: Manager

DATE: 5/1/99

LESSEE:

CTS Network Services, a Division of Datel
Systems, Inc., a California corporation

BY: 
William E. Blue

TITLE: President

DATE: 5/25/99

BY: _____

TITLE: _____

DATE: _____