

This Lease is made and entered into between

City and County of San Francisco, acting by and through its Airport Commission, c/o the Airport Director, San Francisco International Airport, organized and existing under the laws of the State of California

("the Lessor"), whose principal place of business is:

AIRPORT COMMISSION – SAN FRANCISCO INTERNATIONAL AIRPORT  
ADMINISTRATIVE OFFICES  
BUILDING 100 – INTERNATIONAL TERMINAL  
P.O. BOX 8097  
SAN FRANCISCO, CA 94128

and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(the "Government"), acting by and through the designated representative of the General Services Administration ("GSA"), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

The Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at San Francisco International Airport, 8,304 sq. ft. of terminal space comprised of 7,200 sq. ft. of Category II space (Parcel A), located on the 5th floor of the International Terminal, South Shoulder Building (Room 1.5.116) and 1,104 sq. ft. of Category III space (Parcel B) on the 1st floor of Terminal 2 (Room T2.1.011/11D) and more fully described in Section 1 and Exhibits A-1 and A-2, together with rights to the use of parking and other areas as set forth herein.

To Have and To Hold the said Premises with their appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

Five (5) years Firm, commencing November 1, 2012 and terminating October 31, 2017.

subject to termination and renewal rights as may be hereinafter set forth, to be used for such purposes as determined by GSA, as set forth in Section 2.06 (C) of the Lease. The commencement date of this Lease, along with any applicable termination and renewal rights, shall more specifically be set forth in a Lease Amendment upon substantial completion and acceptance of the space by the Government and without further formal approval required the Airport Commission or City's Board of Supervisors.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

**FOR THE LESSOR:**

Name: John L. Martin

Title: Airport Director

Date: NOV 28 2012

**FOR THE GOVERNMENT:**

Peter Shteyn

Lease Contracting Officer (LCO)

Date:

**WITNESSED BY:**

Name:

Title:

Date:

Diane Artz  
Senior Property Manager  
11-28-12

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## SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

### 1.01 THE PREMISES

The Premises are described as follows:

Office and Related Space: 8,304 rentable square feet (RSF), yielding 8,304 ANSI/BOMA office area (ABOA) square feet (sq. ft.) of office and related space (based upon a common area factor (CAF) of 1.00, 7,200 sq. ft. of which is located on the 5th floor of the International Terminal, South Shoulder Building (Room 1.5.116) and 1,104 sq. ft. of which is located on the 1st floor of Terminal 2 (Room T2.1.011/11D), as depicted on the floor plan(s) attached hereto as Exhibit A-1 and A-2.

### 1.02 EXPRESS APPURTENANT RIGHTS

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Government rules and regulations within such areas. The Government will coordinate with the Lessor to ensure signage is consistent with the Lessor's standards. Appurtenant to the Premises and included with the Lease are rights to use the following:

A. Parking: Fifty two (52) parking spaces which shall be structured inside spaces for use of the Government for employee parking. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

B. Antennae, Satellite Dishes and Related Transmission Devices: With prior written approval of Lessor, which shall not be unreasonably withheld, Space located on the roof of the Building sufficient in size for the installation and placement of the telecommunications equipment as such may be described herein, together with the right to access the roof and use of, all building areas (e.g., chases, plenums) necessary for the use, operation, and maintenance of such equipment at all times during the term of this Lease.

### 1.03 RENT AND OTHER CONSIDERATION

A. The Government shall pay the Lessor fixed annual rent for the entire five (5) year term, payable monthly in arrears, of \$1,692,038.40 consisting of shell rent and Operating Costs, at the rates specified below. The Operating Costs include provision of maintenance, janitorial and utilities (electricity and water sewage costs). Use of the employee parking spaces, as specified in Section 1.02 A above, are included in the rent.

Room 1.5.116	Years 1 - 5	
	Annual Rent	Annual Rate / RSF
Parcel A		
Shell Rental Rate	\$1,427,328.00	\$198.24
Operating Costs	\$82,440.00	\$11.45
Full Service Rate	\$1,509,768.00	\$209.69

Room T2.1.011/11D	Years 1 - 5	
	Annual Rent	Annual Rate / RSF
Parcel B		
Shell Rental Rate	\$169,629.60	\$153.65
Operating Costs	\$12,640.80	\$11.45
Full Service Rate	\$182,270.40	\$165.10

B. Rent for Parcel A will commence on November 1, 2012. Rent for Parcel B will commence the earlier of the date that the Government completes its tenant improvements or March 1, 2013. Rent is subject to adjustment based upon a physical mutual measurement of the space upon acceptance, not to exceed 8,304 ABOA sq. ft. based upon the methodology outlined under the "Payment" clause of GSA Form 3517

C. If the Government occupies the Premises for less than a full calendar month, then rent shall be pro-rated based on the actual number of days of occupancy for that month.

D. Rent shall be paid to the Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration.

E. The Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in "Clause 1.01, THE PREMISES," created herein;

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;
3. Performance or satisfaction of all other obligations set forth in this Lease; and
4. All services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

**1.04 TERMINATION RIGHTS (ON-AIRPORT APR 2011)**

The Government reserves the right to terminate this Lease, in whole or in part, at anytime during the term of this Lease with 60 calendar days' written notice to the Lessor if (i) regularly scheduled commercial air services ceases, (ii) the checkpoint supported by the leased space is closed, or (iv) Government reduces its presence at airport due to a reduction in deplanements. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

**1.05 RESERVED**

**1.06 DOCUMENTS INCORPORATED BY REFERENCE (ON-AIRPORT SEPTEMBER 2011)**

The following documents are incorporated by reference, as though fully set forth herein:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
Floor Plan(s)	2	A-1 and A-2
GSA Form 3517G, General Clauses	16	B
GSA Form 3518G, Representations and Certifications	6	C

**1.07 OPERATING COST BASE**

The parties agree that operating costs will remain fixed for the term of the Lease.