



London N. Breed, Mayor
Naomi M. Kelly, City Administrator



Andrico Q. Penick
Director of Real Estate

April 19, 2019

Pacific Bay Inn, Inc.
825 Van Ness Avenue, # 301
San Francisco, CA 94109
c/o Adam Sparks
asparks.pacbay@gmail.com

RE: Confirmation of Extended Lease Terms for 520 Jones Street (Pacific Bay Inn)

Greetings:

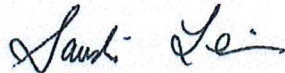
Per our discussions, we are presenting a resolution to the Board of Supervisors to confirm the following:

- 1) The current lease (the "Lease") first term ends on April 30, 2019.
- 2) As of May 1, 2019, and until the first extended term has been approved by the Board of Supervisors and Mayor, the monthly rent shall be \$87,982.82.
- 3) The first extended term will begin on the first day of the month following approval of the resolution by the Board of Supervisors and Mayor, expected to be June 1, 2019, and will continue for ten (10) years.
- 4) The monthly rent for the first year of the extended term shall be \$88,636.
- 5) Rent for subsequent years during the first extended term shall continue to be calculated in accordance with section 4.2 of the Lease -- CPI with a minimum of 2% and maximum of 6% greater than the preceding 12 month period.
- 6) All other terms and provisions of the Lease shall remain in effect.

Kindly sign below to confirm Pacific Bay Inn, Inc.'s agreement to the above.

Please contact me (415-554-9867; sandi.levine@sfgov.org) with any questions.

Best regards,



Sandi Levine
Project Manager
City and County of San Francisco Real Estate Division

AGREED, ACCEPTED AND RECEIPT ACKNOWLEDGED:

PACIFIC BAY INN, INC., a California corporation

By: _____



Adam Sparks

Its President

Dated:

4/19/2019