

### THIRD AMENDMENT TO LEASE

THIS THIRD AMENDMENT TO LEASE ("Amendment") is made and entered into as of this 15<sup>th</sup> day of OCTOBER, 2013 (the "Effective Date"), between Market & Noe Center, a California Limited Partnership ("Landlord") and Garfield Beach CVS, L.L.C., a California limited liability company ("Tenant"). Landlord and Tenant are collectively referred to herein as the "Parties".

#### RECITALS

A. Landlord and Tenant are parties to that certain Lease dated January 4, 2012 and that certain First Amendment to Lease dated January 4, 2012 and that certain Second Amendment to Lease dated June 5, 2013 (collectively, the "Lease") for certain property located in San Francisco, California and more particularly described in the Lease (the "Property").

B. The Parties mutually desire to amend the Lease in certain particulars, as more particularly set forth in this Amendment.

C. Unless defined in this Amendment, all words commencing with initial capital letters shall have the same meaning prescribed to such words in the Lease.

#### AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements herein set forth and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, Landlord and Tenant agree as follows.

1. Exhibit B (Tenant's Work and Construction Specifications). Exhibit B to the Lease shall be deleted and inserted in its place shall be Exhibit B attached hereto.

2. Exhibit C (Landlord's Work). Exhibit C to the Lease shall be deleted and inserted in its place shall be Exhibit C attached hereto.

3. Article 2(c), Part II. Article 2(c) of Part II of the Lease shall be amended by adding the following:

(iv) Notwithstanding anything to the contrary set forth in Article 2(c)(i) of the Lease, Landlord shall be responsible for the Costs of any upgrades to the Reconfiguration/Vertical Transportation Work beyond standard. Standard shall mean those finishes and features included in the base price of the Otis proposal dated August 5, 2013 in the amount of Seventy Seven Thousand Three Hundred and 00/100 (\$77,300.00) Dollars. Any such Costs beyond standard that exceed Ten Thousand and 00/100 (\$10,000.00) Dollars shall require Landlord's prior written approval. Landlord covenants, warrants and agrees that Tenant shall have the right to deduct any such Costs beyond standard from Fixed Rent and any other charges due or to become due hereunder until Tenant has been paid in full, provided that Landlord's approval of such Costs shall have been granted, if and as required as aforesaid.

(v) The portion of Tenant's Work set forth in item 18 of **Exhibit B** of the Lease shall be referred to herein as the "Tenant's HVAC Work." Landlord's prior written approval shall be required for an increase in the Costs of Tenant's HVAC Work that exceed One Hundred Fifty Nine Thousand Two Hundred Eighty-Three and 00/100 (\$159,283.00) Dollars. Landlord covenants, warrants and agrees that Tenant shall have the right to deduct Sixty One and 70/100 (61.70%) Percent of the Costs of Tenant's HVAC Work from Fixed Rent and any other charges due or to become due hereunder until Tenant has been paid in full, provided that Landlord's approval of such Costs shall have been granted, if and as required as aforesaid.

(vi) In consideration of the amendments made to **Exhibit C** of the Lease, Landlord covenants, warrants and agrees that Tenant shall have the right to deduct the amount of Ten Thousand and 00/100 (\$10,000.00) from Fixed Rent and any other charges due or to become due hereunder until Tenant has been paid in full.

4. Article 9, Part II. Notwithstanding anything to the contrary set forth in Article 9 of Part II of the Lease, but subject to the paragraph set forth immediately below, Landlord, and not Tenant, shall maintain, repair and replace, as necessary, the HVAC system serving the entire Building, which system shall not be exclusive for any one premises. The costs of all such maintenance, repair and replacements of and to the HVAC system serving the entire Building shall be included in Building Reimbursables and subject to pro rata reimbursement by Tenant if and as provided in Article 33 of Part II. Tenant, and not Landlord, shall maintain, repair and replace, as necessary, the portion and components of the HVAC system contained within and serving only the Premises.

Further notwithstanding anything to the contrary set forth in Article 9 of Part II of the Lease, during the first year following substantial completion of Tenant's Work, Tenant, and not Landlord, shall be responsible for the correction of any defects in the HVAC system, the New Elevator and the Radio Shack Bathroom (as described in item 17 of **Exhibit B**) that are under warranty made by Tenant's contractor to Tenant.

5. No Modification. Except as expressly provided to the contrary in this Amendment, the Lease shall remain in full force and effect and unmodified. In the event of a conflict between the terms and provisions of this Amendment and the Lease, this Amendment shall prevail.

6. Counterparts; Facsimile Execution. This Amendment may be executed in counterparts, all of which shall constitute the same agreement, notwithstanding that all parties to this Amendment are not signatory to the same or original counterpart. Delivery of an executed counterpart of this Amendment by facsimile or .pdf e-mail attachment shall be equally as effective as delivery of an original executed counterpart. Any party delivering an executed counterpart of this Amendment by facsimile or .pdf e-mail attachment also shall deliver an original executed counterpart of this Amendment, but the failure to deliver an original executed counterpart shall not affect the validity, enforceability and binding effect of this Amendment.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment to be effective as of the Effective Date.

LANDLORD:

Market & Noe Center, a California Limited Partnership

By: Kent Jeffrey  
Name: Kent Jeffrey  
Title: General Partner  
Dated: 10/1/13

TENANT:

Garfield Beach CVS, L.L.C., a California limited liability company

By: Robert T. Marcello  
Name: Robert T. Marcello  
Title: Vice President  
CVS Legal Approval: KLD  
Dated: 10/4/13



## EXHIBIT B

### Tenant's Work and Construction Specifications

1. Demolition, removal and disposal related to Tenant's Work, including but not limited to the existing stairwell, demising and interior walls, and previous floor finishes.
2. Concrete: Slab modification to enclose existing atrium and add new stairwell and new elevator core.
3. New Elevator Shaft.
4. New Elevator with standard retail interior finish. Any upgrades beyond standard ("standard" shall be those finishes and features included in the base price of the Otis proposal dated August 5, 2013 in the amount of \$77,300) shall be at Landlord cost to be reimbursed by Landlord to Tenant in the form of an offset from first rents due from Tenant to Landlord. The cost of Landlord's upgrades shall not exceed \$10,000 without prior written approval from the Landlord.
5. Market Street Façade work in order to accommodate new entry for elevator access and CVS, all doors, frames and hardware in a location per Tenant's plans. The new storefront should harmonize with the architecture of the existing Building or as modified per the approval of the Planning Commission during the CU process. One-inch insulated glass shall be used on any new or replacement storefront.
6. Finishes: All Walls within new elevator lobby Taped, Textured and Painted, Lighting, Finished Ceiling, Flooring for Tenant's space and elevator lobby to be consistent material per Tenant's Plans
7. Upgraded Electrical Panel to accommodate new elevator load
8. ADA Requirements triggered by Tenant's Work and CUP, including the removal and replacement of the sidewalk at entry for access
9. Rooftop Parking Improvements: Restriping and Reconfiguration/Improvements related to new elevator access. Must not degrade the waterproofing membrane on the roof.
10. Fire Life Safety Upgrades triggered by Tenant's Work
11. All Seismic and Structural upgrades triggered by Tenant's Work and CUP
12. All City of San Francisco Permit, Fee and Inspection costs triggered by Tenant's Work and CUP
13. All temporary utility costs that might be required

14. All MEPS upgrades triggered by Tenant's Work and CUP
15. Landscaping required by the City, triggered by Tenant's Work and CUP Request
16. New Street Trees and/or Bicycle Racks, if required by the City or triggered by Tenant's Work and CUP Request
- 17: Radio Shack Bathroom: Tenant shall furnish a bathroom in the location shown on Tenant's approved construction plans. Landlord and Tenant agree that the cost of the Radio Shack Bathroom is \$17,860.00, and said cost shall not be exceeded without prior written approval from the Landlord. The cost of the Radio Shack Bathroom shall be borne entirely by Landlord. The hard and soft cost associated with this bathroom shall be reimbursed by Landlord to Tenant in the form of an offset from first rents due from Tenant to Landlord.
18. HVAC system serving the Building as a whole: Tenant shall, as part of Tenant's Work, remove and replace the existing whole-building HVAC system located in the Existing Maintenance Enclosure depicted on Exhibit A-2 of this Lease, as per the plans and specs submitted to and approved by the City of San Francisco and Landlord.
19. All Tenant's Work Plans and Specifications must be approved by the Landlord, not to be unreasonably withheld, conditioned or delayed. If Tenant's plans are not deemed complete within ten (10) business days after receipt by Landlord, they shall be deemed approved. Minor changes subsequent to Landlord's approval shall not require a further approval from Landlord unless the change affects common building systems or elevations.
20. All Tenant's Work Plans and Specifications must meet all requirements of authorities having jurisdiction.

## EXHIBIT C

### LANDLORD'S WORK

Tenant understands that except for the items detailed in this Exhibit "C", Landlord is delivering the Premises to Tenant in its current "AS IS" condition, with all faults. Tenant acknowledges that subject to Section 2 of the Lease and the completion of Landlord's Work, it has inspected the Premises or caused the same to be inspected and is satisfied with the physical condition thereof.

Landlord shall, at its sole cost, perform the following work (collectively "Landlord's Work"):

1. Building Shell. Remediation of Hazardous Materials, if any, is subject to the provisions of Part II, Section 2(b)(iii).
2. Utilities and Mechanical.
  - a. DOMESTIC WATER SERVICE: 2" domestic water supply line(s) to the Premises capable of minimum 70gpm to accommodate all applicable appurtenances including, but not limited to, photo lab sink, break room, pharmacy, and restrooms, at locations specified on the CVS plans and specifications.
  - b. SANITARY SEWER SERVICE: 4" sanitary sewer line(s) to the Premises to accommodate all applicable appurtenances including, but not limited to, photo lab sink, break room, pharmacy, walk-in cooler floor drain(s), and restrooms, at locations specified on CVS plans and specifications.
  - c. FIRE PROTECTION: 6" fire service to the Premises for distribution by Tenant, but only if required by City.
  - d. HVAC/EMS SYSTEM: Tenant to provide units and distribution for the HVAC/EMS and the refrigeration systems exclusively serving the Premises, however, Landlord to provide a location to accommodate structurally designed area on Landlord's building roof for the condensing units for walk-up cooler as shown on the CVS plans and specifications.
  - e. ELECTRICAL SERVICE: Provide electrical panel with 4 existing meter sockets, feed, and a minimum 800-amp, 3-phase, 4-wire, 120 / 208 volt service with location and meter per CVS Power Plan as shown on CVS plans and specifications. Meters for CVS space to be sub-metered from all other building meters. (Tenant to determine adequacy of existing system during the Evaluation Period).