

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE (this "**First Amendment**"), dated for reference purposes only as of February 5, 2014, is by and among Ruth Mellinger, an unmarried woman ("**Landlord**"), and the City and County of San Francisco, a municipal corporation ("**City**").

RECITALS

A. Landlord and City are parties to that certain Lease dated as of March 25, 2004 (the "**Original Lease**").

B. City timely exercised its first option to extend the term of the Original Lease through May 30, 2019, and Landlord and City wish to amend the Original Lease to set forth their agreement with respect to such extension term, as more fully described in this First Amendment.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, including the mutual covenants and agreements contained in this First Amendment, and the receipt and sufficiency of which are mutually acknowledged, Landlord and City agree as follows as of the date this First Amendment is fully executed (the "**Effective Date**"):

1. Definitions. (a) The Original Lease, as amended by this First Amendment, shall be referred to herein as the "**Lease**". (b) All initially-capitalized, undefined terms used herein shall have the same meanings given to them in the Original Lease. (c) All references to the "Extension Period" in the Original Lease shall be replaced with the "Extended Term" as of the Effective Date.
2. First Extended Term. The first Extended Term shall commence on May 31, 2014 and shall terminate on May 30, 2019. The Term shall include the first Extended Term, and is subject to additional extension if City exercises its second Extension Option pursuant to Section 3.4 of the Original Lease.
3. Base Rent. The annual Base Rent during the period between May 31, 2014 and the last day of the month in which the Completion Date (as defined in Section 5(i)) occurs shall be \$360,000 (\$30,000 per month and approximately \$36.00 per square foot annually). Commencing on the first day of the month immediately following the Completion Date, the annual Base Rent shall be \$446,500 (\$37,208.33 per month and approximately \$44.65 per square foot annually).
4. Painting Work. Within the ninety (90) day period immediately following the Effective Date, in lieu of the work described in Section 6.5 of the Original Lease with respect to City's exercise of its first Extension Option, Landlord shall, at its sole cost, repaint all walls within the Building entrance atrium in a color approved in advance and in writing by City. Such repainting work shall include minor patching as required and other paint preparation, and shall be performed after normal business hours or on weekends pursuant to a schedule approved in advance by City.
5. Improvements. Within the one (1) year period immediately following the Effective Date (the "**Construction Period**"), subject to any extension pursuant to Section 5(k), and pursuant to the requirements of this Section, Landlord shall, at its sole cost and through a general contractor approved by City ("**Contractor**"), design and remodel two upper floor restrooms in the Premises

so they comply with Disabilities Laws, and design and install an elevator (collectively, the "**Access Work**"), all in the Building locations depicted on the schematic design plans attached as Exhibit A to this First Amendment (the "**Schematic Plans**"). All improvements, including fixtures, installed at the Premises in connection with the Access Work shall be the "**Barrier Removal Improvements**".

(a) Permit Documents. Based on the Schematic Plans, Landlord shall cause its architect (the "**Architect**") and its qualified and licensed engineer (the "**Engineer**"), each of whom shall be approved in advance by City's Real Estate Division ("**RED**"), to prepare and submit permit plans and specifications (the "**Permit Documents**") to RED for its approval. The Permit Documents shall expand in greater detail the representations of the Schematic Plans and fix and describe the size and character of the Barrier Removal Improvements, including, without limitation, architectural, structural, mechanical, electrical, materials and such other elements as may be appropriate.

(b) Mayor's Office of Disability Review. Once RED approves of the submitted Permit Documents, Landlord shall cause the Architect to submit the approved Permit Documents for review and approval by the San Francisco Mayor's Office of Disability ("**MOD**") for compliance with Disabilities Laws. Landlord acknowledges such MOD review and approval is required before Landlord can submit the Permit Documents to the San Francisco Department of Building Inspection ("**DBI**") for the Access Work construction permits. If MOD requires revisions to the Permit Documents or modifications or additional improvements to the Premises (collectively, the "**MOD Identified Work**"), Landlord shall cause Architect to revise the Permit Documents and/or design and prepare all additional plans and specifications as needed for the MOD Identified Work.

Once approved by MOD, the Permit Documents, as modified pursuant to MOD's requirements, and any approved plans and specifications for MOD Identified Work shall be collectively referred to as the "**Construction Plans**." Upon MOD's approval of the Construction Plans, Landlord shall cause Architect to deliver a copy of the Construction Plans to RED and identify the MOD Identified Work, if any, specified therein.

(c) Permits. Promptly following MOD's approval of the Construction Plans, Landlord shall obtain all governmental permits and approvals required to commence and complete the construction of the Barrier Removal Improvements and any other work shown on the Construction Plans (collectively, the "**Improvements**"). The construction of the Improvements shall be referred to as the "**Work**". Landlord shall keep City apprised of the status of all permit and approval applications and the issuance thereof, use its best efforts to obtain all such approvals and permits in a timely manner to allow for the substantial completion of the Work during the Construction Period, and have the responsibility of arranging for all inspections for the Work required by DBI.

(d) MOD Additional Work. Any MOD Identified Work that is part of the Access Work shall be the "**MOD Basic Work**" and any MOD Identified Work that is not part of the Access Work shall be the "**MOD Additional Work**". Landlord shall be responsible for all costs associated with the Access Work and any MOD Basic Work. If there is any MOD Additional Work, Landlord shall perform such work at City's sole cost. By way of example, if any MOD Identified Work includes modifications on the ground floor restrooms of the Premises, this would be MOD Additional Work to be performed by Landlord at City's sole cost. If any MOD Identified Work includes modifications to the elevator shaft being installed as part of the Access Work, this would be MOD Basic Work that is performed by Landlord at its sole cost.

If there is any MOD Additional Work, prior to commencing the construction of the Improvements, Landlord shall deliver a detailed construction budget for the MOD Additional Work (including the related fees of Contractor, Architect, and Engineer, any related fees paid by Landlord in preparing and submitting any plans and specifications for the MOD Additional

Work, and the estimated costs to obtain any regulatory permits required for the MOD Additional Work) to City for its approval, which budget shall restrict all costs to line items in cost categories. Any submitted construction budget for the MOD Additional Work approved by City in writing shall be the "**Budget**". If the MOD Additional Work cannot be completed in strict conformity with the Budget, Landlord shall immediately submit to City for its approval a revised construction budget and shall identify to City changes in line items and the reasons for the changes. If further changes are required, Landlord shall seek City's approval, following the same procedures. City shall have the right to approve or disapprove any submitted construction budget or proposed revisions in its reasonable judgment. No such approval or disapproval shall be unreasonably delayed. The most recently approved Budget shall supersede all previously approved Budgets. The total costs incurred by Landlord in performing the Work, to the extent approved by City pursuant to the final approved Budget, shall be the "**City Construction Costs**".

Landlord shall provide City with copies of all invoices received by Landlord from the Contractor, Architect, and Engineer in connection with the construction of any MOD Additional Work and satisfactory evidence of payment of such invoices, if requested. City shall pay to Landlord the City Construction Costs within the later to occur of (i) thirty (30) days of the Completion Date or (ii) City's receipt of the items described in the foregoing sentence.

(e) Construction; Status Reports. Following Landlord's receipt of all governmental permits and approvals needed to construct the Improvements in compliance with all applicable Laws and the approved Construction Plans, Landlord shall (i) cause the Improvements to be constructed and installed in a good and professional manner in accordance with sound building practice and in conformity with the Construction Plans and the requirements of this Section, (ii) diligently pursue construction to completion in an effort to substantially complete the Work within the Construction Period, and (iii) keep City apprised of the progress of construction and shall furnish City with biweekly reports on the construction. City shall not have any obligation with respect to any such work other than as provided in this Section.

(f) General Conditions. The performance of all Work and any Additional Upgrades (as defined in Section 5(g)) by Landlord shall be subject to the following terms and conditions:

i. All of the Work and any Additional Upgrades shall be performed in compliance with all applicable Laws (including all Disabilities Laws). Landlord shall promptly notify City in writing of any written communication that Landlord may receive from any governmental, judicial or legal authority, giving notice of any claim or assertion that the Premises, Building, Improvements, or Additional Upgrades fail in any respect to comply with applicable Laws.

ii. Landlord and its Contractor shall be responsible for all required insurance.

iii. Landlord shall cooperate at all times with City in bringing about the timely completion of the Improvements and any Additional Upgrades, and shall resolve any and all disputes arising out of the such work in a manner which will reasonably allow the continuation of City's normal business within the Premises and allow work to proceed expeditiously.

iv. At City's request, Landlord shall require at least three (3) competitive bids from subcontractors in each trade in connection with all Additional MOD Work performed by Landlord or its Contractor hereunder.

v. In the performance of the Landlord's obligations under this Section, Landlord shall follow the non-discrimination requirements as further provided in Section 23.25 of the Original Lease (as amended by this First Amendment), shall pay prevailing wages as further provided in Section 8 below, shall not use tropical hardwood wood products or virgin redwood wood products, as further provided in Section 10 below, shall comply with any applicable green building requirements, as further provided in Section 12 below, shall not use

any preservative-treated wood products containing arsenic, as further provided in Section 13 below.

(g) Building Upgrades. If City, acting in its regulatory capacity, notifies Landlord that installing the Improvements would trigger other San Francisco Municipal Code upgrades to the Premises that were not contemplated in the Schematic Plans or in the MOD Identified Work ("**Additional Upgrades**"), the Additional Upgrades shall be performed by Landlord at its sole cost unless, if applicable, Landlord timely exercises its termination right pursuant to Section 6. By way of example, if DBI determines that the construction of the Improvements would require a full seismic upgrade of the Premises, such full seismic upgrade would be Additional Upgrades.

Unless Landlord timely exercises the Landlord Termination Right, if applicable, Landlord shall, at its sole cost, cause its Architect and Engineer to prepare all plans and specifications needed for the Additional Upgrades and acceptable to RED (the "**Additional Plans**"), to obtain all governmental permits and approvals needed to construct the Additional Upgrades in compliance with all applicable Laws and the Additional Plans, and to perform the Additional Upgrades in compliance with the Additional Plans and all applicable Laws. Following Landlord's receipt of all governmental permits and approvals needed to perform the Additional Upgrades in compliance with all applicable Laws and the approved Additional Plans, Landlord shall (i) cause the Additional Upgrades to be performed in a good and professional manner in accordance with sound building practice and in conformity with the Additional Plans and the requirements of this Section, (ii) diligently pursue construction to completion, and (iii) keep City apprised of the progress of construction and provide City with biweekly construction reports. City shall not have any obligation with respect to any such work other than as provided in this Section.

Promptly following the substantial completion of the Additional Upgrades in compliance with the Additional Plans (the "**Upgrade Date**") or any earlier termination of the Lease by City pursuant to Section 7, Landlord shall provide City with a summary of Landlord's cost of performing the Additional Upgrades ("**Upgrade Costs**"), a copy of all invoices received by Landlord from the Contractor, Architect, and Engineer in connection with the performance of the Additional Upgrades, and if requested by City, satisfactory evidence of payment of the Additional Upgrades. The Upgrade Costs may include all "soft" and "hard" costs typical and reasonable for the construction of commercial improvements similar to the Additional Upgrades.

(h) Removal or Disturbance of Paint. Landlord, on behalf of itself and its agents, employees, officers and contractors, shall comply with all requirements of the San Francisco Building Code Chapter 34 and all other applicable local, state, and federal laws, including but not limited to the California and United States Occupational and Health Safety Acts and their implementing regulations, when the work of improvement or alteration performed by Landlord that disturbs or removes exterior or interior lead based or "presumed" lead-based paint (as defined below). Landlord, its agents, employees, officers and contractors shall give to City three (3) business days prior written notice of any disturbance or removal of exterior or interior lead-based or presumed lead-based paint. Landlord acknowledges that the required notification to DBI regarding the disturbance or removal of exterior lead-based paint pursuant to Chapter 34 of the San Francisco Building Code does not constitute notification to City as Tenant under the Lease and similarly that notice under the Lease does not constitute notice under Chapter 34 of the San Francisco Building Code. Further, Landlord and its agents, employees, officers and contractors, when disturbing or removing exterior or interior lead-based or presumed lead-based paint, shall not use or cause to be used any of the following methods: (i) acetylene or propane burning and torching; (ii) scraping, sanding or grinding without containment barriers or a High Efficiency Particulate Air filter ("HEPA") local vacuum exhaust tool; (iii) hydroblasting or high-pressure wash without containment barriers; (iv) abrasive blasting or sandblasting without containment barriers or a HEPA vacuum exhaust tool; and (v) heat guns operating above 1,100 degrees Fahrenheit. Landlord covenants and agrees to comply with the requirements of Title 17 of the California Code of Regulations when taking measures that are designed to reduce or

eliminate lead hazards. Under this subsection, paint on the exterior or interior of buildings built before January 1, 1979 is presumed to be lead-based paint unless a lead-based paint test, as defined by Chapter 34 of the San Francisco Building Code, demonstrates an absence of lead-based paint on the interior or exterior surfaces of such buildings. Under this subsection, lead-based paint is "disturbed or removed" if the work of improvement or alteration involves any action that creates friction, pressure, heat or a chemical reaction upon any lead-based or presumed lead-based paint on a surface so as to abrade, loosen, penetrate, cut through or eliminate paint from that surface.

(i) Substantial Completion of Improvements. The Improvements shall be deemed to be "**Substantially Completed**" for purposes of this First Amendment when the Improvements are sufficiently completed in accordance with the Construction Plans and any Additional Upgrade Plans, together with any change orders approved by Landlord and City, so that City can use the Improvements for their intended uses and City, through the Director of Property, has approved the constructed Improvements. The date the Work is Substantially Completed shall be the "**Completion Date**".

City may, at its option, approve the constructed Improvements even though there may remain minor details that would not interfere with City's use. In such event, Landlord shall diligently pursue to completion all such remaining details. Notwithstanding the foregoing, City shall have the right to present to Landlord within thirty (30) days after acceptance of the constructed Improvements, or as soon thereafter as practicable, a written punchlist consisting of any items that have not been finished in accordance with the Construction Plans, together with any change orders approved by Landlord and City. Landlord shall promptly complete all defective or incomplete items identified in such punchlist, and shall in any event complete all items within thirty (30) days after the delivery of such list. City's failure to include any item on such list shall not alter the Landlord's responsibility hereunder to construct the Improvements in accordance with the Construction Plans, together with any change orders approved by Landlord and City, nor constitute any waiver of any latent defects.

(j) Approvals. Landlord understands and agrees that City is entering into this First Amendment in its proprietary capacity and not as a regulatory agency with certain police powers. No approval by City or any of its Agents of the constructed Improvements or Additional Upgrades for purposes of this First Amendment shall be deemed to constitute approval of any governmental or regulatory authority with jurisdiction over the Premises or the construction of the Improvements or Additional Upgrades, and nothing herein shall limit Landlord's obligations to obtain all such approvals.

(k) Force Majeure. Any material prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond Landlord's reasonable control that prevent the timely construction of the Improvements (collectively, the "**Force Majeure**") shall extend the Construction Period for a period equal to any such prevention, delay or stoppage.

(l) Documentation of Improvement Costs. Promptly following the Completion Date, or any earlier termination of the Lease by City pursuant to Section 7, Landlord shall provide City with a summary of Landlord's cost of constructing the Improvements ("**Construction Costs**"), a copy of all invoices received by Landlord from the Contractor, Architect, and Engineer in connection with the construction of the Improvements, and if requested by City, satisfactory evidence of payment of the Construction Cost. The Construction Cost may include all "soft" and "hard" costs typical and reasonable for the construction of commercial improvements similar to the Improvements.

6. Landlord Termination Right. If City, acting in its regulatory capacity, notifies Landlord that installing the Improvements would trigger any Additional Upgrades and Landlord's

reasonable estimate of the cost to perform the Additional Upgrades exceeds \$50,000, Landlord shall have the right to terminate the Lease by delivering written notice of such termination to City within forty-five (45) days of receiving notice of such required Additional Upgrades.

If Landlord timely delivers such termination notice to City, then (a) the Term shall terminate as of the later date to occur of (i) May 30, 2014, or (ii) one hundred eighty (180) days following Landlord's delivery of such termination notice to City, (b) City shall be deemed to be holding over with Landlord's consent pursuant to Section 23.13 of the Original Lease following such termination of the Term on a month-to-month basis, (c) the annual Base Rent shall continue to be \$360,000 (\$30,000 per month and approximately \$36.00 per square foot annually), and (d) Section 5 of this First Amendment shall be automatically rescinded and Landlord shall have no obligation to perform the Work or the Additional Upgrades pursuant to this First Amendment.

7. City Termination Right.

(a) Termination Notice. City shall have the right to terminate the Lease at any time by providing no less than two hundred ten (210) days prior written notice of the early termination date (the "**City Termination Notice**"). If City delivers the City Termination Notice to Landlord during the period prior to the five (5) year anniversary of the Completion Date, if any, City shall pay Landlord the Termination Fee (defined in Section 7(b)) on or before the termination date specified in the City Termination Notice.

(b) Termination Fee.

(i) The "**Termination Fee**" shall be an amount equal to the unamortized amount of the Construction Costs incurred by Landlord on the date the City Termination Notice is delivered to Landlord (the "**Termination Notice Date**"), based on a straight amortization of such Construction Costs over a five (5) year period without interest.

(ii) If City delivers the City Termination Notice prior to the commencement of construction of the Improvements, Landlord shall promptly terminate the Work. In such event, the Termination Fee may include Landlord's costs, as of the Termination Notice Date, to prepare the Schematic Plans, the Permit Documents, and the Construction Plans, to obtain the permits or approvals required for the Work, and to obtain any materials ordered for the Work at such time (to the extent such materials cannot be returned or such orders cannot be cancelled).

(iii) If City delivers the City Termination Notice after commencement of construction of the Improvements, Landlord shall use good faith efforts to promptly terminate the Work. In such event, the Termination Fee may include the costs described in the foregoing subsection (ii) and Landlord's commercially reasonable costs to repair and restore the Premises to a leasable condition to the extent such condition is negatively affected by the incomplete Work. By way of example, if the City Termination Notice is delivered to Landlord after additional power facilities are installed, and a portion of the Property is excavated, for the elevator, but before the elevator is actually installed, City shall be responsible for all of the Incurred Costs for installing such power facilities and excavation work and Landlord's commercially reasonable costs to restore the excavated area to its original state, but not for the cost of removing such power facilities or for the elevator parts if the elevator parts have not been yet ordered or if ordered but such order can be cancelled or elevator parts returned.

(iv) If City delivers the City Termination Notice to Landlord during the period between the commencement of any Additional Upgrades and the five (5) year anniversary of the Upgrade Date, if any, the "Termination Fee" shall include the City Upgrade Share (defined as follows) on or before the termination date specified in the City Termination Notice. The "**City Upgrade Share**" shall be an amount equal to the unamortized amount of the lesser of the (i) Upgrade Costs incurred by Landlord as of the Termination Notice Date and (ii) \$50,000, based on a straight amortization over a five (5) year period without interest.

(c) Controller's Certification. City acknowledges that it may not exercise its early termination right pursuant to this Section unless, prior to such exercise and pursuant to Section 3.105 of the Charter of the City and County of San Francisco, it receives City Controller certification that there is a valid appropriation from which the Termination Fee may be made and that unencumbered funds are available from the appropriation to pay the Termination Fee. Landlord acknowledges that City's early termination right pursuant to this Section is in addition to, and does not modify, City's termination right under Section 23.23 of the Original Lease.

8. Prevailing Wages. As of the Effective Date, Section 23.24 of the Original Lease shall be deleted in its entirety. Landlord agrees that any person performing labor in the construction of the Improvements or other improvements to the Premises, which Landlord provides under the Lease, shall be paid not less than the highest prevailing rate of wages as required by Section 6.22(E) of the San Francisco Administrative Code, shall be subject to the same hours and working conditions, and shall receive the same benefits as in each case are provided for similar work performed in San Francisco County. Landlord shall include, in any contract for construction of the Improvements or other improvements to the Premises, a requirement that all persons performing labor under such contract shall be paid not less than the highest prevailing rate of wages for the labor so performed. Landlord shall require any contractor to provide, and shall deliver to City upon request, certified payroll reports with respect to all persons performing labor in the construction of the Improvements or other improvements to the Premises performed by Landlord or its contractors.

9. Covenant Not to Discriminate. As of the Effective Date, Section 23.25(a) of the Original Lease shall be deleted in its entirety and replaced with the following language: "In the performance of the Lease, Landlord agrees not to discriminate against any employee of, any City employee working with Landlord, or applicant for employment with Landlord, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes."

10. Tropical Hardwood and Virgin Redwood Ban. As of the Effective Date, Section 23.26 of the Original Lease shall be deleted in its entirety. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code, neither Landlord nor any of its contractors shall provide any items to City in the construction of the Improvements or otherwise in the performance of the Lease which are tropical hardwood, tropical hardwood wood products, virgin redwood, or virgin redwood wood products.

The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood products. In the event Landlord fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environment Code, Landlord shall be liable for liquidated damages for each violation in an amount equal to Landlord's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greatest. Landlord acknowledges and agrees that the liquidated damages assessed shall be payable to the City and County of San Francisco upon demand and may be set off against any monies due to Landlord from any contract with the City and County of San Francisco."

11. Bicycle Storage. As of the Effective Date, Section 23.27 of the Original Lease shall be deleted in its entirety. Article 1.5, Section 155.3 of the San Francisco Planning Code requires the provision of bicycle parking at City-leased buildings at no cost to Landlord. City shall have the right to install such bicycle parking in the Premises; provided, however, that if any such parking will be an Alteration, City shall obtain Landlord's prior written consent to such installation.

12. Green Building Requirements. As of the Effective Date, Section 23.28 of the Original Lease shall be deleted in its entirety. Landlord acknowledges that the City and County of San Francisco has enacted San Francisco Environment Code Sections 700 to 7013 relating to green building requirements for the design, construction, and operation of City owned and leased buildings. Landlord hereby agrees that it shall comply with all applicable provisions of such code sections.

13. Preservative-Treated Wood Containing Arsenic. Landlord may not purchase preservative-treated wood products containing arsenic in the performance of the Lease unless an exemption from the requirements of Environment Code, Chapter 13 is obtained from the Department of Environment under Section 1304 of the Environment Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Landlord may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of Environment. This provision does not preclude Landlord from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

14. Accessibility Inspection. California Civil Code Section 1938 requires commercial landlords to disclose to tenants whether the property being leased has undergone inspection by a Certified Access Specialist ("CASp") to determine whether the property meets all applicable construction-related accessibility requirements. City is hereby advised that the Premises have not been inspected by a CASp.

15. Conflicts of Interest. Through its execution of this First Amendment, Landlord acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 *et seq.* and Section 1090 *et seq.* of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provisions, and agrees that if Landlord becomes aware of any such fact during the Term, Landlord shall immediately notify City.

16. Notification of Limitations on Contributions. Through its execution of this First Amendment, Landlord acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing of any land or building to or from the City, whenever such transaction would require approval by a City elective officer, the board on which that City elective officer serves, or a board on which an appointee of that individual serves, from making any campaign contribution to (a) the City elective officer, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Landlord acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Landlord further acknowledges that the prohibition on contributions applies to each Landlord; each member of Landlord's board of directors, and Landlord's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than twenty percent (20%) in Landlord; any subcontractor listed in the contract; and any committee that is sponsored or controlled by Landlord. Additionally, Landlord acknowledges that Landlord must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Landlord further agrees to provide to City the name of each person, entity or committee described above.

17. No Broker. Neither party has had any contact or dealings regarding this First Amendment, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with this First Amendment. If any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes its claim shall be responsible for such commission or fee and shall indemnify the other party from any and all claims or losses incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination or nullification of this First Amendment.

18. Attorneys Fees. If a dispute arises concerning this First Amendment, the party not prevailing in such dispute shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights this First Amendment, reasonable fees of attorneys of City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

19. Miscellaneous. (a) Except as expressly modified by this First Amendment, the terms, covenants and conditions of the Original Lease shall remain unmodified and in full force and effect. (b) The Lease constitutes the entire agreement of the parties concerning the subject matter hereof, and supersedes and conceals any and all previous negotiations, agreements, or understandings, if any, regarding the matters contained herein. (c) The execution of this First Amendment shall not constitute a waiver of relinquishment of any rights which City or Landlord may have relating to the Original Lease. (d) City and Landlord hereby ratify and confirm all of the provisions of the Original Lease. Except as amended by this First Amendment, the Original Lease shall continue in full force and effect and in accordance with all of its terms. (e) If there is any conflict between this First Amendment and the Original Lease, this First Amendment shall control. If any one or more of the provisions in this First Amendment is invalid, illegal or unenforceable in any respect, the remaining provisions contained herein shall not be affected in any way thereby. (f) This First Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. (g) This First Amendment shall be governed by, construed and enforced in accordance with the laws of the State of California and the City's Charter. (h) Time is of the essence with respect to all provisions of this First Amendment in which a definite time for performance is specified, including, without limitation, the substantial completion of the Work within the Construction Period. (i) This First Amendment shall be effective as of the Effective Date. (j) Each party represents and certifies that the individual signing on behalf of such party is duly authorized to do so.

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IN WITNESS WHEREOF, Landlord and City hereby execute this First Amendment as of the date first written above.

LANDLORD:

Ruth Mellinger

Date: _____

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
John Updike, Director of Property

Date: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Carol Wong
Deputy City Attorney

EXHIBIT A

Schematic Plans