

LEASE EXTENSION AGREEMENT

This agreement (“**Lease Extension Agreement**”) by and between the City of San Francisco (hereinafter referred to as “**Tenant**”) and SFOC, LLC (“**Landlord**”) sets forth terms and conditions under which Landlord will grant Tenant’s request for an extension of the existing lease agreement dated July 27, 2012 (the “**Lease**”) by and between Landlord and Tenant for the premises located at 711 Van Ness Ave., Suite 400, San Francisco, California.

Terms of Lease Extension. On February 28, 2012, Tenant requested an extension of the Lease for a period of fourteen and a half (14.5) months from April 14, 2014 through June 30, 2015 (the “**Extension Period**”). All of the existing terms of the current Lease will continue in full force and effect during this Extension Period, except that:

- A. the Expiration date in Section 1, Base Lease Information shall be amended to read June 30, 2015 instead of April 14, 2014; and
- B. Section 22 of the Lease below shall govern prior to April 14, 2014 at which time it shall automatically become void and superseded by Section 22A below which shall govern for the remainder of the Extension Period.

22. SPECIAL PROVISIONS

Landlord shall have the right to terminate the Lease before the Expiration Date but in no event shall the Early Termination Date (as hereinafter defined) be earlier than November 30, 2013. In the event that Landlord elects to exercise this termination option, Landlord shall notify City in writing not less than six (6) months before the new termination date (the “**Early Termination Date**”). In the event that Landlord exercises this option, (i) the City shall receive a rent credit equal to two (2) months of Base Rent for the two (2) months immediately following such notice (the “**Rent Credit**”), and (ii) this Lease shall terminate on the Early Termination Date. On the Early Termination Date, City shall vacate and deliver possession of the Premises to Landlord in the condition required by this Lease for surrender of the Premises.

22A. SPECIAL PROVISIONS

Landlord shall have the right to terminate the Lease during the Extension Period. In the event that Landlord elects to exercise this termination option, Landlord shall notify City in writing not less than six (6) months before the new termination date (the “**Early Extension Termination Date**”), which in no event shall be later than June 30, 2015. In the event that Landlord exercises this option, (i) the City shall receive a rent credit equal to one (1) month of Base Rent for the month immediately following such notice (the “**Rent Credit**”), and (ii) this Lease shall terminate on the Early Extension Termination Date unless earlier terminated by the City’s surrender of the Premises prior to the Early Extension Termination Date. In the event such a notice is given by the Landlord, the City will use its best efforts to vacate the Premises in less than six (6) months if possible in order to facilitate the Landlord’s renovation and retentanting efforts. The City understands that other floors in the building will be under construction and it will have to put up with a reasonable amount of noise and dust from the construction. City shall vacate and deliver

possession of the Premises to Landlord in the condition required by the Lease for surrender of the Premises.

Lease Still in Force. Attached to this Lease Extension Agreement as Exhibit A is the Lease. Definitions within the Lease are herein incorporated by reference. Notwithstanding any provisions of this Lease Extension Agreement or claims of the parties to the contrary, the Lease is and shall remain in full force and effect and Tenant agrees to comply with all of the terms and conditions contained therein. This Agreement will in no way supersede the Lease or any provision thereof, except as specifically provided in this Lease Extension Agreement.

Financial Terms. Landlord hereby agrees to modification and potential forgiveness of rent under the following financial terms.

Security Deposit. The existing Security Deposit shall remain unchanged.

Lease Payments. All of the existing terms of the Lease regarding rental payment shall remain in effect during the extension period.

Tenant Extension Date and Other Conditions. At the completion of the extension period, Tenant shall completely vacate the Premises no later than June 30, 2015, and leave the Premises in compliance with Section 7.1 and Section 20 of the Lease.

Furnishings. Upon Departure, Tenant has agreed to leave all of the furniture that Tenant borrowed from Landlord at the commencement of the Lease in compliance with Section 7.3 of the Lease.

Miscellaneous, Early Departures, Termination Dates, Waiver. This Extension Agreement supersedes any prior verbal or contemporaneous representations or agreement not contained herein concerning Tenant's desire to extend the current lease.

[Remainder of this Page Intentionally Left Blank]

The parties hereto have caused this Lease Extension Agreement to be executed as of this date on _____ 2013.

LANDLORD:

SFOC LLC, a California limited liability Company

By: _____

JACK MAY
Agent for Owner

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____

JOHN UPDIKE
Director of Property

RECOMMENDED:

Department of Emergency Management

RECOMMENDED:

Office of the Assessor-Recorder

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: _____
Deputy City Attorney