



London Breed, Mayor
Naomi M. Kelly, City Administrator

Andrico Q. Pennick
Director of Real Estate

January 28, 2021

Mattison Family Trust
c/o JS Mattison & Co
50 California Street, Suite 1500
San Francisco, CA 94111

**RE: Conditional Option Exercise in Connection with the Office Lease Located at
555-575 Polk St. San Francisco Between, Mattison Family Trust and the City and
County of San Francisco**

Dear Mr. Mattison:

In connection with the office lease dated November 18, 2011, (the “Lease”) by and between the City and County of San Francisco, a municipal corporation acting by and through its Real Estate Division (“City”) and Mattison Family Trust (“Landlord”), this letter confirms the City’s timely conditional exercise of its Extension Option (as defined in the Lease) and the Base Rent (as defined in the Lease) for the Extended Term (as defined in the Lease) established by City and Landlord under Section 3.3 of the Lease.

If City’s Board of Supervisors approves City’s exercise of the Extension Option, the Extended Term will commence on August 1, 2021 and expire on July 31, 2026, and Base Rent for the Extended Term shall be as follows:

<u>Period of Extended Term</u>	<u>Annual Base Rent</u>	<u>Monthly Installment of Base Rent</u>	<u>Monthly Base Rental Rate Per Rentable Square Foot of Premises</u>
8/1/21 – 7/31/22	\$500,364	\$41,697	\$2.32
8/1/22 – 7/31/23	\$500,364	\$41,697	\$2.32
8/1/23 – 7/31/24	\$500,364	\$41,697	\$2.32
8/1/24 – 7/31/25	\$500,364	\$41,697	\$2.32
8/1/25 – 7/31/26	\$500,364	\$41,697	\$2.32

I will send another letter once the Board of Supervisors considers the Extension Option. If approved, that letter will confirm City’s exercise of the Extension Option is no longer conditional. If the Extensions Option is not approved, that letter will confirm the termination of the Lease on July 31, 2021.

January 28, 2021

Please countersign this letter below to confirm your agreement to these matters and return your original, countersigned copy to Cindy J. Lee of my office.

Sincerely,




Andrico Q. Penick
Director of Property

1/29/21

ACKNOWLEDGED AND AGREED

The undersigned acknowledges the City's conditional exercise of its Extension Option and agrees to the Extended Term Base Rent described in this letter.

Mattison Family Trust
c/o JS Mattison & Co

By:  2/16/21
Name: J. Stanley Mattison
Title: Trustee, Mattison Family Trust