Docusign Envelope ID: 07D72D79-09C3-8586-817A-25C620C7EC11

Initial
ERD

DS
GR

AMENDMENT NO. 3 TO
TERMINAL 1 RETAIL CONCESSION LEASE 1 NO. 18-0206
AT SAN FRANCISCO INTERNATIONAL AIRPORT

THIS AMENDMENT NO. 3 TO TERMINAL 1 RETAIL CONCESSION LEASE 5, LEASE NO. 18-0206 (this "**Amendment**"), is dated as of the Effective Date (as defined below) and entered into by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, acting by and through its AIRPORT COMMISSION, as landlord ("**City**"), and THE MARSHALL RETAIL GROUP, LLC ("**Tenant**"), acting by and through its Airport Commission ("**Commission**").

RECITALS

A. On July 10, 2018, by Resolution No. 18-0206, the Commission awarded to Tenant the Terminal 1 Retail Concession Lease 5 (as amended, the "**Lease**") at San Francisco International Airport ("**Airport**"). The Lease was previously amended as follows:

(i) Amendment No. 1 with an effective date of March 11, 2021, approved on October 6, 2020, by Commission Resolution No. 20-0180 and on January 5, 2021, by Board of Supervisors Ordinance No. 5-21; and

(ii) Amendment No. 2 with an effective date of September 10, 2024, approved on September 5, 2023, by Commission Resolution No. 23-0224 and on April 2, 2024, by Board of Supervisors Resolution No. 157-24.

B. On June 2, 2026, by Resolution No. 26-0137, the Commission approved this Lease Amendment. Staff has determined that the development costs incurred by Tenant in constructing its Initial Improvements exceeded supportable standards related to sales projections, rent structure and the term of the Lease. To improve the financial health of the Lease by allowing for a longer development cost amortization period, City and Tenant have agreed to extend the Operating Term of the Lease by two years.

C. On _____, by Resolution No. _____, the Board of Supervisors approved this Amendment pursuant to City Charter Section 9.118.

D. All capitalized terms not otherwise defined herein shall have the same meaning given to them in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to amend the Lease as follows:

AGREEMENT

1. **Recitals**. The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth her

2. **Effective Date**. The Effective Date of this Amendment shall be the date upon which the Resolutions Approval (as defined below) shall have been obtained, and City shall have countersigned this Amendment (the "**Effective Date**"). Upon the occurrence of the Effective

Docusign Envelope ID: 07D72D79-09C3-8586-817A-25C620C7EC11

Date, City shall insert the same in the space provided below and deliver a fully executed copy of this Amendment to Tenant.

3. **Term**. The Operating Term is extended by a period of two (2) years, and the Expiration Date of the Lease, as defined and as set forth in the Major Lease Term Summary, is extended from August 31, 2037 to August 31, 2039. Nothing in this Amendment shall modify or otherwise affect the option of the Airport Commission to further extend the term of the Lease, as set forth in Section 2.5 of the Lease, which such option remains in full force and effect.

4. **Entire Agreement**. This Amendment contains all the representations and the entire agreement between the parties with respect to the subject matter of this Amendment. Any prior correspondence, memoranda, agreements, warranties, or written or oral representations relating to the subject matter of this Amendment are superseded in their entirety by this Amendment. No prior drafts of this Amendment or changes between those drafts and the executed version of this Amendment shall be introduced as evidence in any litigation or other dispute resolution proceeding by any party or other person, and no court or other body should consider such drafts in interpreting this Amendment.

5. **Miscellaneous**. This Amendment shall bind, and shall inure to the benefit of the successors and assigns of the parties hereto. This Amendment is made for the purpose of setting forth certain rights and obligations of Tenant and City, and no other person shall have any rights hereunder or by reason hereof as a third-party beneficiary of otherwise. Each party hereto shall execute, acknowledge and deliver to the other party all documents, and shall take all actions reasonably requested by such other party from time to time to confirm or effect the matters set forth herein, or otherwise to carry out the purposes of this Amendment. No provision of this Amendment that is held to be inoperative, unenforceable or invalid shall affect the remaining provisions, and to this end all provisions hereof are hereby declared to be severable. This Amendment shall be governed by the laws of the State of California. Neither this Amendment nor any of the terms hereof may be amended or modified except by a written instrument signed by all the parties hereto.

6. **No Other Modification**. Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

7. **Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received. The parties also consent to the use of digital signatures affixed using the City's DocuSign platform to execute this Amendment.

8. **Required Approvals**. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AMENDMENT, TENANT ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF CITY HAS AUTHORITY TO COMMIT CITY TO THIS AMENDMENT UNLESS AND UNTIL CITY'S BOARD OF SUPERVISORS SHALL HAVE DULY ADOPTED A RESOLUTION APPROVING THIS AMENDMENT AND THE MAYOR SIGNS THE RELATED RESOLUTION, ALLOWS THE RESOLUTION TO TAKE EFFECT WITHOUT THEIR SIGNATURE, OR THE BOARD OF SUPERVISORS OVERRIDES ANY VETO OF THE RESOLUTION BY THE MAYOR ("**RESOLUTION APPROVAL**"). THEREFORE, ANY

Docusign Envelope ID: 07D72D79-09C3-8586-817A-25C620C7EC11

OBLIGATIONS OR LIABILITIES OF CITY HEREUNDER ARE CONTINGENT UPON RESOLUTION APPROVAL, AND THIS AMENDMENT SHALL BE NULL AND VOID IF THE RESOLUTION APPROVAL IS NOT ULTIMATELY OBTAINED. APPROVAL OF THIS AMENDMENT BY THE AIRPORT COMMISSION SHALL NOT BE DEEMED TO IMPLY THAT RESOLUTION APPROVAL WILL BE OBTAINED, NOR WILL ANY APPROVAL CREATE ANY BINDING OBLIGATIONS ON CITY.

[Remainder of Page Intentionally Left Blank.]

Docusign Envelope ID: 07D72D79-09C3-8586-817A-25C620C7EC11

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

TENANT:
THE MARSHALL RETAIL GROUP, LLC, a Delaware limited liability company

Signed by:
By: Roderick McOwan
AD0B1F0B5762484...

Name: Roderick McOwan

Title: Chief Development Officer

CITY

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation,
acting by and through its Airport Commission

BY: _____
Name: Mike Nakornkhet
Title: Airport Director

Effective Date: _____
(to be inserted by City only)

APPROVED AS TO FORM:
DAVID CHIU,
City Attorney

By: _____
Christopher W. Stuart
Deputy City Attorney