

**AMENDMENT NO. 1 TO
TERMINAL 2 BOOK STORE LEASE NO. 10-0037
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

THIS AMENDMENT NO. 1 TO TERMINAL 2 BOOK STORE LEASE NO. 10-0037 ("Amendment No. 1") AT THE SAN FRANCISCO INTERNATIONAL AIRPORT, dated as of _____ 2012 for reference purposes only, is entered by and between the _____ between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), acting by and through the SAN FRANCISCO AIRPORT COMMISSION ("Airport"), as landlord, Books, Inc., as tenant ("Tenant").

RECITALS

A. The Airport Commission awarded Lease No. 10-0037, ("Lease") for certain retail spaces located at the Airport in Terminal 2 to Tenant on February 18, 2010.

B. Airport and Tenant have agreed to modify the definition Lease Year pursuant to Lease Section 4, adjust the Lease Summary accordingly and other related provisions, on the terms and conditions set forth below.

C. 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 herein.
2. **Effective Date.** The effective date of this Amendment No. 1 and the modifications to the Lease contained in this Amendment No. 1 shall be the date upon which the Tenant and Airport Director signs this Amendment 1.
3. **Lease Summary.** Lease Year is written as follows: "The period commencing on the Rent Commencement Date and terminating on December 31 of the year in which the Rent Commencement Date occurs, and each subsequent 12-month period except that the final Lease Year is less than 12 months."
4. **Article 4.3, Rent, Adjustments to Minimum Annual Guarantee.** The second paragraph is rewritten as follows: "Notwithstanding anything to the contrary herein, in no event will the Minimum Annual Guarantee for any Lease Year of the Term be lower than the

Minimum Annual Guarantee with respect to the prior Lease Year. The first MAG Adjustment Date shall occur on January 1st of the year following the year in which the Rent Commencement Date is. For example: If the Rent Commencement Date occurs on March 1, 2010, the first MAG Adjustment Date shall occur on January 1, 2011. Subsequent MAG adjustments shall occur every January 1st of each year thereafter.”

5. **Entire Agreement.** This Amendment No. 1 contains all of the representations and the entire agreement between the parties with respect to the subject matter of this agreement. Any prior correspondence, memoranda, agreements, warranties, or written or oral representations relating to the subject matter of the Amendment No. 1 are superseded in their entirety by this Amendment No. 1. No prior drafts of this Amendment No. 1 or changes between those drafts and the executed version of this Amendment No. 1 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 No. 1.

6. **Miscellaneous.** This Amendment No. 1 shall bind, and shall inure to the benefit of, the successors and assigns of the parties hereto. This Amendment No. 1 is made for the purpose of setting forth certain rights and obligations of Tenant and the Airport, 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 each 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. 1. This Amendment No. 1 may be executed in counterparts with the same force and effect as if the parties had executed one instrument, and each such counterpart shall constitute an original hereof. No provision of this Amendment No. 1 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. Time is of the essence of this Amendment No. 1. This Amendment No. 1 shall be governed by the laws of the State of California. Neither this Amendment No. 1 nor any of the terms hereof may be amended or modified except by a written instrument signed by all the parties hereto.

7. **Full Force and Effect.** Except as specifically amended herein, the terms and conditions of the Lease shall remain in full force and effect.

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IN WITNESS WHEREOF, the Airport and the Tenant execute this Amendment No. 1 to the Lease as of the last date set forth below.

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

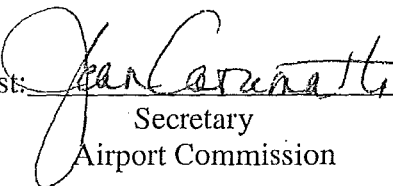
John L. Martin ✓ CA
Airport Director

TENANT: Books, Inc.
a California Corporation

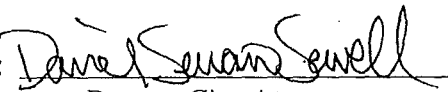
By: 
Name: MICHAEL TUCKER
Title: PRESIDENT

AUTHORIZED BY AIRPORT
COMMISSION

Resolution No. 11-0290
Adopted: Dec. 6, 2011

Attest: 
Secretary
Airport Commission

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

By: 
Deputy City Attorney