

January 8, 2020

Via Certified Mail 7011 1570 0000 7584 9593

Frishtah Afifi Principal Property Manager Revenue Development and Management San Francisco International Airport P.O. Box 8097 San Francisco CA 93128

Re: First Amendment to Food & Beverage Concession Lease No. 16-0310

(Super Duper Burger) in Terminal 3 Boarding Area F

Dear Mr. Afifi:

Enclosed are two originals of the above-referenced, signed by Host International, Inc. After signature by the City and County of San Francisco, please return one fully executed document to my attention.

If there are any questions, please contact me by phone at 240-694-4456 or by email at audrey.dawson@hmshost.com.

Sincerely,

Audrey Dawson

Legal Department MS 7-1

AIRPORT COMMISSION

JAN 15 2020

Revenue Develop & Management

AMENDMENT NO. 1 TO TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C FOOD & BEVERAGE CONCESSION LEASE 2 NO. 16-0310 AT SAN FRANCISCO INTERNATIONAL AIRPORT

THIS AMENDMENT NO. 1 TO TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C FOOD & BEVERAGE CONCESSION LEASE 2 NO. 16-0310 AT THE SAN FRANCISCO INTERNATIONAL AIRPORT (this "Amendment"), dated as of ______ (the "Effective Date"), is entered by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, acting by and through its AIRPORT COMMISSION, as landlord ("City"), and Host International, Inc. ("Tenant").

RECITALS

- A. City and Tenant entered into Lease No. 16-0310, effective June 13, 2017 (the "Lease"), for those certain food and beverage facilities located at the San Francisco International Airport (the "Airport") in Terminal 3 and Terminal 1 (as further described in the Lease, the "Premises"). On December 6, 2016, by Resolution No. 16-0310, Airport Commission (the "Commission") awarded the Lease.
- B. Staff has determined that the development costs exceeded supportable standards related to sales projections, rent structure and the term of the Lease.
- C. 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 for a new expiration date of August 31, 2026.
- 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. <u>Recitals</u>. The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth herein.
- 2. <u>Term</u>. The Expiration Date of the Lease, as defined and as set forth in the Major Lease Term Summary, is modified from August 31, 2024 to August 31, 2026. Nothing in this Amendment shall modify or otherwise affect the options of the Airport Commission to further extend the Term of the Lease, as set forth in Section 2.5 of the Lease, which such options remain in full force and effect.

- 3. <u>Entire Agreement</u>. This Amendment contains all of 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.
- 4. 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 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. This Amendment 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 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. 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.
- 5. <u>Full Force and Effect</u>. 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 parties have executed this Amendment as of the Effective Date. Host International, Inc. TENANT: JEFFREY L. POERSCH Name: ASSISTANT SECRETARY CITY: CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, acting by and through its Airport Commission Ivar C. Satero Airport Director AUTHORIZED BY AIRPORT **COMMISSION** Resolution: Adopted:

Deputy City Attorney

Secretary

APPROVED AS TO FORM: DENNIS J. HERRERA,

City Attorney

Airport Commission