

CONSENT TO SUBLEASE

THIS CONSENT TO SUBLEASE (“**Consent Agreement**”) is entered into as of 5th of March 2020, by and among CITY OF ALAMEDA, a charter city and municipal corporation (“**Landlord**”), MATSON NAVIGATION COMPANY, INC. (“**Sublandlord**” or “**Tenant**”), and MARY SUSAN UBBELOHDE dba LOISOS + UBBELOHDE (“**Subtenant**”), with reference to the following facts:

A. Landlord, as landlord, and Sublandlord, as tenant, are parties to that certain Lease Agreement dated as of December 1, 2015 (the “**Master Lease**”), pursuant to which Landlord will lease to Sublandlord certain premises located at 1500 Ferry Point Drive, Alameda, CA consisting of approximately 53,785 rentable square feet (the “**Premises**”) within Building 167 (the “**Building**”) together with a license for use of the adjacent Land.

B. Sublandlord and Subtenant have entered into that certain Sublease dated as of January 31, 2020, a copy of which is attached hereto as **Exhibit A** (the “**Sublease**”), pursuant to which Sublandlord has agreed to sublease to Subtenant a portion of the Premises, as more particularly described in the Sublease (hereinafter, the “**Sublet Premises**”).

C. Sublandlord and Subtenant have requested Landlord’s consent to the Sublease.

D. Landlord has agreed to give such consent upon the terms and conditions contained in this Consent Agreement. Unless otherwise defined herein, defined terms shall have the meanings given them in the Master Lease.

NOW THEREFORE, in consideration of the foregoing preambles which by this reference are incorporated herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord hereby consents to the Sublease subject to the following terms and conditions, all of which are hereby acknowledged and agreed to by Sublandlord and Subtenant:

1. Sublease Agreement. Sublandlord and Subtenant hereby represent that a true and complete copy of the Sublease is attached hereto and made a part hereof as **Exhibit A**, and Sublandlord and Subtenant agree that the Sublease shall not be modified without Landlord’s prior written consent in accordance with the terms of the Master Lease. In the event of any conflict between the terms and provisions of the Sublease and the terms and provisions of this Consent Agreement, the terms and provisions of this Consent Agreement shall govern.

2. Compliance by Subtenant; Enforcement.

(a) Subtenant (i) shall comply with and perform the terms of the Sublease to be complied with or performed on the part of the Subtenant under the Sublease, (ii) shall comply with the Use Permit requirements set forth in Section 6.4 of the Master Lease; (iii) shall comply with the Restrictions, as defined in Section 6.3 of the Master Lease; (iv) shall not violate any of the terms of the Master Lease and (v) assumes, during the term of the Sublease, the performance of the terms of the Master Lease to be performed on the part of the Tenant under the Master Lease to the extent that such terms are applicable to the Sublet Premises

(including, without limitation, the indemnity, insurance and waiver of subrogation provisions of the Master Lease, which shall be applicable to the Sublet Premises as if such Sublet Premises were the Premises for the purposes of said provisions) and provided that Subtenant's liability for the payment of rent and other amounts shall be limited to amounts set forth in the Sublease. Subject to the limitations of subsection (v) of the immediately preceding sentence with respect to Subtenant, Tenant and Subtenant shall be jointly and severally liable to Landlord for compliance with and performance of all of the terms, covenants, agreements, provisions, obligations and conditions to be performed or observed by the Tenant under the Master Lease.

(b) Sublandlord shall enforce the terms of the Sublease against Subtenant. Without limiting the foregoing, Landlord shall have the right, but not the obligation, to proceed directly against Subtenant (in Landlord's name or in Sublandlord's name, as determined by Landlord in Landlord's sole discretion) in order to (i) enforce compliance with and performance of all of the terms, covenants, agreements, provisions, obligations and conditions to be performed or observed by Subtenant under the Sublease, the Master Lease (to the extent applicable to the Subleased Premises) or under this Consent Agreement or (ii) terminate the Sublease if any action or omission of Subtenant constitutes a default under the Master Lease, after the expiration of all notice and cure periods, if any, provided for in the Master Lease (hereinafter, an "**Event of Default**"). Sublandlord shall cooperate with Landlord in connection with any such action or proceeding, and Sublandlord and Subtenant hereby jointly and severally indemnify and hold Landlord harmless from and against all costs and expenses including, without limitation, reasonable attorneys' fees, incurred by Landlord in connection with any such action or proceeding.

3. Representations. Sublandlord hereby represents and warrants that Sublandlord (i) has full power and authority to sublease the Sublet Premises to Subtenant, (ii) has not transferred or conveyed its interest in the Master Lease to any person or entity collaterally or otherwise, and (iii) has full power and authority to enter into the Sublease and this Consent Agreement. Subtenant hereby represents and warrants that Subtenant has full power and authority to enter into the Sublease and this Consent Agreement.

4. Indemnity. In consideration of Landlord's consent to the Sublease, Subtenant agrees that Landlord shall not be liable to Subtenant, and Subtenant hereby waives all claims against such parties, for any loss, injury or other damage to person or property in or about the Sublet Premises or the Building from any cause whatsoever, including without limitation, water leakage of any character from the roof, walls, basement or other portion of the Sublet Premises or the Building, or gas, fire, explosion, electricity, or any malfunction within the Sublet Premises or the Building, or acts of other tenants of the Building, provided, however, that the foregoing waiver shall be inapplicable to any loss, injury or damage resulting directly from Landlord's gross negligence or willful misconduct, and Subtenant further agrees that such parties shall in no event be liable for any consequential or remote damages or lost profits or loss of business. In addition to and without limiting the foregoing waiver or any other provision of the Sublease or this Consent Agreement, Subtenant agrees that Landlord shall not be liable for, and Subtenant expressly waives and releases Landlord and Landlord's agents, elected officials, employees, contractors and affiliates (collectively, the "**Landlord Parties**") from any claims, liability, damages, costs or expenses, including without limitation, any and all consequential damages or interruption or loss of business, income or profits, or claims of constructive eviction,

arising or alleged to be arising as a result of any such construction activity. Subtenant shall hold Landlord and the Landlord Parties harmless from and indemnify all such parties against any claims, liability, damages, costs or expenses, including reasonable attorneys' fees and costs incurred in defending against the same, to the extent arising from (i) Subtenant's occupancy of the Sublet Premises, and/or (ii) the acts or omissions of Subtenant, Subtenant's employees, agents, contractors, licensees, subtenants, customers, guests or invitees in or about the Building or any accident, injury or damage, howsoever and by whomsoever caused, to any person or property, occurring in or about the Sublet Premises, except to the extent any such claims, liability, damages, costs or expenses are caused directly by the gross negligence or willful misconduct of Landlord or its authorized representatives. The provisions of this Section 4 shall survive the termination of the Sublease and/or the Master Lease with respect to any injury, illness, death or damage occurring prior to such termination.

5. Insurance. Subtenant shall cause Landlord, all other Landlord Parties, and any other parties designated by Landlord to be named as additional insureds on the policy of commercial general liability insurance which Subtenant is required to carry pursuant to Article 15 of the Master Lease (which Article 15 shall be deemed incorporated into the Sublease notwithstanding anything to the contrary contained in the Sublease), and Subtenant shall provide Landlord with such policy or a certificate thereof upon Subtenant's execution and delivery of this Consent Agreement and shall provide Landlord with a renewal policy or certificate at least thirty (30) days prior to the expiration dates of expiring policies.

6. No Release. Nothing contained in the Sublease or this Consent Agreement shall be construed as relieving or releasing Sublandlord from any of its obligations under the Master Lease, it being expressly understood and agreed that Sublandlord shall remain liable for such obligations notwithstanding anything contained in the Sublease or this Consent Agreement or any subsequent assignment(s), sublease(s) or transfer(s) of the interest of the tenant under the Master Lease. Sublandlord shall be responsible for the collection of all rent due it from Subtenant, and for the performance of all the other terms and conditions of the Sublease, it being understood that Landlord is not a party to the Sublease and, notwithstanding anything to the contrary contained in the Sublease, is not bound by any terms, provisions, representations or warranties contained in the Sublease and is not obligated to Sublandlord or Subtenant for any of the duties and obligations contained therein.

7. Administrative Fee. Upon Sublandlord's execution and delivery of this Consent Agreement, Sublandlord shall pay to Landlord the sum of \$750.00 in consideration for Landlord's review of the Sublease and the preparation and delivery of this Consent Agreement.

8. No Transfer. Subtenant shall not further sublease the Sublet Premises, assign its interest as the Subtenant under the Sublease or otherwise transfer its interest in the Sublet Premises or the Sublease to any person or entity without the written consent of Landlord.

9. Master Lease. The Sublease is subject and subordinate to the terms of the Master Lease. In no event shall the Sublease or this Consent Agreement be construed as granting or conferring upon the Sublandlord or the Subtenant any greater rights than those contained in the Master Lease nor shall there be any diminution of the rights and privileges of

the Landlord under the Master Lease, nor shall the Master Lease be deemed modified in any respect. Without limiting the scope of the preceding sentence, any construction or alterations performed in or to the Sublet Premises shall be performed only with Landlord's prior written approval and in accordance with the terms and conditions of Article 10 of the Master Lease. It is hereby acknowledged and agreed that any provisions in the Sublease which limit the manner in which Sublandlord may amend the Master Lease are binding only upon Sublandlord and Subtenant as between such parties.

10. Attornment. If the Master Lease or Sublandlord's right to possession thereunder terminates for any reason prior to expiration of the Sublease, Subtenant agrees, at the written election of Landlord, to attorney to Landlord upon the then executory terms and conditions of the Sublease for the remainder of the term of the Sublease. In the event of any such election by Landlord, Landlord will not be (a) liable for any rent paid by Subtenant to Sublandlord more than one month in advance, or any security deposit paid by Subtenant to Sublandlord, unless same has been transferred to Landlord by Sublandlord; (b) liable for any act or omission of Sublandlord under the Master Lease, Sublease or any other agreement between Sublandlord and Subtenant or for any default of Sublandlord under any such documents which occurred prior to the effective date of the attornment; (c) subject to any defenses or offsets that Subtenant may have against Sublandlord which arose prior to the effective date of the attornment; (d) bound by any changes or modifications made to the Sublease without the written consent of Landlord, or (e) obligated in any manner with respect to the transfer, delivery, use or condition of any furniture, equipment or other personal property in the Sublet Premises which Sublandlord agreed would be transferred to Subtenant or which Sublandlord agreed could be used by the Subtenant during the term of the Sublease. If Landlord does not elect to have Subtenant attorn to Landlord as described above, the Sublease and all rights of Subtenant in the Sublet Premises shall terminate upon the date of termination of the Lease or Sublandlord's right to possession thereunder. The terms of this Section 10 supersede any contrary provisions in the Sublease.

11. Payments Under the Sublease. If at any time Sublandlord is in default under the terms of the Master Lease or a petition is filed by or against Sublandlord to declare Sublandlord bankrupt or seeking a plan of reorganization or arrangement under the Bankruptcy Act, or any amendment or substitution therefor, Landlord shall have the right to contact Subtenant and require Subtenant to pay all rent due under the Sublease directly to Landlord until such time as Sublandlord has cured such default. Subtenant agrees to pay such sums directly to Landlord if requested by Landlord, and Sublandlord agrees that any such sums paid by Subtenant shall be deemed applied against any sums owed by Subtenant under the Sublease. Any such sums received by Landlord from Subtenant shall be received by Landlord on behalf of Sublandlord and shall be applied by Landlord to any sums past due under the Master Lease, in such order of priority as required under the Lease or, if the Master Lease is silent in such regard, then in such order of priority as Landlord deems appropriate. The receipt of such funds by Landlord shall in no manner be deemed to create a direct lease or sublease between Landlord and Subtenant.

12. Excess Rent. If Landlord is entitled to any Transfer Premium (as defined in Section 13.4 of the Master Lease) from Sublandlord, then, in addition to all rent otherwise payable by Sublandlord to Landlord under the Master Lease, Sublandlord shall also pay to

Landlord the Transfer Premium in the manner described in the Master Lease. Landlord's failure to bill Sublandlord for, or to otherwise collect, such sums shall in no manner be deemed a waiver by Landlord of its right to collect such sums in accordance with the Master Lease. In the alternative, Subtenant shall, upon written notice from Landlord to Sublandlord and Subtenant, pay such Transfer Premium directly to Landlord and Subtenant's monthly Base Rental payment to Sublandlord under the Sublease shall be reduced by a like amount.

13. Authority. Each signatory of this Consent Agreement represents hereby that he or she has the authority to execute and deliver the same on behalf of the party hereto for which such signatory is acting.

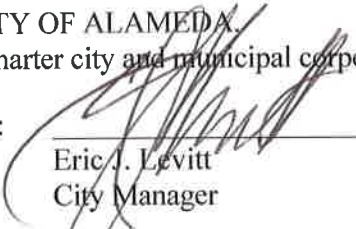
14. Counterparts. This Consent Agreement may be executed in multiple counterparts each of which is deemed an original but together constitute one and the same instrument. This Consent Agreement may be executed in so-called "pdf" format and each party has the right to rely upon pdf counterparts of this Consent Agreement signed by the other parties to the same extent as if such party had received original counterparts.

IN WITNESS WHEREOF, Landlord, Sublandlord and Subtenant have executed this Consent Agreement as of the date set forth above.

LANDLORD:

CITY OF ALAMEDA
a charter city and municipal corporation

By: _____


Eric J. Levitt
City Manager

Approved as to Form

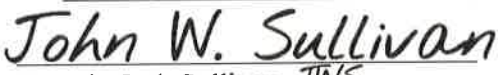
By: _____


Lisa Nelson Maxwell
Assistant City Attorney


SUBLANDLORD:

Matson Navigation Company, Inc. a Hawaii corporation

By: _____


Name: Captain Jack Sullivan *JWS*
Title: Senior Vice President of Operations
02 / 20 / 2020

By: _____


Name: Mr. Ben Bowler *BTB*
Title: Corporate Treasurer
02 / 19 / 2020

SUBTENANT:

MARY SUSAN UBBELOHDE
dba LOISOS + UBBELOHDE
a proprietorship


Mary Susan Ubbelohde
Owner

RECOMMENDED FOR APPROVAL



Debbie Potter
Community Development Director

EXHIBIT A
SUBLEASE AGREEMENT

SUBLEASE

THIS SUBLEASE ("**Sublease**") is made as of 01/31/2020, by and between MATSON NAVIGATION COMPANY, INC., a Hawaii corporation ("**Sublandlord**"), and MARY SUSAN UBBELOHDE dba LOISOS + UBBELOHDE, a sole proprietor ("**Subtenant**", and collectively with Sublandlord, the "**Parties**").

RECITALS:

A. Sublandlord is the tenant under that certain Lease Agreement dated as of December 1, 2015 (the "**Master Lease**"), with City of Alameda, a charter city and municipal corporation, as landlord ("**Landlord**"), with respect to approximately 53,785 rentable square feet of office, warehouse and industrial space as more specifically described in the Master Lease (the "**Premises**"), located in Building 167 at 1500 Ferry Point St., Alameda, California (the "**Building**").

B. Subtenant desires to sublease from Sublandlord a portion of the Building consisting of approximately 3,000 square feet of warehouse space on the southwest side of the hangar floor, and approximately 5,000 square feet of office/laboratory space as depicted on Exhibit A attached hereto and by this reference made a part hereof (collectively, the "**Subleased Premises**"), and Sublandlord desires to sublease the Subleased Premises to Subtenant upon the terms, covenants and conditions herein set forth.

AGREEMENT:

In consideration of the mutual covenants contained herein, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows.

1. Sublease. Subject to Landlord's Consent (as defined in Section 12), Sublandlord hereby subleases and demises to Subtenant and Subtenant hereby hires and takes from Sublandlord the Subleased Premises. Subtenant shall accept the Subleased Premises in its "as-is" condition as of the date Sublandlord delivers the Sublease Premises to Subtenant and Sublandlord will have no obligation to make any additions, repairs, improvements, or alterations to the Subleased Premises.

2. Term.

2.1 Term. The term of this Sublease (the "**Term**") shall commence on the later of (i) January 1, 2020, (ii) the date Landlord's Consent is obtained, or (iii) the date on which Sublandlord delivers possession of the Subleased Premises to Subtenant (the "**Commencement**").

Date”), and shall expire sixty (60) months after the Commencement Date, unless sooner terminated as provided for in this Sublease, or, if earlier, upon the date that the Master Lease is terminated.

(i) Subtenant will be granted early access to Subleased Premises for planning and staging upon execution of this Sublease (Monday through Friday, except holidays, 0700-1600).

2.2 Option Term. Any option to renew the Sublease is subject to the City of Alameda’s approval. The City of Alameda considers the Sublease a non-conforming sublease with a maximum term of five years. Notwithstanding, provided that Subtenant has not defaulted under the terms of this Sublease, Sublandlord will cooperate with Subtenant in seeking a renewal of the Sublease from the City of Alameda. Should the City of Alameda approve one or two extensions, Subtenant has one or two extension options (“**Extension Options**”) to (i) first, to extend the Term for five (5) additional years (“**Five-Year Extension**”) by delivering advance written notice (“**Five-Year Extension Notice**”) of such extension at least 90 days prior to the expiration of the Sublease, and (ii) upon expiration of the Five-Year Extension, an additional option to extend the Term for an additional Five (5) Years by delivering advance written notice of such extension at least 90 days prior to the expiration of the first Five-Year Extension of the Sublease (“**Additional Five-Year Extension Notice**”) and together with the Five-Year Extension Notice, the “**Extension Notice(s)**”); provided that in each case Sublandlord subsequently delivers to Subtenant written notice of its acceptance of the exercise of the Extension Option within fifteen (15) days after receipt of Subtenant’s Extension Notice. The failure of Subtenant to exercise an Extension Option within the periods described in subparagraph (i) and subparagraph (ii) (the “**Option Term Expiration Date(s)**”) shall result in the termination of the Sublease at the end of the then current Term. All “**Extension Options**” above are dependent upon Landlord’s approval, and Sublandlord’s successful execution exercising Sublandlord’s Option to extend per the Master Lease. Option period rent lease rate will be at market value as defined in Exhibit B.

3. Rent and Security Deposit.

3.1 Subtenant unconditionally and irrevocably guarantees to Landlord and Sublandlord the full and prompt payment of the Base Rent as described in 3.2 for the full duration of the Term, unless this Sublease is cancelled as described in Section 8 or terminated through no fault of Subtenant. The term “**Rent**,” as used herein, shall mean all “**Base Rent**” as described in 3.2, “**Additional Rent**” as described in 3.3 and all other amounts payable hereunder from Subtenant to Sublandlord. Unless otherwise specified herein, all items of Rent shall be due and payable by Subtenant on or before the first day of each calendar month except for irregular payments that will be due within thirty (30) days after billing by Sublandlord. Late Charges and Interest shall be payable as provided in the Master Lease.

3.2 Base Rent. (i) Subject to the provisions of subparagraph (ii) commencing on the Commencement Date and continuing throughout the Term, Subtenant shall pay to Sublandlord, without prior demand therefore, in advance on the first day of each calendar month, as monthly Base Rent the following:

<u>Months of Term</u>	<u>Base Rent</u>
1 through 12	Free period
13 through 24	\$9,064.00
25 through 36	\$9,335.92
37 through 48	\$9,616.00
49 through 60	\$9,904.48

(ii) The Base Rent set forth in subparagraph (i) has been set at lower than market rate based on the commitment of Subtenant to construct, at Subtenant’s sole expense, the improvements set forth in Exhibit D to this Sublease together with any additional improvements that may be required by the Landlord to approve such improvements (“**Initial Improvements**”) within fourteen (14) months of the date of this Sublease (“**the Initial Improvements Completion Date**”). Subtenant shall submit the plans for the Initial Improvements to, and shall obtain the approval of, Landlord and Sublandlord. The construction of the Initial Improvements shall be in accordance that of both Landlord and Sublandlord. If the Initial Improvements are not constructed and approved by Landlord and Sublandlord by the Initial Improvements Completion Date, (a) Subtenant shall pay to Sublandlord One Hundred and Twenty-Five Thousand Dollars (\$125,000) within thirty (30) days of the Initial Improvements Completion Date, and (b) the Base Rent will increase to market rent commencing with the 15th month of this Sublease to be escalated annually thereafter by three percent (3%).

3.3 Additional Rent. As used in this Sublease, the term “Additional Rent” shall mean all sums of money, other than Base Rent, that are due and payable by Subtenant under the terms of this Sublease. Subtenant shall pay Subtenant’s Share (as defined below) of the costs of all property taxes, utilities including water, sewage and gas, services including waste disposal, fire monitoring and bathroom janitorial services, and insurance for the Building and all other items described in Article 8 of the Master Lease. The parties acknowledge and agree that

Subtenant's Share of such costs shall be \$1,120.00 per month beginning at month 13 of the Term, subject to any revision based on actual expenses incurred by Sublandlord. The Additional Rent is free for the first 12 months based on the commitment of Subtenant to construct, at Subtenant's sole expense, the improvements set forth in Exhibit D to this Sublease together with any additional improvements that may be required by the Landlord. "**Subtenant's Share**" is 14.87% of the Building. The Additional Rent may be adjusted after the first 12 months of the Term and annually thereafter due to increases in utility rates, usage, and costs of insurance and services and other costs to Sublandlord. Subtenant agrees to install an electricity meter in conformance with all requirements of law and the Master Lease to track all power usage for heating, ventilation and air-conditioning and for machinery and power tools utilized in the hanger area. Tracked power will be billed to the Subtenant at market rate as reflected on Sublandlord's utility bill. Subtenant shall also be responsible for any utilities, garbage, internet and other expenses resulting from Subtenant purchases for the Subleased Premises.

3.4 Rent. During the Term, Subtenant shall pay Rent to Sublandlord, in accordance with the terms of this Sublease. Except as otherwise expressly provided herein, all Rent shall be payable by Subtenant without notice, demand, setoff or deduction, by a check for currency which, at the time of payment, is legal tender for private or public debts in the United States of America, to Sublandlord at the place set forth as Sublandlord's address for notices hereunder or, at Sublandlord's option, to such other party or at such other place as Sublandlord may from time to time designate in a written notice to Subtenant. If the Term begins or ends on a day other than the first or last day of a month or if any Rent is otherwise payable for a period that is shorter than one month, the Rent for such partial month shall be prorated on the basis of a thirty (30) day month.

3.5 Security Deposit and Prepaid Rent.

(i) Upon the execution of this Sublease and receipt of consent to this Sublease by Landlord, Subtenant shall deposit with Sublandlord a cash security deposit of Nine Thousand and Sixty-Four Dollars (\$9,064.00) (the "**Security Deposit**") for the full and faithful performance of Subtenant's obligations under this Sublease. Upon exercise of any option to extend, at the option of Sublandlord, the Security Deposit shall be increased to the amount of the then current monthly Rent and Subtenant shall deposit and additional amount required with Sublandlord. If Subtenant fails to pay any Base Rent, Additional Rent or any other amount due under this Sublease, or otherwise defaults with respect to any of its obligations under this Sublease, Sublandlord may (but shall not be obligated to), and without prejudice to any other remedy to Sublandlord, use, apply or retain all or any portion of the Security Deposit for the payment of any Base Rent, Additional Rent or any other amount due under this Sublease in default or for the payment of any other sum to which Sublandlord may become obligated by reason of Subtenant's default, or to compensate Sublandlord for any loss or damage Sublandlord may suffer thereby, including, without limitation, prospective damages and damages recoverable

pursuant to all provisions of law now in force or that become in force after the date of execution of this Sublease. If Sublandlord uses or applies all or any portion of the Security Deposit as provided above, Subtenant shall, within ten (10) days after demand therefore, deposit cash with Sublandlord in an amount sufficient to restore the Security Deposit to the full amount thereof, and Subtenant's failure to do so shall, at Sublandlord's option, be an event of default under this Sublease. If Subtenant performs all of Subtenant's obligations hereunder, the Security Deposit, or so much thereof that has not theretofore been applied by Sublandlord, shall be returned to Subtenant within thirty (30) days following the expiration of the Sublease Term and after Subtenant has vacated the Subleased Premises. Sublandlord shall not be deemed to hold the Security Deposit in trust nor be required to keep the Security Deposit separate from its general funds, and Subtenant shall not be entitled to any interest on the Security Deposit.

(ii) Upon execution of this Sublease, Subtenant shall make a payment to Sublandlord in the amount of Nine Thousand and Sixty-Four Dollars (\$9,064.00) as prepayment of rent for credit against the first installment of Base Rent and Additional Rent due hereunder, provided that such amount shall be prorated in accordance with Section 3.4 of this Sublease ("**Prepaid Rent**").

(iii) Total due upon execution of this Sublease is \$18,128.00, which includes the Security Deposit amount and the thirteenth month's Rent (first twelve months are free of charge).

3.6 Use. Subtenant covenants and agrees to use the Subleased Premises for professional office, laboratory, workshop and storage and in accordance with the provisions of the Master Lease and for no other purpose and otherwise in accordance with the terms and conditions of the Master Lease and this Sublease. Moreover, the workshop spaces located on the warehouse floor will be dedicated to historic maritime restoration enterprises in keeping the Tideland Public Trust Doctrine, meeting the criterion for water dependent and linked uses.

(i) Parking and storage. Subtenant shall have the right to use on a non-exclusive basis up to 20 unreserved parking spaces in the west lot as shown in Exhibit B. Both Subtenant and Sublandlord may use this area on a first come first serve basis. Subtenant rights to park vehicles overnight on the property are subject to the terms of the Master Lease.

(ii) Restroom. Subtenant may use the restroom in the northeast corner on the first floor of the Building (the "**First Floor Restroom**") and both restrooms on the second floor of the Building (collectively, the "**Second Floor Restrooms**"). Subtenant is solely responsible for cleaning and maintaining the Second Floor Restrooms at the sole cost of Subtenant. Cleaning of the First Floor Restroom shall be included in "Additional Rent" and shall be managed by Sublandlord.

(iii) Fencing. The tenant may install a fence around the Subleased Premises as shown in Exhibit A, provided that such fencing must (a) meet all fire codes, (b) be in compliance with all terms of the Master Lease, and (c) must be removed at the conclusion of this Sublease. Similarly or alternately the subtenant tenant may install a wall around the Subleased Premises as shown in Exhibit A, provided that such a wall must (a) meet all fire codes, (b) be in compliance with all terms of the Master Lease, and (c) must be removed at the conclusion of this Sublease.

(iv) Access. Subtenant shall utilize the entrance on the southwest of the Building as its main entry and exit to the Building. Subtenant will be equally responsible for keeping the east side of the Building secure as this is a shared access. Subtenant will have emergency access to all other exits of the Building in order to evacuate Subtenant's employees in case of an emergency.

(v) Private Space. Subtenant understands and agrees that the entire Premises at 1500 Ferry Point, including the Subleased Premises will under no circumstances be open to the public.

(vi) Tenant Improvements. Subject to Landlord's and Sublandlord's Consent in each case, Subtenant, at Subtenant's expense, shall have the right to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Subleased Premises ("**Alterations**") from time to time as Subtenant may deem desirable, provided the same are in conformance with all requirements of law and the Master Lease, made in a workmanlike manner and utilizing good quality materials, and upon and subject to Sublandlord's consent, which shall not be unreasonably withheld. Subject to Landlord's Consent in each case, Sublandlord consents to the installation of new HVAC equipment on the roof, a new photovoltaic electrical array, solar tracking equipment for research purposes, improvements to the existing conference room to the standards of the rest of the Second Floor West and placing a mast that will support a weather station. Subject to Landlord's Consent in each case, Sublandlord consents to New Computer Numerical Controlled (CNC) milling room, new enclosed shop space including stationary woodworking tools including a shipwright's band saw, a combination Robland machine, stationary planer, sanders, milling machine, metal lathe etc., fireproof cabinet storage for paint, adhesives cleaning agents etc., area storage for hardwoods for boatbuilding, dust collection and compressed air infrastructure. Subject to Landlord's and Sublandlord's Consent in each case, Subtenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Subleased Premises, and fasten the same to the Subleased Premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Subtenant at the commencement of the Sublease Term or placed or installed on the Subleased Premises by Subtenant thereafter, shall remain Subtenant's property free and clear of any claim by Sublandlord. Subtenant shall have the right to remove the same at any time during the term of

this Sublease provided that all damage to the Premises caused by such removal shall be repaired by Subtenant at Subtenant's expense.

(vii) Use of the Second Floor Conference Room. Subtenant is willing to allow Sublandlord use of the Second Floor Conference Room from time to time and will establish a sign-up sheet to allow Sublandlord to indicate periods when it desires to use the room. Any conflict in proposed usage shall be mutually worked out between Subtenant and Sublandlord.

(viii) Signage. Subtenant, at Subtenant's sole expense, may place proper business signage on the property in accordance with Landlord's sign policy and the City of Alameda Sign Ordinance requirements.

(ix) Internet Service. Sublandlord will provide a vendor contact for a high-speed Internet connection to the Subleased Premises and Subtenant shall arrange with the vendor and pay for the service.

(x) Sublease Conclusion. On the last day of the Term, or upon the earlier termination hereof, Subtenant shall peaceably and quietly surrender the Subleased Premises to Landlord, in good order and repair, with all Alterations removed, leaving in place only those Alterations which Sublandlord previously provided Subtenant with written notice to leave in place, normal wear and tear accepted.

4. Master Lease. A copy of the Master Lease is attached hereto as Exhibit C and by this reference made a part hereof. Subtenant and this Sublease shall be subject in all respects to the terms of, and the rights of the Landlord under, the Master Lease. Except as otherwise expressly provided in Section 6 hereof, the covenants, agreements, terms, provisions and conditions of the Master Lease insofar as they relate to the Subleased Premises and insofar as they are not inconsistent with the terms of this Sublease are made a part of and incorporated into this Sublease as if recited herein in full, and the rights and obligations of the Landlord and the Tenant under the Master Lease shall be deemed the rights and obligations of Sublandlord and Subtenant respectively hereunder and shall be binding upon and inure to the benefit of Sublandlord and Subtenant respectively. Accordingly, as applied to this Sublease, (i) the term "Landlord," as used in the Master Lease, shall be deemed to refer to Sublandlord hereunder, (ii) the term "Tenant," as used in the Master Lease, shall be deemed to refer to Subtenant hereunder, (iii) the term "Premises," as used in the Master Lease, shall be deemed to refer to the Subleased Premises hereunder, and (iv) the term "Lease," as used in the Master Lease, shall be deemed to refer to this Sublease. As between the parties hereto only, in the event of a conflict between the terms of the Master Lease and the terms of this Sublease, the terms of this Sublease shall control. Subtenant covenants and warrants that it fully understands and agrees to be subject to and bound by all of the covenants, agreements, terms, provisions and conditions of the Master

Lease, except as modified herein. Furthermore, Subtenant further covenants not to take any action or do or perform any act or fail to perform any act which would result in the failure or breach of any of the covenants, agreements, terms, provisions or conditions of the Master Lease on the part of the Tenant thereunder.

5. Landlord's Performance Under Master Lease.

5.1 It is understood and agreed that, notwithstanding anything in this Sublease to the contrary, Sublandlord shall have no obligation or responsibility to provide or perform any service, maintenance, utility, repair, alteration or other obligation which is the obligation of the Landlord to provide or perform pursuant to the terms of the Master Lease including, but not limited to, the obligation of the Landlord to make restorations or repairs after damage to the Premises or the Subleased Premises by fire or other casualty or after condemnation or to carry the insurance required to be carried by the Landlord under the Master Lease. Subtenant further agrees that each such obligation shall be provided or performed by the Landlord and not by Sublandlord; provided that, to the extent such obligations are performed by the Landlord, Subtenant shall be entitled to the benefits of such performance. Sublandlord shall in no event be liable to Subtenant nor shall Subtenant's obligations under this Sublease be impaired or reduced or the performance thereof excused because of any failure or delay on the Landlord's part in performing or observing any obligation of the Landlord under the Master Lease, and Subtenant shall continue to pay the Rent and all other charges provided for herein without any abatement, deduction or setoff whatsoever. Subtenant hereby acknowledges and agrees that Subtenant shall have no cause of action or other rights against the Landlord, either pursuant to this Sublease or under the Master Lease. Notwithstanding anything contained herein to the contrary, in the event that as a result of any action of restoration or repair to the Premises or the Subleased Premises (whether as a result of a casualty event, act of condemnation or otherwise), or due to any other cause whatsoever, Sublandlord is entitled to abatement of rent under the Master Lease, then to the extent the Subleased Premises are damaged or destroyed or otherwise affected by the event giving rise to the abatement, Subtenant shall be entitled to an equivalent abatement of the rent due under this Sublease.

5.2 Whenever the consent of the Landlord shall be required by, or the Landlord shall fail to perform its obligations under, the Master Lease, Sublandlord agrees to use its commercially reasonable efforts to obtain, at Subtenant's sole cost and expense, such consent and/or performance on behalf of Subtenant, provided that in no event shall Sublandlord be required to file a lawsuit against Landlord in connection with its obligations hereunder.

5.3 Subject to Sublandlord's rights under Articles 16 and 17 of the Master Lease, Sublandlord covenants as follows: (i) not to voluntarily terminate the Master Lease, (ii) not to modify the Master Lease so as to adversely affect Subtenant's rights hereunder, and (iii) to take all actions reasonably necessary to preserve the Master Lease.

6. Variations from Master Lease. The following covenants, agreements, terms, provisions and conditions of the Master Lease are hereby modified as provided below:

6.1 Notwithstanding anything to the contrary set forth in the Basic Lease Information or Article 3 and Sections 4.1 and 4.2 of the Master Lease, the Term of this Sublease and the Base Rent payable under this Sublease shall be as set forth in Sections 2 and 3 above.

6.2 The parties hereto represent and warrant to each other that neither party dealt with any broker or finder in connection with the consummation of this Sublease, except for **Berkshire Hathaway Drysdale Properties and Innovation Properties Group**, and each party agrees to indemnify, hold and save the other party harmless from and against any and all claims for brokerage commissions or finder's fees arising out of either of their acts in connection with this Sublease. The provisions of this Section 6.2 shall survive the expiration or earlier termination of this Sublease.

6.3 Subtenant shall obtain and maintain, at Subtenant's sole expenses, the insurances as required by this Sublease and the Master Lease, including Articles 3 (Construction of Capital Repairs by Tenant's Agents), 10 (Insurance for Alterations) and 15 (Insurance), and Sublandlord as well as Landlord shall be afforded all of the rights, naming and other rights of the Landlord under such provisions. Each policy of liability insurance required by this Section shall (i) contain a cross liability endorsement or separation of insured clause; (ii) provide that any waiver of subrogation rights or release prior to a loss does not void coverage; (iii) provide that it is primary to and not contributing with, any policy of insurance carried by Sublandlord covering the same loss; (iv) provide that any failure to comply with the reporting provisions shall not affect coverage provided to Sublandlord, its partners, property and managers; and (v) name Sublandlord and the City of Alameda and such other parties in interest as Landlord or Sublandlord may from time to time reasonably designate to Subtenant in writing, as additional insureds in an Additional Insured Endorsement. Such additional insureds shall be provided at least the same extent of coverage as is provided to Subtenant under such policies. The additional insured endorsement shall be in a form at least as broad as endorsement form number CG 20 11 01 96 promulgated by the Insurance Services Office. In addition, the obligations found in Articles 15.2 and 15.3 of the Master Lease are incorporated herein and made applicable to Subtenant. Notwithstanding anything contained in the Master Lease to the contrary, as between Sublandlord and Subtenant only, all insurance proceeds or condemnation awards received by Sublandlord under the Master Lease shall be deemed to be the property of Sublandlord.

6.4 Whenever the provisions of the Master Lease which have been incorporated as provisions of this Sublease require the written consent of the Landlord, said provisions shall be construed to require the written consent of both the Landlord and Sublandlord.

6.5 Any notice which may or shall be given by either party hereunder shall be either delivered personally, delivered by nationally recognized overnight courier, or sent by certified mail, return receipt requested, addressed to the party for whom it is intended at the Subleased Premises (if to Subtenant), or to the following addresses (if to Sublandlord), or to such other address as may have been designated in a notice given in accordance with the provisions of this Section 6.5:

If to Subtenant:
Loisos + Ubbelohde
1917 Clement Avenue, Building 10A
Alameda, CA 94501

If to Sublandlord: Matson Navigation Company, Inc.
555 12th Street
Oakland, CA 94607
Attn: Vice President Vessel Operations and Engineering

6.6 All amounts payable hereunder by Subtenant shall be payable directly to Sublandlord.

6.7 The time limits contained in the Master Lease for giving of notices, making of demands, or performing of any act, condition or covenant on the part of Subtenant pursuant to the provisions of the Master Lease incorporated into this Sublease is hereby changed for purposes of incorporation herein by shortening the same in each instance by two (2) business days, such that in each instance Subtenant shall have two (2) business days less time to observe or perform under this Sublease than Sublandlord has as the tenant under the Master Lease.

6.8 Without limiting the generality of Section 27.8 of the Master Lease, Subtenant shall permit Landlord and Sublandlord and their employees, agents and contractors to enter the Subleased Premises and all parts thereof at any time and from time to time during the last sixty (60) days of the Term, for the purpose of inspecting the Subleased Premises and confirming that Subtenant is performing all restoration and other activities necessary to timely vacate the Premises on or before the expiration of the Term.

6.9 Notwithstanding anything to the contrary in this Sublease, Article 7, Article 28 and Exhibits G and H of the Master Lease are not incorporated herein.

7. Indemnity. In addition to the indemnification obligations set forth in Sections 10.2 12.7 and 14.1 of the Master Lease that have been incorporated into this Sublease, except to the extent of claims or liabilities resulting from the gross negligence or willful

misconduct of Sublandlord and/or Sublandlord Parties, Subtenant hereby agrees to protect, defend, indemnify and hold harmless Sublandlord and its partners, officers, directors, servants, employees, agents and independent contractors (collectively, "**Sublandlord Parties**"), from and against any and all liabilities, claims, expenses, losses and damages, including, without limitation, reasonable attorneys' fees and disbursements, which may at any time be asserted against Sublandlord or Sublandlord Parties by (a) the Landlord for failure of Subtenant to perform any of the covenants, agreements, terms, provisions or conditions contained in the Master Lease which by reason of the provisions of this Sublease Subtenant is obligated to perform, or (b) any person by reason of the use and/or occupancy of the Subleased Premises or Building by Subtenant or any of its members, officers, directors, servants, employees, agents, contractors, licensees, invitees and guests (collectively, "**Subtenant Parties**"). The provisions of this Section 7 shall survive the expiration or earlier termination of the Master Lease and/or this Sublease.

8. Cancellation of Master Lease. In the event of the cancellation or termination of the Master Lease for any reason whatsoever or of the involuntary surrender of the Master Lease by operation of law prior to the expiration date of this Sublease, Subtenant agrees, at the option of the Landlord (which may be exercised at any time during Subtenant's occupancy of the Subleased Premises), to make full and complete attornment to the Landlord under the Master Lease for the balance of the Term of this Sublease and upon the then executory terms hereof, which attornment shall be evidenced by an agreement in form and substance reasonably satisfactory to the Landlord. Subtenant agrees to execute and deliver such an agreement at any time within ten (10) business days after request of the Landlord, and Subtenant waives the provisions of any law now or hereafter in effect which may give Subtenant any right of election to terminate this Sublease or to surrender possession of the Subleased Premises in the event any proceeding is brought by the Landlord under the Master Lease to terminate the Master Lease.

9. Certificates. Each party hereto shall at any time and from time to time as requested by the other party upon not less than ten (10) days' prior written notice, execute, acknowledge and deliver to the other party, a statement in writing certifying that this Sublease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications, if any) certifying the dates to which rent and any other charges have been paid and stating whether or not, to the knowledge of the person signing the certificate, the other party is then in default beyond any applicable grace period provided herein in performance of any of its obligations under this Sublease, and if so, specifying each such default of which the signer may have knowledge, it being intended that any such statement delivered pursuant hereto may be relied upon by others with whom the party requesting such certificate may be dealing.

10. Assignment or Subletting. Subject further to all of the rights of the Landlord under the Master Lease and the restrictions contained in the Master Lease, Subtenant shall not be

entitled to assign this Sublease or to sublet all or any portion of the Subleased Premises without the prior written consent of Sublandlord and Landlord, which consent (notwithstanding anything to the contrary contained in Article 13 of the Master Lease) may be withheld by Sublandlord or Landlord, each in its sole discretion.

11. Default. In the event that Subtenant shall be in default of any covenant of, or shall fail to honor any obligation under this Sublease, Sublandlord shall have available to it against Subtenant all of the remedies available (a) to Landlord under the Master Lease in the event of a similar default on the part of Sublandlord thereunder, or (b) at law or equity.

12. Consent of Landlord. This Sublease is conditioned upon obtaining Landlord's written consent ("**Landlord's Consent**") to this Sublease.

13. Severability. This Sublease agreement may only be terminated by mutual agreement by both Sublandlord and Subtenant. Without mutual agreement, each term or provision of this Sublease shall be valid and be enforced to the fullest extent permitted by law.

14. Entire Agreement; Waiver. This Sublease contains the entire agreement between the parties hereto with respect to the subject matter hereof. This Sublease shall be binding upon and inure to the benefit of their respective heirs, representatives, successors and permitted assigns of the parties hereto. Any agreement hereinafter made shall be ineffective to change, modify, waive, release, discharge, terminate or effect an abandonment hereof, in whole or in part, unless such agreement is in writing and signed by the parties hereto.

15. Captions and Definitions. Captions to the Sections in this Sublease are included for convenience only and are not intended and shall not be deemed to modify or explain any of the terms of this Sublease.

16. Further Assurances. The parties hereto agree that each of them, upon the request of the other party, shall execute and deliver, in recordable form if necessary, such further documents, instruments or agreements and shall take such further action that may be necessary or appropriate to effectuate the purposes of this Sublease.

17. Governing Law. This Sublease shall be governed by and in all respects construed in accordance with the internal laws of the State of California.

[Remainder of page intentionally left blank]

Matson 012220


IN WITNESS WHEREOF, the parties hereto have caused this Sublease to be executed as of the day and year first above written.

"Sublandlord":

MATSON NAVIGATION COMPANY, INC,
a Hawaii corporation

Print Name: Robert A Hawke _____

Title: Dir Vessel Performance & Technical Engineering _____

Signature:  _____

Date: 01 / 31 / 2020 _____

"Subtenant":

Loisos + Ubbelohde a sole proprietor

Print Name: George Loisos _____

Title: Principal _____

Signature:  _____

Date: 01 / 31 / 2020 _____

Print Name: M Susan Ubbelohde _____

Title: Principal _____

Signature:  _____

Date: 01 / 31 / 2020 _____

Matson 012220

[Add consent of Landlord]

[Remainder of page intentionally left blank]

11/04/2019

-14-

Sublease: 1500 Ferry Point., Alameda, CA 94501

20

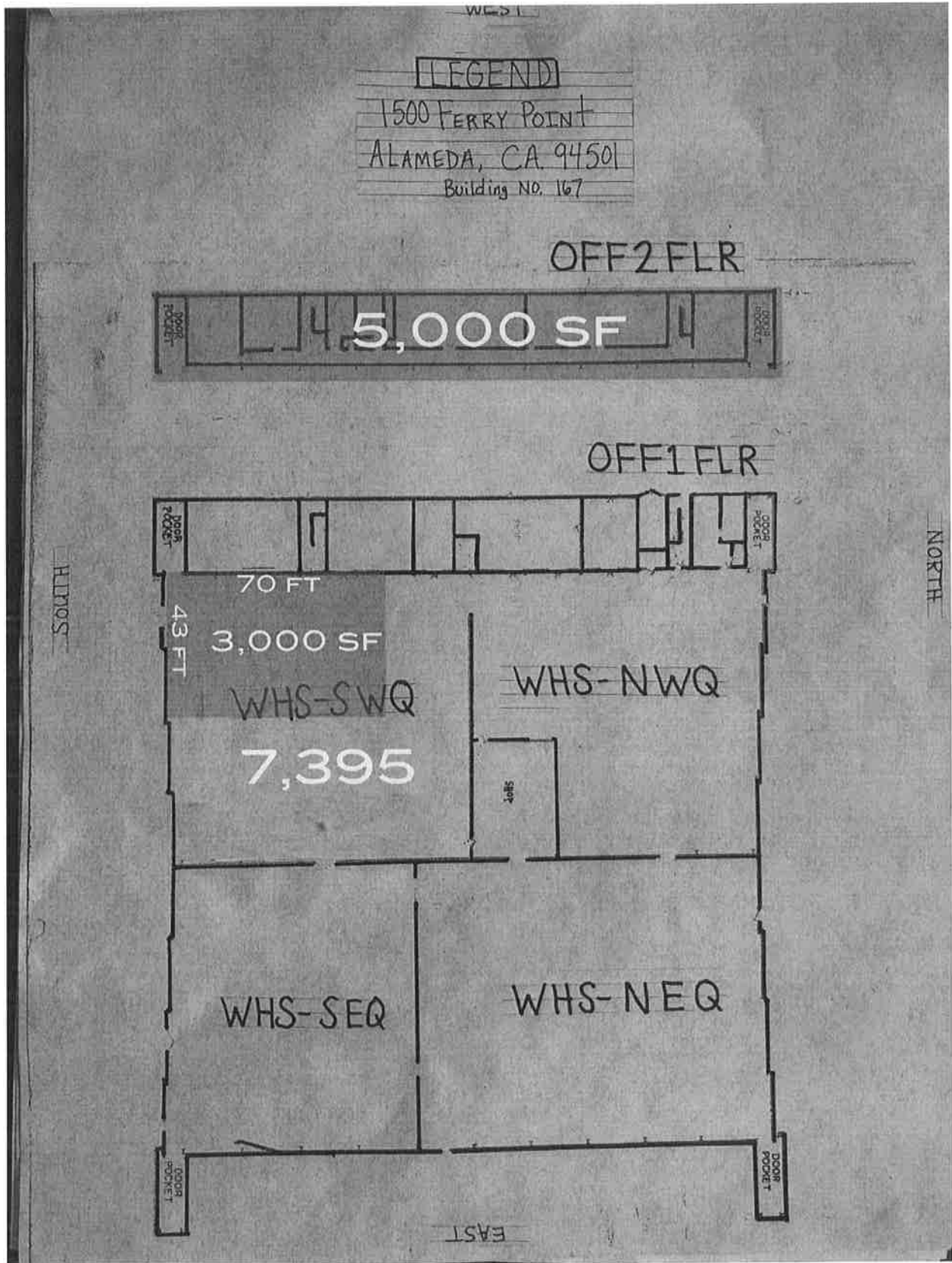
Doc ID: 9445078e0e5f0284e8e3df084185a9e73cbfd390

EXHIBIT A

SUBLEASED PREMISES

1500 Ferry Point, Alameda, CA (aka Building 167)

Green outlined square with Architectural plans below showing hangar and office sublet space. Orange shows common space to be left clear for both Subtenant and Sublandlord to utilize.



Matson 012220

Following illustration is a clip from separately attached pdf file titled: Plan 1F Maritime shop (003)

11/04/2019

-17-

Sublease: 1500 Ferry Point., Alameda, CA 94501

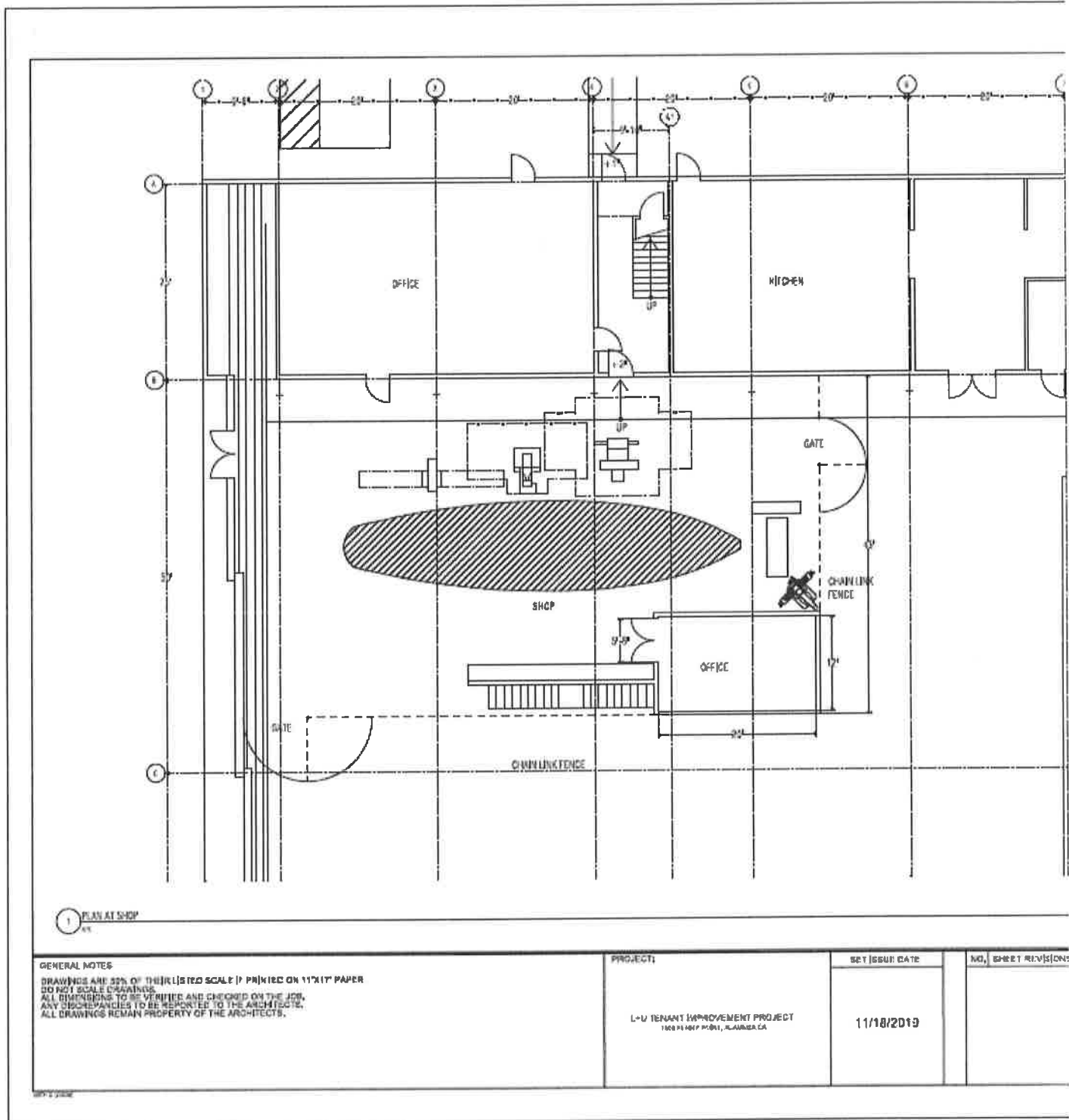
Matson 012220

11/04/2019

-18-

Sublease: 1500 Ferry Point., Alameda, CA 94501

24



Matson 012220

EXHIBIT C
MASTER LEASE
[ATTACHED]

11/04/2019

-20-

Sublease: 1500 Ferry Point., Alameda, CA 94501

EXHIBIT D

SUBTENANT'S INITIAL IMPROVEMENTS

As provided in Section 3.2(ii), Subtenant agrees to complete the following Subtenant Initial Improvements in the Subleased Premises, together with any additional improvements that may be required by the Landlord to approve such improvements. The estimated cost of the Initial Improvements is Five Hundred and Ninety-Six Thousand Dollars (\$596,000).

1. New layout, walls etc.: Existing internal walls will be demolished and new wall built above the half-wall railing in order to divide the offices from the warehouse for sound and dust control purposes.
2. New mechanical heating and cooling for the office and lab spaces. Roof-mounted equipment if so approved by the City.
3. New Lighting and lighting controls throughout the office, lab, and conference room spaces
4. New finishes throughout:
 - a. Painting of walls and overheads
 - b. Tile flooring to be removed in favor of polished concrete or engineered flooring system
 - c. Removal of carpet in south-most office spaces and floors to be finished as above. (Removal of the old 10"x10" floor tiling, which contains asbestos will be remediated at Matson's cost)
5. New bathrooms: Demolition of existing bathrooms in favor of a single new bathroom facility
6. Existing Conference Room will be updated in the same manner as the professional office spaces.
7. New automatic shading systems: Equipment will be donated... cost of installation only is considered in the cost estimate
8. New low voltage infrastructure
9. Window replacements in keeping with Title-24 of the building code.
10. Rehabilitation of the entry and stairwell that will be utilized by L+U as their main entry

The following Tenant Improvements are planned and agreeable, but are not to be included in the cost estimate and or for consideration in reduced / free rent value calculation.

1. New Computer Numerical Controlled (CNC) milling room

Matson 012220

2. New fenced shop space including stationary woodworking tools including a shipwright's band saw, a combination Robland machine, stationary planer, sanders, milling machine, metal lathe etc.
3. Fireproof cabinet storage for paint, adhesives cleaning agents etc.
4. Area storage for hardwoods for boatbuilding.
5. Dust collection and Compressed air infrastructure.
6. New automatic shading systems
7. New low voltage infrastructure

11/04/2019

-22-

Sublease: 1500 Ferry Point., Alameda, CA 94501