

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE AGREEMENT ("First Amendment") dated as of May ____, 2019 ("**Effective Date**") is entered into by and between the CITY OF ALAMEDA, a charter city and municipal corporation ("**City**" or "**Landlord**") and KAI CONCEPTS LLC, a California limited liability company ("**Tenant**"), with reference to the following:

RECITALS

A. WHEREAS, Landlord and Tenant entered into that certain Lease Agreement dated as of May 8, 2016 ("**Original Lease**") whereby Tenant leased from Landlord certain premises located at the former Naval Air Station Alameda, comprised of a portion of Building 168, located at 1651 Viking Street, Suite 300, Alameda, California (the "**Premises**"), together with appurtenant parking privileges and use of the Common Areas, as more particularly described in the Original Lease; and

B. WHEREAS, Landlord and Tenant desire by this First Amendment to amend the Original Lease to, among other things, extend the Term for an additional thirty-six (36) month period. The Original Lease and this First Amendment shall be collectively referred to herein as the "**Lease.**"

NOW, THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant hereby agree as follows:

AGREEMENT

1. Recitals. The Recitals set forth above are incorporated herein as though set forth in full herein.

2. Extension of Term. The Expiration Date of the Lease shall be extended ("**Extension Term**") and the Lease shall terminate on July 31, 2022 ("**Extension Term Expiration Date**"), unless sooner terminated in accordance with the terms and conditions of the Lease.

3. Early Termination. Landlord may at any time during the Extension Term, upon not less than six (6) months prior written notice, terminate the Lease, as extended hereby. Base Rent payable by Tenant from August 1, 2019 until the Extension Term Expiration Date shall be as follows:

Base Rent	Months	Monthly Base Rent
0.58/SF	08/01/2019 -07/31/2020	\$16,609.00
0.60/SF	08/01/2020 -07/31/2021	\$17,181.60

0.62/SF	08/01/2021 – 07/31/2022	\$17,754.32
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4. Miscellaneous.

(a) This First Amendment sets forth the entire agreement between the parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements.

(b) Except as herein modified or amended, the provisions, conditions and terms of the Lease shall remain unchanged and in full force and effect.

(c) In case of any inconsistencies between the provisions of the Original Lease and this First Amendment, the provisions of this First Amendment shall govern and control.

(d) As of the Effective Date of this First Amendment, Tenant represents and warrants to Landlord that: (a) there are no defaults on the part of Landlord under the Lease and there are no events currently existing (or which the passage of time, giving of notice or both, which would exist) which would be deemed a default of Landlord or which would give Tenant the right to cancel or terminate the Lease, and (b) there are no claims against Landlord, including without limitations, claims of credit, offset or deduction from or against the rent due under the Lease.

(e) Capitalized terms used in this First Amendment shall have the same definitions as set forth in the Original Lease to the extent that such capitalized terms are defined therein and not redefined in this First Amendment.

(f) Tenant hereby represents to Landlord that Tenant has dealt with no broker in connection with this First Amendment. Tenant agrees to defend, indemnify and hold Landlord harmless from any and all claims of any brokers claiming to have represented Tenant in this First Amendment. Landlord hereby represents to Tenant that Landlord has dealt with no broker in connection with this First Amendment, other than Cushman & Wakefield. Landlord agrees to defend, indemnify and hold Tenant harmless from all claims of any brokers claiming to have represented Landlord in connection with this First Amendment.

(g) In accordance with Civil Code Section 1938, Landlord hereby discloses that the Premises has not undergone inspection by a Certified Access Specialist for purposes of determining whether the property has or does not meet all applicable construction related accessibility standards pursuant to Civil Code Section 55.53. A Certified Access Specialist (CASp) can inspect the subject Premises and determine whether the subject Premises complies with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit a tenant from obtaining a CASp inspection of the subject Premises for the occupancy or potential occupancy of the tenant, if requested by the

tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises. The forgoing notwithstanding, the parties agree that Tenant shall be solely responsible for the payment of all fees for the CASp inspection. The cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises shall be at Tenant's expense.

(h) If Tenant is a corporation, partnership, trust, association or other entity, Tenant and each person executing this First Amendment on behalf of Tenant does hereby covenant and warrant that (a) Tenant is duly incorporated or otherwise established or formed and validly existing under the laws of the state or county of incorporation, establishment or formation, (b) Tenant has and is duly qualified to do business in California, (c) Tenant has full corporate, partnership, trust, association or other power and authority to enter into this First Amendment and to perform all of Tenant's obligations hereunder, and (d) each person (and all of the persons if more than one signs) signing this First Amendment on behalf of Tenant is duly and validly authorized to do so. At execution hereof and upon Landlord's request, Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord confirming the foregoing representations and warranties.

(i) Tenant hereby represents to Landlord that Tenant is currently in compliance with and shall at all times through and including the Extended Term Expiration Date remain in compliance with the regulations of the Office of Foreign Asset Control of the Department of the Treasury and any statute, executive order (including the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental actions relating thereto.

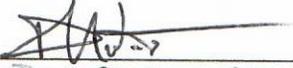
(j) This First Amendment may be executed in multiple counterparts each of which is deemed an original but together constitutes one and the same instrument. This First Amendment may be transmitted in "pdf" format and each party has the right to rely upon a pdf counterpart of this First Amendment signed by the other party to the same extent as if such party had received an original counterpart.

Signatures on following page

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this First Amendment as of the Effective Date set forth above.

TENANT:
KAI CONCEPTS LLC,
a California limited liability company

LANDLORD:
CITY OF ALAMEDA,
a Municipal Corporation

By: 
Name: DONALD MONTAGUE
Its: PRESIDENT

Amy Wooldridge
Interim City Manager

By: _____
Name: _____
Its: _____

Approved as to Form

Lisa Nelson Maxwell
Assistant City Attorney