ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT

THIS ASSI	GNMENT AND A	ASSUMPTION OF I	LEASE ("Agreen	nent") is entered
into as of this	day of	_, 2014, by and amon	g between CITY	OF SAN JOSE, a
municipal corporation	on ("City"), SAN	JOSE EARTHQUA	KES MANAGEI	MENT, LLC, a
California limited li	ability company ("	Soccer") and TARE	K CONSUL, dba	a PARK N
TRAVEL ("Tenant	t'').	,	•	

THE PARTIES ENTER INTO THIS AGREEMENT on the basis of the following facts, understandings and intentions:

City is the Landlord under a Lease with Tenant dated September 14, 2003, which was amended by letter agreements dated March 14, 2005 and May 20, 2005 (collectively, the "Original Lease"). Tenant hereby certifies that a true and correct copy of the Original Lease is attached as Exhibit A. The City entered into a Parking Agreement with Soccer, dated as of August 31, 2012, and recorded August 31, 2012 as Document No. 21833195 in the Official records of Santa Clara County (the "Parking Agreement"), whereby Soccer was given the right to use a portion of the property located in the City of San Jose, California identified by Santa Clara County Assessor Parcel Nos. 230-46-062, 230-46-061 and 230-46-063 on the terms and conditions provided in the Parking Agreement (the "Parking Facility"). The City and Coleman Airport Partners, LLC, a California limited liability company ("Optionee"), entered into an Amended and Restated Option Agreement Development Site dated as February 23, 2010, as amended from time to time ("Option Agreement"), wherein, subject to the terms and conditions contained therein, the City granted Optionee an option to purchase the Development Site, as such term is defined in the Option Agreement, which includes the Premises. Soccer and Tenant intend to permit the continued the use of the Development Site by Tenant pursuant to the terms of the Original Lease, all as more specifically provided herein and therein. The parties wish to enter into this Agreement to provide that (a) the Landlord's interest under the Original Lease as Landlord is hereby assigned by City to Soccer; provided, however, that City's assignment pursuant to this Agreement of its interest as Landlord under the Original Lease shall not constitute and assignment by City of its fee ownership of the Development Site; (b) the Original Lease shall be modified in certain respects, all as more specifically provided herein; and (c) the Original Lease is subject to termination as set forth herein.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants and promises of the parties, the parties hereto hereby agree as follows:

1. Definitions. Capitalized terms used herein and not defined will have the meaning assigned in the Original Lease. From and after the date hereof the term "Lease" as used in the Original Lease shall collectively mean the Original Lease as modified by this Agreement.

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1106573_2 Council Agenda: 6/17/14

Item No. 2.14(b)
DRAFT – Contact the Office of the City Clerk at (408) 535-1260 or CityClerk@sanjoseca.gov for final document.

REVISED – New Section 7 has been added

- 2. <u>Effective Date</u>. The effective date of this Agreement shall be _____ (the "Effective Date").
- 3. <u>Assignment and Assumption</u>. City hereby assigns, transfers and sets over to Soccer all of City's right, title, and interest as Landlord, but not as fee owner, under the Lease; provided, however, that City's assignment pursuant to this Agreement of its interest as Landlord under the Original Lease shall not constitute an assignment by City of its fee ownership of the Development Site. Soccer hereby accepts such assignment and hereby agrees to assume the obligations of City arising under the Lease. On or before the Effective Date, City shall pay over to Soccer any and all amounts held by City as a Security Deposit under the Original Lease. On or before the Effective Date, Soccer shall pay over to City any and all amounts due and owed to City under the Parking Agreement.
- Tenant's Representations. Tenant hereby represents and warrants for the benefit 4. of Soccer that Exhibit A is a true and correct copy of the Original Lease, including any and all amendments as of the date of this Agreement and that there is, to the knowledge of Tenant, no default under the Lease as of the date hereof. The monthly rent under the Lease is \$37,055 per month, and the next annual adjustment of monthly rent is scheduled to be made on June 1, 2014 in accordance with Section B, Section 3.2 of Attachment A to the Lease. The security deposit paid by Tenant to City is \$67,022.85. The Tenant or Landlord may elect to separately meter the utilities used by Tenant and such metered amount shall be paid by Tenant each month. Any and all costs associated with establishing the separate meters shall be the obligation of the party electing the same, and in no event shall be the obligation of the City. If the utilities are separately metered, then Tenant will bear the actual cost of its own utilities. If the utilities are not separately metered, but instead are being provided by City or Landlord, Tenant shall pay to the party who is bearing the cost of the utilities (i.e., City or Landlord, as the case may be) a fixed amount of \$1,000 per month for its utilities. Tenant further covenants, agrees, represents and warrants that, (i) notwithstanding anything to the contrary contained in the Lease, the Lease is a month-to-month lease terminable by any party thereto on thirty (30) days' notice, (ii) Tenant acknowledges that Soccer will have significant damages if Tenant does not vacate within thirty (30) days of such termination notice, and (iii) Tenant hereby agrees to indemnify, defend and hold harmless Soccer and its successors and assigns from any loss, cost, damage or expense incurred by Soccer or its successors or assigns as a result of any failure of Tenant to vacate within thirty (30) days of such termination notice.
- 5. Rent and Notices. From and after the Effective Date (a) Tenant shall be a lessee of Soccer under the Lease and (b) Tenant will pay directly to Soccer all amounts payable under the Lease except for payments for utilities which are subject to the provisions of Section 4 of this Agreement. Rent shall be paid without notice or demand and without abatement, deduction, or offset by check payable to Soccer and delivered or mailed to the following address:

San Jose Earthquakes Management, LLC 451 El Camino Real, Suite 220 Santa Clara, CA 95050 Attention: David Kaval Notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments or designations under the Lease by Tenant to Landlord will be give in accordance with the terms of the Lease to Landlord at the address for payments set forth immediately above.

- Waiver of Certain Rights--City. Soccer and Tenant hereby acknowledge that the Settlement Agreement between City and Tenant dated _____ (the "Settlement Agreement") whereby City agreed to pay Tenant certain payments constitutes the full and complete settlement of any and all [NOTE TO ED: Did you intend to define this term? Claims] against City by Tenant by reason of City's assigning of lease of the Premises, any subsequent termination of such lease and any subsequent relocation of Tenant from the Premises, specifically including, but not limited to, lost rent or income, interest, the value of improvements pertaining to the realty, leasehold improvements, any and all claims for rental or leasehold value and loss of business goodwill, if any, and any and all relocation benefits to which Tenant may be entitled, and any and all other claims that Tenant may have, whether or not specifically mentioned here, relating directly or indirectly to the assignment of the Lease of the Property, any subsequent termination or future relocation. Tenant expressly agrees and intends that such settlement with the City, and the payments received pursuant thereto, are in full satisfaction of any and all Claims against City by Tenant in reason of any subsequent termination of the Lease and relocation of Tenant from the Premises. Tenant acknowledges that Tenant has been advised of the nature and extent of the relocation benefits available to him and he has obtained the advice of legal counsel. Tenant and Soccer provide the following releases:
- a. Tenant and Soccer, their agents, representatives, successors, assigns, administrators, executors, heirs, and beneficiaries, hereby and forever release the City from any and all claims for relocation payments or benefits arising out of, or in any way relating to City's assignment of the Lease, termination of Lease and relocation of Tenant.
- b. By such release, Tenant and Soccer expressly waives his or its rights, if any, under California Civil Code Section 1542 which provides:
 - "A General Release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release which if known by him or her must have materially affected his or her settlement with the debtor."

Upon payment to Tenant of the Settlement Payment, the City shall have no further obligation to Tenant or Soccer under any Relocation Assistance and Real Property Acquisition statutes and guidelines. The Settlement Payment is in full satisfaction of any such obligations.

7. Waiver of Certain Rights--Soccer. Tenant expressly agrees and intends that the Settlement Agreement, and the payments received pursuant thereto, constitute a full and complete settlement, and are in full satisfaction, of any and all claims against Soccer and Optionee by Tenant by reason of City's assigning of the Lease to Soccer, any subsequent termination by Soccer of the Lease in accordance with the terms of the Lease and any subsequent relocation of Tenant from the Premises as a result of such termination, specifically including, but

not limited to, lost rent or income, interest, the value of improvements pertaining to the realty, leasehold improvements, any and all claims for rental or leasehold value and loss of business goodwill, if any, and any and all relocation benefits to which Tenant may be entitled, and any and all other claims that Tenant may have, whether or not specifically mentioned here, relating directly or indirectly to City's assigning of the Lease to Soccer, any subsequent termination by Soccer of the Lease in accordance with the terms of the Lease and any subsequent relocation of Tenant from the Premises as a result of such termination (collectively, "Claims"). Tenant acknowledges that Tenant has been advised of the nature and extent of the relocation benefits available to him and he has obtained the advice of legal counsel. Tenant provides the following releases:

- a. Tenant, its agents, representatives, successors, assigns, administrators, executors, heirs, and beneficiaries, hereby and forever releases Soccer and Optionee, and all of their constituent entities at whatever level, from any and all Claims arising out of, or in any way relating to City's assigning of the Lease to Soccer, any subsequent termination by Soccer of the Lease in accordance with the terms of the Lease and any subsequent relocation of Tenant from the Premises as a result of such termination.
- b. By such release, Tenant expressly waives his or its rights, if any, under California Civil Code Section 1542 which provides:

"A General Release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release which if known by him or her must have materially affected his or her settlement with the debtor."

Soccer shall have no further obligation to Tenant under any Relocation Assistance and Real Property Acquisition statutes and guidelines. The Settlement Payment is in full satisfaction of any such obligations.

8. <u>Acceptance of the Premises</u>. Tenant and Soccer accept the Premises (as defined in the Original Lease") in their "as-is" condition and hereby waive any claims Tenant or Soccer may have arising out of the condition of the Premises as of the date of this Agreement.

9. Other Agreements.

- (a) Tenant shall only use the Premises for airport parking and shall not sell parking for attendees of events at the stadium. Tenant shall cooperate with the Landlord to prevent stadium parking on the Premises.
- (b) Tenant shall continue to comply with all insurance provisions under the Lease. Soccer will reasonably cooperate with City to enforce the insurance requirements in Exhibit B to Attachment A to the Original Lease. Wherever Exhibit B to Attachment A to the Original Lease requires that the City of San Jose and/or parties related to the City of San Jose be named as additional insureds, or that Tenant's insurance be primary insurance or that notice of cancellation be given, such requirement will be deemed modified so that the City of San Jose and Soccer, and

their respective related parties be named as additional insureds, or that Tenant's insurance be primary as to any insurance maintained by the City of San Jose and Soccer, and that both Soccer and the City of San Jose be provided with notice of cancellation. Tenant will provide copies of evidence of insurance both to the City of San Jose at the address set forth in the Lease and to the risk management department of Soccer at the following address:

San Jose Earthquakes Management, LLC 451 El Camino Real, Suite 220 Santa Clara, CA 95050 Attention: David Kayal

- (c) Soccer will reasonably cooperate with City to enforce Attachment A to the Original Lease Sections V, W, X, and Y, as required for compliance by the City with any requirements of the United States as set forth in such sections.
- (d) Tenant's failure to comply with the provisions of the Lease in Section 9(b) and (c) shall permit City, as Third Party Beneficiary, to exercise the remedies in the Lease, including but not limited to termination of the Lease; provided, however, that notwithstanding the foregoing City shall not exercise any remedies under the Lease unless it shall first have notified Soccer of Tenant's alleged failure to comply with the provisions of the Lease in Section 9(b) and (c) and Soccer shall have failed to cure such non-compliance within such thirty (30) day period.
 - (e) Soccer covenants and agrees to:
 - (1) Observe and perform all obligations of City under the Lease; and
- (2) Indemnifies and saves City harmless form and against any and actions losses, claims, liabilities City may suffer or incur arising from Soccer's breach of covenants and agreements in 9(e)(1).
- 10. <u>Termination of Lease</u>. Tenant covenants, agrees, represents and warrants that, notwithstanding anything to the contrary contained in the Lease, the Lease is a month-to-month lease terminable by any party thereto on thirty (30) days' notice. In addition, if the Optionee fails to exercise the option to acquire the property under the terms of the Option Agreement or the Option Agreement terminates without the transfer of the Development Site to Optionee, then, upon sixty (60) days' notice to Tenant and Soccer, this Assignment shall terminate, and the Lease and any subleases shall terminate.
- 11. <u>Parking Agreement.</u> The parties agree that nothing in this Agreement shall effect or constitute an amendment or diminishment of rights of Soccer or the City under the Parking Agreement.
- 12. <u>Counterparts</u>. This Agreement may be signed in counterparts by each of the parties hereto.

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[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

	CITY OF SAN JOSE, a municipal corporation
	By:
	Its:
	Approved as to Form:
	City Attorney,
COLCALA TIT	DES CONTINUE ON NEXT PAGE1

SAN JOSE EARTHQUAKES MANAGEMENT, LLC, a California limited liability company

By:		•		
·	Keith Wolff,	Authorized	l Signatory	

[SIGNATURES CONTINUE ON NEXT PAGE]

TAREK CONSUL, dba Park N' Travel

EXHIBIT A

ORIGINAL LEASE

312379321.3

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1106573 2
Council Agenda: 6/17/14
Item No. 2.14(b)
DRAFT – Contact the Office of the City Clerk at (408) 535-1260 or CityClerk@sanjoseca.gov for final document.
REVISED – New Section 7 has been added

LEASE

This Lease ("Lease") is made as of this 14th day of September 2003, by and between FMC CORPORATION, a Delaware corporation ("Landlord") and TAREK CONSUL DBA PARK N TRAVEL, A sole-proprietorship. ("Tenant").

RECITALS

- A. Landlord is the owner of that certain real property located at 1125 Coleman Avenue in the City of San Jose, County of Santa Clara, State of California, (the "Property").
- B. Tenant desires to lease a portion of the Property known as the 1125 Coleman Avenue, Parking Lot "B" and more particularly shown on Exhibit A attached hereto and made a part hereof (the "Premises") for the purpose of operating an airport parking service on the Premises. The parties desire to set forth the terms and conditions on which Landlord shall lease the Premises to Tenant.

NOW, THEREFORE, in consideration of the mutual covenants and conditions stated below, the parties hereto agree as follows:

- 1. <u>Lease</u>. Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord, for the term and subject to the terms and conditions set forth below.
- 2. Term. The term of this Lease ("Lease Term") shall commence on September 15, 2003 and shall continue for one year and thereafter on a month-to-month basis until (i) this Lease is terminated by either party pursuant to a ninety (90) day written notice given to the other party, or (ii) Tenant defaults under this Lease and such default is not cured within five (5) days following written notice from Landlord to Tenant. Unless this Lease earlier terminates due to a breach or default by a party, this Lease shall terminate ninety days (90-days) following receipt of such termination notice. Prior to the commencement of the Lease Term, Landlord shall permit Tenant reasonable access to the Premises to permit Tenant to install additional security and storage units.
- Rent. Tenant shall pay to Landlord each month during the Lease Term, rent for the Premises equal to Nine thousand dollars (\$9,000) per month ("Rent"). Such Rent shall be payable to Landlord on the first day of each calendar month of the Lease Term, without demand, offset or deduction. The Rent shall be paid to FMC Corporation, P.O. Box 58123, Mail Drop F64, Santa Clara, CA 95052, Attn: Ms. Sally Jenks, or to such other address as Landlord shall provide to Tenant by written notice. The Rent for any partial month shall be prorated on the basis of a thirty (30) day month.

A Security Deposit of Nine Thousand Dollars (\$9,000) shall be payable in three (3) consecutive monthly installments of Three thousand Dollars \$3,000 beginning on September 1,2003.

- 4. Additional Space. From the Commencement Date of this Agreement, Tenant shall have a 30-day option to lease Parking Lot Aunder the same terms as stated herein. Tenant shall also have a 60-day option to lease Building 10 under terms to be negotiated. All leases executed under this provision shall be co-terminus.
- 5. <u>Use of Premises: Access</u>. Tenant shall use the Premises only for operating an airport automobile parking service. Tenant shall not use the Premises for any other purpose without the prior written consent of Landlord (which consent may be given or withheld in Landlord's sole discretion). Tenant may install card key access gates and other measures customary with his business with the written approval of Landlord.

Tenant shall access the Property only through the FMC Driveway (the "Entry"). All employees of the Tenant shall enter through a location to be determined by Landlord. Tenant shall have no right to use any portion of the Property other than the Premises for any purpose.

Hazardous Materials. In no event shall Tenant store any combustible or flammable materials in the Premises or any hazardous or toxic materials, substances or wastes. Tenant shall not do or penmit to be done in or about the Premises or the Property any activity that is illegal or of a hazardous nature or which would cause cancellation of any insurance on the Property. Tenant shall not cause or maintain a nuisance or commit waste with respect to the Premises or the Property. The Tenant may store janitorial cleaning supplies on site but will need to supply the Landlord with MSDS (material safety data sheets) on all such supplies. The Landlord also reserves the right to conduct periodic inspections of the Leased Premises for the purpose of ensuring compliance with the terms of the Lease.

Tenant acknowledges that Landlord maintains groundwater-monitoring wells in that portion of the Premises more particularly shown on Exhibit B attached hereto ("Reserved Area") and requires frequent access to the Reserved Area. Tenant shall at all times leave open a nine (9) sq. ..., or foot space around each marked monitoring well to permit Landlord to monitor the marked wells.

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Risk of Loss. Landlord shall not be obligated to protect, keep safe, secure or provide any security for the vehicles, stored equipment or other property of Tenant in the Premises. Tenant acknowledges and agrees that Landlord shall not be obligated to insure vehicles and or other property of Tenant stored in the Premises against injury, loss, theft, damage or destruction, and Tenant may maintain such insurance with respect thereto as Tenant deems necessary. Tenant may provide additional security, such as fencing, security cameras and additional devices, deemed necessary by the Tenant with plan and alteration approval by FMC. Landlord shall not be responsible or liable for any injury, loss, theft, damage or destruction of or to vehicles (or other personal property) of Tenant stored in the Premises. Tenant hereby waives and releases Landlord from and against any and all claims, damages, liabilities, actions, liens, losses, causes of action, demands, penalties, costs or expenses (including, without limitation, attorneys' fees and court costs) arising from, related to, or in connection with any theft, loss, damage, destruction, or injury to vehicles and personal property of Tenant stored in the Premises.

7. Tenant's Insurance.

- (a) <u>Liability Insurance</u>. Tenant shall, during the Lease Term, at Tenant's sole cost and expense, procure and keep in force commercial general liability insurance against any and all claims for personal injury, death, or property damage occurring in or about the Premises and/or the Property or arising out of the use or occupancy of the Premises and/or the Property by Tenant or its employees or agents. Such insurance shall have a combined single limit of not less than Three Million Dollars (\$3,000,000) and shall be primary and noncontributory with respect to any liability policy procured and maintained by Landlord.
- hereunder shall be issued by companies, on forms and with loss payable clauses satisfactory to Landlord and copies of policies of such insurance, certified by the insurer to be a true and correct copy of the insurance policies, or certificates of insurance evidencing such insurance shall be delivered to Landlord by Tenant prior to entry by Tenant or any of its employees, agents or contractors on or use of the Premises; a new certified policy or certificate of insurance shall be delivered to Landlord at least thirty (30) days before expiration of the old policy. No such policy shall be cancelable except after thirty (30) days' written notice to Landlord. All policies to be carried by Tenant under this Lease shall name Landlord as an additional insured. Such insurance shall be the primary insurance as respects Landlord and shall contain a cross liability endorsement. Such policies shall provide coverage on an occurrence basis and not on claims made basis. In no event shall the limits of such policies be considered as limiting the liability of Tenant under this Lease.
- (a) Tenant to Hold Landlord Harmless. Tenant shall defend, indemnify and hold harmless Landlord and Landlord's employees, agents, members, partners, officers, directors, successors and assigns from and against any and all claims, damage, loss, liability or expense; including without limitation attorneys' fees and legal costs, due to any cause including without limitation, bodily injury and property damage, which arises out of or is in any way attributable to the use or occupancy of the Premises or any part thereof by Tenant or its agents, employees, its agents, employees, contractors, invitees, licensees, or other authorized representatives (collectively, "Tenant's Agents"), the acts or omissions of Tenant or any of Tenant's Agents or Tenant's breach of this Lease. Landlord shall not be liable to Tenant, and Tenant waives all claims against Landlord, for injury or death to any person, damage to any property or loss of use of any property in the Premises, by and from all causes. The preceding notwithstanding, under no circumstances shall-Landlord be liable to Tenant for any claims of lost profits, loss of business or loss of income. The obligations of Tenant under this Paragraph 7(c) shall survive the expiration or earlier المعارضين والمعارضين والمعارض termination of this Lease. the many was and because on your grown a street of my proposated that we have been been the sample of the contraction as
- 8. Removal of Vehicles. Tenant hereby agrees that it will remove, at Tenant's sole cost, all vehicles, equipment and any other personal property stored in the Premises, not later than the expiration (or earlier termination) of the Lease Term. If Tenant fails or refuses to remove such vehicles, equipment or personal property by the expiration (or earlier termination) of the Lease Term, then such vehicles, equipment and/or personal property shall be deemed abandoned and Landlord may exercise any rights or remedies available to it against Tenant (or such vehicles,

equipment or personal property) for breach of Tenant's obligation hereunder to remove the same. Landlord's rights and remedies shall include, without limitation, storing such vehicles, equipment or personal property, at Tenant's cost, on the Property or off the Property, or disposing of such vehicles, equipment or personal property (for or without consideration). Tenant shall indemnify, defend and hold harmless Landlord and its successors and assigns, from and against any and all damages, losses, liabilities, claims, actions, causes of action, judgments, costs, and expenses (including, without limitation, reasonable attorneys' fees and court costs) arising from or related to any breach by Tenant of any of its obligations under this Paragraph 8. The provisions of this Paragraph 8 shall survive the expiration or earlier termination of this Lease.

9. Repair and Maintenance. Tenant accepts the Premises in its "As Is" condition, and "With All Faults", and as being in good order, condition, and repair. Tenant shall, at all times during the Lease Term, keep the Premises in good condition and repair (which shall mean in the same condition as viewed by Tenant immediately prior to the commencement date of this Lease), less ordinary wear and tear. Tenant shall, upon the expiration or earlier termination of the Lease Term, surrender the Premises to Landlord in the same condition as exists as of the commencement date of this Lease, ordinary wear and tear excepted. It is understood and agreed that neither Landlord nor its agents or employees has made any representations or warranties respecting the condition of the Premises.

improvements or make or permit to be made any alterations to the Premises without the prior written consent of Landlord, which consent Landlord. Excluding any improvements or alterations referenced in Paragraph 5 above, Tenant shall, at the expiration of this Lease, at Tenant's sole cost and expense, remove any such improvements and alterations and shall repair and restore the Premises to its original condition existing as of the commencement date of this Lease at the discretion of Landlord.

out of any work performed, materials furnished, or obligations incurred by Tenant. If Tenant-shall not, within ten (10) days following the imposition of any such lien, cause the same to be released, Landlord shall have the right to cause the same to be released by such means as it deems necessary, including the payment of the claim giving rise to such lien, and Tenant shall immediately reimburse Landlord for any and all expenses incurred by Landlord in connection with payment or removal of such lien together with interest thereon at the maximum rate permitted by law from the date such expense is incurred until the date Tenant pays such expenses to Landlord.

- 12. Assignment and Subletting. Tenant shall not assign this Lease or sublet all or any portion of the Premises without the prior written consent of Landlord, which consent may be given or withheld in Landlord's sole and absolute discretion with the landlord's sole and absolute discretion.
- Indemnification. Tenant shall indemnify, defend and hold Landlord harmless from any cost, damage or expense (including attorneys' fees and costs) incurred or sustained by Landlord in connection with the release or disposal of any Hazardous Materials in the Premises

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or on the Property by Tenant or Tenant's Agents. As used herein, "Hazardous Materials" shall mean any pollutant, contaminant, oil, petroleum, or chemical gasses, liquids or solids that constitute hazardous substances, or any other types of hazardous waste or substances as those terms are used in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. section 9601, as amended, or any other federal, state or local law governing the release of toxic or hazardous substances, wastes or materials into the soil or groundwater. The foregoing obligation shall survive the expiration or earlier termination of this Lease.

- 14. <u>Utilities</u>. Tenant shall pay for utilities, if any, as additional rent as a cost per square foot determined by type of use and rate schedule prepared by the utility company. Landlord shall provide to Tenant a copy of such schedule upon request. Tenant acknowledges that the Premises contain parking lot lights that operate automatically. Landlord shall have no obligation to replace or repair any malfunctioning or non-operating parking lot lights in the Premises.
- days after written demand from Landlord, or if Tenant fails to comply with any other term, provision, or covenant of this Lease and such failure is not cured within five (5) days after written notice from Landlord, then, in addition to any other legal or equitable remedies Landlord may have (including, without limitation, an action for monetary damages), Landlord may terminate this Lease by giving written notice of such termination to Tenant.
- 16. <u>Commissions</u>. Each of the parties represents and warrants to the other that it has not dealt with any broker or finder in connection with this transaction and shall indemnify and hold the other harmless from any and all loss, liability, cost, or expense incurred as a result of any breach of the foregoing warranty.
- 17. Attorneys' Fees. If Tenant violates any term or condition of this Lease, FMC shall be entitled to recover reasonable attorneys' fees and costs incurred to enforce or interpret any provision of this Lease.
- Landlord in the condition required by Paragraph 9 above on or before the expiration or earlier termination of the Lease Term, Tenant shall indemnify, defend and hold harmless Landlord from any actual damages incurred by Landlord as a result of Tenant's failure to vacate the Premises or surrender the same to Landlord in the condition required by Paragraph 9 above on or before the expiration or earlier termination of the Lease Term. In the event that a month-to-month extension has not been agreed to, holdover rates shall be 400% of base rate in effect upon the expiration of the Lease Term. Tenant's obligations under this Paragraph 18 shall survive the expiration or earlier termination of the Lease.
- 19. Notices. Any notice required or desired to be given under this Lease shall be in writing, and all notices shall be given by personal delivery or mailing. Any notice given pursuant to this Paragraph 19shall be deemed to have been given when personally delivered, or, if mailed,

when seventy-two (72) hours have elapsed from the time when such notice was deposited in the United States mail, certified or registered mail, postage prepaid, addressed to the party at the last address given for purposes of notice pursuant to the provisions of this Paragraph 19. At the date of execution of this Lease, the addresses of Landlord and Tenant are as set forth below:

Landlord: FMC Corporation

> 1735 Market Street Philadelphia, PA 19103 Attn: Ms. Alison Mertwoy

FMC Corporation Corporate Asset Advisors 1125 Coleman Avenue 31821 East Nine Dr. P.O. Box 58123 Laguna Niguel, CA 92677

Mail Drop F64 Atten: Ms. Linda Lower

Santa Clara, CA 95052 949/443-5005 Attn: Ms. Sally Jenks llower@aol.com

Tenant:

Tarek Consul dba Park N Travel

parkntravel@netscape.net

10001 Doolittle Dr. ..

Oakland, CA 94693 9460

(408) 225-5227

I minimistrate by the the firms

- Signs: Tenant shall not place or permit to be placed any sign on the Property or -the Premises without the prior written consent of Landlord, which consent may be withheld in Landlord's absolute discretion.

: IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date and year first written above.

- FMC CORPORATION

dba Delaware proportion of the Delaware

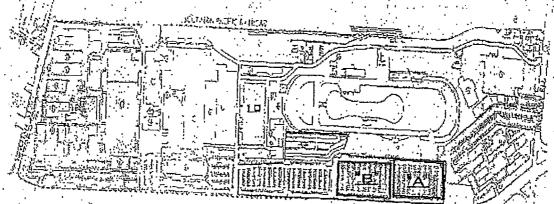
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EXHIBIT "A"

PREMISES

FMC FACILITY

CITY OF SAN JUSE .



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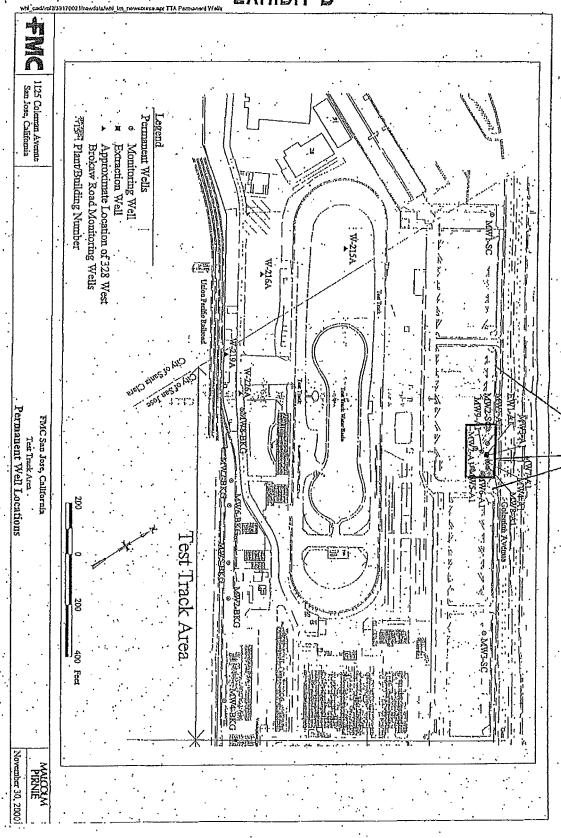
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EXHIBIT B



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Access for FHC WULL
NEED to be Coordinate

ATTACHMENT A TAREK CONSUL DBA PARK N TRAVEL DOCUMENT # 10208-LE-05

A. Section 2 of the Lease is amended and restated as follows:

"The term of this Lease ("Lease Term") shall commence on September 15, 2003 and shall continue for one year and thereafter on a month-to-month basis until: (i) this Lease is terminated by either party pursuant to a thirty (30) day written notice given to the other party; or (ii) Tenant defaults under this Lease and such default is not cured within five (5) days following written notice from Landlord to Tenant. Unless this Lease earlier terminates due to a breach or default by a party, this Lease shall terminate thirty (30) days following receipt of such termination notice. Landlord's Director of Aviation is hereby authorized to exercise Landlord's termination rights as set forth in this Lease. "Termination Date" means the date of termination of this Lease."

B. Section 3 of the Lease is amended and restated as follows:

"3.1 RENT.

From and after July 1, 2005, for and in consideration of the rights, privileges and uses of the Premises granted to Tenant, Tenant shall pay to Landlord in advance on the first day of each and every month, without any requirement of notice from Landlord, deduction, credit or offset, the sum of \$2.50 per square foot per year (\$59,622.92 per month) contained in the Premises, which the parties agree equals 286,190 square feet. Such rent shall be deemed delinquent if not received by Landlord on or before the fifteenth (15th) day of the month. The rent shall be subject to increase in accordance with <u>Section 3.2</u> below.

For the period from June 16, 2005 to June 30, 2005 only, Tenant shall pay rent in the amount of \$29,811.46, which rent shall be deemed delinquent if not received by Landlord on or before June 27, 2005.

3.2 ADJUSTMENTS TO RENT.

This Lease shall provide for the following annual Rental Period adjustment dates, hereinafter "Adjustment Dates": each year on June 1st as follows:

On the Adjustment Dates, the rent specified in Paragraph 3.1, and as adusted pursuant to paragraph 3.2 herein shall be adjusted by the increase, if any, in the Consumer Price Index for All Urban Consumers for San Francisco/Oakland/San Jose CA. All Items are based on the period 1982-84 = 100 as published by the United States Department of Labor's Bureau of Labor Statistics, hereinafter "CPI".

The monthly rent payable pursuant to Paragraph 3.1 of this Lease shall be increased as of the Adjustment Date by the product of the monthly rent for the immediately preceding year of the Term multiplied by a fraction, the numerator of

which shall be the Index (as defined above) figure published most recently prior to the Adjustment Date, and the denominator of which shall be the Index figure published most recently prior to the Commencement Date. Notwithstanding the foregoing, in no event shall the monthly rent for any year of the Term be less than the monthly rent payable for the month immediately preceding said Adjustment Date.

In the event the CPI is no longer published, the index for the Adjustment Date shall be the one reported in the U. S. Department of Labor's comprehensive official index most nearly corresponding to the foregoing description of the CPI. If the herein-described Department of Labor indices are no longer published, another index generally recognized as authoritative shall be substituted by agreement of the parties. If they are unable to agree within sixty (60) days after demand by either party, a substitute index will be selected by the Chief Officer of the San Francisco Regional Office of the Bureau of Labor Statistics or its successor.

Notwithstanding the publication dates of the CPI, the rent shall be adjusted to be effective on the Adjustment Dates. Until said rent adjustment can be reasonably determined by CPI publication, Tenant shall continue to make rent payments pursuant to this Lease at the same rent in effect at the then-current Rental Period. When the rental adjustment is determined, prior underpayments of rent shall be immediately tendered to Lessor.

3.3 GENERAL PROVISIONS.

3.3.1 Rent shall be paid without notice or demand and without abatement, deduction, or offset by check payable to the City of San Jose and delivered or mailed to the following address:

City of San Jose Treasury Division - Finance Department 801 North First Street San Jose, California 95110

3.3.2 For any calendar month for which Tenant is in possession of the Premises for less than a full month, payment of ground rent shall be prorated based on the number of days in that month.

3.4 OVERDUE PAYMENTS.

If Rent or any Fees or charges required in this Lease to be paid by Tenant to Landlord are not paid when due, Tenant agrees to pay to Landlord interest on the

overdue amount at the rate of one and one-half percent (1 ½%) per month or the maximum rate allowed by law computed from the date upon which such payment was due until the date upon which Landlord receives full payment, provided in no event shall the interest to be paid to Landlord exceed the maximum legal interest rate

3.5 SECURITY DEPOSIT

Tenant shall deposit and maintain with Landlord upon execution of this Lease a security deposit in an amount and in the form of either a Letter of Credit or cash, against which Landlord may deduct any delinquent or unpaid rent, fees, costs or charges and any late payment fees resulting from Tenant's operations on the Premises, to ensure prompt payment of required rent, fees and charges. The initial amount of the Security Deposit shall be One Hundred Nineteen Thousand Two Hundred Fifty Dollars (\$119,250.00). The Director may adjust such deposit requirement from time to time upon a determination that such additional amount is warranted to protect the Landlord and the Airport. "Airport" means Norman Y. Mineta San Jose International Airport, located in the County of Santa Clara, together with any appurtenant properties and/or facilities associated therewith, as the same may from time to time be enlarged, diminished or otherwise modified.

If Landlord adjusts the amount of the Security Deposit or deducts any delinquent or unpaid rent, fees, costs or charges (including late payments) from the Security Deposit, Tenant shall promptly replenish the deposit to the full amount required by the Director, within thirty (30) days of a written demand by Director. Tenant's failure to so replenish the Security Deposit shall constitute an Event of Default, which entitles the Landlord to terminate this Lease as provided in Section 14 of this Lease. Landlord shall not be required to keep the Security Deposit separate from its funds, and Tenant shall not be entitled to interest on the Security Deposit. Any amounts remaining from the Security Deposit (after deductions for delinquent or unpaid rent, fees, costs, or charges as specified above) at the expiration or earlier termination of this Lease (as it may be extended or renewed) shall be returned to Tenant, without interest, after a determination by the Director that all amounts owed to Landlord under this Lease have either been paid in full or have been deducted from the Security Deposit."

C. Section 4 of the Lease is deleted in its entirety.

D. Section 5 of the Lease is amended and restated as follows:

"<u>Use of Premises</u>; <u>Access</u>. The Premises and any authorized leasehold improvements made to the Premises by Tenant ("Leasehold Improvements") are to be used for an airport automobile parking service. Tenant shall access the Premises only through the driveway formerly referred to as the FMC Driveway.

Tenant may install card key access gates and other measures customary with an automobile parking service with the written approval of Landlord. The Leasehold Improvements shall not be used, and Tenant shall not permit the Leasehold Improvements to be used, for any other purpose(s) without the prior written consent of Director, which consent may be withheld in the sole and absolute discretion of Director.

In connection with the exercise of its rights under this Lease, Tenant shall not: (a) knowingly do or permit to be done any act or thing upon the Premises that will invalidate or conflict with any fire or other casualty insurance policies covering the Premises or any part thereof; or (b) knowingly dispose of or permit any other person to dispose of any waste material into the sanitary or storm sewers at the Premises or elsewhere on the premises (whether liquid or solid), unless such waste material or products first be properly treated, and then only if such disposal is permitted by all applicable Laws and this Lease. "Laws" means all present and future applicable statutes, laws, ordinances, directions, building codes, Airport rules and regulations adopted from time to time, regulations, orders and requirements of all governmental authorities including without limitation Landlord, state, municipal, county, federal agencies or the federal government and the FAA, and their departments, boards, bureaus, commissions and officials and such other authority as may have jurisdiction.

Tenant shall not commit, suffer, permit or allow to be committed, any waste upon the Premises, or any public or private nuisance, or any other act or thing which may disturb the quiet enjoyment of any other tenant, permittee, licensee, invitee or other person using or occupying any portion of the Premises.

Hazardous Materials. "Environmental Laws" shall mean and include all federal, state, and local laws, statutes, ordinances, regulations, resolutions, decrees, and/or rules now or hereinafter in effect, as may be amended from time to time, and all implementing regulations, directives, orders, guidelines, and federal or state court decisions, interpreting, relating to, regulating or imposing liability (including, but not limited to, response, removal, remediation and damage costs) or standards of conduct or performance relating to, regulating or imposing liability (including, but not limited to, response, removal, remediation and damage costs) or standards of conduct or performance relating to industrial hygiene, occupational health, and/or safety conditions, environmental conditions, or exposure to, contamination by, or clean-up of, any and all Hazardous Materials, including, without limitation, all federal or state superlien or environmental clean-up statutes.

"Hazardous Materials" shall mean any and all (a) substances, products, byproducts, waste, or other materials of any nature or any kind whatsoever which is or becomes listed, regulated or addressed under any Environmental Laws, and (b) any materials, substances, products, by-products, waste, or other materials of any nature or kind whatsoever whose presence in and of itself or in combination with other materials, substances, products, by-products, or waste may give rise to liability under any Environmental Law or any statutory or common law theory based on negligence, trespass, intentional tort, nuisance, strict or absolute liability or under any reported decisions of any state or federal court; and (c) any substance, product or by-product, waste or any other material which may be hazardous or harmful to the air, water, soil, environment or affect industrial hygiene, occupational health, safety and/or general welfare conditions, including without limitation, petroleum and/or asbestos materials, products, by-products, or waste.

Storage, use and disposal of Hazardous Materials on the Premises is prohibited, except: Tenant may store and use Hazardous Materials on the Premises in a safe and prudent manner and in accordance with the requirements of all applicable Environmental Laws those kinds and quantities of Hazardous Materials that are normally used in conducting the activities permitted under this Lease. Tenant shall provide Director with a copy of any application for a permit for use or storage of Hazardous Materials on the Premises from any regulatory agency responsible for enforcement of Environmental Laws, and shall also provide a copy of any permit received from such agency.

In addition to the foregoing, Tenant agrees to comply with the provisions in **EXHIBIT A**, attached hereto, which is incorporated by this reference."

E. Section 7 of the Lease is amended and restated as follows:

"Tenant's Insurance.

Tenant at its sole cost and expense and for the full term of this Lease and all extensions thereof, shall obtain and maintain or shall cause to be obtained and maintained insurance against claims for injuries to persons or damages to property which may arise from or in connection with the activities of Tenant and its agents, employees and contractors, meeting at least the minimum insurance requirements set forth in EXHIBITB on terms and conditions and in amounts as required by Landlord. Landlord shall not be obligated to take out insurance on Tenant's property. Tenant shall provide Landlord with certificates of insurance or copies of all policies and such endorsements as may be required by Landlord.

Tenant to Hold Landlord Harmless. Tenant, for and on behalf of its directors, officers, employees and agents, covenants and hereby agrees to indemnify, defend, protect and hold harmless Landlord, its officers, employees, contractors and agents, from and against any and all claims, demands, damages, obligations, liabilities, losses, costs, expenses, penalties, suits or judgments, at any time received, incurred or accrued by Landlord, its officers, agents, employees, contractors or members of the public using the Premises, arising out of or resulting

in whole or in part from any act (or failure to act) of Tenant, its offices, employees, contractors, agents, permittees or inviteees, or which results from their noncompliance with any Laws respecting the condition, use, occupation or safety of the Premises, or any part thereof, or which arises from Tenant's operations or from Tenant's failure to do anything required under this Lease, except as may arise from the sole active neglignece or the willful misconduct of Landlord, its officers, employees or agents. Landlord's right to full indemnity hereunder shall arise notwithstanding that principles of joint, several or concurrent liability or comparative negligence, might otherwise impose liability on Landlord pursuant to statutes, ordinances, regulations or other Laws. All of Tenant's obligations under this Section are intended to apply to the fullest extent permitted by law and shall survive the expiration or sooner termination of this Lease. In an action or claim against Landlord in which Tenant is defending Landlord, Landlord shall have the right to approve legal counsel providing Landlord's defense.

Tenant, as a material part of the consideration to be rendered to Landlord under this Lease, hereby waives all claims or causes of action against Landlord, its officers, agents, contractors or employees which it may now or hereafter have for damage to its operations (including, without limitation, any interruption thereof), or to goods, wares, merchandise or other property on or about the Airport, and for injuries or death to persons on or about the Airport, from any cause or causes arising at any time, except as may arise from the sole active negligence or willful misconduct of Landlord, its officers, agents or employees."

F. Section 9 of the Lease is amended and restated as follows:

"Repair and Maintenance

9.1 LANDLORD OBLIGATIONS.

Landlord shall have no obligation to maintain, repair, replace, clean or operate any portion of the Premises.

9.2 LESSEE OBLIGATIONS.

9.2.1 Maintenance, Repair and Janitorial Service by Tenant.

At all times during the Term, Tenant shall, at Tenant's sole cost and expense, keep and maintain the Premises, and every part thereof in good order, condition and repair, (whether or not such portion of the Premises requiring repair, or the means of repairing the same, are reasonably or readily accessible to Tenant, and whether or not the need for such repairs occurs as a result of Tenant's use, any prior use, the elements or the age of such portion of the Premises), including, without limiting the generality of the

foregoing, all equipment or facilities serving the Premises, such as plumbing, electrical, lighting facilities, fire hydrants, landscaping, parking lots, fences, retaining walls, signs, sidewalks, and parkways located in, on, about or adjacent to the Premises. Tenant, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices. Tenant's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair.

9.2.1.1 If groundwater-monitoring wells are situated upon Tenant's Premises, Tenant shall at all times leave open a nine (9) square foot space around each monitoring well to permit the well to be monitored, in accordance with Section 22 of this Agreement.

9.2.2 Trash and Refuse.

Tenant at Tenant's sole cost and expense shall provide a complete and proper arrangement for the adequate sanitary and safe handling of all trash and other refuse resulting from the operation of the Premises. Tenant shall provide and use suitable covered fire protective receptacles for all trash and other refuse on or in connection with the Premises.

9.2.3 Parking Lot Lights.

Tenant acknowledges that the Premises contain parking lot lights that operate automatically. Tenant shall be solely responsible to maintain the operation of any such parking lot lights on the Premises, and Landlord shall have no obligation to replace or repair any malfunctioning or non-operating parking lot lights on the Premises.

9.2.4 Requirements of Governmental Agencies.

At all times during the Term, at Tenant's sole cost and expense, Tenant shall:

- (a) Make all alterations, additions, or repairs to the Premises required by any applicable Law;
- Observe and comply with all applicable Laws made or issued respecting the Premises;
- (c) Indemnify and hold Landlord and the property of Landlord including the Premises, free and harmless from any and all liability loss, damages, fines, penalties, claims and actions

resulting from Tenant's failure to comply with and perform the requirements of this Section."

G. Section 10 of the Lease is amended and restated as follows:

"Alterations/Leasehold Improvements

10.1 CONSTRUCTION AND REFURBISHMENT.

10.1.1 Tenant agrees to construct or refurbish any Leasehold Improvements at its sole cost and expense and without any reimbursement from Landlord in accordance with the provisions of the Lease.

10.2 DESIGN OF LEASEHOLD IMPROVEMENTS.

10.2.1 Tenant shall be solely responsible for the proper design and construction of any Leasehold Improvements and for the workmanship performed and materials used therein, and shall be liable for any damage or loss to any portion of the Premises, which results from the negligent design or construction of any Leasehold Improvements.

In the event that Tenant wishes to construct any Leasehold Improvements, Tenant shall prepare its working drawings, plans and specifications for the construction of its Leasehold Improvements in preliminary form for review by Landlord (the "Plans"). The Landlord's Department of Public Works shall perform such review. Eight (8) copies of the Plans shall be given to the Director for review and approval by the Department of Public Works prior to commencement of any construction. After the Department of Public Works has granted final written approval, Landlord shall return to Tenant one (1) approved copy for Tenant's records.

At the request of the Director, Tenant shall inspect the Premises jointly with representatives of the Department of Public Works to verify the as-built drawings, which are incorporated in the Plans. Upon completion of construction of the Leasehold Improvements, Tenant shall immediately deliver copies of complete warranty specifications and as-built working drawings to the Director, showing all of the Leasehold Improvements in place.

10.2.2 The Public Works Director shall have the exclusive right to review and approve or disapprove Tenant's Plans for conformity with Landlord's laws and architectural design, and the Director of Aviation reserves the right to review and approve all aesthetic considerations. The design of Leasehold Improvements shall conform to the general architectural requirements of Landlord and any established architectural design scheme for the Premises.

Attachment A

In the event of disapproval of any portion of the Plans by the Public Works Director, Tenant shall promptly submit the necessary modifications and revisions thereof. No substantial changes or alterations shall be made to the Plans after the Public Works Director grants initial approval, and no structural alterations or Leasehold Improvements shall be made to or upon the Premises without the Director's and Public Works Director's prior written approval.

The Public Works Director's approval or the Director of Aviation's approval shall not constitute a representation or warranty by Landlord that the Plans are in conformity with applicable Laws, and the responsibility for compliance therewith shall rest entirely with Tenant.

10.3 CONSTRUCTION AND COMPLETION OF LEASEHOLD IMPROVEMENTS.

10.3.1 Tenant shall construct and complete any Leasehold Improvements in a good and workmanlike manner in accordance with all applicable laws, and shall carry such insurance as provided for in Section 7 of this Lease. Construction of Leasehold Improvements shall commence prior to (a) the expiration of any required site development or conditional use permit or other licenses or permits which may be issued by Landlord and (b) the expiration of any other required discretionary approvals, consents or permits which may be issued by any governmental body.

10.3.2 If Tenant, for any reason, fails to comply with any of Landlord's requirements or any other legal requirement of a governmental authority concerning Tenant's construction, then Landlord shall have the right to require Tenant, at Tenant's sole expense, to alter, repair, or replace any Leasehold Improvements or refurbishments or to perform any other action to the satisfaction of the Director, or the Director may order Landlord employees or agents to enter the Premises to conduct such replacements, alterations, or repairs or to perform any other required action as shall bring Tenant into compliance with any applicable Laws. Tenant agrees to promptly reimburse Landlord for such costs, plus ten percent (10%) thereof, for administrative overhead as such percentage is approved and established from time to time by the City of San Jose City Council. In performing such replacements, alterations or repairs or any other action on behalf of Tenant, Landlord agrees to use reasonable efforts not to impair or interfere with Tenant's use of the Premises. The receipt of any payment made by Landlord shall be prima facle evidence that the expense incurred was necessary and reasonable and that such expense was incurred by Landlord on behalf of Tenant. Landlord shall charge Tenant for any and all expenses

incurred in doing the same, and/or Landlord may declare a default and terminate this Lease and require Tenant to vacate the Premises.

The obligation to reimburse Landlord for such expenditures shall survive the termination of this Lease. Any receipt showing payment by Landlord shall be <u>prima facie</u> evidence that the amount of such payment was necessary and reasonable and made by Landlord on Tenant's behalf.

10.4 GENERAL APPROVALS.

10.4.1 Tenant shall obtain at its sole cost and expense, all governmental reviews and approvals (including any approvals of the Director or any other Landlord official), licenses, and permits which are, or may be required and are necessary to construct and complete Leasehold Improvements in accordance with the provisions of this Lease, including, but not limited to, all plans and specifications approvals, site development reviews, development permits, and building permits. Tenant shall comply with all conditions, restrictions or contingencies imposed upon, or attached to, the governmental approvals, licenses, and permits described herein.

10.4.3 The Director's approval shall not be deemed to include the approval of any other Landlord department or governmental or public entity, which Tenant may be required to obtain.

10.5. OWNERSHIP OF IMPROVEMENTS DURING TERM.

All Leasehold Improvements, and all subsequent improvements, alterations, additions, construction, or betterments, constructed on the Premises by Tenant shall, during the Term, be and remain the property of Tenant; provided, however, that Tenant's rights and powers with respect to the Leasehold Improvements are subject to the terms and limitations of this Lease.

10.6 REMOVAL OR REPLACEMENT.

During the Term, Tenant shall not waste, destroy, demolish or remove, in whole or in part, any Leasehold Improvement, without the prior written consent of Director who may, at his or her sole and absolute discretion, condition such consent upon the obligation of Tenant to replace the same by an improvement specified in such consent.

10.7 REMOVAL OF IMPROVEMENTS.

Upon the expiration or earlier termination of this Lease, Landlord shall have the right in Landlord's sole discretion to require Tenant to remove from the Premises any or all vehicles, personal property and Leasehold Improvements, including subsurface improvements placed by Tenant during the Term. Tenant shall

ascertain from the Director, at least fifteen (15) days prior to the Termination Date, whether Landlord will require Tenant to remove any of the Leasehold Improvements. Any removal shall be at Tenant's sole cost and expense. In the event of an early termination of this Lease by Landlord for cause, the Director shall give notice of removal of the vehicles, personal property and Leasehold Improvements, if removal is required by Landlord. The requirement of notice imposed upon Landlord shall not apply if Tenant terminates the Lease or leasehold interest: without cause, or Tenant abandons the Premises. Removal shall be at Tenant's sole cost and expense and shall occur within fifteen (15) days following Tenant's receipt of such notice. In the event Tenant fails to remove or expresses an intention not to remove any Leasehold Improvements required to be removed by the Director pursuant to this Section 10.7, Landlord may enter upon the Premises and remove such Leasehold Improvements at the sole cost and expense of Tenant. Tenant agrees to promptly reimburse Landlord for all costs and expenses of removal, plus a percentage thereof for administrative overhead as such percentage is approved and established from time to time by the City of San Jose City Council of Landlord. The obligation to reimburse Landlord for such expenditures shall survive the termination of this Lease. Any receipt showing payment by Landlord of expenditures associated with the removal of Leasehold Improvements shall be prima facie evidence that the amount of such payment was necessary and reasonable and made by Landlord on Tenant's behalf.

Tenant shall repair at its sole cost and expense any and all damage to the Premises, occasioned by the removal of Tenant's Improvements from the Premises, shall leave all of the remaining Improvements in good and clean condition and repair, ordinary wear and tear excepted, and shall appropriately "cap off" all utility connections. Landlord may also require Tenant to remove any and all special equipment and any installations which are unique to Tenant, and Tenant shall comply with the provisions herein.

Tenant shall provide Landlord with a written schedule of any planned removal as required by Landlord or elected by Tenant hereunder in order that the Landlord may monitor and effect an orderly transition of Tenant's operations occurring upon the Premises. Tenant agrees to remove the Leasehold Improvements only from selected parts of the Premises at any one time according to a written schedule prepared by Tenant and submitted to the Director at least fifteen (15) days prior to the Termination Date, or the earlier termination date, whichever is applicable.

10.8 OWNERSHIP OF IMPROVEMENTS AT TERMINATION.

All Leasehold Improvements, buildings and improvements placed or constructed on the Premises as part of said Leasehold Improvements, as well as any and all other improvements, alterations, betterments, structures, construction, additions, and fixtures, and any moveable personal property, equipment and trade fixtures, made or placed in or on the Premises by Tenant or any other person, which are not removed by Tenant at the termination of the Lease, shall be considered part of the real property of the Premises and shall, at Landlord's option, remain on and become the property of Landlord free and clear of any liens or encumbrances whatsoever and without the payment of any consideration therefor.

10.9 QUITCLAIM.

Upon the expiration of the Term, or any sooner termination of this Lease, Tenant shall execute, acknowledge and deliver to Landlord, if so requested by Landlord, a proper instrument in writing releasing and quitclaiming to Landlord all right, title and interest of Tenant in and to the Premises and any Leasehold Improvements not removed by Tenant pursuant to Sections 10.7 and 10.8."

H. Section 12 of the Lease is amended and restated as follows:

"12.1 No Encumbrance.

Tenant shall not mortgage, pledge, encumber, or otherwise hypothecate this Lease, the Premises, or any party thereof, or any interest of Tenant therein, voluntarily or involuntarily, or by operation of law.

12.2 Prohibition On Assignments, Transfers Or Lease.

12.2.1 Prior Written Consent by Landlord.

Tenant covenants that it will not assign, Lease, transfer, convey, or sell the Premises (collectively, "Transfer"), the Leasehold Improvements, or any part thereof, or any rights of Tenant hereunder without the prior written consent of the Landlord, whether voluntarily or involuntarily, or by operation of law. Landlord's consent shall not be unreasonably withheld.

12.2.2 Limited Effect of Consent.

Consent by Landlord or, if authorized, the Director, to any Transfer shall not in any way be construed to relieve Tenant from obtaining further authorization from Landlord (or the Director) for any subsequent Transfer of any nature whatsoever. Any Transfer of the Premises, or any part thereof, in violation of the provisions of this Section, shall be void and shall be an Event of Default and the acceptance by Landlord of any rent as provided herein or the continuation of the use of the Premises, as provided herein, by Tenant or Tenant's transferee, subtenant, assignee, conveyee, or successor-ininterest, shall not be deemed a waiver of such Event of Default. Any and all requests by Tenant to Landlord for authorization to make any Transfer shall be made in writing by certified mail to the Director and shall include copies of the proposed documents of Transfer.

12.2.3 No Change in Use.

Tenant acknowledges that Tenant has acquired its leasehold estate for the sole purpose described in Section 5 and that Landlord in administering the Airport has designated the Premises for said use and for no other uses. Tenant covenants and agrees that it will not request any change in the uses permitted in conjunction with any requested Transfer and Tenant further acknowledges that such covenant is a material factor in Landlord entering into this Lease. Tenant further acknowledges that Tenant has represented to Landlord that Tenant, in acquiring its leasehold estate hereunder, requires all of the Premises leased hereunder for the uses specified in Section 5 above, and that Landlord has relied upon such representation in granting the leasehold estate to Tenant."

- Section 13 of the Lease is deleted in its entirety.
- J. Section 14 of the Lease is amended and restated as follows:

"Utilities

Tenant shall pay or cause to be paid, and hold Landlord and the property of Landlord, including the Premises, free and harmless from all charges, for maintenance and furnishings of all necessary utility facilities and services, including but not limited to, gas, water, electricity, telephone service, sewage, garbage and trash removal, and other public utilities to the Premises during the Term. Tenant shall be responsible for providing all utilities at its sole cost and expense.

If such utility services are not separately metered to Tenant, Tenant shall pay a reasonable proportion, to be determined by Landlord, of all charges jointly metered with other premises."

K. Section 15 of the Lease is amended and restated as follows:

"Default

15.1 EVENTS OF DEFAULT.

In addition to the other defaults specified in this Lease, the Landlord may determine in its sole discretion that Tenant may be in default under this Lease, and a breach of this Lease may exist if any of the following events (severally "Event of Default") and collectively "Events of Default") shall occur:

15.1.1 Tenant shall have failed to perform any term, covenant or condition of this Lease to be performed by Tenant except those requiring payment of money, and Tenant shall have failed to cure such failure of performance

within thirty (30) days after written notice from Landlord, delivered in accordance with the provisions of this Lease; provided, if the failure by Tenant is curable but could not reasonably be cured within said thirty (30) day period, then Tenant shall not be in default unless it has failed to promptly commence and, thereafter, be continuing to make diligent and reasonable efforts to cure such failure as soon as practicable; or

- **15.1.2** Tenant fails duly and punctually to pay rent, or to make any other payment required hereunder, when due to Landlord; or
- 15.1.3 Tenant fails to keep, perform and observe each and every other promise, covenant and agreement set forth in this Lease, and such failure shall continue for a period of more than thirty (30) days after delivery by Director of a written notice of such breach or default, except where fulfillment of its obligation requires activity over a period of time, in excess of thirty (30) days and Tenant shall have commenced in good faith to perform whatever may be required for fulfillment within ten (10) days after receipt of notice and continues such performance without interruption except for causes beyond its control; or
- **15.1.4** Tenant fails to remedy the cause of any discharge or release of Hazardous Materials from its operations at the Premises pursuant to this Lease.

15.2 REMEDIES

Upon an Event of Default, Landlord shall have the following remedies, in addition to all other rights and remedies provided by law or otherwise provided in this Lease, to which Landlord may resort cumulatively, or in the alternative:

15.2.1 Landlord may, at Landlord's election, keep this Lease in effect and enforce all of its rights and remedies under the Lease, including the right to recover the rent and other sums as they become due by appropriate legal action, and Landlord may, at its option, after first giving Tenant five (5) days written notice to make such payment or perform such other act, but without any obligation to so pay or perform (implied or otherwise), and without waiving or relieving Tenant from any obligation of Tenant under this Lease, make such payment or perform such other act to the extent Landlord may deem desirable, and in connection therewith, pay expenses and employ counsel. All sums paid by Landlord and all penalties, interest and costs in connection therewith shall be due and payable by Tenant to Landlord within ten (10) days of written demand (itemizing such sums so advanced and date of such advance) for payment of same, together with interest thereon at one

and one-half percent (I ½%) per month or at the maximum rate then allowed by law from date of advance by Landlord, plus collection costs.

- 15.2.2 Landlord may, at Landlord's election, terminate this Lease by giving Tenant written notice of termination, in which event this Lease shall terminate on the date set forth for termination in such notice. Any termination under this paragraph shall not relieve Tenant from the payment of any sums then due to Landlord or from any claim for damages or rent previously accrued or then accruing against Tenant. If Landlord elects to terminate this Lease following an Event of Default, Landlord at its option may elect to remove part of the Leasehold Improvements and/or to modify the Leasehold Improvements, at Tenant's sole cost and expense, for such purposes as Landlord deems appropriate. In no event shall Landlord have any obligation to Tenant, financial or otherwise, as a result of the termination of this Lease following an Event of Default.
- **15.2.3** In no event shall any one or more of the following actions by Landlord, in the absence of a written election by Landlord to terminate this Lease, constitute a termination of this Lease:
 - (a) Appointment of a receiver or keeper in order to protect Landlord's interest hereunder;
 - (b) Consent to any subletting of the Premises or assignment of this Lease by Tenant, whether pursuant to the provision hereof or otherwise;
 - (c) Any action by Landlord or Landlord's agents intended to mitigate the adverse effects of any Event of Default under this Lease by Tenant, including without limitation action to maintain and preserve the Premises or any action taken to relet the Premises or any portions thereof.
- **15.2.4** If Tenant abandons the Premises, this Lease shall not terminate unless either party gives the other written notice of its election to terminate this Lease, pursuant to Section 2 of this Lease.
- **15.2.5** In the event Landlord terminates this Lease, Landlord shall be entitled at Landlord's election to damages in the following sums:
 - (a) The worth at the time of award of the unpaid rent which has been earned at the time of termination; and

- (b) Any other amounts necessary to compensate Landlord for all detriment directly or indirectly caused by Tenant's failure to perform Tenant's obligations under this Lease, or which in the ordinary course of things would be likely to result therefrom, including without limitation the expenses for cleaning, repairing or restoring the Premises and Leasehold Improvements.
- (c) The "worth at the time of award" of the amounts referred to in subparagraph (a) above is computed by allowing interest at the rate of eighteen percent (18%)."
- L. Section 17 of the Lease is deleted in its entirety.
- M. Section 18 of the Lease is deleted in its entirety.
- N. Section 19 of the Lease is amended and restated as follows:

"Notices

All notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments or designations hereunder by either party to the other, shall be in writing and shall be sufficiently given and served upon the other party if a) personally served, or (b) if sent by United States certified mail, return receipt requested, postage prepaid, or (c) if sent by express delivery service, or (d) in the case of facsimile, if sent to the telephone number(s) set forth below during the normal business hours of the receiving party and followed within forty-eight (48) hours by delivery of hard copy of the material sent by facsimile, in accordance with (a), (b) or (c) herein. Personal service shall include, without limitation, service by delivery service and service by electronic facsimile. Delivery of notices properly addressed shall be deemed complete when the notice is physically delivered to an employee of the party to be served. The notice need not be physically delivered by the delivery person to the individual to whom the notice is addressed.

If to Landlord, the same shall be addressed to:

Director of Aviation Norman Y. Mineta San Jose International Airport 1732 No. First St., Suite 600 San Jose, California 95112-4538 Facsimile No. 408/573-1675 Attn: Sandra Oberle

or to such other places as Landlord may designate in writing.

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If to Tenant, the same shall be addressed to:

Tarek Consul dba Park N Travel 10001 Doolittle Drive Oakland, CA 94603 (650) 921-0178 (408) 225-5227

or such other place as Tenant may designate in writing."

- O. The second Section 19 of the Lease, titled "Signs," is deleted in its entirety.
- P. A new Section 20 is added to the Lease as follows:

"AVIGATION EASEMENT.

20.1 Avigation Easement.

Tenant agrees to voluntarily assume all risk of loss, damage, or injury to the person and property of Tenant (including the right of Tenant to occupy the Premises), its agents, contractors, directors, employees, officers, and representatives, in or about the Premises which, during the Term, may be caused by or arise or occur in any manner:

- (a) From the flight of any aircraft, of any and all kinds now or hereafter flown in, through, across, or about any portion of the air space over the Premises; or
- (b) From noise, vibration, currents and other effects of air, illumination, and fuel consumption, or fear thereof, arising or occurring from or during such flight, or from or during the use by aircraft of the Airport, including but not limited to, landing, storage, repair, maintenance, operation, run-up, and take-off of such aircraft, and the approach and departure of aircraft to or from said Airport.
- 20.1.1 Tenant hereby waives and releases Landlord, its agents, contractors, directors, employees, officers, and representatives, from any and all claims or causes of action which it may now or hereafter have against Landlord, its agents, contractors, directors, employees, officers and representatives, for any such loss, damage or injury as it pertains to this reservation of avigation easement.
- 20.1.2 Landlord's reservation of an avigation easement shall not operate to deprive Tenant, its agents, contractors, directors, employees, officers, and representatives, of any rights which Tenant, its agents, contractors, directors,

employees, officers, and representatives, may from time to time have against any operator of aircraft or third parties responsible for any act or omission respecting the operation of aircraft.

Landlord shall comply with the provisions of this Lease in the exercise of its easement rights now or hereafter existing during the Term."

Q. A new Section 21 is added to the Lease as follows:

"NO WAIVER BY LANDLORD.

The waiver by Landlord of any breach of any provision of this Lease shall not be deemed to be a waiver or continuing waiver of any subsequent breach of the same or any other provision, nor shall any custom or practice which may arise between the parties in the administration of any part of any provision of this Lease be construed to waive or to lessen the right of Landlord to insist upon the performance by Tenant in strict accordance with the provisions of this Lease."

R. A new Section 22 is added to the Lease as follows:

"RIGHT TO ENTER.

Landlord reserves and shall have the right by its officers, employees, agents and contractors, to enter into and upon the Premises at all reasonable times (and in emergencies at all times):

- To make any inspection Director may deem expedient or desirable for the proper enforcement of this Lease;
- To maintain the Premises or the Leasehold Improvements, or to do repair, maintenance, alteration or removal under the conditions set forth herein:
- To perform any kind of environmental testing, monitoring and/or remediation pursuant to the terms and provisions contained in this Lease.
- To post notices of nonresponsibility for improvements, alterations or repairs, if and when Landlord shall desire to do so, all without abatement of rent to Tenant for any loss of occupancy or quiet enjoyment of the Premises or said buildings, works and improvements, and without liability on the part of Landlord, its officers, agents, employees or contractors for loss or damage that may be sustained by Tenant thereby, provided that Landlord acts reasonably to minimize any interference with Tenant's use or occupancy of the Premises. If any repair, maintenance, alteration or removal required under the terms of this Lease to be done by Tenant is

deemed by Director to be necessary, Director may demand by written notice that Tenant do the same forthwith; and if Tenant fails, refuses or neglects to commence and complete the same with reasonable diligence, then Landlord may (but shall have no obligation to) reenter the Premises, cause such repair, maintenance, alteration or removal to be done; and Tenant agrees to pay to Landlord on demand and any other sums due under this Section."

S. A new Section 23 is added to the Lease as follows:

"TAXES AND ASSESSMENTS.

Tenant covenants to pay before delinquency and without notice or demand, any and all taxes or charges which shall be levied, imposed, or assessed against Tenant, Tenant's property, Tenant's interest in or operation of the Premises and Lease or improvements, or for which Tenant may become liable under the provisions of this Lease. Any such payment made under this Section shall not reduce the amount of rent or any other fee that is required to be paid by Tenant to Landlord under the provisions of this Lease."

T. A new Section 24 is added to the Lease as follows:

"CONDEMNATION.

24.1 CONDEMNATION.

As used in this Section, the word "condemnation" shall mean the right of any governmental or other permitted authority ("condemnor") to take property for public use, and shall include a voluntary sale or transfer by Landlord to the condemnor under threat of a taking under the power of condemnation or during the pendency of formal condemnation proceedings.

24.2 NOTICE TO OTHER PARTY.

The party receiving a notice of condemnation shall promptly give the other party a copy of the notice or a summary of the contents and date of the notice received.

24.3 TERMINATION ON TOTAL CONDEMNATION.

If the Premises are totally taken by condemnation, this Lease and any agreement affecting the right to possession of the Premises shall terminate as of the date that title to the Premises is taken by the condemnor.

24.4 TERMINATION ON PARTIAL CONDEMNATION.

If there is a partial taking of the Premises, this Lease shall not automatically terminate. If neither party elects to terminate this lease pursuant to Section 2 above, this Lease shall remain in effect, except that rent shall be reduced in the

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same ratio as the percentage of that portion of the area of the Premises taken bears to the total area of the Premises.

24.5 AWARD.

Awards and payments received on account of a total or partial taking of the Premises shall be paid to Landlord."

U. A new Section 25 is added to the Lease as follows:

"APPROVALS/CONSENTS.

Any approvals or consents that Tenant is required to obtain under this Lease shall be obtained in advance and in writing, and Tenant shall file any request for approvals or consents with the Director in addition to any other department or agency of Landlord which is required to review said requests. Unless otherwise provided herein, granting of said approvals or consents shall be within the sole and absolute discretion of Landlord, or, if Director is authorized to grant same, in the Director's discretion."

V. A new Section 26 is added to the Lease as follows:

"COMPLIANCE WITH LAWS.

This Lease is made subject and subordinate to all existing and future agreements between the Landlord and the United States of America, and Tenant shall act in compliance therewith. In addition, Tenant shall comply with and conform to all Laws applicable to or affecting, directly or indirectly, the Tenant, the Premises, or Tenant's operations and activities under this Lease."

W. A new Section 27 is added to the Lease as follows:

"AGREEMENTS WITH UNITED STATES.

This Lease shall be subordinate to the provisions of any existing or future agreement between Landlord and the United States ("Federal Agreement") relative to the use, operation or maintenance of the Airport, the execution of which Federal Agreement has been or may now or hereafter be required as a condition precedent to the expenditure of Federal funds for the development of the Airport, and Tenant hereby agrees that to the extent that any such Federal Agreement shall affect Tenant and its use of the Premises and the Airport, Tenant shall act in compliance therewith."

X. A new Section 28 is added to the Lease as follows:

"GRANT AGREEMENT COVENANTS.

Tenant acknowledges that the Landlord is subject to Federal Grant Agreement obligations as a condition precedent to granting of funds for improvement of the Airport, and, accordingly, agrees to, and agrees to be bound by, the following covenants provided by the Federal Aviation Administration (FAA), as said covenants may apply to Tenant:

- 28.1 Tenant for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the property described in this Lease for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar service or benefits, Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as the Regulations may be amended.
- 28.2 Tenant for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishings of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, and (3) that Tenant shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21 Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as the regulations may be amended.
- 28.3 That in the event of breach of any of the above non-discrimination covenants, City of San Jose shall have the right to terminate this Lease and to reenter and repossess the land and the facilities thereon, and hold the same as if this Lease had never been made or issued. This provision does not become effective until the procedures of 49 CFR, Part 21, are followed and completed including expiration of appeal rights.

- 28.4 Tenant shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof, and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided that Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.
- 28.5 Non-compliance with Provision (28.4) above shall constitute a material breach thereof, and in the event of such non-compliance, the City of San Jose shall have the right to terminate this Lease and the estate hereby created without liability therefor; or at the election of the City of San Jose or the United States, either or both Governments shall have the right to judicially enforce Provisions (28.1), (28.2), (28.3) and (28.4) above.
- **28.6** Tenant agrees that it shall insert the above provisions (28.2), (28.3), (28.4) and (28.5) of this Section 28 in any agreement by which Tenant grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the Premises herein authorized.
- 28.7 Tenant assures that it will comply with pertinent statutes, executive orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age or handicap be excluded from participating in any activity conducted with or benefiting from federal assistance. This Provision obligates Tenant or its transferee for the period during which federal assistance is extended to the Airport, except where federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, this Section 28.7 obligates Tenant or any transferee for the longer of the following periods: (a) the period during which the property is used by Landlord or any transferee for a purpose for which federal assistance is extended, or for any purpose involving the provision of similar services or benefits; or (b) the period during which Landlord or any transferee retains ownership or possession of the property. In the case of contractors, this Section 28.7 binds the contractors from the bid solicitation period through the completion of the contract.
- **28.8** This Lease shall be subordinate to the provisions and requirements of any existing or future agreement between the City of San Jose and the United States, relative to the development, operation or maintenance of the Airport.
- 28.9 There is hereby reserved to the City of San Jose, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises herein authorized. This public right of flight shall include the right to cause in the airspace any noise inherent in the operation of any aircraft used for navigation or flight through the airspace or landing at, taking off from or operation on the Airport.

- 28.10 Tenant agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises.
- 28.11 Tenant by accepting this Lease expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the Premises above the mean sea level elevation of 80 feet. In the event the aforesaid covenants are breached, Landlord reserves the right to enter upon the Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Tenant.
- 28.12 Tenant by accepting this Lease agrees for itself, its successors and assigns that it will not make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, Landlord reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of Tenant.
- 28.13 It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of any exclusive right; within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. Section 1349a).
- 28.14 This Lease and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of the Airport or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency."
- Y. A new Section 29 is added to the Lease as follows:

"MODIFICATIONS FOR GRANTING FAA FUNDS.

In the event that the Federal Aviation Administration requires, as a condition precedent to granting of funds for the improvement of the Airport, modifications or changes to this Lease, Tenant agrees to consent to such reasonable amendments, modifications, revisions, supplements or deletions of any of the terms, conditions or requirements of this Lease, as may be reasonably required to enable Landlord to obtain said Federal Aviation Administration funds, provided that in no event shall such changes impair the rights of Tenant hereunder."

Z. A new Section 30 is added to the Lease as follows:

"NO THIRD PARTY BENEFICIARY.

This Lease shall not create any third party beneficiary rights in any contractor, supplier, or any other person or party, it being agreed that the sole parties to have rights and obligations hereunder are Tenant and Landlord."

AA. A new Section 31 is added to the Lease as follows:

"RELOCATION, CONTRACTION OR EXPANSION OF PREMISES

In the event that implementation of the Landlord's requirements for the Airport, changes or other changes in business conditions necessitate the relocation, expansion or contraction of the Premises, or any part thereof, Tenant shall, at Tenant's sole cost and expense, relocate all or part of its operations on the Premises, or any part thereof, or contract or expand the size of the Premises in an expeditious manner only as may be permitted, directed or required by the Director.

Amendments to this Lease which change or modify the description of the Premises to specify in writing increases, decreases, or relocation of space at 1125 Coleman Avenue, and which include only such rental rates on a per square foot basis as are specified or authorized in accordance with <u>Section 3</u> above, may be executed on behalf of the Landlord by the Director of Aviation."

AB. A new Section 32 is added to the Lease as follows:

"AMERICANS WITH DISABILITIES ACT

Landlord makes no representation that the Premises covered by this Lease are suitable for use as a public accommodation as defined in the ADA nor that, for any particular use, it is accessible to individuals with disabilities. Tenant takes full responsibility for determining that its use of the Premises and the activities it conducts thereon are in compliance with the ADA, and for making appropriate alterations. Landlord shall not be responsible for making alterations to the Premises to make the Premises accessible for Tenant's intended use or activities. Tenant shall be fully liable for any violation of this provision, without limitation of any other obligation of Tenant under this Lease.

Furthermore, Tenant shall be solely and fully responsible for complying with the ADA in connection with: (i) the Premises or any portion thereof and its operations thereon; (ii) removing physical barriers on the Premises; (iii) providing auxiliary aids and services, where necessary or required and (iv) modifying its policies, practices and procedures to comply with the ADA. Tenant shall develop a workplan to correct or avoid any violations or non-compliance with the ADA. Tenant shall deliver to the Landlord, upon Landlord's request, a copy of each such report and workplan. Landlord's approval of or acceptance

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of any aspect of Tenant's activities under this Lease shall not be deemed or construed in any way as a representation that such item, activity or practice complies with the ADA. Tenant agrees to indemnify, defend and hold the Landlord harmless from any and all costs incurred by Landlord with respect to Tenant's failure to comply with the ADA.

Nothing herein shall relieve Tenant from the obligation to seek and obtain Landlord's consent prior to commencing any construction, alteration or renovation pursuant to Section 10 hereof."

AC. A new Section 33 is added to the Lease as follows:

"MISCELLANEOUS.

33.1 BAILEE DISCLAIMER,

The parties understand and agree that Landlord in no way purports to be a bailee, and is therefore not responsible in any way for any damage to Tenant's property or the property of Tenant's contractors, agents, employees and invitees.

33.2 CONSENT.

Whenever in this Lease the approval or consent of a party is required, such approval or consent shall be in writing and shall be executed by a person having the express authority to grant such approval or consent.

33.3 CONTROLLING LAW.

Except as federal law may apply, the parties agree that this Lease shall be governed and construed by and according to the laws of the State of California.

33.4 ENTIRE AGREEMENT.

The parties acknowledge that there are no agreements or understandings, written or oral, other than this Lease.

33.5 HEADINGS.

The paragraph headings are not a part of this Lease and shall have no effect upon the construction or interpretation of any part of the Lease.

33.6 HOLD HARMLESS

Tenant shall defend, indemnify and hold Landlord harmless from and against claims for any broker's commissions, finder's fee or other commission or fee relating to the leasing of the Premises by anyone claiming by or through Tenant.

33.7 MODIFICATION OF LEASE.

This Lease shall not be modified, unless the parties first agree to and approve of such modification in writing.

33.8 RESOLUTIONS.

Tenant shall submit a copy of any corporate resolution, if requested by Landlord, which authorizes any director or officer to act on behalf of Tenant or which authorizes Tenant to enter into this Lease.

33.9 SEVERABILITY.

If a court of competent jurisdiction finds or rules that any provision of this Lease is void or unenforceable, the remaining provisions of this Lease shall remain in effect.

33.10 SUCCESSORS AND ASSIGNS.

The provisions of this Lease shall, subject to the provisions of this Lease concerning transfer, apply to and bind the successors and assigns of the parties hereto.

33.11 TIME OF ESSENCE.

Time is of the essence of this Lease and each of its provisions.

33.12 VENUE.

In the event that suit shall be brought by either party hereunder, the parties agree that venue shall be exclusively vested in the state courts of California in the County of Santa Clara or if federal jurisdiction is appropriate, exclusively in the United States District Court in the Northern District of California, San Jose, California."

EXHIBIT A HAZARDOUS MATERIALS

In addition to complying with the provisions set forth earlier in this Lease, Tenant agrees to the following provisions:

- 1. <u>Notification of Release</u>. Tenant shall be solely and fully responsible for notifying the appropriate public agencies of any Hazardous Material release which occurs on the Premises. Tenant shall immediately notify Landlord of any Hazardous Material release which occurs on the Premises, regardless of whether the release was caused by or results from Tenant's activities or is in a quantity that would otherwise be reportable to a public agency.
- 2. <u>Liability</u>. Tenant shall be solely and fully responsible and liable for any Hazardous Material release that commences during the term of the Lease on the Premises, unless the release was caused by the sole negligence or willful misconduct of Landlord, Landlord's officers, agents, employees, contractors or permittees or solely by migration of Hazardous Materials onto the Premises.
- 3. <u>Prevention of Release.</u> Tenant shall take all necessary precautions to prevent its activities from causing any Hazardous Material release to occur on the Premises, including, but not limited to any release into soil, groundwater, or the Landlord's sewage or storm drainage system.
- 4. Obligation to Investigate and Remediate. Tenant, at Tenant's sole cost and expense, shall promptly investigate and remediate, in accordance with requirements of all applicable Environmental Laws:
 - (a) any release or danger of release of Hazardous Material which commenced during the term of this Lease and which is discovered on the Premises, unless the release was caused by the sole negligence or willful misconduct of Landlord, Landlord's officers, agents, employees, contractors or permittees or solely by migration of Hazardous Materials onto the Premises.

In addition to all other rights and remedies of Landlord hereunder, if Tenant does not promptly commence, and diligently pursue to remediate, any such release, or danger of release, of Hazardous Materials, Landlord, in its discretion, may pay, to have same remediated and Tenant shall reimburse Landlord within fifteen (15) business days of Landlord's demand for payment. The failure to commence remediation and provide Landlord with a schedule for diligent completion of the remediation within thirty (30)

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days after discovery of such release, or danger of release, of Hazardous Material shall constitute <u>prima facie</u> evidence of failure to promptly commence remediation. The demand for payment by Landlord shall be <u>prima facie</u> evidence that the expense incurred was necessary and reasonable and that such expense was incurred by Landlord on behalf of Tenant.

- 5. Indemnification. Tenant shall defend, indemnify and hold Landlord harmless from and against all loss, damage, liability (including all foreseeable and unforeseeable consequential damages) and expense (including, without limitation, the cost of any required cleanup and remediation of the Hazardous Materials) which Landlord may sustain as a result of any Hazardous Material release which commenced during the term of this Lease on the Premises, including, but not limited to any release into soil or groundwater, except a release caused by the sole negligence or willful misconduct of Landlord, Landlord's officers, agents, employees, contractors or permittees or by migration of Hazardous Materials onto the Premises.
- 6. Release of Claims Against Landlord. Tenant releases, acquits and forever discharges Landlord from any and all claims, actions, causes of action, demands, rights, damages, costs, including but not limited to loss of use, lost profits, or expenses, which Tenant may now have or which may hereafter accrue on account of or in any way growing out of all known and unknown, foreseen and unforeseen bodily and personal injuries and property damage, and the consequences thereof resulting or arising out of the presence or cleanup of any Hazardous Material on the Premises. This release shall not apply to any claims for contribution that Tenant may have against Landlord in the event that Tenant incurs any cost in undertaking any cleanup of Hazardous Material from the Premises ordered by a governmental agency, to the extent that the cleanup order and costs result from a release of Hazardous Material for which Tenant is not responsible and liable under this Lease. Tenant understands and agrees that Tenant is hereby waiving all such rights under Section 1542 of the Civil Code of California and any similar law of any state or territory of the United States. Said section reads as follows:
 - "1542. Certain claims not affected by general release. A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."
- 7. (a) <u>Cessation of Activities.</u> Tenant shall cease its activities on the Premises to the extent requested by Landlord, if Landlord determines, in its sole discretion, that such cessation is necessary to investigate, cure or remediate any release of Hazardous

Attachment A Exhibit A-2 Materials. Tenant shall not recommence its activities on the Premises until notified by Landlord that such release or danger of release of Hazardous Material has been investigated, cured and remediated in a manner satisfactory to the Landlord.

(b) Abatement of Fees and Charges on Premises. Tenant shall not be entitled to an abatement of any fees or charges due under this Lease after Tenant has been requested to cease activities for investigation, cure or remediation of Hazardous Materials on the Premises, except if the presence of Hazardous Materials on the Premises was due to the sole negligence or willful misconduct of Landlord, Landlord's officers, agents, employees, contractors or permittees or by migration of Hazardous Materials onto the Premises.

8. Records and Inspections.

- (a) Tenant shall maintain, during the term of this Lease and for a period of not less than four (4) years after the expiration or termination of this Lease, or for any longer period of time required by any applicable law, regulation, policy, order or decree, separate and accurate daily records pertaining to the use, handling and disposal of any Hazardous Material(s) by Tenant, Tenant's officers, agents, employees, contractors, permittees or invitees on or from the Premises.
- (b) Upon request by Landlord, Tenant shall furnish Landlord with such daily records, and such other documentation or reports as Director, from time to time, and at any time during the term of this Lease, may reasonably require pertaining to the use, handling and disposal of any Hazardous Material(s) by Tenant, Tenant's officers, agents employees, contractors, permittees or invitees on or from the Premises.
- (c) After the expiration of four (4) years following the termination of this Lease, Tenant may destroy the records pertaining to the use, handling and disposal of any Hazardous Material(s) by Tenant, Tenant's officers, agents, employees, contractors, permittees or invitees on or from the Premises, provided, however, that Tenant shall notify Landlord no later than sixty (60) days prior to any proposed destruction of any said records and shall upon request by Landlord within thirty (30) days after such notice is received, deliver copies of said records to Landlord.

9. No Third Party Beneficiaries.

Nothing contained in this Exhibit shall be construed as conferring any benefit on any person not a party to this Lease, nor as creating any right in any person not a party to this Lease to enforcement of any obligation created under this Lease.

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10. Survival of Obligations.

Tenant's obligations under this Lease shall survive the expiration or earlier revocation or suspension of this Lease.

EXHIBIT B INSURANCE

During the Term, Tenant shall obtain and maintain or shall cause to be obtained and maintained at its sole cost and expense the policies of insurance coverage described below on terms and conditions and in amounts as required by LANDLORD. LANDLORD shall not be obligated to take out insurance on Tenant's property. Tenant shall provide LANDLORD with certificates of insurance or copies of all policies and such endorsements described below as may be required by LANDLORD.

A. COMMERCIAL GENERAL LIABILITY. Tenant shall maintain in effect during the Term, the following policies of insurance in the stated amounts:

A COMMERCIAL GENERAL LIABILITY policy with a minimum limit of not less than \$5,000,000 (five million dollars) combined single limit for personal injury and property damage providing at least all of the following minimum coverages:

- 1. Service Center Operations.
- 2. Personal Injury.
 - a. Coverage for A, B, & C.
- 3. Blanket Contractual Liability.
- 4. Products Liability and completed Operations Liability
- 5. Fire Legal Liability \$100,000

B. WORKERS' COMPENSATION AND EMPLOYEES' LIABILITY.

A WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY policy written in accordance with the laws of the State of California and providing coverage for any and all employees of COMPANY:

- 1. This policy shall provide coverage for Workers' Compensation (Coverage A); and
- 2. This policy shall also provide coverage for \$1,000,000 Employers' Liability (Coverage B); and
- 3. This policy shall require an "ALL STATES" endorsement if Tenant is domiciled outside of the State of California and the policy is written outside of California.

C. AUTOMOBILE LIABILITY.

A COMPREHENSIVE BUSINESS AUTO policy with a minimum limit of not less than \$3,000,000 combined single limit for bodily injury and property damage, providing at least all of the following coverages:

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- 1. Coverages shall be applicable to any and all leased, owned, hired or non-owned vehicles used pursuant to Service Center operations.
- 2. Any and all mobile equipment, including cranes or forklifts, which are not covered under this Comprehensive Business Auto policy shall not have said coverage provided for under the Comprehensive General Liability policy.
- <u>D.</u> <u>ENDORSEMENTS</u>. All of the following endorsements are required to be made a part of each of the above required policies as stipulated below (and any Excess Liability policy shall be identified on the Certificate of Insurance in the "following form"):

Commercial General Liability and Automobile Liability

- "The City of San Jose, its employees, officers, agents and contractors are hereby added as additional insureds with respect to premises leased or licensed to, and operations permitted to COMPANY under this AGREEMENT."
- 2. "This policy shall be considered primary insurance with respect to any other valid and collectible insurance that the City of San Jose may possess, including any self-insured retention LANDLORD may have, and any other insurance the LANDLORD does possess shall be considered excess insurance only."
- 3. "This insurance shall act for each insured and additional insured as though a separate policy had been written for each. This will not act to increase the limit of liability of the insuring company."

All Policies

- 4. "Thirty (30) days' prior written notice of a material revision, nonrenewal or cancellation shall be given to the City of San Jose in the event of cancellation or nonrenewal of this policy for whatever reason before the same may become effective." Such notice shall be sent to: City of San Jose, Debt & Risk Management Division, 801 N. First Street #110, San Jose, CA 95110.
- E. PROOF OF COVERAGE. Copies of all the required endorsements shall be attached to the Certificate of Insurance which shall be provided by Tenant's insurance company or companies as evidence of the stipulated coverages. This Proof of Insurance shall then be mailed or transmitted by

Attachment A Exhibit B-2

facsimile to the City of San Jose, Debt & Risk Management Division, 801 N. First Street #110, San Jose, CA 95110, Fax No. 408,277,3204.

- F. REVIEW OF COVERAGE. These insurance requirements shall be subject to periodic review by the Risk Manager. If the Risk Manager should require any change in coverage, any such change shall be noticed in writing by LANDLORD to Tenant and Tenant shall comply with the notice of change within thirty (30) days of the date of receipt of this notice.
- G. <u>ACCEPTABILITY OF INSURANCE</u>. Insurance is to be placed with insurers acceptable to LANDLORD's Risk Manager.



March 14, 2005

Tarek Consul d/b/a Park n Travel 10001 Doolittle Drive Oakland, CA 94603

RE:

NOTICE OF CHANGE OF TERMS OF LEASE

1125 Coleman Avenue

TO Tarek Consul, doing business as Park n Travel, a sole proprietorship, as Tenant currently in possession of premises located at 1125 Coleman Avenue, San José, California, pursuant to the terms of a Lease with the City of San José (successor in interest to FMC Corporation).

NOTICE IS HEREBY GIVEN that the terms of the Lease dated September 14, 2003 for the premises located at 1125 Coleman Avenue, San José, California, between the undersigned, as Landlord, and you, as Tenant are changed as provided in **Attachment A** enclosed with this Notice.

In all other regards, the Lease shall continue in full force and effect.

The change in the terms of the Lease, as provided in the enclosed **Attachment A** shall become effective on June 12, 2005.

Should you have any questions, please contact Sandra Oberle at (408) 501-7647.

Very truly yours,

Frank Kirkbride Acting Director of Aviation

INTERNATIONAL A 1 R P 0 R T

cc:

Terri Gomes Sandra Oberle S.A. JOSE NORMAN Y. MINETA

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May 20, 2005

Tarek Consul d/b/a Park N Travel 10001 Doolittle Drive Oakland, CA 94603

Re: SECOND NOTICE OF CHANGE OF TERMS OF LEASE

1125 Coleman Avenue

Dear Mr. Consul:

By letter dated March 17, 2005 the City previously notified you that the terms of the Lease. dated September 14, 2003. for the premises located at 1125 Coleman Avenue, San José, California, between the City, as Landlord, and you, as Tenant are changed effective 90-days from your receipt of the March 17, 2005 letter. You received the letter on March 21, 2005, and the revised terms of the Lease are therefore effective on June 19, 2005.

The purpose of this letter is to confirm your agreement to additional revisions to the terms of the Lease, with these revisions also to be effective June 19, 2005. First, you have agreed to vacate the northern most lot of the leased premises effective June 19, 2005, with a resulting reduction in total leased premises square footage from approximately 286,190 square feet to approximately 145,511 square feet, as shown on the enclosed revised **Exhibit A**.

Second, effective June 19, 2005, the rent will be \$2.50 per square foot per year (\$30,314.80 per month) contained in the Premises, which the parties agree equals 145,511 square feet. The prorated rent for the period from June 19, 2005 through June 30, 2005 shall be \$12,125.92, which prorated rent shall be deemed delinquent if not received by Landlord on or before June 27, 2005.

Third, Park N Travel may elect to reduce the initial security deposit amount from \$119,250 to \$60,630.

In all other regards, the Lease, as revised by the City's March 17, 2005 letter shall continue in full force and effect.



Tarek Consul Park N Travel May 20, 2005 Page 2

To confirm your agreement to the reduced leased premises square footage and the corresponding reduction in rent as described above, please sign and date your acceptance of this change in the space indicated below, and return the original to me.

Should you have any questions, please call 408.501.7646.

Sincerely,

Rubén Solís, Jr.

Associate Airport Property Manager

c. Terri Gomes
Jane Swift
Kevin Fisher
Elleen Ewing
Airport Accounts Receivable

By my signature below, I agree to the reduced leased premises square footage and the corresponding reduction in rent as described above.

Tarek Consul, Park N Travel

Date: June 15, 2005

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