

COMMERCIAL LEASE AGREEMENT

Premises: Suite 500, 2000 Business Plaza, 1500 Corporate Boulevard, San Francisco, CA 94105

Property: Business Plaza Office Complex

Landlord: Corporate Real Estate Holdings LLC

Tenant: TechStart Innovations Inc.

LEASE AGREEMENT

Lease Date: February 15, 2024

Commencement Date: April 1, 2024

Expiration Date: March 31, 2027

Lease Term: 3 years

Lease Type: Triple Net (NNN) Commercial Lease

1. PREMISES AND USE

1.1 Description of Premises

The leased premises consist of:

- Suite Number:** 500
- Floor:** 5th Floor
- Total Square Footage:** 2,500 square feet
- Usable Square Footage:** 2,200 square feet
- Common Area Factor:** 12% (300 square feet)
- Parking Spaces:** 8 reserved spaces in underground garage
- Storage:** 200 square feet of storage space in basement

1.2 Premises Layout

The premises include:

- Open Office Area:** 1,800 square feet (accommodates 20 workstations)
- Private Offices:** 3 offices (150 square feet each)
- Conference Room:** 1 room (200 square feet)
- Reception Area:** 150 square feet

- **Kitchen/Break Room:** 100 square feet
- **Restrooms:** 2 restrooms (shared with adjacent suite)
- **Storage Room:** 200 square feet

1.3 Permitted Use

The premises may be used solely for:

- Software development and technology consulting
- General office purposes
- Client meetings and presentations
- Training and professional development activities
- Any lawful business purpose related to technology services

1.4 Prohibited Uses

The following uses are expressly prohibited:

- Manufacturing or industrial operations
- Retail sales to the general public
- Food service or restaurant operations
- Medical or healthcare services
- Any use that violates zoning laws or building codes
- Any use that creates excessive noise, odors, or vibrations

1.5 Compliance with Laws

Tenant agrees to:

- Comply with all applicable laws, ordinances, and regulations
- Obtain all necessary permits and licenses
- Maintain premises in accordance with health and safety codes
- Comply with Americans with Disabilities Act (ADA) requirements

2. RENT AND PAYMENT TERMS

2.1 Base Rent

Annual Base Rent: \$75,000.00

Monthly Base Rent: \$6,250.00

Rent per Square Foot: \$30.00 per square foot annually

2.2 Rent Payment Schedule

- **Due Date:** 1st day of each month
- **Grace Period:** 5 days (late fees apply after 5th)
- **Payment Method:** Electronic transfer to landlord's account
- **Late Fee:** \$150.00 per occurrence
- **NSF Fee:** \$50.00 per returned check

2.3 Rent Escalation

Annual rent increases as follows:

- **Year 2 (April 1, 2025):** \$6,562.50 per month (5% increase)
- **Year 3 (April 1, 2026):** \$6,890.63 per month (5% increase)

2.4 Additional Rent (Triple Net Charges)

Tenant shall pay the following additional charges:

Property Taxes:

- Estimated annual: \$8,500.00
- Monthly payment: \$708.33
- Prorated based on actual tax bills

Common Area Maintenance (CAM):

- Estimated annual: \$12,000.00
- Monthly payment: \$1,000.00
- Includes: landscaping, parking lot maintenance, common area utilities

Insurance:

- Estimated annual: \$3,600.00
- Monthly payment: \$300.00
- Property and liability insurance

Utilities:

- Electricity: Tenant pays directly to utility company
- Water/Sewer: Included in CAM charges
- Internet/Phone: Tenant responsibility
- HVAC: Included in base rent

2.5 Total Monthly Payment

Year 1: \$8,258.33 per month

- Base Rent: \$6,250.00
- Property Taxes: \$708.33

- CAM: \$1,000.00
- Insurance: \$300.00

Year 2: \$8,570.83 per month

Year 3: \$8,898.96 per month

3. SECURITY DEPOSIT AND FEES

3.1 Security Deposit

Amount: \$12,500.00 (2 months base rent)

Due Date: Upon execution of lease

Held By: Landlord in interest-bearing account

Interest Rate: 2% per annum

Return: Within 30 days after lease termination

3.2 Security Deposit Conditions

Security deposit may be applied to:

- Unpaid rent or additional charges
- Damage to premises beyond normal wear and tear
- Cleaning and restoration costs
- Unpaid utilities or other charges

3.3 First Month's Rent

Amount: \$8,258.33

Due Date: March 15, 2024 (15 days before commencement)

Payment Method: Certified check or wire transfer

3.4 Last Month's Rent

Amount: \$8,898.96 (based on final year rent)

Due Date: Upon execution of lease

Applied to: Final month of lease term

4. LEASE TERM AND POSSESSION

4.1 Commencement Date

Lease Commencement: April 1, 2024

Rent Commencement: April 1, 2024

Possession Date: March 15, 2024 (for tenant improvements)

4.2 Early Possession

Tenant may take possession 15 days early for:

- Tenant improvement construction
- Furniture and equipment installation
- Network and telecommunications setup
- No rent due during early possession period

4.3 Lease Expiration

Expiration Date: March 31, 2027

Automatic Renewal: None (lease expires unless renewed)

Notice Required: 6 months written notice for renewal

4.4 Holdover

If tenant remains after expiration:

- **Holdover Rent:** 150% of final month's rent
- **Month-to-Month:** No automatic renewal
- **Termination:** 30 days written notice by either party

5. TENANT IMPROVEMENTS

5.1 Tenant Improvement Allowance

Allowance: \$50,000.00 (\$20.00 per square foot)

Use: Construction, finishes, and fixtures

Timeline: Must be completed within 90 days of possession

5.2 Approved Improvements

Landlord pre-approves the following improvements:

- **Carpet:** Commercial grade carpet throughout
- **Paint:** Neutral colors, professional finish
- **Lighting:** LED fixtures, energy efficient
- **Electrical:** Additional outlets and data ports
- **HVAC:** Zoned temperature control

- **Kitchen:** Basic appliances and cabinetry

5.3 Construction Process

1. **Plans:** Tenant submits detailed plans for approval
2. **Permits:** Tenant obtains all necessary permits
3. **Contractors:** Landlord-approved contractors only
4. **Inspections:** All work subject to landlord inspection
5. **Completion:** Certificate of occupancy required

5.4 Improvement Ownership

- **Removable:** Tenant may remove trade fixtures
 - **Permanent:** All permanent improvements become landlord property
 - **Restoration:** Tenant must restore premises to original condition
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6. MAINTENANCE AND REPAIRS

6.1 Landlord Responsibilities

Landlord shall maintain and repair:

- **Structure:** Building shell, roof, exterior walls
- **Systems:** HVAC, plumbing, electrical (building systems)
- **Common Areas:** Lobbies, elevators, parking areas
- **Safety:** Fire safety systems, security systems

6.2 Tenant Responsibilities

Tenant shall maintain and repair:

- **Interior:** Walls, floors, ceilings, fixtures
- **Equipment:** Tenant-owned equipment and furniture
- **Cleaning:** Daily cleaning and maintenance
- **Utilities:** Tenant utility connections and meters

6.3 Maintenance Standards

- **Preventive Maintenance:** Regular maintenance schedules
- **Emergency Repairs:** 24-hour emergency contact system
- **Response Time:** Non-emergency repairs within 48 hours
- **Quality:** All work performed by licensed contractors

6.4 Alterations

Tenant may make alterations with:

- **Written Consent:** Landlord approval required
 - **Permits:** All necessary permits obtained
 - **Standards:** Work must meet building codes
 - **Restoration:** Premises restored upon lease termination
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7. INSURANCE AND INDEMNIFICATION

7.1 Tenant Insurance Requirements

Tenant must maintain:

Commercial General Liability:

- **Coverage:** \$2,000,000 per occurrence
- **Aggregate:** \$4,000,000 per year
- **Landlord:** Named as additional insured

Property Insurance:

- **Coverage:** Replacement cost of tenant improvements
- **Deductible:** Maximum \$5,000
- **Perils:** Fire, theft, vandalism, water damage

Business Interruption:

- **Coverage:** 12 months of lost income
- **Trigger:** Covered peril causing business interruption

7.2 Landlord Insurance

Landlord maintains:

- **Property Insurance:** Building and common areas
- **Liability Insurance:** \$5,000,000 per occurrence
- **Umbrella Coverage:** \$10,000,000 excess liability

7.3 Indemnification

Tenant agrees to indemnify and hold harmless landlord from:

- **Tenant's Negligence:** Claims arising from tenant's actions

- **Tenant's Use:** Claims arising from tenant's use of premises
- **Tenant's Employees:** Claims by tenant's employees or contractors
- **Tenant's Customers:** Claims by tenant's customers or visitors

7.4 Waiver of Subrogation

Both parties waive rights of subrogation against each other for:

- **Property Damage:** Damage to respective property
 - **Business Interruption:** Loss of business income
 - **Personal Injury:** Bodily injury claims
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8. ASSIGNMENT AND SUBLETTING

8.1 Assignment Restrictions

Tenant may not assign this lease without:

- **Written Consent:** Landlord approval required
- **Financial Review:** Assignee must meet financial requirements
- **Use Restrictions:** Assignee must use premises for permitted purposes
- **Liability:** Original tenant remains liable for lease obligations

8.2 Subletting

Tenant may sublet with:

- **Written Consent:** Landlord approval required
- **Sublease Terms:** Cannot exceed remaining lease term
- **Rent:** Sublease rent cannot exceed tenant's rent
- **Liability:** Tenant remains primarily liable

8.3 Corporate Changes

The following corporate changes require landlord consent:

- **Sale of Business:** Sale of tenant's business
- **Merger/Acquisition:** Merger with or acquisition by another entity
- **Change of Control:** Change in majority ownership
- **Public Offering:** Initial public offering or going public

8.4 Landlord's Rights

Landlord may:

- **Withhold Consent:** For any reasonable reason
 - **Charge Fees:** Processing fees for consent requests
 - **Require Guarantees:** Personal guarantees from assignees
 - **Terminate Lease:** If assignment violates lease terms
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9. DEFAULT AND REMEDIES

9.1 Tenant Defaults

The following constitute tenant defaults:

- **Non-Payment:** Failure to pay rent within 5 days of due date
- **Non-Performance:** Failure to perform any lease obligation
- **Abandonment:** Vacating premises without notice
- **Bankruptcy:** Filing for bankruptcy or insolvency
- **Illegal Use:** Using premises for illegal purposes

9.2 Notice and Cure

Landlord must provide:

- **Written Notice:** Specific description of default
- **Cure Period:** 10 days for monetary defaults, 30 days for other defaults
- **Opportunity to Cure:** Tenant may cure default within cure period

9.3 Landlord's Remedies

Upon tenant default, landlord may:

- **Terminate Lease:** Terminate lease and recover possession
- **Accelerate Rent:** Demand all remaining rent
- **Sue for Damages:** Recover all damages and costs
- **Self-Help:** Enter premises and cure default at tenant's expense

9.4 Tenant's Remedies

Tenant may:

- **Cure Default:** Cure default within cure period
 - **Dispute Default:** Contest default in writing
 - **Seek Injunction:** Seek court order preventing termination
 - **Sue for Damages:** If landlord wrongfully terminates
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10. SURRENDER AND RESTORATION

10.1 Surrender Requirements

Upon lease termination, tenant must:

- **Vacate Premises:** Remove all personal property
- **Restore Premises:** Return to original condition
- **Clean Premises:** Professional cleaning required
- **Return Keys:** Return all keys and access devices

10.2 Restoration Standards

Premises must be restored to:

- **Original Condition:** As delivered at lease commencement
- **Building Standards:** Meet current building codes
- **Professional Quality:** Work performed by licensed contractors
- **Landlord Approval:** All work subject to landlord inspection

10.3 Tenant Property

Tenant may remove:

- **Trade Fixtures:** Equipment and fixtures used in business
- **Furniture:** Office furniture and equipment
- **Personal Property:** All tenant-owned items
- **Improvements:** With landlord consent

10.4 Abandoned Property

Property left behind:

- **Notice Required:** 30 days written notice
- **Storage Costs:** Tenant responsible for storage fees
- **Disposal:** Landlord may dispose after notice period
- **Lien Rights:** Landlord has lien on abandoned property

11. SPECIAL PROVISIONS

11.1 Right of First Refusal

Tenant has right of first refusal on:

- **Adjacent Space:** Suite 501 (1,500 square feet)
- **Expansion Space:** Additional 1,000 square feet
- **Renewal:** Right to renew for additional 3 years
- **Purchase:** Right to purchase building if offered for sale

11.2 Parking Rights

Tenant entitled to:

- **Reserved Spaces:** 8 spaces in underground garage
- **Visitor Parking:** 4 spaces for visitors
- **Electric Vehicle:** 2 EV charging stations
- **Access:** 24/7 access to parking garage

11.3 Signage Rights

Tenant may install:

- **Building Directory:** Name in building directory
- **Suite Signage:** Name on suite door
- **Window Graphics:** Non-illuminated window graphics
- **Monument Sign:** Name on building monument sign

11.4 Telecommunications

Tenant has right to:

- **Internet Service:** Choose internet service provider
- **Phone Service:** Install phone and data systems
- **Satellite:** Install satellite dishes (with approval)
- **Cabling:** Run cables through building (with approval)

12. GENERAL PROVISIONS

12.1 Entire Agreement

This lease constitutes the entire agreement between the parties and supersedes all prior negotiations and agreements.

12.2 Amendment

This lease may only be amended by written agreement signed by both parties.

12.3 Severability

If any provision of this lease is deemed invalid, the remaining provisions shall remain in full force and effect.

12.4 Governing Law

This lease shall be governed by and construed in accordance with the laws of the State of California.

12.5 Dispute Resolution

Any disputes arising from this lease shall be resolved through:

1. **Good Faith Negotiation:** 30 days of good faith negotiation
2. **Mediation:** Mediation through the American Arbitration Association
3. **Arbitration:** Binding arbitration if mediation fails
4. **Venue:** San Francisco County, California

12.6 Notices

All notices required under this lease shall be in writing and delivered to:

Landlord:

Corporate Real Estate Holdings LLC
Attn: Property Management
1000 Real Estate Drive
San Francisco, CA 94105

Tenant:

TechStart Innovations Inc.
Attn: Operations Manager
1500 Corporate Boulevard, Suite 500
San Francisco, CA 94105

12.7 Successors and Assigns

This lease shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

13. EXECUTION

LANDLORD:

Corporate Real Estate Holdings LLC

By: _____

Name: Robert Martinez

Title: Property Manager

Date: _____

TENANT:

TechStart Innovations Inc.

By: _____

Name: Jennifer Chen

Title: Chief Operating Officer

Date: _____

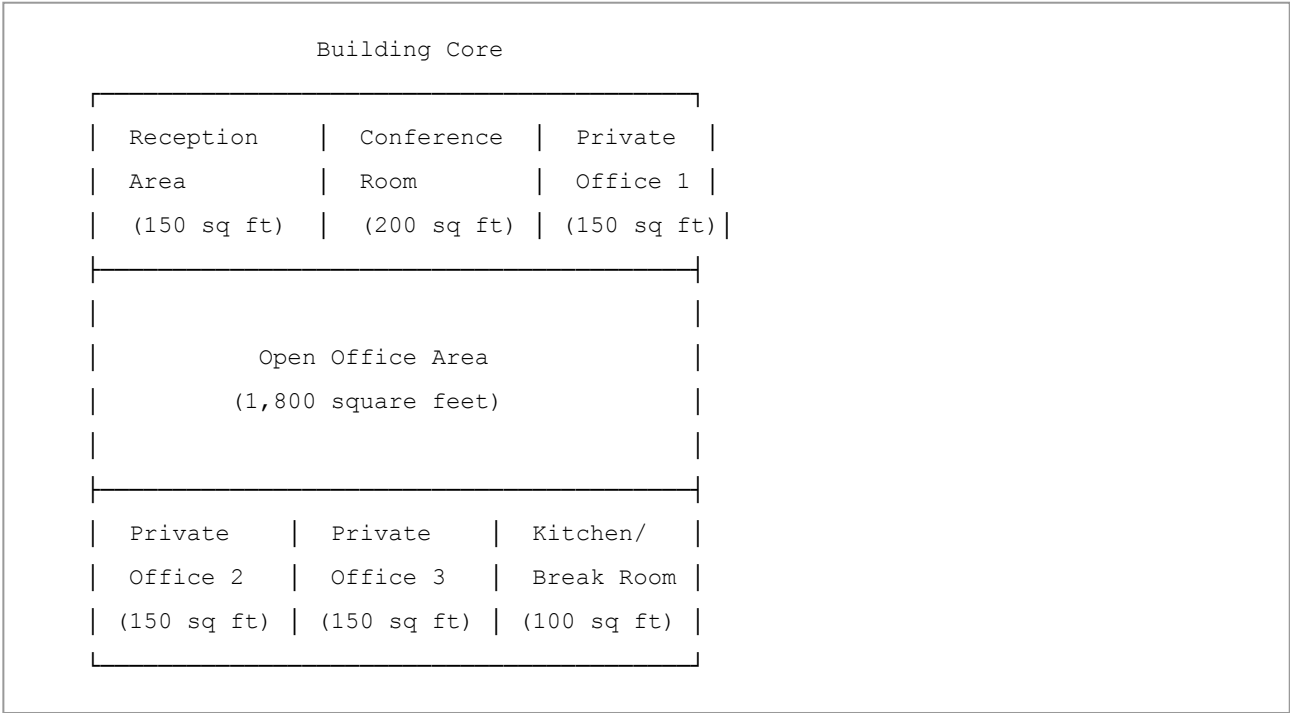
WITNESS:

Name: Legal Counsel

Date: _____

APPENDIX A: FLOOR PLAN

Suite 500 Layout



Parking Layout

- **Level B1:** 4 reserved spaces (B1-15, B1-16, B1-17, B1-18)
- **Level B2:** 4 reserved spaces (B2-22, B2-23, B2-24, B2-25)
- **EV Charging:** Spaces B1-15 and B1-16

APPENDIX B: TENANT IMPROVEMENT SPECIFICATIONS

Flooring

- **Carpet:** Commercial grade, 32 oz. face weight
- **Color:** Neutral gray (Landlord approved)
- **Padding:** 6 lb. rebond padding
- **Warranty:** 10-year wear warranty

Paint

- **Walls:** Eggshell finish, off-white
- **Ceiling:** Flat finish, white
- **Trim:** Semi-gloss finish, white
- **Brand:** Sherwin-Williams or equivalent

Lighting

- **Type:** LED recessed fixtures
- **Wattage:** 32 watts per fixture
- **Color Temperature:** 4000K (cool white)
- **Controls:** Dimmer switches in all areas

Electrical

- **Outlets:** 20-amp circuits, 12 outlets per circuit
- **Data Ports:** 2 data ports per workstation
- **Phone Lines:** 1 phone line per office
- **Emergency Power:** Backup power for critical systems

HVAC

- **Zones:** 4 temperature zones
 - **Controls:** Programmable thermostats
 - **Ventilation:** Fresh air intake, 20% outside air
 - **Filters:** MERV 8 filters, changed quarterly
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APPENDIX C: RULES AND REGULATIONS

Building Hours

- **Monday-Friday:** 6:00 AM - 8:00 PM
- **Saturday:** 8:00 AM - 6:00 PM
- **Sunday:** Closed
- **Holidays:** Building closed on major holidays

Security

- **Access Cards:** Required for building access
- **Visitor Policy:** All visitors must be escorted
- **After Hours:** Security guard on duty
- **Cameras:** 24/7 video surveillance

Common Areas

- **Lobby:** Professional appearance required
- **Elevators:** No food or beverages
- **Restrooms:** Maintained by building staff
- **Parking:** No overnight parking without permission

Noise

- **Business Hours:** Normal business noise acceptable
- **After Hours:** Reduced noise levels required
- **Construction:** Limited to business hours
- **Music:** No amplified music without approval

This lease agreement is effective as of April 1, 2024, and shall remain in effect until March 31, 2027, unless terminated earlier in accordance with its terms.