

**STAFF REPORT FOR CALENDAR ITEM NO.: 10
FOR THE MEETING OF: February 8, 2018**

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Consideration of a Resolution authorizing the Executive Director to execute an Easement Agreement (“Agreement”) with Pacific Howard Corporation (“PHC”) for PHC’s payment to the TJPA of: (1) \$1,348,000 for temporary and permanent easements to use air, surface, and subsurface portions of the TJPA’s property known as Parcel G, the future Under Ramp Park, for construction staging and installation of a café, landscaping, a shoring wall, and architectural features for a hotel and condominium project at 555 Howard; and (2) the TJPA’s attorneys’ fees for negotiating and drafting the Agreement.

SUMMARY:

PHC has agreed to pay the TJPA: (1) \$1,348,000 for temporary and permanent easements to use air, surface, and subsurface portions of the TJPA’s property known as Parcel G that crosses over the future Under Ramp Park, for construction staging and installation of a café, landscaping, a shoring wall, and architectural features in connection with its hotel and condominium project at 555 Howard (“Easements”); and (2) the TJPA’s attorneys’ fees for negotiating and drafting the Agreement. In all, the TJPA would grant 10 permanent and temporary easements to allow PHC to use portions of the future Under Ramp Park - the park under the TJPA’s Bus Ramp. The closing of the sale of the Easements is contingent on approval of the design of PHC’s improvements and landscaping by the Office of Community Infrastructure and Investment, the successor to the San Francisco Redevelopment Agency (“OCII”), that has jurisdiction over Under Ramp Park and is tasked with developing the Park.

The Easements will not interfere with the TJPA’s use of Parcel G for Bus Ramp operation and maintenance. The 555 Howard property line is approximately 14 feet from the edge of the Bus Ramp. PHC’s improvements would be installed either on the ground under the Bus Ramp or in the airspace above Parcel G within two feet from the Tower thus would not interfere with the footings for the Bus Ramp. The Easements also will not interfere with OCII’s development and the public’s use of Under Ramp Park. Because PHC has agreed to construct the improvements for a café and install and maintain landscaping in Under Ramp Park adjacent to the café, the Easements will reduce the cost to the TJPA and OCII to develop and maintain Under Ramp Park. OCII staff has approved the Easement Agreement. The OCII Commission, however, must approve the design of the improvements for the Easements prior to August 1, 2018, which is the outside date for the closing of the TJPA’s sale of the Easements to PHC.

In addition to paying the TJPA’s attorneys’ fees to incurred to negotiate, draft, and implement the Easement Agreement (PHC has already paid the TJPA \$13,054.00 for fees incurred thus far), PHC has agreed to pay the TJPA’s attorneys’ fees, up to \$10,000, to obtain a McEnerney Judgment to establish the TJPA’s title to areas within Parcel G adjacent to 555 Howard where the deeds to the lots comprising Parcel G contain gaps in the legal descriptions.

DISCUSSION:

PHC is the owner of the existing building at 555 Howard Street that currently houses a restaurant called “The Melt” and other commercial users. PHC intends to develop and construct on 555 Howard a high-rise mixed-use residential, hotel, and commercial building with four underground levels (the “Tower”). The building has been designed by renowned architect Renzo Piano, the designer of San Francisco’s Museum of Modern Art and the Academy of Sciences in Golden Gate Park.

The TJPA’s Parcel G, a former State-owned parcel, is generally a long, narrow parcel approximately 80 feet wide, situated between 555 Howard on the northeast and other commercial buildings on the southwest, Howard Street on the northwest, and Tehama Street on the Southeast. Most of Parcel G is under the recently constructed Bus Ramp. The TJPA has previously used Parcel G for construction staging for the Bus Ramp. Parcel G is planned for development of Under Ramp Park along with Parcel H under the Bus Ramp between Tehama and Clementina Streets.

The Permanent Easements

Under the Easement Agreement, the TJPA would grant to PHC six permanent easements for the Tower project:

- An Architectural Facade Elements Easement extending 1.33 feet into the air space above Parcel G that would allow for an architectural façade of the Tower;
- A Building Sway Easement extending 3.33 feet into the air space above Parcel G that would accommodate sway of the Tower in an earthquake or high wind event;
- A Window/Building Maintenance Easement extending 6.33 feet into the air space above Parcel G that would allow PHC to maintain the Tower and clean the windows of the Tower;
- A Café Zone Easement of 1,043 square feet extending approximately 14 feet into Parcel G that would allow PHC to install and maintain a café adjacent to the Tower that would be open to the public during daylight hours and used for no more than 104 private events per year;
- A Landscape and Hardscape Easement of 4, 277 square feet extending approximately 50 feet into Parcel G that would allow PHC to install and maintain landscaping and hardscaping adjacent to the café that would be open to public use; and
- A Fire Separation Easement extending 21 feet into Parcel G that would prevent the TJPA from placing structures in Parcel G (other than the Bus Ramp) that would require PHC to make any physical modifications to the Tower, such as closing off lot-line windows, to comply with building or fire codes.

The TJPA would grant to PHC four temporary easements:

- A three-year Construction Access Easement extending into Parcel G from 14 feet on the south side to approximately 50 feet on the north side (overlapping the Café Zone and Landscape and Hardscape Easements) that would allow PHC to store and operate equipment and building materials, provide access for temporary utilities, and other similar activities to facilitate construction of the Tower;
- A two-year Luffing Crane Easement extending 14.5 feet into Parcel G that would allow PHC to swing its construction crane into the air space above Parcel G, but would not allow any part of the crane to overswing the Bus Ramp;
- A two-year Curtainwall Installation Easement extending six feet into Parcel G that would allow PHC to construct the curtain walls for the Tower, including the architectural facade elements and operable windows; and
- An 18-month Shoring Wall Easement extending four feet into Parcel G that would allow PHC to construct an underground shoring wall on Parcel G at its property line for the underground levels of the Tower.

The precise timing of PHC's development of the landscape and hardscape improvements, the café, and the shoring wall and the coordination of PHC's improvements with OCII's construction of improvements in the remainder of Under Ramp Park would be governed by a Work Plan Agreement to be negotiated among the TJPA, OCII, and PHC in the future.

The Easement Agreement provides that PHC will (a) take title to the Easements "as-is", (b) indemnify the TJPA for any third-party claims arising from PHC's use of the Easements, (c) maintain liability insurance covering the TJPA naming the TJPA as an additional insured with a limit of no less than \$5 million, escalated by the change in the Consumer Price Index every five years, (d) waive inverse condemnation claims against the TJPA for the TJPA's use of the Bus Ramp and Under Ramp Park, and (e) implement safety measures when using the Easements.

Appraisal

The price of \$1,348,00 for the Easements was based on an appraisal by an MAI appraiser, Chris Carneghi. Mr. Carneghi has more than 35 years experience appraising real estate in San Francisco. He has appraised more than 25 parcels for acquisition by the TJPA for the Transbay Project and is a reputable appraiser. Mr. Carneghi has performed numerous temporary construction and permanent easement appraisals. PHC agreed to accept Mr. Carneghi's value of \$1,015,000 for the Easements other than the Shoring Wall Easement. Mr. Carneghi valued the Shoring Wall Easement at \$0 because it was subsumed within other easements that Mr. Carneghi had assigned value and because the wall would be temporary; i.e., the TJPA or its successor can remove the wall after PHC completes construction. However, because placing its shoring wall on Parcel G instead of on its own property will permit PHC to enlarge its four belowground levels, adding value to the Tower, the TJPA Staff negotiated a payment by PHC for the Shoring Wall Easement of \$333,000. That price was negotiated by Staff based on Mr. Carneghi' value of \$300

per square foot for the additional underground space in the Tower created by moving the shoring wall four feet onto the TJPA's property. PHC agreed to cut off the top of the shoring wall after construction so that it does not interfere with OCII's development of Under Ramp Park.

Caltrans' Power of Termination

Under the Cooperative Agreement between the TJPA, the City and County of San Francisco, and the California Department of Transportation ("Caltrans"), Caltrans has a power of termination for Parcel G, which it must relinquish when operation of the Bus Ramp commences. Caltrans relinquishment of this power of termination is a condition to closing.

RECOMMENDATION:

The TJPA Executive Director and legal counsel have engaged in extensive negotiations with PHC to arrive at favorable terms for the Easement Agreement. The Staff requests that the Board authorize the Executive Director to sign the Agreements and record the Agreement following PHC's payment of all sums due at close of escrow under the Agreement.

ENCLOSURES:

1. Easement Agreement
2. Resolution

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

WHEREAS, The TJPA's Bus Ramp crosses the air space above Parcel G, a former State-owned property; and

WHEREAS, Parcel G has not been required for construction of the Transbay Program since the completion of the Bus Ramp in late 2016; and

WHEREAS, The future use of Parcel G will be for Under Ramp Park; and

WHEREAS, Pacific Howard Corporation ("PHC") wishes to install a café, landscaping and hardscaping, a shoring wall, and architectural features in connection with its hotel and condominium project at 555 Howard Street ("Tower") on, under, and in the air space above Parcel G; and

WHEREAS, PHC has requested that the TJPA execute an Easement Agreement allowing PHC to use portions of Parcel G adjacent to 555 Howard Street for construction of the Tower and a café and landscaping adjacent to the Tower, including easements for (a) an architectural façade extending 1.33 feet into Parcel G, (b) building sway extending 3.33 feet into Parcel G, (c) window and building maintenance extending 6.33 feet into Parcel G, (d) a café extending 14 feet into Parcel G, (e) landscaping and hardscaping extending approximately 50 feet into Parcel G, (f) fire separation limiting the TJPA's construction of additional structures other than the Bus Ramp extending 21 feet into Parcel G, (g) construction staging and other construction activities extending 14 feet into Parcel G, (h) overswing of a construction crane extending 14.5 feet into Parcel G, (i) construction of a curtainwall for the Tower extending six feet into Parcel G, and (j) a shoring wall extending four feet into Parcel G ("Easements"); and

WHEREAS, The Easements will not interfere with the TJPA's use of Parcel G for Bus Ramp operation and maintenance, or the development and use of Under Ramp Park; and

WHEREAS, PHC's café and landscaping will enhance public enjoyment of Under Ramp Park; and

WHEREAS, The fair market value of the Easements is \$1,348,000; and

WHEREAS, As a condition of the TJPA's granting the Easements, PHC will: (a) pay \$1,348,000 to purchase the Easements, (b) pay the cost for the TJPA's attorneys to draft and negotiate the Easement Agreement, (c) implement safety measures when using the Easements, (d) waive inverse condemnation claims against the TJPA for the TJPA's use of the Bus Ramp and Under Ramp Park, (e) indemnify the TJPA for third-party claims arising from PHC's use of the Easements, (f) maintain liability insurance naming the TJPA as an additional insured with a limit of no less than \$5 million, escalated by the change in Consumer Price Index every five

years, and (g) pay the TJPA's costs, up to \$10,000, to obtain a McEnerney judgment quieting the TJPA's title to Parcel G adjacent to the Tower; now, therefore, be it

RESOLVED, That the TJPA Board authorizes the Executive Director to execute the Easement Agreement and take any reasonable steps necessary to implement and comply with the Agreement.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of February 8, 2018.

Secretary, Transbay Joint Powers Authority

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Transbay Joint Powers Authority
201 Mission Street, Suite 2100
San Francisco, CA 94105
Attn: Mark Zabaneh
Recording Fee \$
Document Transfer Tax \$ (Rev & Tax Code § 11922)

(APN 3736 - 86, 88, 89, 107, 110)

(space above line for Recorder's use only)

EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT (“**Agreement**”) is made and entered into as of February __, 2018 by and between the TRANSBAY JOINT POWERS AUTHORITY, a joint powers authority created under California Government Code Sections 6500 et seq. (the “**TJPA**”) and PACIFIC HOWARD CORPORATION, a Delaware corporation (“**Developer**”). The TJPA and Developer, as Property Owners (as that term is defined below), and their respective successors and assigns (which, for the avoidance of doubt, shall not include Condominium Owners other than the Hotel Unit Owner and may include the Master Association, as such terms are defined below), are each individually referred to herein sometimes as a “**Party**” and are collectively referred to herein sometimes as the “**Parties.**”

RECITALS

This Agreement is entered into by the TJPA and Developer on the basis of the following recitals:

A. The TJPA is the owner of that certain real property located between Tehama, Howard, First, and Second Streets, San Francisco, California, and that certain real property known as Assessor's Block 3736, Lots 88 and 89, as shown on Exhibit A attached hereto designated as “**Parcel G.**”

B. The State of California through its Department of Transportation formerly owned Parcel G (but not Lot 88, which the TJPA acquired by eminent domain), but conveyed it to the TJPA under that certain Cooperative Agreement, dated as of July 11, 2003 (“**Cooperative Agreement**”) between the State, the TJPA, and the City and County of San Francisco, pursuant to which the State transferred certain parcels to the City and the TJPA subject to certain terms and conditions, including the use of the State-Owned Parcels for the construction, or to fund the construction, of the Transbay Terminal Project (as defined in the Cooperative Agreement).

C. Parcel G is located in Zone 2 of the Transbay Redevelopment Project Area (“**Project Area**”) and is subject to the requirements of the Transbay Redevelopment Plan (“**Redevelopment Plan**”) and the San Francisco Planning Code, which applies in Zone 2 of the Project Area and designates Parcel G as a P-Public zoning district. The Redevelopment Plan, the Transbay Development Controls and Design Guidelines, and the Transbay Redevelopment Project Area Streetscape and Open Space Concept Plan provide that Parcel G is part of a public

open space area referred to as Under Ramp Park. The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure) (“**Successor Agency**” or “**OCII**”) has land use jurisdiction over the Project Area and has the obligation to construct Under Ramp Park on Parcel G and other parcels transferred to the TJPA under the Cooperative Agreement. Under a Delegation Agreement between OCII and the San Francisco Planning Department (May 3, 2005), the Planning Department has the responsibility to administer the Planning Code in Zone 2 of the Project Area unless a project involves Agency Action for which OCII may retain authority.

D. Developer is the owner of that certain real property located between Tehama, Howard, First, and Second Streets, San Francisco, California and consisting of three (3) adjacent lots (Assessor’s Block 3736 - Lots 86, 107, and 110, also commonly known as 547, 555 and 557 Howard Street), as shown on Exhibit A and collectively referred to herein as “**555 Howard.**” Parcel G and 555 Howard are each individually referred to in this Agreement as a “**Property**” and are collectively referred to as the “**Properties.**”

E. The TJPA is responsible for implementing the Transbay Transit Center Program, which includes, among other things, (i) on the site of the former Transbay Terminal, the construction of a new Transit Center building, (ii) a rail tunnel and rail systems to extend Caltrain service from Fourth and King Streets to the Transit Center and to accommodate California High Speed Rail trains in the future, (iii) a new underground Fourth and Townsend Street Caltrain Station, (iv) modifications to the existing surface station at Fourth and King Streets, (v) a temporary bus terminal, (vi) an elevated bus ramp connecting the Bay Bridge to the Transit Center (“**Bus Ramp**”), (vii) permanent bus storage facilities, and a park on Parcel G and other property owned by the TJPA generally located under elevated vehicle ramps leading to and from I-80 (“**Under Ramp Park**”).

F. Developer intends to develop and construct on 555 Howard a high-rise mixed-use residential, hotel, and commercial building with four underground levels (the “**Tower**”). On March 2, 2017, the San Francisco Planning Commission approved the Tower.

G. The TJPA contends that it has all right, title, and interest in Parcel G. As the owner of the fee simple absolute interest in Parcel G, the TJPA intends to file an action to obtain a judgment under the Destroyed Land Records Relief Law, California Code of Civil Procedure sections 751.01-751.28 (“**McEnerney action**”) establishing all right, title, and interest in Parcel G in the TJPA (“**McEnerney Judgment**”). Within ten (10) days following the TJPA’s approval of this Agreement, Developer shall deliver a signed and notarized Quitclaim Deed to the TJPA in the form attached as Exhibit D. Developer shall pay half the cost of obtaining the McEnerney Judgment, but not to exceed \$10,000, less half of any costs Developer incurs for the preparation of plats and legal descriptions required for the McEnerney action.

H. The TJPA and Developer now desire to enter into this Agreement to establish certain permanent and temporary easements to Developer for rights over, into, across and under Parcel G in connection with Developer’s construction and maintenance of the Tower as well as Developer’s provision of pedestrian level amenities serving the Tower on an exclusive basis and the public on a non-exclusive basis, subject to any regulatory approvals and permits required for the use and development of the easements conveyed under this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the TJPA and Developer agree as follows:

1. Definitions

In addition to the capitalized terms that are defined elsewhere in this Agreement, as used in this Agreement the following terms shall have the following meanings:

A. “Condominium Owner” shall mean the owner of a condominium unit in the Tower, including, without limitation, the owner of any individual residential condominium unit as well as any commercial condominium unit in the Tower, including the Hotel Unit Owner.

B. “Easement Area” shall mean the three dimensional space occupied by each Easement conveyed in this Agreement, each as described with greater specificity herein.

C. “Force Majeure” shall mean a material adverse event or circumstance beyond the reasonable control of the TJPA or Developer, as applicable, that prevents, hinders, or delays satisfaction of a condition or performance of an obligation hereunder, including without limitation: any event caused by the discovery of archaeological artifacts, including ships or bones; destruction of or casualty to or condemnation of either of the Properties; governmental restriction, regulation, or control; war; acts of terrorism, or civil commotion; interruption of vital transportation; acts of God; strikes, lockouts, labor disputes, or labor unrest embargo; reasonably unforeseeable or unpredictable inability to procure qualified labor, equipment, facilities, supplies, or materials in the open market; Developer’s inability to secure financing for the construction of the Tower on commercially reasonable terms; major national financial crises that prevents the financial feasibility of the Project; and any action or proceeding before any court, tribunal, or other judicial, adjudicative, or legislative decision-making body, including any administrative appeal, brought by a third party that, (i) seeks to challenge the validity of any action taken by any governmental entity in connection with the Project or the Regulatory Approvals, or (ii) seeks to challenge the failure of any governmental or regulatory entity to issue, the conditions of, or the validity of any other Regulatory Approval. The time for performance of a condition or obligation, the satisfaction of which is prevented, hindered, or delayed by an event or circumstance of Force Majeure, shall be extended only for the duration of the event or circumstance.

D. “Grade” shall mean plus twenty-two (+22) feet above North American Vertical Datum of 1988. Note, the elevation of the Property is approximately seven (7) feet higher at the Property’s Natoma Street frontage than at the Property’s Howard Street frontage.

E. “Hotel Unit Owner” shall mean the owner of one or more commercial condominium units in the Tower, comprising all or portions of a hotel and related facilities.

F. “Master Association” shall mean the master association charged with governing, operating and/or maintaining all or certain portions of the Tower.

G. “Owners” or “Property Owners” shall mean the underlying fee title owners of Parcel G and 555 Howard. Notwithstanding the foregoing, in no event shall Property Owner or Owner include any individual Condominium Owners except the Hotel Unit Owner.

H. “Permittees” shall mean all Persons from time to time entitled to use or occupy all or any portion of the Easement Areas established under this Agreement by the Parties.

I. “Person” or “Persons” shall mean and include individuals, partnerships, limited liability companies, firms, associations, joint ventures, corporations or any other form of business entity.

J. “Regulatory Approvals” shall mean all discretionary authorizations, approvals, entitlements, conditions, requirements, plan amendments (and related review of a proposed project in compliance with the California Environmental Quality Act [California Public Resources Code 21000 et seq.]) of a governmental agency with jurisdiction over the use or development of the Tower and easements on Parcel G conveyed under this Agreement.

2. Grant of Easements

As of the Effective Date, the TJPA grants to Developer the following easements (collectively referred to herein as “**Easements**” and “**Easement Areas**”), appurtenant to 555 Howard, each in, to, under, over, and across the respective area of Parcel G depicted and described in Exhibits B-1 through B-10 attached hereto; provided, however, that the TJPA reserves the right to grant to OCII access to, over, and across the Easements to the extent reasonably necessary in order to construct the Under Ramp Park, as described in greater detail in Section 2.D below.

A. Permanent Architectural Facade Elements Easement

The TJPA grants to Developer an appurtenant, permanent, exclusive, vertical and horizontal easement in, to, over and across the air space above Parcel G for the encroachment of architectural facade elements associated with the Tower, which Easement Area shall be limited to the area actually occupied by the architectural elements, in substantial conformance with the area(s) shown on Exhibit B-1 (“**Architectural Facade Elements Easement**”).

B. Permanent Building Sway Easement

The TJPA grants to Developer an appurtenant, permanent, non-exclusive, vertical and horizontal easement in, to, over and across the air space above Parcel G to accommodate building sway for the Tower, which Easement Area shall be in substantial conformance with the area shown on Exhibit B-2 (“**Building Sway Easement**”). The TJPA shall not place any structures in the Building Sway Easement.

C. Permanent Window and Building Maintenance Easement

The TJPA grants to Developer an appurtenant, permanent, non-exclusive, horizontal and vertical easement in, to, over and across the air space above Parcel G to facilitate maintenance of the building exterior and windows by Developer and Developer’s Permittees, which Easement Area shall be in substantial conformance with the area shown on Exhibit B-3 (“**Window and Building Maintenance Easement**”).

D. Permanent Landscape and Hardscape Maintenance Easement

Subject to subsections (i) and (ii), below, the TJPA grants to Developer an appurtenant, permanent, non-exclusive, vertical and horizontal easement in, to, over and across Parcel G for the installation and maintenance of a landscape and hardscape area easily accessible to the general public, which Easement Area shall be in substantial conformance with the area shown on Exhibit B-4 (“**Landscape and Hardscape Maintenance Easement**”). Developer shall complete its installation of the landscape and hardscape improvements within the Landscape and Hardscape Maintenance Easement Area no later than eighteen (18) months after expiration (or waiver, as applicable) of the temporary Construction Access Easement described below. If the Construction Access Easement is waived or terminated prior to the end of the thirty-six- (36) month term and Developer does not immediately commence installation of the landscape and hardscape improvements within the Landscape and Hardscape Maintenance Easement Area, Developer shall install and maintain temporary landscaping in the Hardscape Maintenance Easement Area on the surface of Parcel G and allow the TJPA, OCII, and the public access to the Landscape and Hardscape Maintenance Easement Area for use as a public park. The design of the temporary landscaping shall be governed by the Work Plan Agreement as defined below.

i. Prior to commencing any construction work associated with OCII’s build-out of Under Ramp Park that would require OCII’s entry upon the Landscape and Hardscape Maintenance Easement Area, the TJPA shall cooperate with OCII and Developer to develop a work plan that minimizes to the extent commercially feasible the area and duration of any such work within the Landscape and Hardscape Maintenance Easement Area, and that coordinates OCII’s work with Developer’s use of the Easement Area. Developer shall promptly review and coordinate such work with OCII (and its agents). Upon Developer’s approval of the work plan, which shall not unreasonably be withheld, OCII shall provide reasonable notice to Developer and the TJPA, and OCII shall have the right to enter upon the Landscape and Hardscape Maintenance Easement Area as reasonably necessary to construct Under Ramp Park. In addition, prior to commencing any construction work associated with Developer’s build-out of the improvements within the Landscape and Hardscape Maintenance Easement Area that would require Developer’s entry upon that portion of Parcel G outside the Easement Area, Developer will cooperate with the TJPA and OCII to develop a work plan that minimizes to the extent commercially feasible the area and duration of any such work outside the Landscape and Hardscape Maintenance Easement Area, and that coordinates Developer’s work with OCII’s use of Parcel G and/or construction of Under Ramp Park (“**Work Plan Agreement**”). Under the Work Plan Agreement, the TJPA and OCII, as applicable, shall promptly review and coordinate such work with Developer (and its agents). Upon the TJPA’s and OCII’s approval of the Work Plan Agreement, which shall not unreasonably be withheld, Developer shall provide reasonable notice to the TJPA and OCII, and Developer shall have the right to enter upon Parcel G outside the Landscape and Hardscape Maintenance Easement Area as reasonably necessary to construct the improvements within the Landscape and Hardscape Maintenance Easement Area.

ii. After giving reasonable notice to Developer and OCII, the TJPA shall have the right to operate equipment and vehicles and place temporary structures in the Landscape and Hardscape Maintenance Easement as reasonably necessary to repair the TJPA’s Bus Ramp or other public transportation structures above or below the Landscape and Hardscape Maintenance Easement. Except in the event of an emergency, prior to commencing any repair

work within the Landscape and Hardscape Maintenance Easement Area, the TJPA shall cooperate with Developer and OCII to develop a plan and schedule for the TJPA's work that minimizes to the extent commercially feasible the area and duration of any such work.

E. Permanent Café Zone Easement

The TJPA grants to Developer an appurtenant, permanent, exclusive, vertical and horizontal easement in, to, over and across Parcel G for the installation and operation of a café/restaurant and outdoor seating area that is easily accessible to the general public and is in connection with the operation of the Tower, which Easement Area shall be in substantial conformance with the area shown on Exhibit B-5 ("**Café Zone Easement**").

i. Notwithstanding the foregoing, Developer may use the Café Zone Easement area for private events and other similar uses outside of normal operating hours for up to 104 days per year; provided, however, that this private use is consistent with the P-Public zoning and the Regulatory Approvals.

ii. The TJPA acknowledges that Developer intends to apply for a license to serve alcoholic beverages within the Café Zone Easement. The TJPA will sign a landowner consent or other similar approval/consent required in connection with Developer's license application. The TJPA will bear no cost for the application and shall have no responsibility for the application other than to consent to the application.

iii. After giving reasonable notice to Developer and OCII, the TJPA shall have the right to operate equipment and vehicles and place temporary structures in the Café Zone Easement as reasonably necessary to make emergency repairs to the TJPA's Bus Ramp or other public transportation structures above the Café Zone Easement.

iv. After giving reasonable notice to Developer and the TJPA, OCII shall have the right to use the Café Zone Easement as reasonably necessary to construct Under Ramp Park.

v. Notwithstanding the foregoing, the TJPA shall, to the extent commercially feasible, attempt to avoid entry upon the Café Zone Easement (e.g., through the use of cherry pickers, etc.). Except in the event of an emergency, prior to commencing any repair work within the Café Zone Easement Area, the TJPA shall cooperate with Developer to develop a work plan that minimizes to the extent commercially feasible the area and duration of any such work.

vi. Developer shall complete its installation of the café improvements within the Café Zone Easement Area no later than eighteen (18) months after expiration (or waiver, as applicable) of the temporary Construction Access Easement described below. If the Construction Access Easement is waived or terminated prior to the end of the thirty-six- (36) month term and Developer does not immediately commence installation of the cafe improvements within the Café Zone Easement Area, Developer shall install and maintain temporary landscaping in the Café Zone Easement Area on the surface of Parcel G and allow the TJPA, OCII, and the public access to the Café Zone Easement Area for use as a public park. The design of the temporary landscaping shall be governed by the Work Plan Agreement as defined below.

F. Temporary Construction Access Easement

The TJPA grants to Developer an appurtenant, temporary, exclusive, vertical and horizontal easement in, to, over and across Parcel G for access to 555 Howard in order to construct the Tower, store and operate equipment and building materials, provide access for temporary utilities, and other similar activities to facilitate construction of the Tower, which Easement Area shall be in substantial conformance with the area shown on Exhibit B-6 (“**Construction Access Easement**”). Developer shall provide written notice to the TJPA at least fifteen (15) days prior to Developer commencing activities within the Construction Access Easement Area. The Construction Access Easement shall commence upon Developer’s commencing activities within the Construction Access Easement Area, per the notice described in the preceding sentence, and shall continue for a period of thirty-six (36) months thereafter, unless extended by mutual agreement of the Parties. The Construction Access Easement shall be waived unless the Easement commences on or before December 31, 2019. Developer shall be solely responsible for security and maintenance of the Construction Access Easement area, and shall provide its own locks for personal property and be responsible for all costs to secure its site materials. The TJPA and OCII shall not be liable for any theft of or damage to the personal property of Developer or Developer’s employees, agents, representatives, and contractors during the period in which the Construction Access Easement is in effect, and Developer waives any such claims against the TJPA and OCII.

G. Temporary Luffing Crane Overswing Easement

The TJPA grants to Developer an appurtenant, temporary, exclusive, vertical and horizontal easement in, to, over and across the air space above Parcel G for the purpose of Developer and Developer’s Permittees operation of a Luffing crane, which Easement Area shall be in substantial conformance with the area shown on Exhibit B-7 (“**Crane Overswing Easement**”). Developer acknowledges and agrees that the Luffing crane boom will not be permitted to overswing the Bus Ramp at any time. Developer shall provide written notice to the TJPA at least fifteen (15) days prior to Developer commencing activities within the Crane Overswing Easement Area. The Crane Overswing Easement shall commence upon Developer’s commencing activities within the Crane Overswing Easement Area, per the notice described in the preceding sentence, and shall continue for a period of twenty-four (24) months thereafter, unless extended by mutual agreement of the Parties.

H. Temporary Curtain Wall Installation Easement

The TJPA grants to Developer an appurtenant, temporary, exclusive, vertical and horizontal easement in, to, over and across the air space above Parcel G, as reasonably necessary for Developer and Developer’s Permittees to design, install, and construct the curtain walls for the Tower, including the Architectural Facade Elements and the Operable Windows, which Easement Area shall be in substantial conformance with the area shown on Exhibit B-8 (“**Curtain Wall Installation Easement**”). Developer shall provide written notice to the TJPA at least fifteen (15) days prior to Developer commencing activities within the Curtain Wall Easement Area. The Curtain Wall Installation Easement shall commence upon Developer’s commencing activities within the Curtain Wall Installation Easement, per the notice described in the preceding sentence, and shall continue for a period of twenty-four (24) months thereafter,

unless extended by mutual agreement of the Parties. Developer shall protect the Bus Ramp's anti-ram barrier adjacent to the curtain wall during the term of the Curtain Wall Installation Easement. At all times during Developer's use of the Curtain Wall Installation Easement.

I. Temporary Shoring Wall Easement

The TJPA grants to Developer an appurtenant, temporary, exclusive, vertical and horizontal easement in, to, under and across Parcel G for Developer and Developer's Permittees to install a shoring wall along the boundary between 555 Howard and Parcel G which Easement Area shall be in substantial conformance with the area shown on Exhibit B-9 ("**Shoring Wall Easement**"). Developer shall cut the shoring wall to a minimum of four (4.00) feet below Grade after completion of construction. The TJPA acknowledges that the shoring wall will be abandoned in place under the surface of Parcel G, and Developer shall have no obligation to remove the shoring wall below the cut-off height described above. Developer shall provide written notice to the TJPA at least fifteen (15) days prior to Developer commencing activities within the Shoring Wall Easement Area. The Shoring Wall Easement shall commence upon Developer's commencing activities within the Shoring Wall Easement Area, per the notice described in the preceding sentence, and shall continue for a period of eighteen (18) months thereafter, unless extended by mutual agreement of the Parties. If the Shoring Wall Easement does not commence on or before the date the Construction Access Easement expires, from the date the Construction Access Easement expires to the date the Shoring Wall Easement commences Developer shall install and maintain temporary landscaping in the Shoring Wall Easement Area on the surface of Parcel G and allow the TJPA, OCII, and the public access to the Shoring Wall Easement Area for use as a public park. The design of the temporary landscaping shall be governed by the Work Plan Agreement.

J. Permanent Fire Separation Easement

The TJPA grants to Developer an appurtenant, permanent, non-exclusive, vertical and horizontal easement in, to, over and across Parcel G for the purpose of prohibiting the erection of structures within the Easement Area that would require any physical change in the Tower for safety protection, in substantial conformance with the area shown on Exhibit B-10 ("**Fire Separation Easement**"). No permanent structure or other improvements shall be assembled, installed, constructed, or maintained on, in, or above the Fire Separation Easement, except for (i): improvements associated with café/park/open space, including but not limited to landscaping, hardscape, paving, planters, seating, lighting, public art, and other similar improvements consistent with the intended park and open space uses in Under Ramp Park as approved by OCII; (ii) public transportation facilities, including but not limited to bus ramps, railway facilities, roads, and streets, and columns, pilings, utilities, and other improvements necessary to support transportation facilities, including the existing Bus Ramp; and (iii) enclosed or unenclosed structures of any type, so long as such structures, if built, do not require a physical change in the Tower to meet building, fire, or similar life-safety codes.

3. Payment

A. Purchase Price

The purchase price for the Easements shall be One Million Three Hundred Forty-Eight Thousand Dollars (\$1,348,000) (“**Purchase Price**”). Unless the Closing occurs before the date that is three (3) months after the TJPA Board approves this Agreement, the Purchase Price shall be increased by the amount of interest that accrues from the date that is three (3) months after the TJPA Board approves this Agreement through the Closing Date at a rate (“**Escalation Rate**”) equal to the “City Rate” or the “Earned Income Yield” (whichever represents the rate of return the City and County of San Francisco receives on investment of its funds, as published monthly on the City and County of San Francisco Treasurer/Tax Collector’s website, as adjusted during the applicable period) in effect from September 1, 2017 to the Closing and shall not be more than 6% per annum. If the “City Rate” or the “Earned Income Yield” is not ascertainable through the date of the Closing, the “City Rate” or the “Earned Income Yield” for the period during which it cannot be ascertained shall be the most recent rate then ascertainable.

B. Attorneys’ and Consultants’ Fees

Developer shall pay the TJPA’s Attorneys’ and Consultants’ Fees incurred prior to Closing (as defined below) in connection with the grant of the Easements and half the cost of obtaining the McEnerney Judgment, but not to exceed \$10,000, less half the costs Developer incurs for the preparation of plats and legal descriptions required for the McEnerney action (“**McEnerney Costs**”) in the sum of \$_____ (“**Attorneys’ and Consultants’ Fees**”). Developer shall pay the TJPA’s Attorneys’ and Consultants’ Fees for the Closing and for consultation following the Closing at the rate the Attorneys and Consultants currently charge the TJPA, in an amount not to exceed \$10,000 (“**Post-Closing Attorneys’ and Consultants’ Fees**”). The TJPA will bill Developer monthly for the Post-Closing Attorneys’ and Consultants’ Fees. Developer’s failure to pay the Post-Closing Attorneys’ and Consultants’ Fees within thirty (30) days after receipt of the bill from the TJPA shall constitute a breach of this Agreement; provided, however, that no such breach shall result in the rescission of any Easement granted hereunder. Developer’s obligations under this section 3.B shall survive the Closing and shall constitute a covenant running with the land under section 16 of this Agreement.

C. Closing

At closing of the sale of the Easements to Developer (“**Closing**”), Developer shall pay the Purchase Price and Attorneys’ and Consultants’ Fees incurred prior to Closing in two separate payments to, or as directed by, the TJPA, in cash or an amount credited by wire transfer of immediately available funds to a national bank in San Francisco, California specified by the TJPA for credit to the escrow account of Chicago Title Insurance Company, 455 Market Street, Suite 2100, San Francisco, California 94105-2420 (“**Title Company**” and “**Escrow Agent**”).

4. “As Is;” Release

A. Developer acknowledges and agrees that the Easements are to be sold and conveyed to and accepted by Developer in an “**As Is**” condition with all faults.

B. Developer acknowledges that the Easements conveyed under this Agreement shall be subject to all exceptions listed in Schedule B of the Preliminary Title Report for Parcel G issued by Chicago Title Insurance Company on December 6, 2017 at 7:30 AM, Title No. 15604938-156-TJK-JM (“**PTR**”) attached as Exhibit C, excluding Exceptions 7, 11, and 12, and all matters that would otherwise be revealed by an inspection of Parcel G or an ALTA survey on the Closing Date. Escrow Officer’s willingness to issue a policy of title insurance to Developer listing only those exceptions in Schedule B of the PTR excluding Exceptions 7, 11, and 12 (“**Title Policy**”) shall be a Developer Condition of Closing as set forth in Section 7.B.

C. Developer acknowledges that it is aware of, has reviewed, and understands the Cooperative Agreement. Developer further acknowledges that it is aware that Caltrans has not yet released its power of termination for Parcel G provided in the Cooperative Agreement. Developer hereby waives, releases, remises, acquits and forever discharges TJPA, of and from, any and all rights, claims, losses, injuries, costs, damages, causes of action, demands, damages, expenses, penalties, fines or compensation whatsoever, direct or indirect, which Developer now has or which Developer may have in the future on account of or in any way arising out of or in connection with Caltrans’ exercise its power of termination provided in the Cooperative Agreement.

D. Developer acknowledges that it is aware of and understands that the TJPA has agreed with OCII that OCII will construct a public park on Parcel G. Developer further acknowledges that it is aware and understands that the OCII Commission has not approved the design for Developer’s improvements on Parcel G and may not have approved the design at or before the Closing. Developer hereby waives, releases, remises, acquits and forever discharges the TJPA, of and from, any and all rights, claims, losses, injuries, costs, damages, causes of action, demands, damages, expenses, penalties, fines or compensation whatsoever, direct or indirect, which Developer now has or which Developer may have in the future on account of or in any way arising out of or in connection with any decision by OCII to approve, disapprove, or approve with conditions Developer’s improvements on Parcel G or any Regulatory Approvals for Developer’s use of Parcel G.

E. With the sole exceptions of the TJPA’s representations and warranties in Section 13.A of this Agreement, the TJPA does not make any representations or warranties of any kind whatsoever, either express or implied, with respect to any matters related to Parcel G. In particular, and without limitation, the TJPA makes no representations or warranties with respect to the following matters related to the Easements: the legal use, condition (whether physical, legal, zoning, environmental, or other), encumbrances, occupation, or management of the Easements; value of the Easements and any effect on value as a result of any impact fee, special tax, or assessment that may be imposed; status of, need for, or ability to secure entitlements to use the Easements; the compliance of the Easements with applicable statutes, laws, codes, ordinances, regulations or requirements relating to leasing, zoning, subdivision, planning, building, fire, safety, health or environmental matters; suitability of the Easements for Developer’s intended use; or concerning contamination with Hazardous Material (as defined in Section 29) (collectively, “**Condition of Parcel G**”).

F. Developer acknowledges that it is entering into this Agreement on the basis of Developer’s own investigation of the Condition of Parcel G, including the subsurface conditions.

Developer assumes the risk that adverse physical, legal, title, zoning, environmental or other conditions may not have been revealed by its investigation.

G. The TJPA has no obligation to make any repairs or improvements to, or prepare Parcel G for any purpose whatsoever prior to conveyance of the Easements to Developer. The TJPA has no obligation to obtain a Certificate of Compliance or other evidence of Subdivision Map Act compliance, or zoning or other code change pertaining to Parcel G.

H. After Closing, Developer, at its sole cost and expense, shall comply with all provisions of Environmental Laws (as defined in Section 29) and shall perform all investigations, removal, remedial actions, cleanup and abatement, corrective action or other remediation that may be required pursuant to any Environmental Laws on account of or in any way arising out of or in connection with this Agreement and Developer's and Developer's Permittees' use of the Easements, and the TJPA, its representatives, or any other person acting on behalf of the TJPA, and their respective heirs, legal representatives, successors and assigns, and each of them (collectively and individually, "**TJPA Parties**"), shall have no responsibility or liability under the Environmental Laws with respect to Developer's and Developer's Permittees' use of the Easements, except where such liability results from the gross negligence or intentional misconduct of the TJPA or the TJPA Parties.

I. Developer, for itself, its successors and assigns, hereby waives, releases, remises, acquits and forever discharges the TJPA and the TJPA Parties, of and from any and all rights, claims, losses, injuries, costs, damages, causes of action, demands, expenses, penalties, fines or compensation whatsoever, direct or indirect, which Developer now has or which Developer may have in the future (i) on account of or in any way arising out of or in connection with this Agreement, Developer's and Developer's Permittees' use of the Easements, and the Condition of Parcel G, excluding claims in equity, but not excluding claims for damages, for TJPA's breach of or default under this Agreement, (ii) for inverse condemnation related to noise, vibration, soil movement, building movement, flooding, drainage, fumes, heat, exhaust, or lighting from the TJPA's use of Parcel G for any purpose, including, but not limited to, construction of the Bus Ramp, or the design, construction, installation, operation, use, inspection, maintenance, replacement, repair, alteration, reconstruction, or security for any improvements of and for Under Ramp Park, and (iii) for claims by third parties (or any right to seek indemnity or contribution for such third party claims) that arise from a personal injury or any damage occurring from an exposure of the third party to Hazardous Material, or an event involving a third party occurring on Parcel G or emanating from Parcel G caused by Developer prior to or after the Effective Date.

This waiver and release is a general release. Developer is aware of California Civil Code Section 1542, which reads as follows:

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.

To give full force and effect to the above general release, Developer hereby expressly, knowingly, and voluntarily waives all the rights and benefits of Section 1542 and any other

similar law of any jurisdiction. By placing its initials below, Developer specifically acknowledges and confirms the validity of the release made above and the fact that Developer was represented by counsel who explained, at the time this Agreement was made, the consequences of the above releases.

INITIALS: Developer's Initials: KG

5. Indemnity

A. Subject to Section 5.B, below, from and after Closing, Developer shall indemnify, protect, defend, and hold harmless the TJPA, OCII, and the TJPA's member agencies (the City and County of San Francisco ("**City**"), AC Transit, and Caltrain ("**Member Agencies**"), its board members, officers, directors, agents, employees, consultants, contractors and representatives, and their respective heirs, legal representatives, successors and assigns, and each of them (each, "**TJPA Indemnitee**" and collectively, "**TJPA Indemnitees**") from and against any and all claims, demands, losses (including, but not limited to, diminution in value), liabilities, damages, costs and expenses (including reasonable attorneys' fees and costs, and fees of consultants and experts, laboratory costs, and related costs of Indemnitee) (collectively, "**Losses**") arising out of the death of any person or any accident, injury, loss, or damage whatsoever to any person or to the property of any person on account of or in any way arising out of or in connection with this Agreement, or Developer's or Developer's Permittees' use of the Easements, including the Easement Areas; provided, however, that Developer shall have no obligation to indemnify the TJPA Indemnitees for Losses arising solely from the gross negligence or willful misconduct of the TJPA Indemnitees, or from the presence of any Hazardous Materials existing on Parcel G prior to the Effective Date. Where the gross negligence or willful misconduct of the TJPA Indemnitees is a cause of, but is not the sole cause of, Losses, Developer shall indemnify the TJPA Indemnitees according to Developer's share of fault.

B. Notwithstanding Developer's obligations pursuant to Section 5.A, above, Developer shall have no obligation to indemnify, protect, defend, or hold harmless OCII for Losses arising out of the construction or operation by OCII or its agents of Under Ramp Park, except to the extent that the losses arise out of or in connection with Developer's or Developer's Permittee's use of the Easements..

6. Insurance

Developer shall at its sole cost name the TJPA, its Member Agencies, OCII, and the State of California ("**State**") as additional insureds under a policy of Commercial General Liability Insurance covering Developer's use of the Easements ("**Developer Policy**"). The Developer Policy shall:

A. be effective beginning on the Effective Date ("**Developer Insurance Effective Date**") and shall be renewed annually (prior to expiration). Not less than five (5) days before the Developer Insurance Effective Date, Developer shall deliver to the TJPA a certificate or certificates of insurance in a form reasonably satisfactory to the TJPA, evidencing the coverage

required hereunder, and shall deliver such proof of insurance ten (10) days before every anniversary of the Developer Insurance Effective Date;

B. have a limit of at least Ten Million Dollars (\$10,000,000) for each occurrence and aggregate occurrences per year, which may be accomplished by primary and excess layers, subject to an escalation of One Million Dollars (\$1,000,000) on each five- (5-) year anniversary of the Developer Insurance Effective Date;

C. be a separate policy from Developer's other insurance policies or shall have a per location endorsement consistent with the limits described in this Section 6;

D. cover all of the following claims and losses ("**Covered Claims**"): bodily injury and property damage (including claims and losses arising from criminal acts committed by any Person, including but not limited to, claims and losses based on an allegation of inadequate, or a failure of, security, subject to exclusions then customarily contained in Commercial General Liability Insurance policies); independent contractors; and personal injury arising from or based on the design, materials, construction, installation, maintenance, operation of, condition of, or use of the Tower;

E. be issued by an insurance company duly authorized to do business in the State of California and with a current rating of A-VIII or better by Best's Key Rating Guide;

F. require Developer, as the primary insured, to pay or cause others to pay any deductible or retention;

G. require a defense and indemnity of the named insured and the additional insureds, including the TJPA, the Member Agencies, OCII, and the State, and their officers, directors, agents, and employees (collectively "**Additional Insureds**");

H. be primary insurance with respect to the TJPA, the Member Agencies, OCII, and the State for all Covered Claims, and any insurance or self-insurance of the TJPA, the Member Agencies, OCII, and the State shall be excess of the Policy and shall not contribute with it;

I. contain or be endorsed to contain a waiver of all rights of subrogation against the TJPA, the Member Agencies, OCII, and the State (unless rights of subrogation would otherwise be waived by reason of the TJPA, the Member Agencies and the State being named as additional insureds); and

J. be endorsed to state that the insurer shall not cancel coverage unless the insurer has given the TJPA thirty (30) days' prior written notice, or ten (10) days prior written notice for Developer's non-payment of a premium when due.

Developer shall provide written notice to the TJPA within five (5) business days following notice from Developer's insurer of any cancellation or modification of the terms of the Developer Policy and shall replace such Developer Policy with a Developer Policy that complies with all of the requirements of this Section 6 within five (5) business days after giving the notice to the TJPA. Developer shall provide written notice to the TJPA within three (3) business days following Developer's failure to pay all or part of the premium for the Developer Policy when

due. Developer's failure to pay all or part of the premium for the Developer Policy when due shall be an immediate default under this Agreement without any requirement for notice or cure. If Developer fails to pay a premium for the Developer Policy when due, the TJPA may, at its election, pay the premium and all interest and penalties, if any, and shall have all legal and equitable remedies against Developer for reimbursement of the amount paid, whether or not Developer gives written notice to the TJPA of the failure to pay the premium.

If Developer fails to carry a policy of Commercial General Liability Insurance meeting the requirements of this Section 6 during any period which Developer is required to carry such insurance pursuant to this Section 6, then Developer shall perform the duties which would have been performed by the carrier had Developer carried such a policy as herein required, but only to the extent of the duties which such carrier would have had to perform. Developer's obligations under this paragraph shall be in addition to, and shall not be in lieu of, any other obligations of Developer under this Agreement.

Developer waives any and all rights of recovery against TJPA, or against the officers, employees, agents, and representatives of TJPA, for loss or damage to Developer or its property or the property of others under its control to the extent that such loss or damage is insured against under any insurance policy in force at the time of such loss or damages. Developer shall give notice to its insurance carrier or carriers that the foregoing waiver of subrogation is contained in the License.

The Developer Policy may, at Developer's option, also apply to 555 Howard, so long as the Policy has a per location endorsement that satisfies all requirements of this Section 6.

The foregoing notwithstanding, if Developer's general contractor's policy of commercial general liability insurance for 555 Howard and the Tower names the Additional Insureds, meets all of the other criteria set forth in this Section 6, and Developer provides evidence to the reasonable satisfaction of the TJPA that the obligations of Developer, the general contractor, and the carrier are sufficient to give timely notice to the TJPA of the general contractor's failure to pay the premium for such insurance when due, or changes to or cancellation of the policy, then upon approval of the TJPA (which approval shall not be unreasonably withheld, conditioned or delayed), Developer may rely on its general contractor policy to satisfy Developer's obligations under this Section 6 during the period when the general contractor policy is in effect and until the date upon which such general contractor policy becomes no longer effective with respect to the Tower.

7. Escrow

A. Opening of Escrow

No later than five (5) business days after the TJPA Board of Directors approves this Agreement, the Parties shall open an escrow by depositing an executed counterpart of this Agreement with Escrow Agent. This Agreement, as supplemented by each party's escrow instructions to Escrow Agent, shall serve as instructions to Escrow Agent for consummation of the purchase and sale of the Easements contemplated hereby. The TJPA and Developer agree to execute such additional or supplementary instructions as may be appropriate to enable Escrow

Agent to comply with the terms of this Agreement and close the transaction; provided, however, that in the event of any conflict between the provisions of this Agreement and any additional supplementary instructions, the terms of this Agreement shall control.

B. Developer Closing Conditions

The following are conditions precedent to Developer's obligation to purchase the Easements at Closing (collectively, "**Developer Closing Conditions**"):

- i. the TJPA Board shall have authorized the TJPA Executive Director to execute this Agreement and the TJPA Executive Director shall have executed this Agreement;
- ii. Escrow Agent shall be prepared to record this Agreement at Closing;
- iii. Title Company shall be prepared to issue the Title Policy to Developer at Closing;
- iv. The Planning Department and OCII shall have granted all Regulatory Approvals required for the construction and use of the improvements associated with the Café Zone Easement and Landscape and Hardscape Maintenance Easement;
- v. The TJPA shall have provided Developer with evidence that Caltrans has relinquished its power of termination under the Cooperative Agreement;
- vi. all of the TJPA's representations and warranties in Section 13.A shall have been true and correct in all material respects when made and shall be true and correct in all material respects as of Closing; and
- vii. the entry of the McEnerney Judgment.

The Developer Closing Conditions are solely for the benefit of Developer.

If, on or before the Closing Date, any of the Developer Closing Conditions is not satisfied (for any reason other than Developer's fault), Developer shall have the right in its sole discretion either to waive in writing the Developer Closing Condition in question and proceed with the sale or, in the alternative, terminate this Agreement. If, by the Closing Date, Developer shall not have waived in writing any of the Developer Closing Conditions and the failure of the Developer Closing Condition is due to some affirmative act or negligent omission of the TJPA, then Developer shall have the right to terminate this Agreement by written notice to the TJPA, and the TJPA and Developer will have no further rights or obligations hereunder, except as otherwise provided herein.

Without limiting the other obligations of the TJPA regarding Closing as expressly provided in this Agreement, the TJPA and Developer shall cooperate in good faith to do all acts as may be reasonably required by each of them to cause the fulfillment of any Developer Closing Conditions, but without assuming any new liability not contemplated by this Agreement.

C. The TJPA's Closing Conditions

The following are conditions precedent to the TJPA's obligation to sell the Easements at Closing (collectively, "**TJPA Closing Conditions**," and together with the Developer Closing Conditions, "**Closing Conditions**"):

- i. Developer shall have delivered to the Escrow Agent the Purchase Price, the Attorneys' and Consultants' Fees, the Closing Costs (as defined in Section 8), and any other funds as are necessary to close escrow consistent with the terms of this Agreement;
- ii. Escrow Agent shall be prepared to record this Agreement at Closing;
- iii. all of Developer's representations and warranties in Section 13.B shall have been true and correct in all material respects when made and shall be true and correct in all material respects as of the Closing Date.

The TJPA Closing Conditions are solely for the benefit of the TJPA.

If, on or before the Closing Date, any of the TJPA Closing Conditions is not satisfied (for any reason other than the TJPA fault), the TJPA shall have the right in its sole discretion either to waive in writing the TJPA Closing Condition in question and proceed with the sale or, in the alternative, terminate this Agreement. If, on or before the Closing Date, the TJPA shall not have waived in writing any of the TJPA Closing Conditions, then the TJPA shall have the right to terminate this Agreement by written notice to Developer as set forth above, and the TJPA and Developer will have no further rights or obligations hereunder, except as otherwise provided herein.

Without limiting the other obligations of Developer regarding Closing as expressly provided in this Agreement, Developer and the TJPA shall cooperate in good faith to do all acts as may be reasonably required by each of them to cause the fulfillment of any of the TJPA Closing Conditions, but without assuming any new liability not contemplated by this Agreement.

D. Closing Date

The date on which the TJPA and Developer close on the sale of the Easements shall be the "**Closing Date**." Provided that all of the Closing Conditions have been satisfied to the reasonable satisfaction of the respective parties, the TJPA and Developer are obligated to close on the sale of the Easements under the terms and conditions of this Agreement on or before **August 1, 2018** ("**Outside Closing Date**"), unless the Parties, each in its sole and absolute discretion, have agreed in writing to an extension of the Closing Date and/or Outside Closing Date. Provided that the TJPA Closing Conditions have been satisfied to the reasonable satisfaction of the TJPA, Developer may elect to proceed with Closing prior to the Outside Closing Date. In the event Developer elects a Closing Date prior to the Outside Closing Date, then Developer shall provide the TJPA with written notice of such election, and the Closing shall occur no later than seven (7) days after Developer's written notice thereof. The Closing Date shall be the Effective Date (as defined in Section 19).

Not later than the business day immediately preceding the Closing Date, the Parties shall each deposit into Escrow all documents and items such party is obligated to deposit into Escrow in accordance with this Agreement.

8. Closing Costs

Developer shall bear all cost and responsibility for all title, escrow, and closing fees and costs, including, but not limited to, the cost of any transfer or other taxes, surveys, appraisals, environmental review, title policy premiums and endorsements, and escrow, document, and recording fees (collectively “**Closing Costs**”).

9. Coordination of Work

Without limiting any of the provisions of Section 2 above, Developer, the TJPA and OCII shall use reasonable efforts to enter into the Work Plan Agreement to coordinate with each other in connection with the construction and operation of the Tower, the Bus Ramp, and Under Ramp Park, such that the work on the improvements is consistent with applicable Regulatory Approvals. Developer shall design, construct, install, operate, use, inspect, maintain, replace, repair, alter, reconstruct, and obtain Regulatory Approvals for the Tower and Developer’s improvements in the Easement Areas at its sole cost and in a manner which will not interfere with the safe construction or operation of the Bus Ramp or Under Ramp Park. Without limiting the foregoing, Developer shall, prior to commencing construction of any improvements within the Café Zone and Landscape and Hardscape Maintenance Easements, obtain written approval from OCII for the design of any such improvements. The intent of the foregoing is to ensure that the designs for the Developer’s improvements coordinate with the design, functionally and aesthetically, for the adjacent Under Ramp Park.

10. Conditions of the Easements

A. Temporary Easements

i. Notice. Developer shall provide written notice to the TJPA at least fifteen (15) days before starting work in the Construction Access, Crane Overswing, Curtain Wall Installation, and Shoring Wall Easement Areas.

ii. No Entry Zones. Developer shall prevent persons from entering the area that extends five (5) feet in every direction from the three sides extending into Parcel G of the Construction Access, Crane Overswing, Curtain Wall Installation, and Shoring Wall Easement Areas (“**No Entry Zones**”). Developer shall clearly demarcate the No Entry Zones with stanchions, zipcords, and/or fencing and warning signs. If Developer uses the Construction Access, Crane Overswing, Curtain Wall Installation, and Shoring Wall Easements before dawn or after sunset, Developer shall provide adequate lighting so that the No Entry Zone is clearly visible. Security within the No Entry Zones shall be Developer’s responsibility.

B. Permanent Easements

The use of all Easement Areas shall be subject to the conditions of approval that the Planning Department and/or the OCII impose in their sole discretion as part of the Regulatory

Approvals for the use and design of the Easement Areas. Subject to those conditions, the Easement Areas may be used for the following purposes:

i. Window and Building Maintenance Easement. Developer shall provide written notice to the TJPA at least five (5) days before suspending a platform from the roof of the Tower for window washing, maintenance, or repairs under the Window and Building Maintenance Easement. At all times during use of the Window and Building Maintenance Easement, Developer shall prevent persons from entering an area on the surface of Parcel G directly below the platform that extends five (5) feet in every direction from the three sides of the platform extending into Parcel G (“**No Entry Zone**”). Developer shall clearly demarcate the No Entry Zone with stanchions, zipcords, and/or fencing and warning signs. Developer shall move the stanchions, zipcords, and/or fencing and warning signs as the platform moves laterally across the southeast façade of the Tower to maintain the No Entry Zone at all times in which Developer suspends a platform from the Tower. If Developer uses the Window and Building Maintenance Easement before dawn or after sunset, Developer shall provide adequate lighting so that the No Entry Zone is clearly visible. Developer shall follow all safety measures required by California law to avoid injury to persons or property from objects falling from the platform. Developer shall be prohibited from driving vehicles or walking on Parcel G except with the prior approval of TJPA. Developer shall conduct all window washing, maintenance, and repair of the Tower under the Window and Building Maintenance Easement from platforms suspended from the roof of the Tower. Security within the No Entry Zone shall be Developer’s responsibility.

ii. Architectural Facade Elements Easement. Developer shall, at its sole cost, construct and maintain the improvements within the Architectural Facade Elements Easement Area in good order and repair consistent with first class residential and hotel buildings in San Francisco.

iii. Landscape and Hardscape Maintenance Easement. Developer shall, at its sole cost, construct, install and maintain the improvements and vegetation within the Landscape and Hardscape Maintenance Easement Area in good order and repair consistent with first class landscape and hardscape areas in San Francisco. Developer’s maintenance obligation shall include removing all papers, debris, and refuse, thoroughly cleaning the area to the extent reasonably necessary to keep the area in an orderly condition; removing trash and litter from Parcel G emanating from the Landscape and Hardscape Maintenance Easement Area; keeping in a healthy state any plant material in the Landscape and Hardscape Maintenance Easement Area; and maintaining free and unobstructed access for the public, TJPA, and OCII between the Landscape and Hardscape Maintenance Easement Area and the adjoining portions of Parcel G. Developer’s obligation to maintain the Landscape and Hardscape Maintenance Easement Area shall continue for the lifetime of the Tower.

iv. Café Zone Easement. Developer shall, at its sole cost, construct and maintain the improvements within the Café Zone Easement Area in good order and repair consistent with first class outdoor dining areas in San Francisco. Developer’s maintenance obligation shall include removing all papers, debris, and refuse, thoroughly cleaning the area to the extent reasonably necessary to keep the area in an orderly condition; removing trash and litter from Parcel G emanating from the Cafe Zone Easement Area; keeping in a healthy state any plant material in the Café Zone Easement Area; and maintaining free and unobstructed access for

the public, TJPA, and OCII between the Café Zone Easement Area and the adjoining portions of Parcel G. Developer's obligation to maintain the Café Zone Easement Area shall continue for the lifetime of the Tower.

11. Defaults and Remedies

In the event of any breach or default of any Party of any term or provision of this Agreement which is not cured by the defaulting Party (i) within thirty (30) days after receipt of written notice thereof from the non-defaulting Party, or (ii) within three (3) days after such notice in the event of an immediate and serious danger to person or property (or, in all cases, within such additional period of time as is reasonably necessary in light of the nature of the breach or default and the acts which are necessary to cure such breach or default, provided that the defaulting Party commences the cure within the required cure period and thereafter diligently prosecutes such cure to completion), the non-defaulting Party shall have any and all rights and remedies available at law or in equity, including without limitation, the right to demand and have specific performance and the right to actual damages (subject to proof). Except as otherwise provided herein and subject to the limitations herein, the rights and remedies of the Parties under this Agreement shall be cumulative. The foregoing notwithstanding, neither Party shall be liable to the other Party for consequential or incidental damages.

12. Limitation of Liability

No individual director, officer, agent or employee of Developer or any of its members or Affiliates will be personally liable to the TJPA in an event of default by Developer or for any amount that may become due to the TJPA or on any obligations under the terms of this Agreement. No individual director, officer, official, agent or employee of the TJPA or its member agencies, including the City, will be personally liable to Developer in an event of default by the TJPA or for any amount that may become due to Developer or on any obligations under the terms of this Agreement.

13. Representations and Warranties

A. Representations and Warranties of TJPA

The TJPA represents and warrants to Developer, to the best of the TJPA's actual knowledge, as of the Effective Date and as of Closing as follows:

i. Authority. The TJPA is the legal and equitable owner of Parcel G, with full requisite power and authority to execute and deliver this Agreement and carry out and perform all of the terms and covenants of this Agreement. Persons signing this Agreement for the TJPA have all requisite power and legal authority to do so.

ii. Valid Execution. The execution and delivery of this Agreement by the TJPA has been duly and validly authorized by all necessary action. This Agreement is a legal, valid, and binding obligation of the TJPA. All documents executed by the TJPA and delivered to Developer at Closing are, or at Closing will be, duly authorized, executed and delivered by the TJPA and will be legal, valid, and binding obligations of the TJPA.

B. Representations and Warranties of Developer

Developer represents and warrants to the TJPA, to the best of Developer's actual knowledge, as of the Effective Date and as of Closing as follows:

i. Authority. Developer has all requisite power and authority to execute and deliver this Agreement and carry out and perform all of the terms and covenants of this Agreement. Persons signing this Agreement for the Developer have all requisite power and legal authority to do so.

ii. Valid Existence; Good Standing. Developer is duly organized and validly existing under the laws of the state under which it was formed, and has made all filings and is in good standing in the jurisdiction of the State of California to the extent required by applicable law.

iii. No Limitation on Ability to Perform. There is no operating agreement, organization document, or any other agreement or law that in any way prohibits, limits, or otherwise affects the right or power of Developer to enter into and perform all of the terms and covenants of this Agreement. Neither Developer nor any member of Developer is a party to or bound by any contract, agreement, indenture, trust agreement, note, obligation or other instrument that could prohibit, limit, or otherwise affect the same. No consent, authorization or approval of, or other action by, and no notice to or filing with, any governmental authority, regulatory body or any other person or entity is required for the due execution, delivery and performance by Developer of this Agreement or any of the terms and covenants contained in this Agreement. There are no pending or threatened suits or proceedings or undischarged judgments affecting Developer or any member of Developer before any court, governmental agency, or arbitrator which might materially adversely affect the enforceability of this Agreement, the ability of Developer to perform the transactions contemplated by this Agreement, or the business, operations, assets or condition of Developer or any member of Developer.

iv. Valid Execution. The execution and delivery of this Agreement by Developer has been duly and validly authorized by all necessary action. This Agreement is a legal, valid, and binding obligation of Developer. All documents executed by Developer and delivered to the TJPA at Closing are, or at Closing will be, duly authorized, executed and delivered by Developer and will be legal, valid, and binding obligations of Developer.

v. Defaults. The execution, delivery, and performance of this Agreement (i) do not and will not violate or result in a violation of, contravene or conflict with, or constitute a default under (A) any agreement, document or instrument to which Developer or any shareholder of Developer is a party or by which Developer or a member of Developer may be bound or affected, (B) any law, statute, ordinance, regulation, or (C) the certificate of incorporation or bylaws of Developer, and (ii) do not and will not result in the creation or imposition of any lien or other encumbrance upon the assets of Developer or any shareholder of Developer.

vi. Meeting Financial Obligations; Material Adverse Change. Developer and any member of Developer are meeting their respective current liabilities as they mature; no

federal or state tax liens have been filed against any of them; and neither Developer nor any member of Developer is in default or claimed default under any agreement for borrowed money. Developer shall, within three (3) business days, notify the TJPA of any material adverse change in the financial condition of Developer or any member of Developer that would prevent performance of Developer's obligations under this Agreement.

vii. Conflicts of Interest. Developer is familiar with and does not know of any facts that constitute a violation of Sections 87100 *et seq.* of the California Government Code, which provides that no member, official or employee of the TJPA, may have any personal interest, direct or indirect, in this Agreement nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects her or his personal interest or the interests of any corporation, partnership, or association in which she or he is interested directly or indirectly.

viii. Skill and Capacity. Developer has the skill, resources, and financial capacity to use the Easements consistent with this Agreement. Developer shall employ or contract with such persons as may be necessary or appropriate to enable Developer to perform its obligations under this Agreement in a timely manner.

ix. Not Prohibited from Doing Business. Neither Developer nor any shareholder of Developer have been debarred or otherwise prohibited from doing business with any local, state or federal governmental agency to the extent such debarment or prohibition would prevent Developer from performing its obligations under this Agreement in a timely manner.

x. Business Licenses. Developer has obtained all licenses required to conduct its business in San Francisco and is not in default of any fees or taxes due to the City.

xi. No Claims. As of the Effective Date, Developer does not have any claim against the TJPA, the Member Agencies, or the State.

C. Continued Accuracy

If at any time prior to Closing any event or circumstance occurs that would render inaccurate or misleading in any material respect any of the foregoing representations or warranties, the party making the representation shall immediately notify the other party thereof.

14. Assignment; Effect of Transfer

Anything else in this Agreement to the contrary notwithstanding, a Party may freely transfer direct or indirect interests in the Properties or any portion thereof, without the necessity of any consent by the other Party. A Party transferring all or a portion of a Property shall notify the other Party of the transfer. In the event a Party transfers or otherwise conveys all or any portion of its interest in a Property (including, without limitation, a transfer or conveyance to the Master Association and/or the Hotel Unit Owner), the Party shall, as to the other Party, thereupon be released and discharged from any and all obligations in connection with such Property (or the portion thereof transferred or conveyed) arising under this Agreement with respect to the period after the date of such transfer or conveyance, but shall remain liable for all

obligations arising under this Agreement with respect to the period prior to such transfer or conveyance; and the transferee of such Property (including, without limitation, any transferee who acquires its interest by foreclosure, trustee's sale or otherwise, regardless of the terms of any promissory note, mortgage, or deed of trust agreement between the Party and any lender or trustee of a lender) shall assume all rights and obligations with respect to such Property (or the portion thereof transferred or conveyed) under this Agreement with respect to the period of ownership by such transferee, including any ongoing breach that continues following the date of transfer, subject to the limitations of liability and other provisions of this Agreement.

15. Force Majeure

If any Party is delayed or hindered in or prevented from the performance of any act required hereunder because of any event of Force Majeure, performance of such act shall be excused for the period of the Force Majeure event, and the period for the performance of such act shall be extended for an equivalent period. The maximum extension for an event or circumstance of Force Majeure shall be one (1) year.

16. Running with the Land

It is the intent of the Parties that each and all of the easements, rights, obligations, covenants, conditions and restrictions set forth in this Agreement touch and concern and shall affect, relate to, and run with the land that comprises 555 Howard and Parcel G and every portion thereof, and shall apply to and bind the respective successor Owners of 555 Howard and Parcel G and every portion thereof, for the benefit of 555 Howard and Parcel G and every portion thereof. The Easements are imposed on Parcel G as an equitable servitude in favor of 555 Howard and constitute a covenant running with the land pursuant to applicable law. The rights of the TJPA and the obligations of Developer under this Agreement are an equitable servitude burdening 555 Howard in favor of Parcel G and constitute a covenant running with the land pursuant to applicable law. Developer shall ensure that (i) any condominium map and the covenants, conditions & restrictions for 555 Howard recognize and are subject to this Agreement, (ii) all rights and obligations of Developer under this Agreement, including its interest in some or all of the Easements, may be assigned and delegated, in whole or in part, to the Hotel Unit Owner and/or Master Association, or other person or entity that governs, directs, or controls the operations, maintenance, repairs, alterations, or demolition of the Tower, and the performance of any such delegated obligations shall be accepted as performance by Developer, and (iii) individual Condominium Owners (other than the Hotel Unit Owner, as applicable) shall have no rights or obligations under this Agreement and no interest in the Easements.

17. Notices

A. Addresses for Notices. A notice or communication under this Agreement by either Party to the other shall be sufficiently given or delivered if personally delivered or dispatched by registered or certified mail, postage prepaid, return receipt requested or reputable overnight courier service and addressed as follows:

To the TJPA. In the case of a notice or communication to the TJPA:

Transbay Joint Powers Authority
201 Mission Street, Suite 2100
San Francisco, CA 94105
Attn: Executive Director Mark Zabaneh
Telephone: (415) 597-4620

With a copy to:

Shute, Mihaly & Weinberger LLP
396 Hayes Street
San Francisco, CA 94102
Attn: Andrew W. Schwartz
Telephone: (415) 552-7272

To Developer. And in the case of a notice or communication sent to Developer:

Pacific Howard Corporation
201 California Street, Suite 500
San Francisco, CA 94111
Attn: Hans Galland, SVP
Telephone: (415) 780-7300

With a copy to:

Farella Braun + Martel LLP
235 Montgomery Street, 17th Floor
San Francisco, CA 94104
Attn: Charles J. Higley
Telephone: (415) 954-4942

Shartsis Friese LLP
One Maritime Plaza
Eighteenth Floor
San Francisco, CA 94111
Attn: Craig Etlin
Telephone: (415) 421-6500

B. Contents of Notice. Every notice given to a Party hereto, under the terms of this Agreement, must state (or must be accompanied by a cover letter that states) substantially the following:

i. the Section of this Agreement under which the notice is given and the action or response required, if any;

ii. if applicable, the period of time within which the recipient of the notice must respond thereto.

C. Change of Address. Any mailing address may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days before the effective date of the change.

D. Effective Date of Notices. All notices under this Agreement shall be deemed given, received, made, or communicated on the date the notice is actually delivered to the office of the person to whom it is addressed or, if mailed or sent by overnight courier, on the delivery date or attempted delivery date shown on the return receipt. The effective time of a notice shall not be affected by the receipt, before receipt of the original, of a copy of the notice.

18. Estoppel Certificates

Each Party, within ten (10) business days after written request of any other Party, shall issue to such other Party an estoppel certificate stating: (i) whether the Party to whom the request has been directed knows of any default under this Agreement, and if there are known defaults, specifying the nature thereof; (ii) whether, to the knowledge of the Party to whom the request has been directed, this Agreement has been modified or amended in any way, and if it has been so modified or amended, stating the nature of such modification or amendment; and (iii) whether to the knowledge of the Party to whom the request has been directed, this Agreement is in full force and effect as of the date of the estoppel certificate.

19. Effective Date

The Easements under this Agreement shall become effective and binding upon the Parties, each of the Properties, and the Owners of all or any portion of each of the Properties and their respective successors, assigns and successors-in-interest to all or any portion of each of the Properties (which, for the avoidance of doubt, shall not include the Condominium Owners with the exception of the Hotel Unit Owner) upon the execution and acknowledgement of this Agreement by both Parties and the recordation of this Agreement in the Official Records of the City and County of San Francisco at the Closing under Section 7.D (“**Effective Date**”). This Agreement shall be recorded at the Closing.

20. Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction or under, any circumstance shall as to such jurisdiction or circumstance be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction or under any other circumstances.

21. Non-Waiver

Any waiver under this Agreement must be in writing and signed by the waiving party. No waiver of any breach of this Agreement shall be held to be a waiver of any other prior or subsequent breach.

22. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of California. The TJPA and Developer agree that all actions or proceedings arising directly or indirectly under this Agreement shall be litigated in courts located within the County of San Francisco, State of California, and Developer and the TJPA agree that any service of process in such action or proceeding may be made by personal service upon the other wherever the other may then be located, or by certified or registered mail directed to the Party at the address set forth in this Agreement.

23. Attorneys' Fees

If either Party fails to perform any of its respective obligations under this Agreement or if any dispute arises between the Parties concerning the meaning or interpretation of any provision of this Agreement, then the defaulting Party or the Party not prevailing in such dispute, as the case may be, shall pay any and all reasonable costs and expenses incurred by the other Party on account of such default or in enforcing or establishing its rights under this Agreement, including court costs and reasonable attorneys' fees and costs. Any such attorneys' fees and costs incurred by either Party in enforcing a judgment in its favor under this Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees and costs obligation is not to be merged into any such judgment. For purposes of this Agreement, the reasonable fees of attorneys for the TJPA shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the TJPA's attorneys' services were rendered who practice in the City of San Francisco, notwithstanding the TJPA's use of its own attorneys or the City Attorney.

24. No Third Party Beneficiaries or Duties

This Agreement is for the exclusive benefit of the Parties and not for the benefit of any other Person (including any member of the public) and shall not be deemed to have conferred any rights, express or implied, upon any other Person. Nothing in this Agreement shall be deemed or constructed to create any duty or liability to any third party or to describe any standard of care owed to any third party.

25. Amendments

A. This Agreement may be amended, extended, supplemented, changed, or revoked only by the written agreement of all Parties hereto, which amendment, extension, supplement change, or revocation shall be effective and binding upon the whole of the Properties upon the recordation of same in the Official Records of the City and County of San Francisco.

B. Without limiting the foregoing, if Developer requests an extension to any of the durations or areas set forth with respect to the Temporary Easements granted under Section 2.F, G, H, and I, subject to the limitations set forth in this subsection, the TJPA Executive Director and OCII may grant such request in their sole discretion. The TJPA and OCII's grant of the extension shall not be unreasonably withheld, delayed, or conditioned, provided that (i) Developer pays the TJPA consideration in an amount that is pro-rata relative to the

corresponding temporary easement's purchase price and (and methodology, if applicable) established in the Carneghi+ Partners Appraisal for 555 Howard Street dated December, 2017; and (ii) the extension does not materially interfere with OCII's ability to prosecute its construction of those portions of Under Ramp Park that are outside the Easement Areas. With respect to the Shoring Wall Easement, (i) Developer shall not be required to pay additional consideration for minor enlargements to the Easement Area, and (ii) the pro rata amount for any extension of the duration of the Easement shall be based on the parties' agreed upon price of \$333,000; provided, however, that Developer shall not be required to pay additional consideration for an extension of the duration to the extent the area covered by the Shoring Wall Easement is within another pending Easement Area such that the TJPA would not have access to the Shoring Wall Easement Area during the period of any such extension.

26. Entire Agreement

This Agreement (including the Exhibits) contain the entire agreement between the Parties with respect to the subject matter of this Agreement and may not be contradicted by evidence of any prior or contemporaneous oral or written agreements or understandings. Any prior correspondence, memoranda, agreements, warranties or representations relating to such subject matter are superseded in total by this Agreement. No prior drafts of this Agreement or changes from those drafts to the executed version of this Agreement, shall be introduced as evidence in any litigation or other dispute resolution proceeding by either Party or any other person and no court or other body shall consider those drafts in interpreting this Agreement.

27. Interpretation of Agreement

A. Exhibits. Whenever an “**Exhibit**” is referenced, it means an attachment to this Agreement unless otherwise specifically identified. All such Exhibits are incorporated herein by reference. In the event of any conflict or inconsistency between the exhibits and any of the provisions of this Agreement, the provisions of this Agreement shall prevail.

B. Captions. Whenever a section, article or paragraph is referenced, it refers to this Agreement unless otherwise specifically identified. The captions preceding the articles and sections of this Agreement have been inserted for convenience of reference only. Such captions shall not define or limit the scope or intent of any provision of this Agreement.

C. Words of Inclusion. The use of the term “including,” “such as” or words of similar import when following any general term, statement or matter shall not be construed to limit such term, statement or matter to the specific items or matters, whether or not language of non-limitation is used. Rather, such terms shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter.

D. References. Wherever reference is made to any provision, term or matter “in this Agreement,” “herein” or “hereof” or words of similar import, the reference shall be deemed to refer to any and all provisions of this Agreement reasonably related thereto in the context of such reference, unless such reference refers solely to a specific numbered or lettered Section or paragraph of this Agreement or any specific subdivision thereof.

E. Recitals. In the event of any conflict or inconsistency between the recitals and any of the remaining provisions of this Agreement, the remaining provisions of this Agreement shall prevail.

F. No Presumption against Drafter. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein. In addition, each Party has been represented by experienced and knowledgeable legal counsel. Accordingly, any rule of law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Agreement against the Party that has drafted it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the purposes of the parties and this Agreement.

28. Relationship of the Parties

The subject of this Agreement is a private development with neither Party acting as the agent of the other Party in any respect. None of the provisions in this Agreement shall be deemed to render the TJPA a partner in Developer's business, or joint venturer or member in any joint enterprise with Developer.

29. Compliance with Laws

Developer and its respective agents and representatives shall conduct all activities within the Easement Areas in a safe, prudent, and professional manner in accordance with commercial reasonable construction and maintenance practices. Developer its respective agents and representatives shall, with respect to any work within the Easement Areas, promptly comply with (a) all laws, statutes, ordinances, codes, rules, regulations, requirements, or orders or municipal, state, and federal authorities now in force or that may later be in force, including, but not limited to, Environmental Laws (as defined below) and those relating to the generation, use, storage, handling, treatment, transportation, or disposal of Hazardous Materials (as defined below); (b) the condition of any permit, occupancy certificate, license, or other approval issued by public officers; and (c) with any liens, encumbrances, easements, covenants, conditions, restrictions, and servitudes (if any) of record, or of which Developer has notice.

“Environmental Laws” means all federal, state, and local laws, regulations, and ordinances governing hazardous waste, wastewater discharges, drinking water, air emissions, Hazardous Material Environmental Release or reporting requirements, Hazardous Material use or storage, and employee or community right-to-know requirements related to the work being performed under this Agreement.

“Hazardous Materials” shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a “hazardous substance,” or “pollutant” or “contaminant” pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“CERCLA,” also commonly known as the “Superfund” law), as amended, (42 U.S.C. Section 9601 et seq.) or pursuant to Section 25281 of the California Health & Safety Code; any “hazardous waste” listed pursuant to

Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of improvements or are naturally occurring substances on or about real property; petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids; and “source,” “special nuclear” and “by-product” material as defined in the Atomic Energy Act of 1985, 42 U.S.C. Section 3011 et seq.

30. Conflicts of Interest

Through its execution of this Agreement, Developer acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of the City’s Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provision, and agrees that if Developer becomes aware of any such fact during the term of this Agreement, Developer shall promptly notify the TJPA.

31. Notification of Limitations on Contributions

Through its execution of this Agreement, Developer acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City or the TJPA for the selling or leasing of any land or building to or from the City or the TJPA, whenever such transaction would require approval by a board on which a City elective officer or member of the TJPA Board sits, from making any campaign contribution to the City elective officer or a member of the TJPA Board at any time from the commencement of negotiations for such contract until either (i) the termination of negotiations for such contract, or (ii) three (3) months has elapsed from the date the contract is approved by the City or the TJPA. San Francisco Ethics Commission Regulation 1.126-1 provides that negotiations are commenced when a prospective contractor first communicates with a City elective officer or a member of the TJPA Board about the possibility of obtaining a specific contract. This communication may occur in person, by telephone or in writing, and may be initiated by the prospective contractor or a City elective officer or a TJPA Board member. Negotiations are completed when a contract is finalized and signed by the City or the TJPA (or both) and the contractor. Negotiations are terminated when City or the TJPA or the prospective contractor end the negotiation process before a final decision is made to award the contract.

32. Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but any number of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Agreement has been executed by Developer and the TJPA as of the day and year first above written.

DEVELOPER:

By: Hans Galland
Name: Hans Galland
Its: Senior Vice President

TJPA:

By: _____

Name: Mark Zabaneh

Its: Executive Director

APPROVED AS TO FORM:

By: _____
Counsel for the TJPA

Chicago Title Insurance Company agrees to act as Escrow Agent in accordance with the terms of this Agreement and to act as the “reporting person” for the transaction pursuant to Section 6045(e) of the Federal Tax Code and the regulations promulgated thereunder. Chicago Title Insurance Company’s failure to execute below shall not invalidate this Agreement between the TJPA and Buyer.

ESCROW AGENT:

CHICAGO TITLE INSURANCE COMPANY

By: _____

Its: _____

Date: _____

EASEMENT AGREEMENT

LIST OF EXHIBITS

<u>Exhibit A</u>	Parcel Map Parcel G
<u>Exhibits B-1 – B-10</u>	Description of Easement Areas
<u>Exhibit C</u>	Preliminary Title Report for Parcel G
<u>Exhibit D</u>	Quitclaim Deed

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of _____)

County of _____)

On _____, 2018, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of _____)

County of _____)

On _____, 2018, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A

PARCEL MAP Parcel G

[see attached]

EXHIBIT A

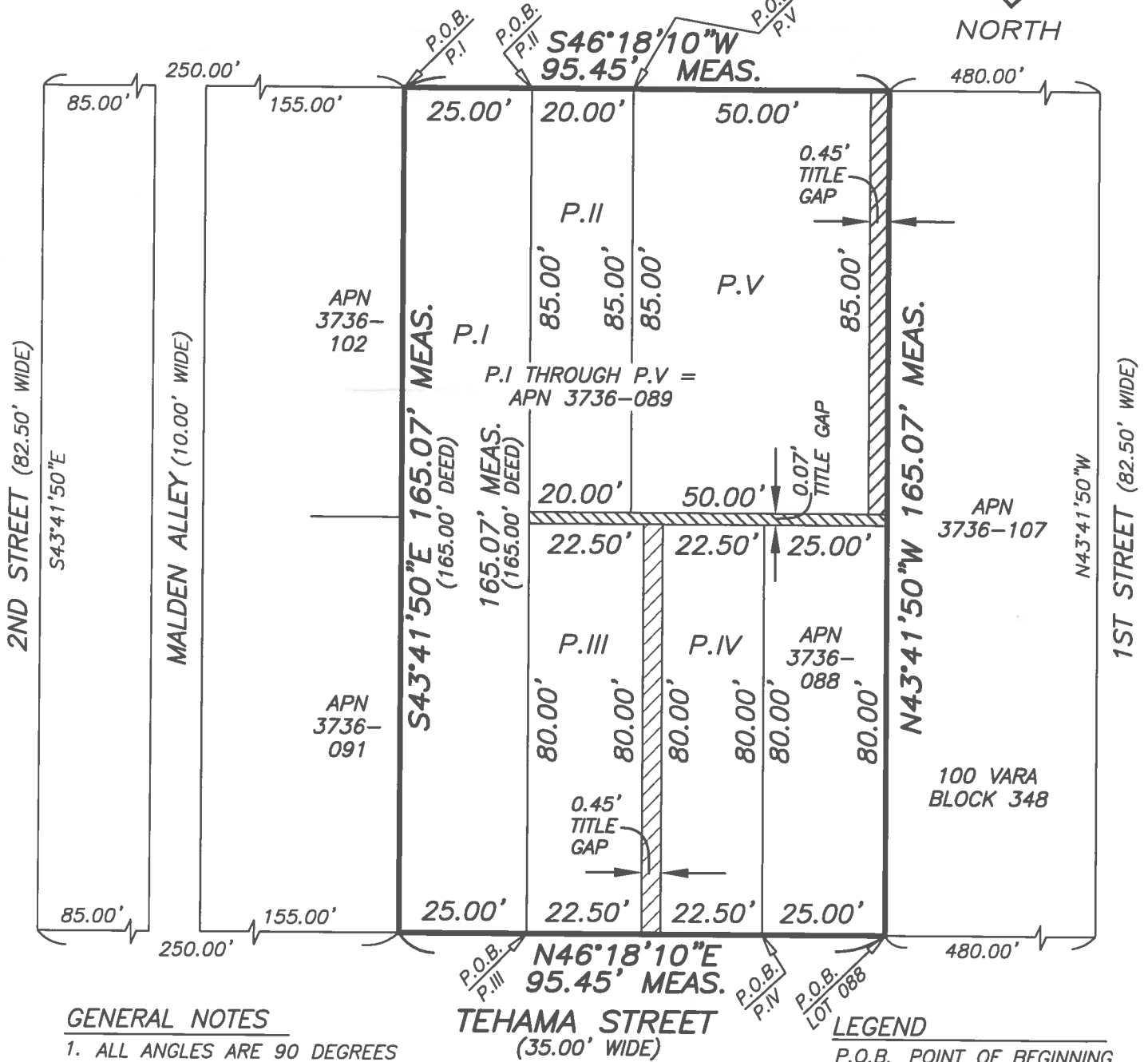
TJPA PARCEL G

(APN 3736-088 & APN 3736-089)

HOWARD STREET (82.50' WIDE)
BLOCK DISTANCE: 825.45' MEAS.



NORTH



GENERAL NOTES

1. ALL ANGLES ARE 90 DEGREES UNLESS NOTED OTHERWISE.
2. DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.

LEGEND

- P.O.B. POINT OF BEGINNING
- P. PARCEL
- MEAS. MEASURED
- APN ASSESSOR'S PARCEL NUMBER

BOUNDARY PLAT

ASSESSORS BLOCK 3736
SAN FRANCISCO, CALIFORNIA

BY JP CHKD. BR DATE 1-29-18 SCALE 1"=30'± SHEET 1 OF 1 JOB NO. S-8849

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

859 HARRISON STREET
SAN FRANCISCO, CA. 94107
(415) 543-4500
S-8849-BNDY PLAT_LOTS 88-89.dwg

EXHIBITS B-1 – B-10

DESCRIPTION OF EASEMENT AREAS

[see attached]

Facade 1.A

Protrusion
 1 00 Feet
 4 00 Inches
 1 33 Feet Total

Linear Distance
 74 00 Feet
 0 00 Inches
 74 00 Feet Total

Area 98 42 Square Feet

Facade 1.B

Protrusion
 1 00 Feet
 4 00 Inches
 1 33 Feet Total

Linear Distance
 47 00 Feet
 1 00 Inches
 47 08 Feet Total

Area 62 62 Square Feet

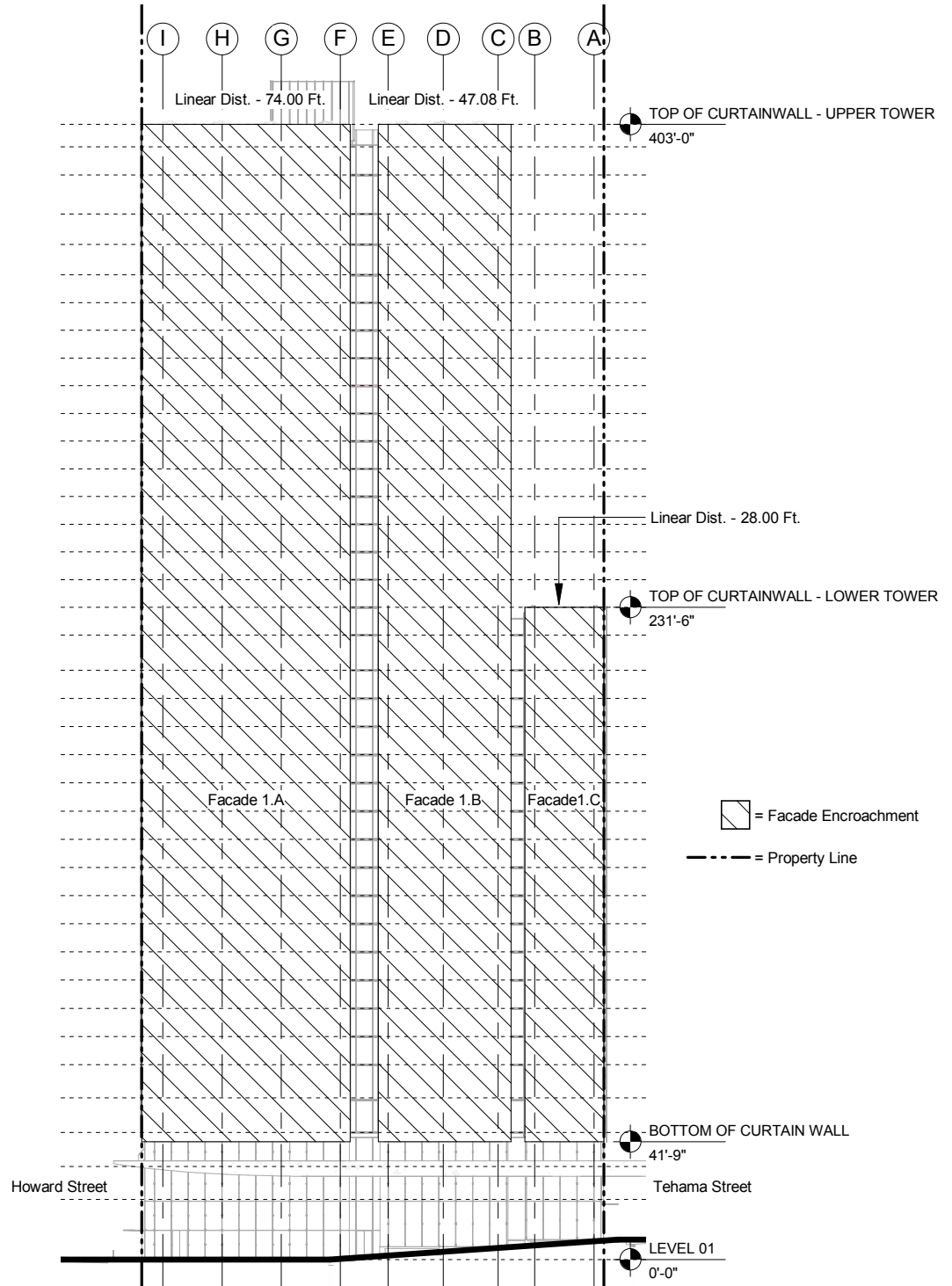
Facade 1.C

Protrusion
 1 00 Feet
 4 00 Inches
 1 33 Feet Total

Linear Distance
 28 00 Feet
 0 00 Inches
 28 00 Feet Total

Area 37 24 Square Feet

Total Area 198 28 Square Feet



Protrusion

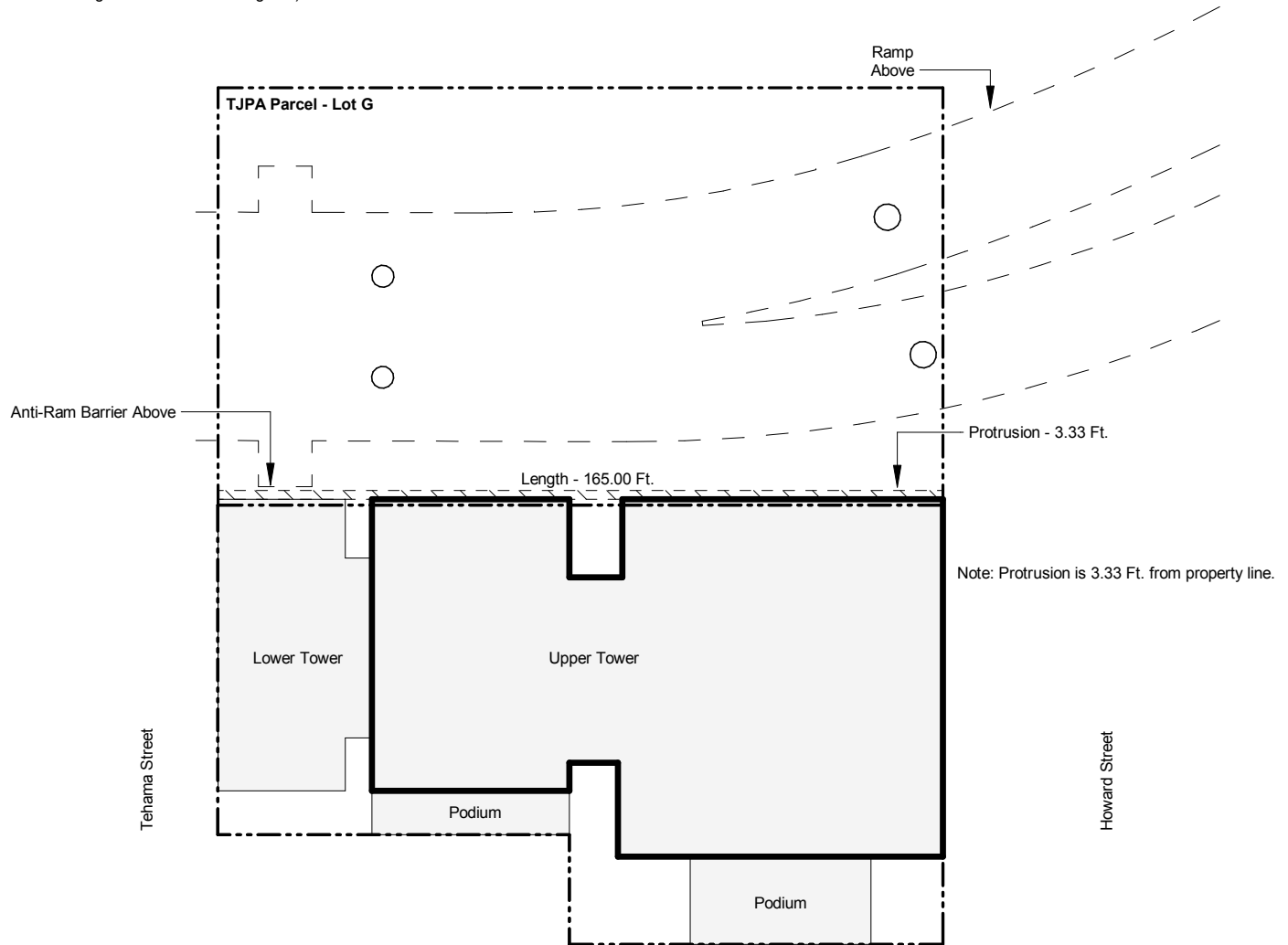
3 00 Feet
<u>4 00 Inches</u>
3 33 Feet Total

Length

165 00 Feet
<u>0 00 Inches</u>
165 00 Feet Total

Area	550 00 Square Feet
------	--------------------

(Easement extends from grade to 403'-0" above grade)



= Area Encroached

= Property Line

Protrusion

6 00 Feet
4 00 Inches

6 33 Feet Total

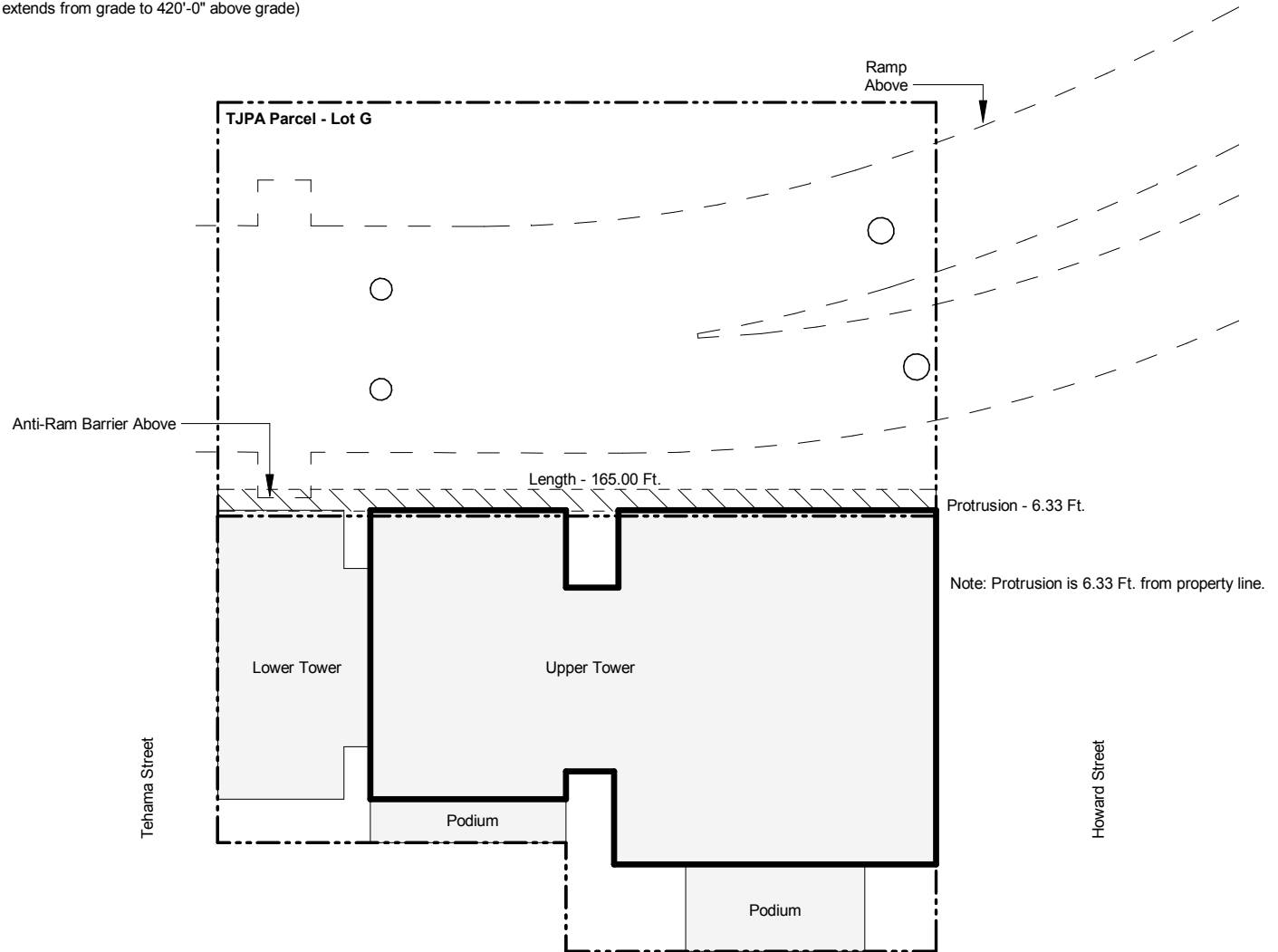
Length

165 00 Feet
00 00 Inches

165 00 Feet Total

Area 1045 00 Square Feet

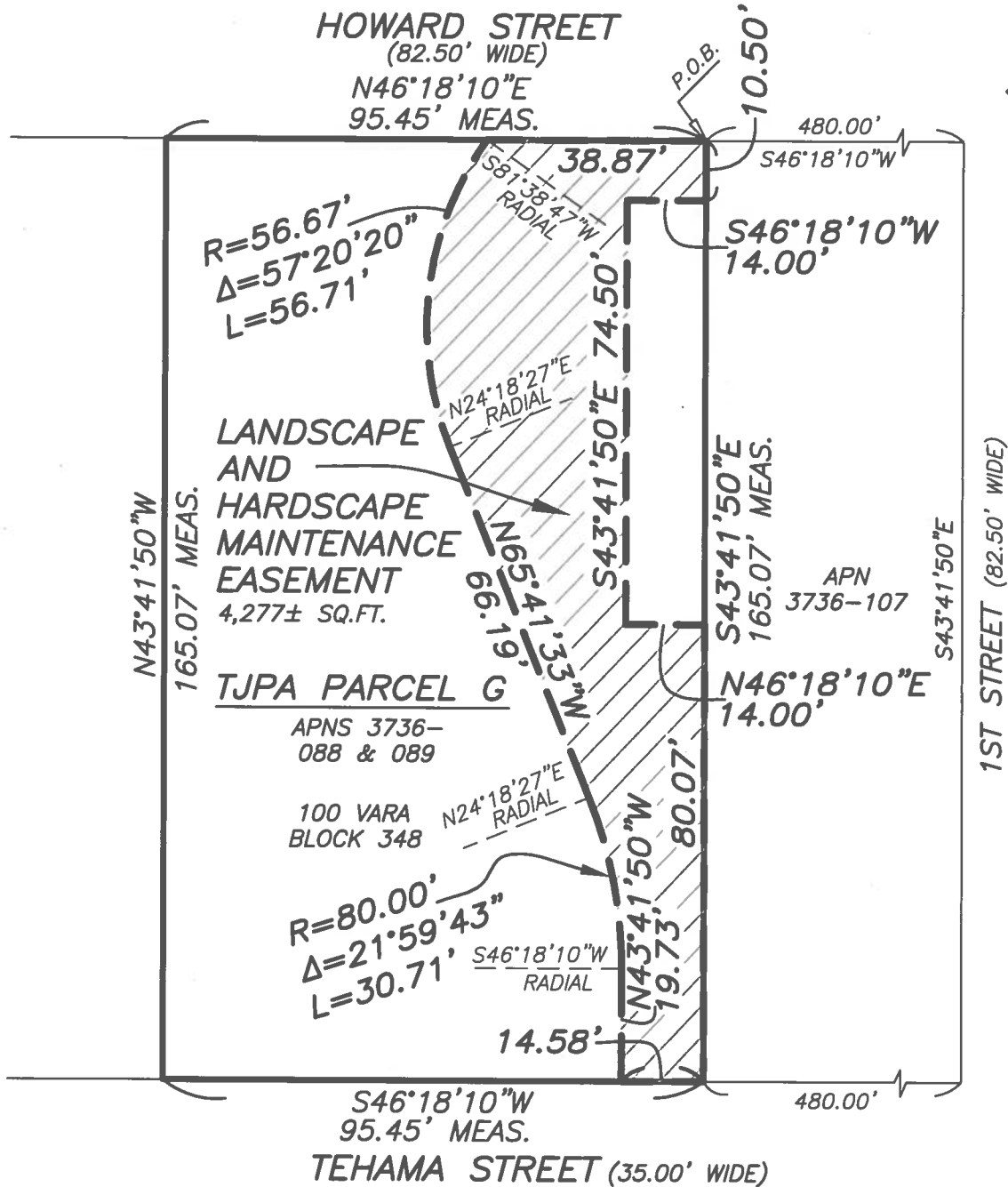
(Easement extends from grade to 420'-0" above grade)



= Area Encroached

= Property Line

EXHIBIT B-4



NOTE

DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.

LEGEND

P.O.B. POINT OF BEGINNING
 MEAS. MEASURED
 APN ASSESSOR'S PARCEL NUMBER

LANDSCAPE AND HARDSCAPE MAINTENANCE EASEMENT

ASSESSORS BLOCK 3736
 SAN FRANCISCO, CALIFORNIA

BY JP CHKD. BR DATE 1-29-18 SCALE 1"=30'± SHEET 1 OF 1 JOB NO. S-8849

MARTIN M. RON ASSOCIATES, INC.
 LAND SURVEYORS

859 HARRISON STREET
 SAN FRANCISCO, CA. 94107
 (415) 543-4500
 S-8849-ESMT PLATS_LOTS 88-89.dwg

LEGAL DESCRIPTION

"LANDSCAPE AND HARDSCAPE MAINTENANCE EASEMENT"

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

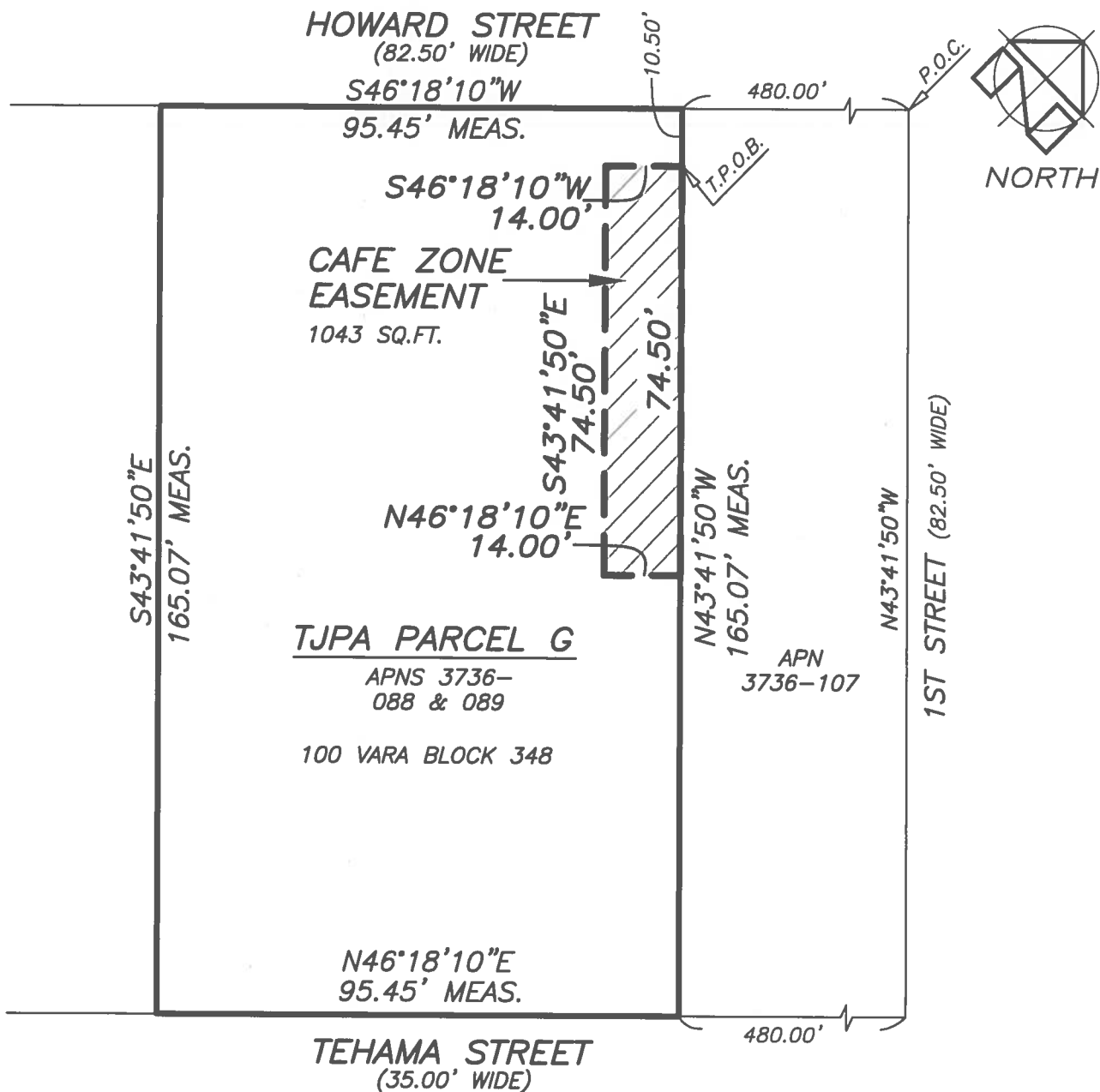
BEGINNING AT A POINT ON THE SOUTHEASTERLY LINE OF HOWARD STREET (82.50 FEET WIDE), DISTANT THEREON S46°18'10"W 480.00 FEET FROM THE SOUTHWESTERLY LINE OF 1st STREET (82.50 FEET WIDE); THENCE S43°41'50"E 10.50 FEET; THENCE S46°18'10"W 14.00 FEET; THENCE S43°41'50"E 74.50 FEET; THENCE N46°18'10"E 14.00 FEET; THENCE S43°41'50"E 80.07 FEET TO THE NORTHWESTERLY LINE OF TEHAMA STREET (35.00 FEET WIDE); THENCE ALONG SAID LINE OF TEHAMA STREET S46°18'10"W 14.58 FEET; THENCE N43°41'50"W 19.73 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHWEST WHOSE RADIUS POINT BEARS S46°18'10"W 80.00 FEET; THENCE ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 21°59'43", AN ARC LENGTH OF 30.71 FEET; THENCE N65°41'33"W 66.19 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHEAST WHOSE RADIUS POINT BEARS N24°18'27"E 56.67 FEET; THENCE ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 57°20'20", AN ARC LENGTH OF 56.71 FEET TO SAID SOUTHEASTERLY LINE OF HOWARD STREET; THENCE ALONG SAID LINE OF HOWARD STREET N46°18'10"E 38.87 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK 348

BASIS OF BEARINGS: THE SAN FRANCISCO CITY MONUMENT LINE LOCATED IN HOWARD STREET BETWEEN MONUMENT LINES IN 1st AND 2nd STREETS IS TAKEN AS N46°18'10"E AS SHOWN ON RECORD OF SURVEY NO. 6428, FILED ON MAY 31, 2012, IN BOOK EE OF SURVEY MAPS, AT PAGES 19-27, OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO.



EXHIBIT B-5



NOTE

DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.

LEGEND

P.O.C. POINT OF COMMENCEMENT
T.P.O.B. TRUE POINT OF BEGINNING
MEAS. MEASURED
APN ASSESSOR'S PARCEL NUMBER

CAFE ZONE EASEMENT

ASSESSORS BLOCK 3736
SAN FRANCISCO, CALIFORNIA

BY JP CHKD. BR DATE 1-29-18 SCALE 1"=30'± SHEET 1 OF 1 JOB NO. S-8849

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

859 HARRISON STREET
SAN FRANCISCO, CA. 94107
(415) 543-4500
S-8849-ESMT PLATS_LOTS 88-89.dwg

S-8849
1-29-18

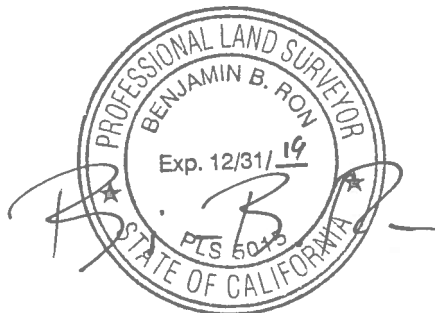
LEGAL DESCRIPTION
"CAFE ZONE EASEMENT"

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE SOUTHEASTERLY LINE OF HOWARD STREET (82.50 FEET WIDE), DISTANT THEREON S46°18'10"W 480.00 FEET FROM THE SOUTHWESTERLY LINE OF 1st STREET (82.50 FEET WIDE); THENCE S43°41'50"E 10.50 FEET TO THE TRUE POINT OF BEGINNING; THENCE S46°18'10"W 14.00 FEET; THENCE S43°41'50"E 74.50 FEET; THENCE N46°18'10"E 14.00 FEET; THENCE N43°41'50"W 74.50 FEET TO THE TRUE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK 348

BASIS OF BEARINGS: THE SAN FRANCISCO CITY MONUMENT LINE LOCATED IN HOWARD STREET BETWEEN MONUMENT LINES IN 1st AND 2nd STREETS IS TAKEN AS N46°18'10"E AS SHOWN ON RECORD OF SURVEY NO. 6428, FILED ON MAY 31, 2012, IN BOOK EE OF SURVEY MAPS, AT PAGES 19-27, OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO.

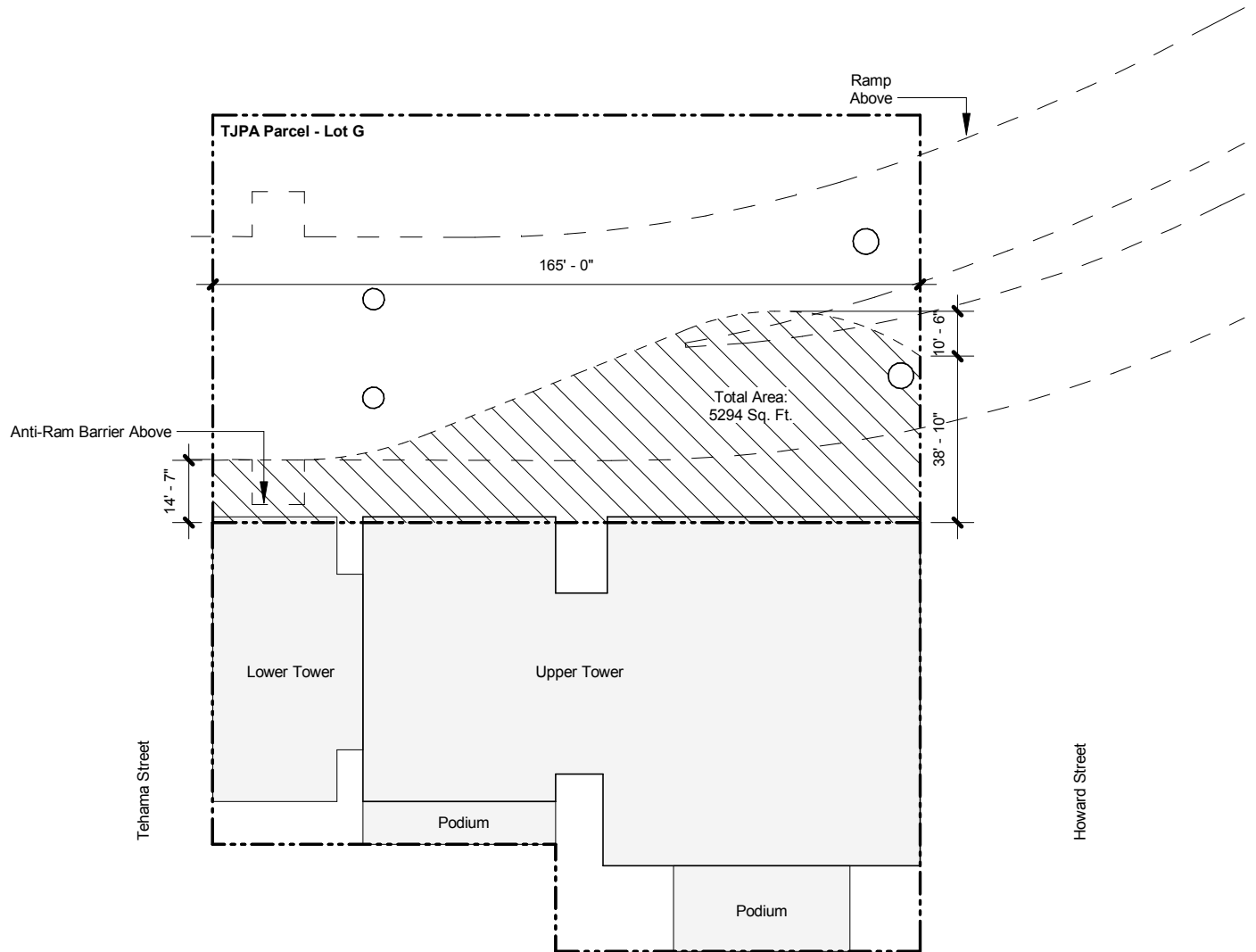


Total Area

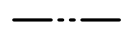
5294 Square Feet

Total Area 5294 Square Feet

(Easement extends from grade to 20'-0" above grade)



 = Area Encroached

 = Property Line

Luffing Crane Overswing

Exhibit B-7

Protrusion

14 00 Feet
 6 00 Inches

 14 50 Feet Total

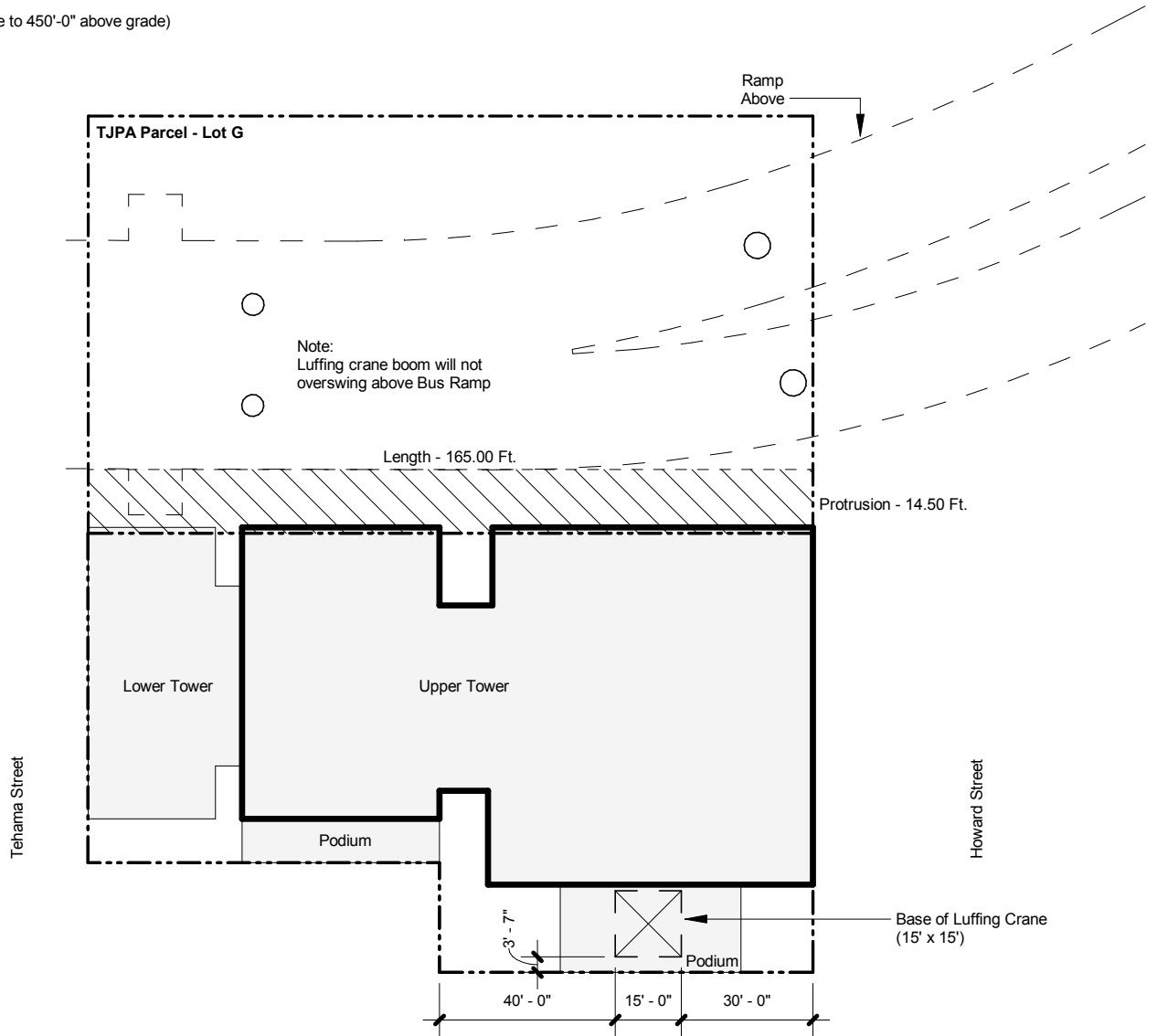
Length

165 00 Feet
 0 00 Inches

 165 00 Feet Total

Area 2392 50 Square Feet

(Easement extends from grade to 450'-0" above grade)



Curtainwall Installation

Exhibit B-8

Protrusion

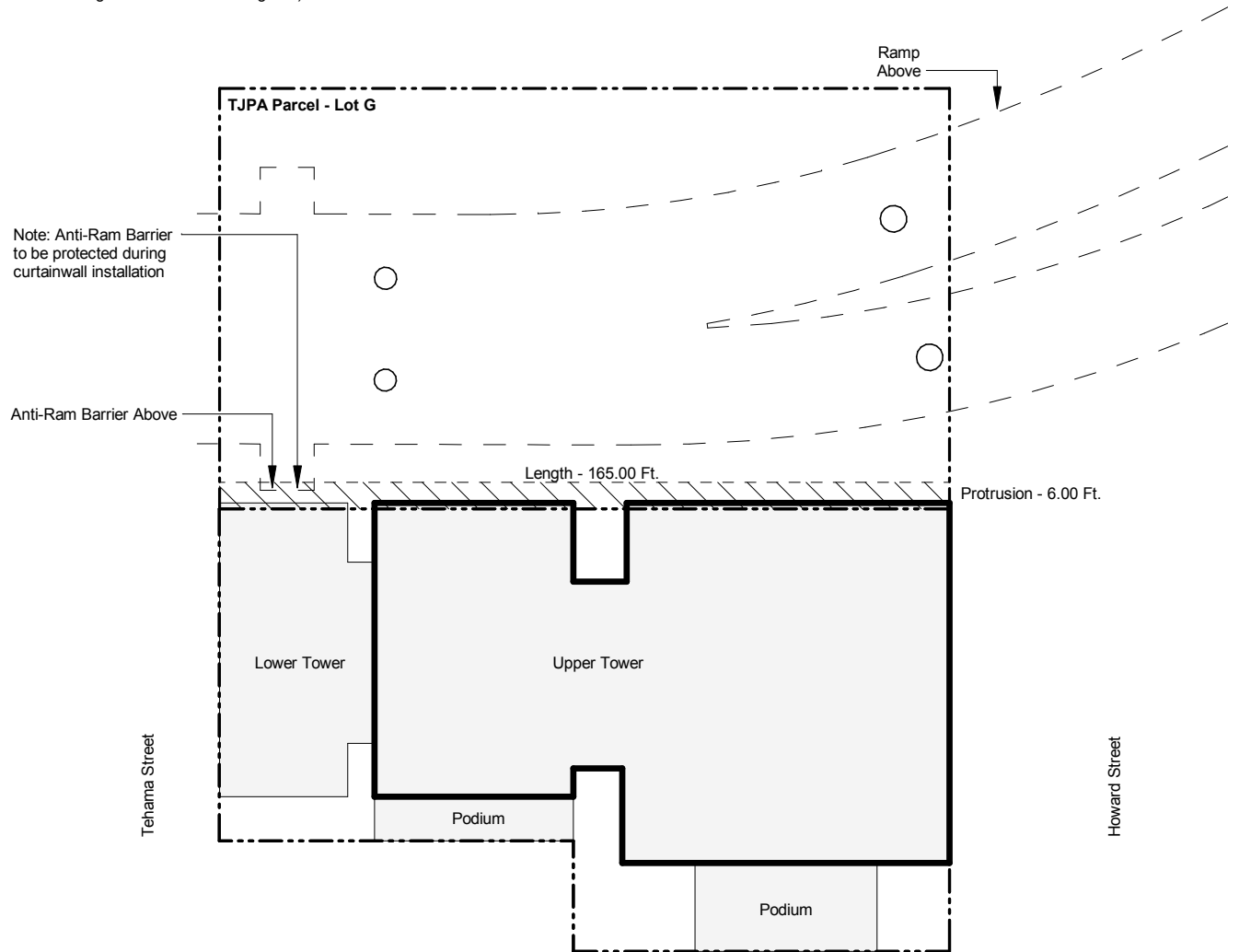
6 00 Feet
0 00 Inches
6 00 Feet Total

Length

165 00 Feet
0 00 Inches
165 00 Feet Total

Area 990 00 Square Feet

(Easement extends from grade to 420'-0" above grade)



= Area Encroached

= Property Line

Shoring Wall

Exhibit B-9

Protrusion

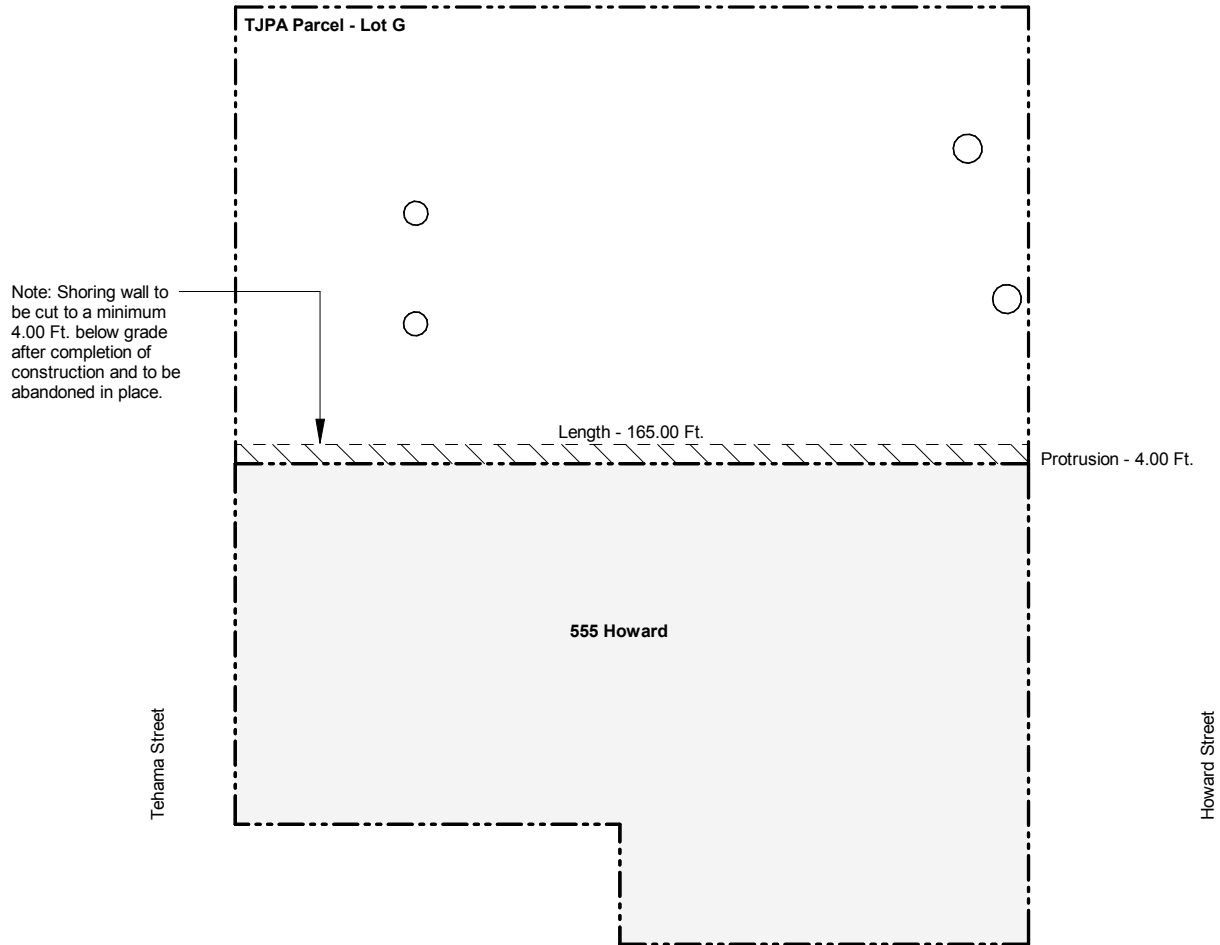
4.00 Feet
0.00 Inches
4.00 Feet Total


Length

165.00 Feet
0.00 Inches
165.00 Feet Total

Area 660.00 Square Feet

(Easement extends from grade to -70'-0" below San Francisco City Datum)



 = Area Encroached

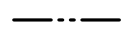
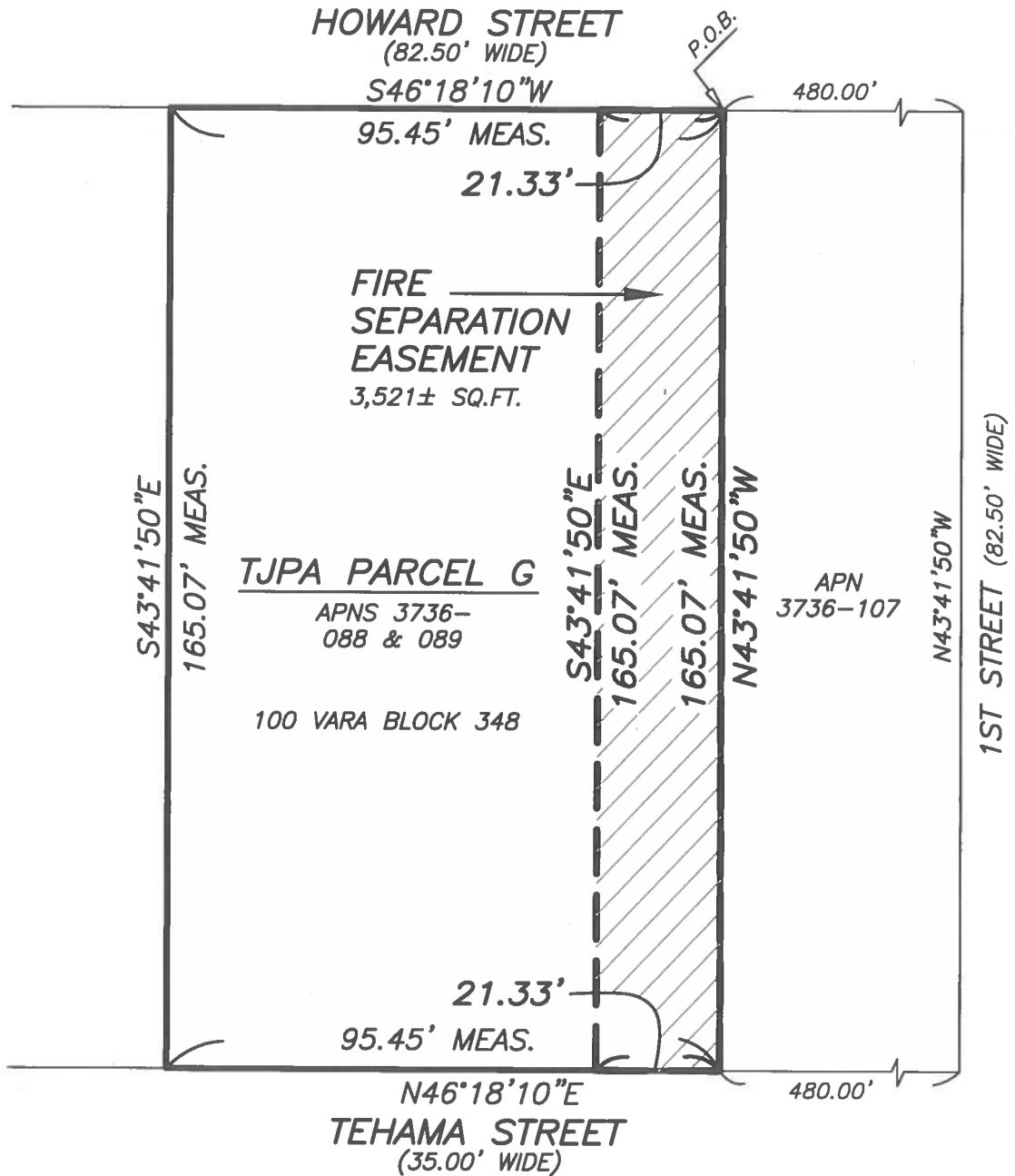
 = Property Line

EXHIBIT B-10



NOTE

DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.

LEGEND

P.O.B. POINT OF BEGINNING
 MEAS. MEASURED
 APN ASSESSOR'S PARCEL NUMBER

FIRE SEPARATION EASEMENT

ASSESSORS BLOCK 3736
SAN FRANCISCO, CALIFORNIA

BY JP CHKD. BR DATE 1-29-18 SCALE 1"=30'± SHEET 1 OF 1 JOB NO. S-8849

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

859 HARRISON STREET
 SAN FRANCISCO, CA. 94107
 (415) 543-4500
 S-8849-ESMT PLATS_LOTS 88-89.dwg

S-8849
1-29-18

LEGAL DESCRIPTION
"FIRE SEPARATION EASEMENT"

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHEASTERLY LINE OF HOWARD STREET (82.50 FEET WIDE), DISTANT THEREON S46°18'10"W 480.00 FEET FROM THE SOUTHWESTERLY LINE OF 1st STREET (82.50 FEET WIDE); THENCE ALONG SAID LINE OF HOWARD STREET S46°18'10"W 21.33 FEET; THENCE S43°41'50"E 165.07 FEET TO THE NORTHWESTERLY LINE OF TEHAMA STREET (35.00 FEET WIDE); THENCE ALONG SAID LINE OF TEHAMA STREET N46°18'10"E 21.33 FEET; THENCE N43°41'50"W 165.07 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK 348

BASIS OF BEARINGS: THE SAN FRANCISCO CITY MONUMENT LINE LOCATED IN HOWARD STREET BETWEEN MONUMENT LINES IN 1st AND 2nd STREETS IS TAKEN AS N46°18'10"E AS SHOWN ON RECORD OF SURVEY NO. 6428, FILED ON MAY 31, 2012, IN BOOK EE OF SURVEY MAPS, AT PAGES 19-27, OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO.

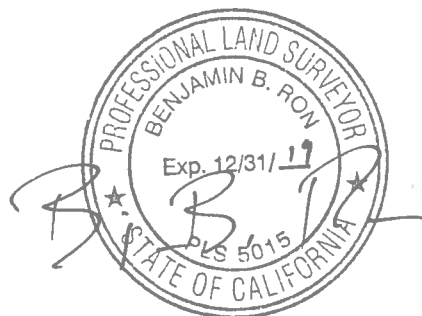


EXHIBIT C

PRELIMINARY TITLE REPORT FOR PARCEL G

[see attached]



Issuing Policies of **Chicago Title Insurance Company**

Order No.: 15604938-156-TJK-JM

Title Officer: Jeff Martin

TO:

Chicago Title Company
455 Market Street, Suite 2100
San Francisco, CA 94105
(415) 788-0871
(415) 896-9423

Escrow Officer: Terina J. Kung
455 Market Street, Suite 2100
San Francisco, CA 94105
(415) 788-0871
(415) 896-9423

ATTN: **Terina J. Kung**

PROPERTY ADDRESS: APN: Lot 089, Block 3736 and 60 Tehama Street, San Francisco, CA

PRELIMINARY REPORT (Amend-A)

*In response to the application for a policy of title insurance referenced herein, **Chicago Title Company** hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said policy forms.*

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

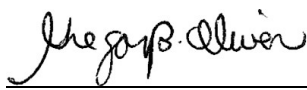
This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

*The policy(s) of title insurance to be issued hereunder will be policy(s) of **Chicago Title Insurance Company**, a Florida corporation.*

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.

Chicago Title Company

By: 
Authorized Signature



By: 
Randy Quirk, President
Attest: 
Michael Gravelle, Secretary



PRELIMINARY REPORT

EFFECTIVE DATE: **December 6, 2017 at 7:30 a.m.**

ORDER NO.: **15604938-156-TJK-JM**

The form of policy or policies of title insurance contemplated by this report is:

ALTA Extended Owners Policy (6-17-06)

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A Fee

2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

Transbay Joint Powers Authority, a joint powers agency created under California Government Code Sections 6500 et seq.

3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

See Exhibit A attached hereto and made a part hereof.

EXHIBIT A
LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, IN THE COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

TRACT A:

PARCEL I:

Beginning at a point on the Southeasterly line of Howard Street, distant thereon 250 feet Northeasterly from the Northeasterly line of Second Street; and running thence Northeasterly along said line of Howard Street, 25 feet, thence at a right angle Southeasterly 165 feet to the Northwesterly line of Tehama Street; thence at a right angle Southwesterly, along said line of Tehama Street, 25 feet; and thence at a right angle Northwesterly 165 feet to the point of beginning.

Being part of 100 Vara Block No. 348.

PARCEL II:

Beginning at a point on the Southeasterly line of Howard Street, distant thereon 275 feet Northeasterly from the Northeasterly line of Second Street; running thence Northeasterly along said line of Howard Street, 20 feet; thence at a right angle Southeasterly 85 feet; thence at a right angle Southwesterly 20 feet; thence at a right angle Northwesterly 85 feet to the point of beginning.

Being part of 100 Vara Block No. 348.

PARCEL III:

Beginning at a point on the Northwesterly line of Tehama Street, distant thereon 275 feet Northeasterly from the Northeasterly line of Second Street; running thence Northeasterly along said line of Tehama Street, 22 feet and 6 inches; thence at a right angle Northwesterly 80 feet; thence at a right angle Southwesterly 22 feet and 6 inches; thence at a right angle Southeasterly 80 feet to the point of beginning.

Being part of 100 Vara Block No. 348.

PARCEL IV:

Commencing at a point on the Northwesterly line of Tehama Street, distant thereon 505 feet Southwesterly from the Southwesterly line of 1st Street; running thence Southwesterly and along said line of Tehama Street, 22 feet, 6 inches; thence at a right angle Northwesterly 80 feet; thence at a right angle Northeasterly 22 feet, 6 inches; thence at a right angle Southeasterly 80 feet to the point of commencement.

Being part of 100 Vara Lot No. 47 in Block No. 348.

PARCEL V:

Commencing at a point on the Southeasterly line of Howard Street, distant thereon 295 feet Northeasterly from the Northeasterly line of 2nd Street; running thence Northeasterly and along said line of Howard Street, 50 feet; thence at a right angle Southeasterly 85 feet; thence at a right angle Southwesterly 50 feet; thence at a right angle Northwesterly 85 feet to the point of commencement.

Being part of 100 Vara Lot No. 47 in Block No. 348.

APN: Lot 089, Block 3736

**EXHIBIT A
(Continued)**

TRACT B:

BEGINNING at a point on the northwesterly line of Tehama Street, distant thereon 480 feet southwesterly from the southwesterly line of 1st Street; running thence southwesterly along said line of Tehama Street 25 feet; thence at a right angle northwesterly 80 feet; thence at a right angle northeasterly 25 feet; thence at a right angle southeasterly 80 feet to the point of beginning.

BEING a portion of 100 Vara Block No. 348.

APN: Lot 088, Block 3736

EXCEPTIONS

AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. Property taxes, including any personal property taxes and any assessments collected with taxes are as follows:

Code Area: 1016
Tax Identification No.: Lot 089, Block 3736
Fiscal Year: 2017-2018
1st Installment: \$789.48, Paid
2nd Installment: \$789.48, Open
Bill No.: 128531

The lien of the assessment shown below, which assessment is or will be collected with, and included in, the property taxes shown above.

Assessment: GTR Rincon Hill CBD
Amount: \$1,578.96

Affects: Tract A

2. Property taxes, including any personal property taxes and any assessments collected with taxes are as follows:

Code Area: 1016
Tax Identification No.: Lot 088, Block 3736
Fiscal Year: 2017-2018
1st Installment: \$346.44, Paid
2nd Installment: \$346.44, Open
Exemption: \$0.00
Land: \$0.00
Improvements: \$0.00
Personal Property: \$0.00
Bill No.: 128530

The lien of the assessment shown below, which assessment is or will be collected with, and included in, the property taxes shown above.

Assessment: GTR Rincon Hill CBD
Amount: \$692.88

Affects: Tract B

**EXCEPTIONS
(Continued)**

3. The Land lies within the boundaries of a Mello Roos Community Facilities District ("CFD"), as follows:

CFD No: 90-1
For: School Facility Repair and Maintenance

This property, along with all other parcels in the CFD, is liable for an annual special tax. This special tax is included with and payable with the general property taxes of the City and County of San Francisco. The tax may not be prepaid.

Further information may be obtained by contacting:

Chief Financial Officer
San Francisco Unified School District
135 Van Ness Ave. – Room 300
San Francisco, CA 94102
Phone (415) 241-6542

4. The herein described property lies within the boundaries of a Mello-Roos Community Facilities District (CFD) as follows:

CFD No: GREATER RINCON HILL CBD
For: GREATER RINCON HILL COMMUNITY BENEFIT DISTRICT

Disclosed by:

PROPOSED BOUNDARIES OF GREATER RINCON HILL COMMUNITY BENEFIT DISTRICT

Recording Date: June 16, 2015
Recording No.: 2015-K076280-00 of Official Records

RESOLUTION TO ESTABLISH - GREATER RINCON HILL COMMUNITY BENEFIT DISTRICT

Recording Date: August 7, 2015
Recording No.: 2015-K107549-00 of Official Records

NOTICE OF ASSESSMENT FOR THE ASSESSMENT DISTRICT KNOWN AS GREATER RINCON HILL COMMUNITY BENEFIT DISTRICT

Recording Date: August 7, 2015
Recording No.: 2015-K107550-00 of Official Records

This property, along with all other parcels in the CFD, is liable for an annual special tax. This special tax is included with and payable with the general property taxes of the City of San Francisco, County of San Francisco.

The tax may not be prepaid.

5. Prior to close of escrow, please contact the Tax Collector's Office to confirm all amounts owing, including current fiscal year taxes, supplemental taxes, escaped assessments and any delinquencies.

EXCEPTIONS (Continued)

6. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.

7. Any right, title or interest of persons, known or unknown, who claim or may claim adversely to the vested owners herein by reason of the record title to said Land not having been established and quieted under the provisions of the "Destroyed Land Records Relief Act of 1906, as Amended," commonly known as the "McEnerney Act."

Affects: Portion to be determined by survey

8. A notice that said Land is included within a project area of the Redevelopment Agency shown below, and that proceedings for the redevelopment of said project have been instituted under the Redevelopment Law (such redevelopment to proceed only after the adoption of the redevelopment plan) as disclosed by a document

Recording Date: August 4, 2006
 Recording No.: 2006-I224836-00, Reel J197, Image 575, of Official Records
 Redevelopment Agency: San Francisco Redevelopment Agency, Transbay Redevelopment Project

"Declaration of Restrictions" thereunder, recorded August 4, 2006, Instrument No. 2006-I224839, Official Records.

"Statement of Eminent Domain Limitations" thereunder, recorded December 31, 2007, Instrument No. 2007-I512986, Official Records.

9. Any facts, rights, interests, or claims which may exist or arise by reason of the following facts disclosed by survey, Job No. ABN 3736 LOT 088, dated November 16, 2007 prepared by Bureau of Street Use and Mapping, Dept of Public Works:

ALONG THE BOUNDARY WITH ASSESSOR'S LOT 107

- a) bldg cor. 0.2' sw'ly & 0.1' nw'ly
- b) bldg. cor. 0.3' sw'ly & P/L+/- se'ly

ALONG THE BOUNDARY WITH ASSESSOR'S LOT 25

- c) sprinkler 0.1' nw'ly 4'+/- up
- d) OH light 1.8' nw'ly 25'+/- up
- e) 0.07' gap

ALONG THE BOUNDARY WITH ASSESSOR'S LOT 89

- f) bldg cor. 0.1' sw'ly & on P/L+/- mw'ly
- g) OH light 2.0' sw'ly 26'+/- up (3)
- h) bldg. cor 0.1' sw'ly & 0.1' nw'ly

ALONG TEHAMA STREET

- i) unknown utility box 0.8' se'ly 14'+/- up
- j) fire hose connector 0.3' se'ly 2.8' up
- k) OH light 1.7' se'ly 4.8' ne'ly 26'+/- up
- l) ctr line door 2.5' se'ly proj.
- m) fire escape 3.6' se'ly 14'+/- up

**EXCEPTIONS
(Continued)**

- n) fire alarm box 0.3' se'ly 20'+/- up
- o) bldg overhang 0.3' se'ly 25'+/- up
- p) door 0.6' se'ly proj.

Affects: Tract B

10. Any facts, rights, interests, or claims which may exist or arise by reason of the following facts disclosed by survey, Job No. CO-OP Parcel G, dated 4/8/10 update prepared by Bureau of Street Use and Mapping:

- a. the fact that there is a boundary as resolved that shows a gap of .45'
- b. the fact that there is a boundary as resolved that shows a gap of .07'

Along the northeasterly boundary the following:

- c. the fact that an overhead window projects .8' southwesterly +/- 8' up into the property
- d. the fact that a building corner encroaches into the property 0.1' southwesterly, +/- property line northwesterly
- e. the fact that a building corner encroaches into the property 0.1' southwesterly, 0.1' northwesterly
- f. the fact that a building corner encroached into the property 0.1' southeasterly, 0.3' northeasterly
- g. the fact that a gatepost lies 1.5' southeasterly, +/- property line southwesterly
- e. the fact that there is an overhead light encroaches 2.0' southwesterly, +/- 26' up

Along the southwesterly boundary the following:

- f. the fact that a building overhang encroaches into the property 0.5' northwesterly, 0.2' northeasterly, +/- 50' up
- g. the fact that a building corner encroaches 0.1' northwesterly, 0.2' northeasterly
- h. the fact that there is a gatepost 0.3' northeasterly, 1.6' southeasterly
- i. the fact that a CTR line door encroaches 3.0' northeasterly projected
- j. the fact that there is an air vent that encroaches 4.8' northwesterly +/- property line southwesterly 2.5' up
- k. the fact that there is a building corner that encroaches 0.1' southwesterly, 0.1' northwesterly

There should be submitted a final signed survey prior to close.

Affects: Tract A

11. Power of Termination as contained in the Director's Deed executed by State of California to Transbay Joint Powers Authority, a joint powers agency created under California Government Code Sections 6500 et seq., Recorded August 9, 2010, Instrument No. 2010-J017203-00, Reel K203, Image 0269, of Official Records.

Reference is hereby made to said document for full particulars.

EXCEPTIONS (Continued)

12. A pending Court Action as disclosed by a recorded notice:
- Plaintiff: CITY AND COUNT OF SAN FRANCISCO, a municipal corporation
 Defendant: PETER F. BYRNE, Trustee of the PETER F. BYRNE REVOCABLE TRUST DATED 12/5/07; RLH FIRE PROTECTION, dba CMA FIRE PROTECTION; DOES 1-20; and all persons unknown claiming an interest in the property
- County: San Francisco
 Court: Superior Court
 Case No.: CGC-10-506780
 Nature of Action: Eminent Domain
 Attorney: Dennis Herrera; Kristen A. Jensen
 Address: Office of the City Attorney - City Hall, Room 234, 1 Carlton B. Goodlett Place San Francisco, CA 94102
 Recorded: December 29, 2010, Instrument No. 2010-J109199-00, of Official Records
- Affects: Tract B
13. Matters as shown on that certain map/plat
- Recording Date: May 31, 2012
 Recording No: Book EE of Survey Maps, Pages 19-27
- Reference is hereby made to said document for full particulars.
14. Any rights of the parties in possession of a portion of, or all of, said Land, which rights are not disclosed by the public records.
- The Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage.
- The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.
15. Matters which may be disclosed by an inspection and/or by a correct ALTA/NSPS Land Title Survey of said Land that is satisfactory to the Company, and/or by inquiry of the parties in possession thereof.
16. The Company will require that an Owner's Affidavit be completed by the party(s) named below before the issuance of any policy of title insurance.
- Party(s): Transbay Joint Powers Authority, a joint powers agency created under California Government Code Sections 6500 et seq
- The Company reserves the right to add additional items or make further requirements after review of the requested Affidavit.
17. The search did not disclose any open mortgages or deeds of trust of record, therefore the Company reserves the right to require further evidence to confirm that the property is unencumbered, and further reserves the right to make additional requirements or add additional items or exceptions upon receipt of the requested evidence.

**EXCEPTIONS
(Continued)**

18. The transaction contemplated in connection with this Report is subject to the review and approval of the Company's Corporate Underwriting Department. The Company reserves the right to add additional items or make further requirements after such review.

END OF EXCEPTIONS

NOTES

1. None of the items shown in this report will cause the Company to decline to attach CLTA Endorsement Form 100 to an Extended Coverage Loan Policy, when issued.
2. Note: The Company is not aware of any matters which would cause it to decline to attach CLTA Endorsement Form 116 indicating that there is located on said Land a commercial property, known as 60 Tehama Street, San Francisco, CA, to an Extended Coverage Loan Policy.

Affects: Tract B

3. Note: The name(s) of the proposed insured(s) furnished with this application for title insurance is/are:

No names were furnished with the application. Please provide the name(s) of the buyers as soon as possible.
4. Note: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.
5. Requirement that a Transfer Tax Affidavit accompany every Deed (Grant Deed, Quitclaim Deed, Interspousal Deed) to be recorded in the City and County of San Francisco. This transfer Tax Affidavit is in addition to the change of ownership form (PCOR) and is required by the County Recorder. This item will not appear on any policy of title insurance.
6. Note: The charge for a policy of title insurance, when issued through this title order, will be based on the Basic Title Insurance Rate.
7. Effective December 27, 2016, as mandated through local ordinance, the transfer tax rates are as follows:

More than \$100 but Less than or Equal to \$250,000 at \$2.50 for each \$500 or portion thereof (\$5.00 per thousand)

\$250,001 but Less than \$999,999 at \$3.40 for each \$500 or portion thereof (\$6.80 per thousand)

\$1,000,000 or More but Less than \$4,999,999 at \$3.75 for each \$500 or portion thereof (\$7.50 per thousand)

\$5,000,000 or More but Less than \$9,999,999 at \$11.25 for each \$500 or portion thereof (\$22.50 per thousand)

\$10,000,000.00 or More but Less than \$24,999,999 at \$13.75 for each \$500 or portion thereof (\$27.50 per thousand)

\$25,000,000.00 or More at \$15.00 for each \$500 or portion thereof (\$30.00 per thousand)

NOTE: These rates are for documents recorded on or after December 27, 2016, regardless of when the instrument was executed.
8. Your application for title insurance was placed by reference to only a street address or tax identification number. Based on our records, we believe that the legal description in this report covers the parcel(s) of Land that you requested. If the legal description is incorrect, the seller/borrower must notify the Company and/or the settlement company in order to prevent errors and to be certain that the correct parcel(s) of Land will appear on any documents to be recorded in connection with this transaction and on the policy of title insurance.

NOTES (Continued)

9. Note: If a county recorder, title insurance company, escrow company, real estate broker, real estate agent or association provides a copy of a declaration, governing document or deed to any person, California law requires that the document provided shall include a statement regarding any unlawful restrictions. Said statement is to be in at least 14-point bold face type and may be stamped on the first page of any document provided or included as a cover page attached to the requested document. Should a party to this transaction request a copy of any document reported herein that fits this category, the statement is to be included in the manner described.
10. Note: Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirement cannot be met, please call the Company at the number provided in this report.
11. Note: The policy of title insurance will include an arbitration provision. The Company or the insured may demand arbitration. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Please ask your escrow or title officer for a sample copy of the policy to be issued if you wish to review the arbitration provisions and any other provisions pertaining to your Title Insurance coverage.
12. Notice: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.
13. Pursuant to Government Code Section 27388.1, as amended and effective as of 1-1-2018, a Documentary Transfer Tax (DTT) Affidavit may be required to be completed and submitted with each document when DTT is being paid or when an exemption is being claimed from paying the tax. If a governmental agency is a party to the document, the form will not be required. DTT Affidavits may be available at a Tax Assessor-County Clerk-Recorder.

END OF NOTES

Jeff Martin/cl

Wire Fraud Alert

This Notice is not intended to provide legal or professional advice. If you have any questions, please consult with a lawyer.

All parties to a real estate transaction are targets for wire fraud and many have lost hundreds of thousands of dollars because they simply relied on the wire instructions received via email, without further verification. **If funds are to be wired in conjunction with this real estate transaction, we strongly recommend verbal verification of wire instructions through a known, trusted phone number prior to sending funds.**

In addition, the following non-exclusive self-protection strategies are recommended to minimize exposure to possible wire fraud.

- **NEVER RELY** on emails purporting to change wire instructions. Parties to a transaction rarely change wire instructions in the course of a transaction.
- **ALWAYS VERIFY** wire instructions, specifically the ABA routing number and account number, by calling the party who sent the instructions to you. DO NOT use the phone number provided in the email containing the instructions, use phone numbers you have called before or can otherwise verify. **Obtain the phone number of relevant parties to the transaction as soon as an escrow account is opened.** DO NOT send an email to verify as the email address may be incorrect or the email may be intercepted by the fraudster.
- **USE COMPLEX EMAIL PASSWORDS** that employ a combination of mixed case, numbers, and symbols. Make your passwords greater than eight (8) characters. Also, change your password often and do NOT reuse the same password for other online accounts.
- **USE MULTI-FACTOR AUTHENTICATION** for email accounts. Your email provider or IT staff may have specific instructions on how to implement this feature.

For more information on wire-fraud scams or to report an incident, please refer to the following links:

Federal Bureau of Investigation:
<http://www.fbi.gov>

Internet Crime Complaint Center:
<http://www.ic3.gov>

FIDELITY NATIONAL FINANCIAL

PRIVACY NOTICE

At Fidelity National Financial, Inc., we respect and believe it is important to protect the privacy of consumers and our customers. This Privacy Notice explains how we collect, use, and protect any information that we collect from you, when and to whom we disclose such information, and the choices you have about the use of that information. A summary of the Privacy Notice is below, and we encourage you to review the entirety of the Privacy Notice following this summary. You can opt-out of certain disclosures by following our opt-out procedure set forth at the end of this Privacy Notice.

<p>Types of Information Collected. You may provide us with certain personal information about you, like your contact information, address demographic information, social security number (SSN), driver's license, passport, other government ID numbers and/or financial information. We may also receive browsing information from your Internet browser, computer and/or mobile device if you visit or use our websites or applications.</p>	<p>How Information is Collected. We may collect personal information from you via applications, forms, and correspondence we receive from you and others related to our transactions with you. When you visit our websites from your computer or mobile device, we automatically collect and store certain information available to us through your Internet browser or computer equipment to optimize your website experience.</p>
<p>Use of Collected Information. We request and use your personal information to provide products and services to you, to improve our products and services, and to communicate with you about these products and services. We may also share your contact information with our affiliates for marketing purposes.</p>	<p>When Information Is Disclosed. We may disclose your information to our affiliates and/or nonaffiliated parties providing services for you or us, to law enforcement agencies or governmental authorities, as required by law, and to parties whose interest in title must be determined.</p>
<p>Choices With Your Information. Your decision to submit information to us is entirely up to you. You can opt-out of certain disclosure or use of your information or choose to not provide any personal information to us.</p>	<p>Information From Children. We do not knowingly collect information from children who are under the age of 13, and our website is not intended to attract children.</p>
<p>Privacy Outside the Website. We are not responsible for the privacy practices of third parties, even if our website links to those parties' websites.</p>	<p>International Users. By providing us with your information, you consent to its transfer, processing and storage outside of your country of residence, as well as the fact that we will handle such information consistent with this Privacy Notice.</p>
<p>The California Online Privacy Protection Act. Some FNF companies provide services to mortgage loan servicers and, in some cases, their websites collect information on behalf of mortgage loan servicers. The mortgage loan servicer is responsible for taking action or making changes to any consumer information submitted through those websites.</p>	
<p>Your Consent To This Privacy Notice. By submitting information to us or by using our website, you are accepting and agreeing to the terms of this Privacy Notice.</p>	<p>Access and Correction; Contact Us. If you desire to contact us regarding this notice or your information, please contact us at privacy@fnf.com or as directed at the end of this Privacy Notice.</p>

FIDELITY NATIONAL FINANCIAL, INC. PRIVACY NOTICE

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing title insurance, real estate- and loan-related services (collectively, "FNF", "our" or "we") respect and are committed to protecting your privacy. We will take reasonable steps to ensure that your Personal Information and Browsing Information will only be used in compliance with this Privacy Notice and applicable laws. This Privacy Notice is only in effect for Personal Information and Browsing Information collected and/or owned by or on behalf of FNF, including Personal Information and Browsing Information collected through any FNF website, online service or application (collectively, the "Website").

Types of Information Collected

We may collect two types of information from you: Personal Information and Browsing Information.

Personal Information. FNF may collect the following categories of Personal Information:

- contact information (e.g., name, address, phone number, email address);
- demographic information (e.g., date of birth, gender, marital status);
- social security number (SSN), driver's license, passport, and other government ID numbers;
- financial account information; and
- other personal information needed from you to provide title insurance, real estate- and loan-related services to you.

Browsing Information. FNF may collect the following categories of Browsing Information:

- Internet Protocol (or IP) address or device ID/UDID, protocol and sequence information;
- browser language and type;
- domain name system requests;
- browsing history, such as time spent at a domain, time and date of your visit and number of clicks;
- http headers, application client and server banners; and
- operating system and fingerprinting data.

How Information is Collected

In the course of our business, we may collect *Personal Information* about you from the following sources:

- applications or other forms we receive from you or your authorized representative;
- the correspondence you and others send to us;
- information we receive through the Website;
- information about your transactions with, or services performed by, us, our affiliates or nonaffiliated third parties; and
- information from consumer or other reporting agencies and public records maintained by governmental entities that we obtain directly from those entities, our affiliates or others.

If you visit or use our Website, we may collect *Browsing Information* from you as follows:

- Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain browsing information about each visitor. The Browsing Information includes generic information and reveals nothing personal about the user.
- Cookies. When you visit our Website, a "cookie" may be sent to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer's hard drive. When you visit a website again, the cookie allows the website to recognize your computer. Cookies may store user preferences and other information. You can choose whether or not to accept cookies by changing your Internet browser settings, which may impair or limit some functionality of the Website.

Use of Collected Information

Information collected by FNF is used for three main purposes:

- To provide products and services to you or any affiliate or third party who is obtaining services on your behalf or in connection with a transaction involving you.
- To improve our products and services.
- To communicate with you and to inform you about our, our affiliates' and third parties' products and services, jointly or independently.

When Information Is Disclosed

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) and Browsing Information to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Please see the section "Choices With Your Personal Information" to learn how to limit the discretionary disclosure of your Personal Information and Browsing Information.

Disclosures of your Personal Information may be made to the following categories of affiliates and nonaffiliated third parties:

- to third parties to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure;
- to our affiliate financial service providers for their use to market their products or services to you;
- to nonaffiliated third party service providers who provide or perform services on our behalf and use the disclosed information only in connection with such services;
- to nonaffiliated third party service providers with whom we perform joint marketing, pursuant to an agreement with them to market financial products or services to you;

- to law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoena or court order;
- to lenders, lien holders, judgment creditors, or other parties claiming an interest in title whose claim or interest must be determined, settled, paid, or released prior to closing; and
- other third parties for whom you have given us written authorization to disclose your Personal Information.

We may disclose Personal Information and/or Browsing Information when required by law or in the good-faith belief that such disclosure is necessary to:

- comply with a legal process or applicable laws;
- enforce this Privacy Notice;
- investigate or respond to claims that any material, document, image, graphic, logo, design, audio, video or any other information provided by you violates the rights of a third party; or
- protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep your Personal Information secure. When we provide Personal Information to our affiliates or third party service providers as discussed in this Privacy Notice, we expect that these parties process such information in compliance with our Privacy Notice or in a manner that is in compliance with applicable privacy laws. The use of your information by a business partner may be subject to that party's own Privacy Notice. Unless permitted by law, we do not disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent.

We reserve the right to transfer your Personal Information, Browsing Information, and any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets, or in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors. You expressly agree and consent to the use and/or transfer of the foregoing information in connection with any of the above described proceedings. We cannot and will not be responsible for any breach of security by a third party or for any actions of any third party that receives any of the information that is disclosed to us.

Choices With Your Information

Whether you submit Personal Information or Browsing Information to FNF is entirely up to you. If you decide not to submit Personal Information or Browsing Information, FNF may not be able to provide certain services or products to you. The uses of your Personal Information and/or Browsing Information that, by law, you cannot limit, include:

- for our everyday business purposes – to process your transactions, maintain your account(s), to respond to law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders, or report to credit bureaus;
- for our own marketing purposes;
- for joint marketing with financial companies; and
- for our affiliates' everyday business purposes – information about your transactions and experiences.

You may choose to prevent FNF from disclosing or using your Personal Information and/or Browsing Information under the following circumstances ("opt-out"):

- for our affiliates' everyday business purposes – information about your creditworthiness; and
- for our affiliates to market to you.

To the extent permitted above, you may opt-out of disclosure or use of your Personal Information and Browsing Information by notifying us by one of the methods at the end of this Privacy Notice. We do not share your personal information with non-affiliates for their direct marketing purposes.

For California Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties, except as permitted by California law. Currently, our policy is that we do not recognize "do not track" requests from Internet browsers and similar devices.

For Nevada Residents: You may be placed on our internal Do Not Call List by calling (888) 934-3354 or by contacting us via the information set forth at the end of this Privacy Notice. Nevada law requires that we also provide you with the following contact information: Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; Phone number: (702) 486-3132; email: BCPINFO@ag.state.nv.us.

For Oregon Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties for marketing purposes, except after you have been informed by us of such sharing and had an opportunity to indicate that you do not want a disclosure made for marketing purposes.

For Vermont Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties, except as permitted by Vermont law, such as to process your transactions or to maintain your account. In addition, we will not share information about your creditworthiness with our affiliates except with your authorization. For joint marketing in Vermont, we will only disclose your name, contact information and information about your transactions.

Information From Children

The Website is meant for adults and is not intended or designed to attract children under the age of thirteen (13). We do not collect Personal Information from any person that we know to be under the age of thirteen (13) without permission from a parent or guardian. By using the Website, you affirm that you are over the age of 13 and will abide by the terms of this Privacy Notice.

Privacy Outside the Website

The Website may contain links to other websites. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites.

International Users

FNF's headquarters is located within the United States. If you reside outside the United States or are a citizen of the European Union, please note that we may transfer your Personal Information and/or Browsing Information outside of your country of residence or the European Union for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information and/or Browsing Information, you consent to our collection and transfer of such information in accordance with this Privacy Notice.

The California Online Privacy Protection Act

For some FNF websites, such as the Customer CareNet ("CCN"), FNF is acting as a third party service provider to a mortgage loan servicer. In those instances, we may collect certain information on behalf of that mortgage loan servicer via the website. The information which we may collect on behalf of the mortgage loan servicer is as follows:

- first and last name;
- property address;
- user name and password;
- loan number;
- social security number - masked upon entry;
- email address;
- three security questions and answers; and
- IP address.

The information you submit through the website is then transferred to your mortgage loan servicer by way of CCN. **The mortgage loan servicer is responsible for taking action or making changes to any consumer information submitted through this website. For example, if you believe that your payment or user information is incorrect, you must contact your mortgage loan servicer.**

CCN does not share consumer information with third parties, other than (1) those with which the mortgage loan servicer has contracted to interface with the CCN application, or (2) law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders. All sections of this Privacy Notice apply to your interaction with CCN, except for the sections titled "Choices with Your Information" and "Access and Correction." If you have questions regarding the choices you have with regard to your personal information or how to access or correct your personal information, you should contact your mortgage loan servicer.

Your Consent To This Privacy Notice

By submitting Personal Information and/or Browsing Information to FNF, you consent to the collection and use of the information by us in compliance with this Privacy Notice. Amendments to the Privacy Notice will be posted on the Website. Each time you provide information to us, or we receive information about you, following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you submit to us in any manner that we may choose without notice or compensation to you.

Accessing and Correcting Information; Contact Us

If you have questions, would like to access or correct your Personal Information, or want to opt-out of information sharing with our affiliates for their marketing purposes, please send your requests to privacy@fnf.com or by mail or phone to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer
(888) 934-3354

Notice of Available Discounts

Pursuant to Section 2355.3 in Title 10 of the California Code of Regulations Fidelity National Financial, Inc. and its subsidiaries ("FNF") must deliver a notice of each discount available under our current rate filing along with the delivery of escrow instructions, a preliminary report or commitment. Please be aware that the provision of this notice does not constitute a waiver of the consumer's right to be charged the field rate. As such, your transaction may not qualify for the below discounts.

You are encouraged to discuss the applicability of one or more of the below discounts with a Company representative. These discounts are generally described below; consult the rate manual for a full description of the terms, conditions and requirements for each discount. These discounts only apply to transaction involving services rendered by the FNF Family of Companies. This notice only applies to transactions involving property improved with a one-to-four family residential dwelling.

FNF Underwritten Title Company

FNTC - **Chicago Title Company**

FNTCCA –Fidelity National Title Company of California

FNF Underwriter

CTIC - Chicago Title Insurance Company

Available Discounts

CREDIT FOR PRELIMINARY REPORTS AND/OR COMMITMENTS ON SUBSEQUENT POLICIES (CTIC)

Where no major change in the title has occurred since the issuance of the original report or commitment, the order may be reopened within 12 or 36 months and all or a portion of the charge previously paid for the report or commitment may be credited on a subsequent policy charge.

DISASTER LOANS (CTIC)

The charge for a lender's Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within 24 months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was partially or totally destroyed in the disaster, will be 50% of the appropriate title insurance rate.

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS (CTIC)

On properties used as a church or for charitable purposes within the scope of the normal activities of such entities, provided said charge is normally the church's obligation the charge for an owner's policy shall be 50% to 70% of the appropriate title insurance rate, depending on the type of coverage selected. The charge for a lender's policy shall be 40% to 50% of the appropriate title insurance rate, depending on the type of coverage selected.

ATTACHMENT ONE

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13) ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use;
 - d. improvements on the Land;
 - e. land division; and

f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1.00% % of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$ 10,000.00
Covered Risk 18:	1.00% % of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$ 5,000.00

2006 ALTA LOAN POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.

6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

(Except as provided in Schedule B - Part II, (t or T)his policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

(PART I

(The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:)

2006 ALTA OWNER'S POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

(The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.
7. (Variable exceptions such as taxes, easements, CC&R's, etc. shown here.)

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (12-02-13)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

lots 1,2,3A,4&116 into lot 121 for 2002 roll
 lots 60 to 62 & 64 to 67 into lot 123 for 2002 roll
 lots 36 & 37 into lot 122 for 2005 roll
 lots 17 into lots 156 to 158 for 2005 roll
 lot 122 to lots 159 to 176 for 2006 roll
 lot 119 into lots 124 to 155 for 2008 roll
 lot 157 into lots 177 to 182 for 2008 roll

lot 74/77 into lots 189 & 190 for 2014 roll
 lot 78A into lots 189 & 190 for 2014 roll

LOTS MERGED

Lots	merged into Lot	"43"
18	AL 41	18
28	27	28
29	34	29
32	33	32
56	57-58-59, 73-74	56
63		63
113		113
114		114
115		115
116		116
117		117
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119		119
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190		190
191		191

Lot	merged into lot	1919	1930	1932	1936	1941
45	15	45	15	4	18	7
19	22	19	22	18	7	18
48	35	48	35	18	7	18
40	43	40	43	18	7	18
78	77	78	77	18	7	18

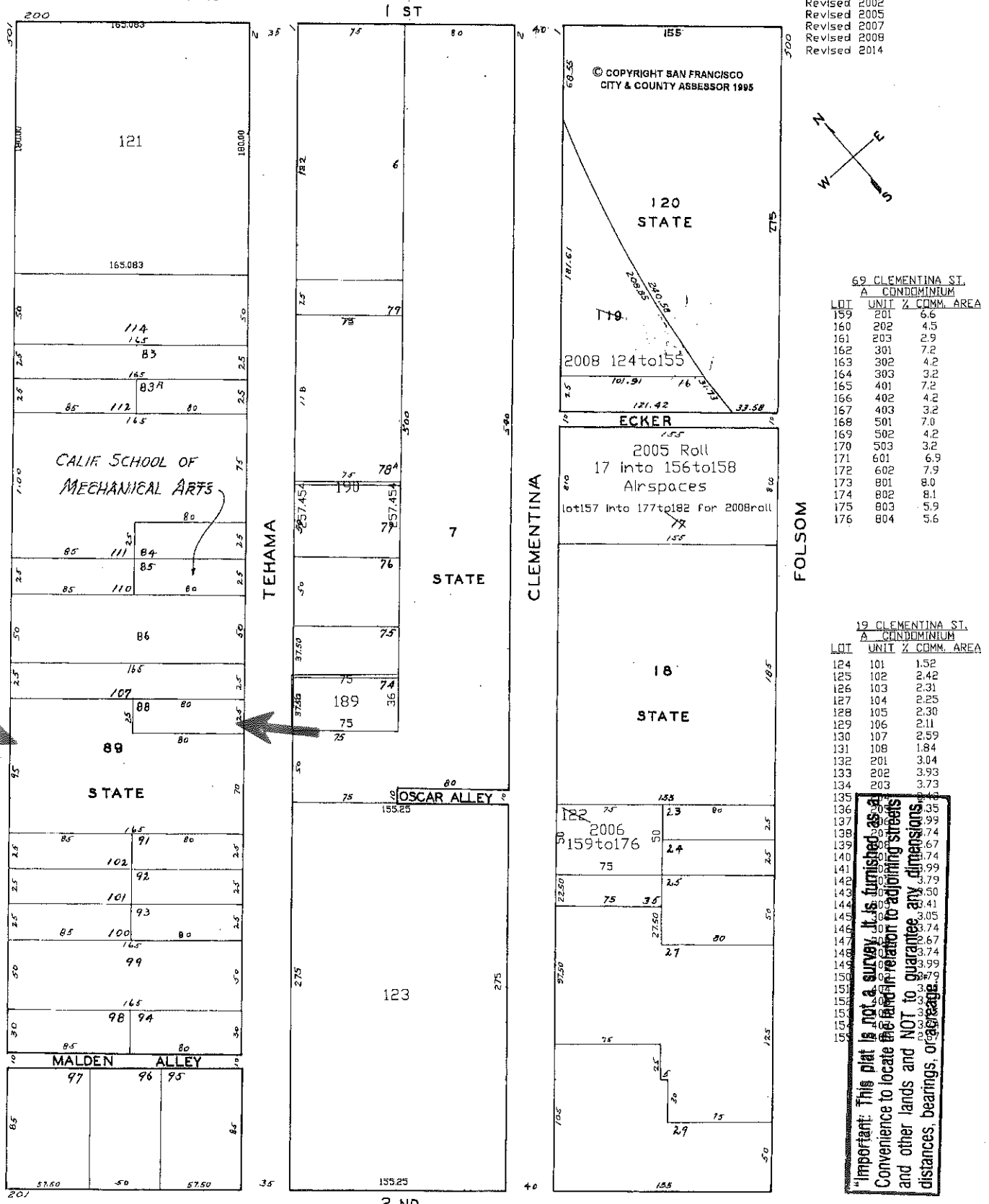
Lot	merged into Lot	"43"
119		119
118		118
117		117
116		116
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6		6
5		5
4		4
3		3
2		2
1		1

"Important: This plat is not a survey. It is furnished as a convenience to locate the land in relation to adjoining streets and other lands and NOT to guarantee any dimensions, distances, bearings, or acreage."

3736

100 VARA BLK. 348

REVISED '58
 Revised 2002
 Revised 2005
 Revised 2007
 Revised 2008
 Revised 2014



69 CLEMENTINA ST. A CONDOMINIUM

LOT	UNIT	% COMM. AREA
159	201	6.6
160	202	4.5
161	203	2.9
162	301	7.2
163	302	4.2
164	303	3.2
165	401	7.2
166	402	4.2
167	403	3.2
168	501	7.0
169	502	4.2
170	503	3.2
171	601	6.9
172	602	7.9
173	801	8.0
174	802	8.1
175	803	5.9
176	804	5.6

19 CLEMENTINA ST. A CONDOMINIUM

LOT	UNIT	% COMM. AREA
124	101	1.52
125	102	2.42
126	103	2.31
127	104	2.25
128	105	2.30
129	106	2.11
130	107	2.59
131	108	1.84
132	201	3.04
133	202	3.93
134	203	3.73
135	301	3.46
136	302	3.35
137	303	3.99
138	304	3.74
139	305	3.67
140	306	3.74
141	307	3.99
142	308	3.79
143	309	3.50
144	310	3.41
145	311	3.05
146	312	3.74
147	313	3.67
148	314	3.74
149	315	3.99
150	316	3.79
151	317	3.3
152	318	3.3
153	319	3.3
154	320	3.3
155	321	3.3

"Important: This plat is not a survey. It is furnished as a convenience to locate the land in relation to adjoining streets and other lands and NOT to guarantee any dimensions, distances, bearings, or acreage."

EXHIBIT D
QUITCLAIM DEED

[see attached]

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Transbay Joint Powers Authority
c/o March Zabaneh
201 Mission Street, Suite 2100
San Francisco, CA 04105

Recording Fee \$0 (Govt Code § 27383)
Document Transfer Tax \$0 (transfer tax affidavit)

Block 3721, Lot 047 and Block 3721, Lot 123

(Space above this line reserved for Recorder's use only)

QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, receipt and adequacy of which are hereby acknowledged, the PACIFIC HOWARD CORPORATION, a Delaware corporation (“Grantor”), hereby RELEASES, REMISES, AND QUITCLAIMS to the TRANSBAY JOINT POWERS AUTHORITY, a joint powers agency created under California Government Code Sections 6500 et seq. (“Grantee”), any and all right, title, and interest Grantor may have in and to the real property located in the City and County of San Francisco, State of California, described in Exhibit A-1 and Exhibit A-2 attached hereto and made a part hereof.

GRANTOR:

PACIFIC HOWARD CORPORATION, a Delaware corporation,

By: _____

Its: Executive Director

Date: _____

EXHIBIT A-1

LEGAL DESCRIPTION OF BLOCK 3736, LOT 088

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHWESTERLY LINE OF TEHAMA STREET, DISTANT THEREON 480 FEET SOUTHWESTERLY FROM THE SOUTHWESTERLY LINE OF 1ST STREET; RUNNING THENCE SOUTHWESTERLY ALONG SAID LINE OF TEHAMA STREET 25 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 80 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 25 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 80 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK NO. 348.

APN: LOT 088, BLOCK 3736

EXHIBIT A-2

LEGAL DESCRIPTION OF BLOCK 3736, LOT 089

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL I:

BEGINNING AT A POINT ON THE SOUTHEASTERLY LINE OF HOWARD STREET, DISTANT THEREON 250 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF SECOND STREET; AND RUNNING THENCE NORTHEASTERLY ALONG SAID LINE OF HOWARD STREET, 25 FEET, THENCE AT A RIGHT ANGLE SOUTHEASTERLY 165 FEET TO THE NORTHWESTERLY LINE OF TEHAMA STREET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY, ALONG SAID LINE OF TEHAMA STREET, 25 FEET; AND THENCE AT A RIGHT ANGLE NORTHWESTERLY 165 FEET TO THE POINT OF BEGINNING.

BEING PART OF 100 VARA BLOCK NO. 348.

PARCEL II:

BEGINNING AT A POINT ON THE SOUTHEASTERLY LINE OF HOWARD STREET, DISTANT THEREON 275 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF SECOND STREET; RUNNING THENCE NORTHEASTERLY ALONG SAID LINE OF HOWARD STREET, 20 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 85 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 20 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 85 FEET TO THE POINT OF BEGINNING.

BEING PART OF 100 VARA BLOCK NO. 348.

PARCEL III:

BEGINNING AT A POINT ON THE NORTHWESTERLY LINE OF TEHAMA STREET, DISTANT THEREON 275 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF SECOND STREET; RUNNING THENCE NORTHEASTERLY ALONG SAID LINE OF TEHAMA STREET, 22 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE NORTHWESTERLY 80 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 22 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 80 FEET TO THE POINT OF BEGINNING.

BEING PART OF 100 VARA BLOCK NO. 348.

PARCEL IV:

COMMENCING AT A POINT ON THE NORTHWESTERLY LINE OF TEHAMA STREET, DISTANT THEREON 505 FEET SOUTHWESTERLY FROM THE SOUTHWESTERLY LINE OF 1ST STREET; RUNNING THENCE SOUTHWESTERLY AND ALONG SAID LINE OF TEHAMA STREET, 22 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE NORTHWESTERLY 80 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 22 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 80 FEET TO THE POINT OF COMMENCEMENT.

BEING PART OF 100 VARA LOT NO. 47 IN BLOCK NO. 348.

PARCEL V:

COMMENCING AT A POINT ON THE SOUTHEASTERLY LINE OF HOWARD STREET, DISTANT THEREON 295 FEET NORTHEASTERLY FROM THE NORTHEASTERLY LINE OF 2ND STREET; RUNNING THENCE NORTHEASTERLY AND ALONG SAID LINE OF HOWARD STREET, 50 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 85 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 50 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 85 FEET TO THE POINT OF COMMENCEMENT.

BEING PART OF 100 VARA LOT NO. 47 IN BLOCK NO. 348.

PARCEL VI:

BEGINNING AT A POINT ON THE SOUTHEASTERLY LINE OF HOWARD STREET (82.50 FEET WIDE), DISTANT THEREON $S46^{\circ}18'10''W$ 480.00 FEET FROM THE SOUTHWESTERLY LINE OF 1ST STREET (82.50 FEET WIDE); THENCE ALONG SAID LINE OF HOWARD STREET $S46^{\circ}18'10''W$ 0.45 FEET TO A POINT DISTANT THEREON $N46^{\circ}18'10''E$ 345.00 FEET FROM THE NORTHEASTERLY LINE OF 2ND STREET (82.50 FEET WIDE); THENCE $S43^{\circ}41'50''E$ 85.00 FEET; THENCE $N46^{\circ}18'10''E$ 0.45 FEET TO A POINT PERPENDICULARLY DISTANT $S46^{\circ}18'10''W$ 480.00 FEET FROM SAID SOUTHWESTERLY LINE OF 1ST STREET; THENCE $N43^{\circ}41'50''W$ 85.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK 348

PARCEL VII:

COMMENCING AT A POINT ON THE SOUTHEASTERLY LINE OF HOWARD STREET (82.50 FEET WIDE), DISTANT THEREON S46°18'10"W 480.00 FEET FROM THE SOUTHWESTERLY LINE OF 1ST STREET (82.50 FEET WIDE); THENCE S43°41'50"E 85.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE S43°41'50"E 0.07 FEET TO A POINT PERPENDICULARLY DISTANT N43°41'50"W 80.00 FEET FROM THE NORTHWESTERLY LINE OF TEHAMA STREET (35.00 FEET WIDE); THENCE S46°18'10"W 70.45 FEET TO A POINT PERPENDICULARLY DISTANT N46°18'10"E 275.00 FEET FROM THE NORTHEASTERLY LINE OF 2ND STREET (82.50 FEET WIDE); THENCE N43°41'50"W 0.07 FEET TO A POINT PERPENDICULARLY DISTANT S43°41'50"E 85.00 FEET FROM SAID SOUTHEASTERLY LINE OF HOWARD STREET; THENCE N46°18'10"E 70.45 FEET TO THE TRUE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK 348

PARCEL VIII:

BEGINNING AT A POINT ON THE NORTHWESTERLY LINE OF TEHAMA STREET (35.00 FEET WIDE), DISTANT THEREON S46°18'10"W 527.50 FEET FROM THE SOUTHWESTERLY LINE OF 1ST STREET (82.50 FEET WIDE); THENCE ALONG SAID LINE OF TEHAMA STREET S46°18'10"W 0.45 FEET TO A POINT DISTANT THEREON N46°18'10"E 297.50 FEET FROM THE NORTHEASTERLY LINE OF 2ND STREET (82.50 FEET WIDE); THENCE N43°41'50"W 80.00 FEET; THENCE N46°18'10"E 0.45 FEET TO A POINT PERPENDICULARLY DISTANT S46°18'10"W 527.50 FEET FROM SAID SOUTHWESTERLY LINE OF 1ST STREET; THENCE S43°41'50"E 80.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF 100 VARA BLOCK 348

BASIS OF BEARINGS: THE SAN FRANCISCO CITY MONUMENT LINE LOCATED IN HOWARD STREET BETWEEN MONUMENT LINES IN 1ST AND 2ND STREETS IS TAKEN AS N46°18'10"E AS SHOWN ON RECORD OF SURVEY NO. 6428, FILED ON MAY 31, 2012, IN BOOK EE OF SURVEY MAPS, AT PAGES 19-27, OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO.

APN: LOT 089, BLOCK 3736

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of _____)

County of _____)

On _____, 2018, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)