

AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE

by and between

TRANSBAY JOINT POWERS AUTHORITY, a California joint powers agency,
as Seller,

and

as Buyer,

For the purchase and sale of

Portions of State Parcel F (APN 3721-015A)
75 Natoma (APN 3721-031), 546 Howard (APN 3721-016),
564 Howard (APN 3721-019), 568 Howard (APN 3721-020),
and 77-79 Natoma (APN 3721-029),
San Francisco, California

September 10, 2015

As posted to TJPA website 8-19-15,
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AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE
(Portions of State Parcel F (APN 3721-015A), 75 Natoma (APN 3721-031),
546 Howard (APN 3721-016), 564 Howard (APN 3721-019), 568 Howard (APN 3721-020),
and 77-79 Natoma (APN 3721-029), San Francisco, California)

THIS AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE (“**Agreement**”) dated for reference purposes only as of September 10, 2015 is by and between the TRANSBAY JOINT POWERS AUTHORITY, a joint powers authority created under California Government Code Sections 6500 et seq. (“**TJPA**”), and

_____ (“**Buyer**”)
(the TJPA and Buyer are collectively referred to as “**Parties**”). The Parties agree as follows:

RECITALS

THIS AGREEMENT IS MADE WITH REFERENCE TO THE FOLLOWING FACTS AND CIRCUMSTANCES:

A. The TJPA is responsible for implementing the Transbay Transit Center Program (“**Program**”), which includes, among other things, (i) on the site of the former Transbay Terminal, the construction of a new Transit Center building (“**Transit Center**”), (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 (“**Downtown Rail Extension**” or “**DTX**”), including a train box (~~“**Train Box** and related facilities~~ (“**Transbay Subsurface Facilities**”) and venting facilities (“**Transbay Venting Facilities**”), (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) a bus ramp connecting the Bay Bridge to the Transit Center (“**Bus Ramp**”), and (vii) permanent bus storage facilities.

B. The TJPA and its contractors are currently using State Parcel F (APN 3721-015A), 75 Natoma (APN 3721-031), 546 Howard (APN 3721-016), 564 Howard (APN 3721-019), 568 Howard (APN 3721-020), and 77-79 Natoma (APN 3721-029) for construction of the Program. In particular, the TJPA is constructing a portion of the below-grade ~~Train Box~~ **Transbay Subsurface Facilities** and above-grade **Transbay Venting Facilities** on the properties, the TJPA is building a portion of the Bus Ramp on the properties, and the TJPA is using the properties for construction staging. The Bus Ramp is contracted to be complete by no later than December 31, 2016. The TJPA intends to construct the western most **Transbay Venting Facility** in Phase 1 of the Transbay Program (scheduled to be complete by the end of 2017), and the other two Transbay Venting Facilities at some time in the future; the schedule for construction is subject to change at the TJPA’s discretion. At completion of the Bus Ramp, the TJPA will no longer require the fee interest in portions of State Parcel F, 75 Natoma, 546 Howard, 564 Howard, 568 Howard, and 77-79 Natoma for Program purposes.

C. On May 21, 2015, the TJPA publicly distributed a notice that the TJPA would receive bids at a live auction for the sale of portions of State Parcel F, 75 Natoma, 546 Howard, 564 Howard, and 77-79 Natoma; the TJPA subsequently determined that it would also auction a portion of 568 Howard (collectively, the “**Transbay Parcel F Property**”).

D. From May 21, 2015 through August 19, 2015, the TJPA made available to bidders by publicly posting on its website, without warranty, certain information in the TJPA's files regarding the condition (including physical, legal, zoning, environmental, and other) of the Transbay Parcel F Property, such as ALTA surveys, title reports, and site assessments. Buyer had access to these materials.

E. On June 18 ~~an~~ July 14, 2015, the TJPA conducted ~~a-site inspection~~ inspections of the Transbay Parcel F Property that ~~was~~ were open to all potential bidders. Buyer participated in one of the site ~~inspection~~ inspections.

F. From May 21, 2015 through August ~~12~~ 17, 2015, bidders were permitted to submit in writing to the TJPA any questions or requests for clarification regarding ~~the~~ this Agreement, the bid documents, the auction procedures, the materials the TJPA made available regarding the Transbay Parcel F Property, and other matters pertaining to the opportunity. On or before August 19, 2015, the TJPA made available to bidders by posting on its website all of the properly submitted questions and written responses. Buyer had the opportunity to submit questions, and had access to the submitted questions and written responses.

G. On ~~August 19, 2015~~, the TJPA posted ~~Addendum 1 to this Agreement~~. The TJPA did not issue any ~~additional~~ addenda ~~or other updates to the information regarding the opportunity~~ after August 19, 2015. Buyer had access to ~~all of the addenda and other updates~~ the addendum.

H. To participate in the live auction, each bidder was required to meet certain pre-qualification requirements. On July ~~22~~ 23, 2015, Buyer timely submitted its application for prequalification. On ~~July 13~~ August 5, 2015, the TJPA determined that Buyer met the prequalification requirements.

I. To participate in the live auction, each bidder was also required to submit to the TJPA a written bid package, including a binding offer to purchase ("**Binding Offer**") and this fully-executed Agreement, each in the form prescribed by the TJPA, offering an initial purchase price ("**Initial Offered Purchase Price**") that met or exceeded a minimum bid price established by the TJPA and which bind Buyer if the Initial Offered Purchase Price is accepted by the TJPA. On August 26, 2015, Buyer timely submitted its written bid package, including the Binding Offer and this Agreement, specifying Buyer's Initial Offered Purchase Price. ~~On September 2, 2015, prior~~ Prior to the start of the live auction bidding, the TJPA publicly opened Buyer's Binding Offer and this Agreement. As described in Section 2.1 of this Agreement, Buyer offered an Initial Offered Purchase Price that met the minimum bid price requirement, and TJPA confirmed that the written bid package met all of the requirements for Buyer to be eligible to participate in the live auction.

J. To participate in the live auction, each bidder was also required to submit to the TJPA in its written bid package a good faith deposit in the amount of Ten Million Dollars (\$10,000,000) ("**Good Faith Deposit**") by certified check or irrevocable standby Letter of Credit in a form approved by the TJPA. On August 26, 2015, Buyer timely submitted its Good Faith Deposit. Prior to the start of the live auction bidding, the TJPA confirmed that the form and

content of the Good Faith Deposit met all of the requirements for Buyer to participate in the live auction.

K. On September 2, 2015, the TJPA conducted the live auction in San Francisco. Only prequalified bidders who had submitted a written bid package, were physically present at the live auction, and legally authorized to bid and bind the bidder, were permitted to bid in the live auction. The highest written Initial Offered Purchase Price submitted by a prequalified bidder meeting or exceeding the minimum bid price specified by the TJPA was the opening bid for the live auction. The TJPA accepted oral bids at the live auction. The TJPA then allowed the two highest oral bidders to submit final written sealed bids at the live auction. The TJPA ended the live auction after assuring an adequate time for bidding and determining the highest bid. Through the live auction, Buyer submitted the highest bid (“**Highest Bid**”). After Buyer was determined to have submitted the Highest Bid, Buyer inserted the amount of the Highest Bid in Section 2.2 of this Agreement and executed the signature page confirming that the Highest Bid is the binding Final Purchase Price for the Property and replaces the Initial Offered Purchase Price.

L. In 2004, the TJPA certified the Final Environmental Impact Statement/Environmental Impact Report (“**Transbay Program Final EIS/EIR**”) for the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project, and adopted findings, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program under the California Environmental Quality Act (“**CEQA**”). The TJPA has subsequently adopted several addenda to the Transbay Program Final EIS/EIR, determining in each case that modifications to the project would not require major revisions to the Transbay Program Final EIS/EIR due to new or substantially more severe significant impacts. In 2012, the San Francisco Planning Commission certified and the San Francisco Board of Supervisors affirmed the certification of the Final Environmental Impact Report for the Transit Center District Plan (“**TCDP Final EIR**”). The sale of the Transbay Parcel F Property is an undertaking pursuant to and in furtherance of the Program, the Redevelopment Plan, and the TCDP, and is within the scope of the project analyzed in both the Transbay Program Final EIS/EIR and the TCDP Final EIR. Because the terms and conditions of the sale of the Transbay Parcel F Property are within the scope of the Transbay Program Final EIS/EIR and the TCDP Final EIR and do not involve changes in the project, and the TJPA is not aware of any changes in circumstances, or new information of substantial importance regarding a new significant impact or a substantial increase in the severity of a significant impact requiring major revisions in the Transbay Program Final EIS/EIR and the TCDP Final EIR; no subsequent or supplemental EIR or addendum to either EIR is required for the sale of the Transbay Parcel F Property. To the extent that Buyer seeks entitlements or other approvals from the City and County of San Francisco (“**City**”) for a proposed development on the Transbay Parcel F Property, such proposed development may be subject to further CEQA review.

M. The TJPA and Buyer now wish to enter into this Agreement to set forth the terms and conditions under which the TJPA will sell and Buyer will purchase the Transbay Parcel F Property.

ACCORDINGLY, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the TJPA and Buyer agree as follows:

1. PROPERTY INCLUDED IN SALE

The TJPA agrees to sell and convey to Buyer, and Buyer agrees to purchase from the TJPA, subject to the terms, covenants, and conditions hereinafter set forth, the Transbay Parcel F Property, which consists of the following:

(a) the land consisting of approximately Thirty-Two Thousand Fifteen (32,015) square feet of land, located in the City and County of San Francisco, commonly known as portions of State Parcel F (APN 3721-015A), 75 Natoma (APN 3721-031), 546 Howard (APN 3721-016), 564 Howard (APN 3721-019), 568 Howard (APN 3721-020), and 77-79 Natoma (APN 3721-029), and more particularly described in Exhibit A to this Agreement (collectively, “**Land**”);

(b) all improvements and fixtures located on or in the Land, including any and all buildings and structures located on or in the Land (collectively, “**Improvements**”), but excluding the improvements constructed by the TJPA on the Land for the ~~Train-Box and Transbay~~ Subsurface Facilities and Transbay Venting Facilities, as further described in the Train Box Easement (see Section 7.1 and Exhibit B), the ownership and authority for which is retained by the TJPA; and

(c) any and all of the rights, privileges, and easements incidental or appurtenant to the Land or Improvements, including any and all minerals, oil, gas, and other hydrocarbon substances on and under the Land, as well as any and all development rights, air rights, water, water rights, riparian rights, and water stock relating to the Land, and any and all easements, rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Land or Improvements (collectively, “**Appurtenances**”).

The right, title, and interest in the Transbay Parcel F Property conveyed by the TJPA to Buyer shall be expressly subject to the reservations and restrictions described in the Train Box Easement (see Section 7.1 and Exhibit B), the Reservation Agreement (see Section 7.2 and Exhibit C), the Pedestrian Bridge Easement (see Section 7.3 and Exhibit D), and the Bus Ramp Easement (see Section 7.4 and Exhibit E) (collectively, “**TJPA Retained Property**”).

2. PURCHASE PRICE

2.1 Initial Offered Purchase Price

Except as may be modified by Section 2.2 of this Agreement, the total purchase price for the Transbay Parcel F Property shall be \$ _____ (“**Initial Offered Purchase Price**”).

2.2 Highest Bid; Final Purchase Price

Through the live auction, Buyer submitted the Highest Bid in the amount of \$ _____. Because the amount of the Highest Bid exceeds the amount of the Initial Offered Purchase Price, the Highest Bid is the final purchase price for the Transbay Parcel F Property and replaces the Initial Offered Purchase Price (“**Final Purchase**”).

Price”). If as a result of the live auction no bid is received that exceeds the Initial Offered Purchase Price, the Initial Offered Purchase Price shall become the Final Purchase Price referenced in this Agreement. For the avoidance of doubt, the Final Purchase Price shall be the greater of the Initial Offered Purchase Price or the Highest Bid.

2.3 Payment

At closing of the sale of the Transbay Parcel F Property to Buyer (“**Closing**”), Buyer shall pay the Final Purchase Price to, or as directed by, the TJPA, reduced by the cash amount of the Good Faith Deposit held by the TJPA as described in Section 2.4. If the Good Faith Deposit was made in the form of a Letter of Credit (as defined below), there will be no reduction or credit to the Final Purchase Price, but the Letter of Credit will be returned to Buyer at Closing.

Payment of the Final Purchase Price shall be in legal tender of the United States of America, paid in cash or an amount credited by wire transfer of immediately available funds to a national bank in San Francisco, California specified by the Escrow Agent (as defined immediately below) for credit to the escrow account of Chicago Title Insurance Company, 455 Market Street, Suite 2100, San Francisco, California 94105-2420 (“**Escrow Agent**” and “**Title Company**”).

2.4 Good Faith Deposit

(a) To participate in the live auction, Buyer submitted to the TJPA a Good Faith Deposit in the amount of Ten Million Dollars (\$10,000,000) by certified check or irrevocable standby Letter of Credit (“**Letter of Credit**”) in the form required by, and subject to the terms of, the Standby Letter of Credit Agreement. No later than five (5) business days after the TJPA Board approves this Agreement, the TJPA shall deliver the Good Faith Deposit to the Escrow Agent. If the Good Faith Deposit is ~~cash~~made by certified check, the Escrow Agent shall deposit the Good Faith Deposit in an interest-bearing account. For purposes of this Section 2.4, the \$10,000,000 Good Faith Deposit and any interest accrued on that deposit after the Effective Date and prior to Closing shall be collectively defined as the “**Good Faith Deposit**.”

(b) The purpose of the Good Faith Deposit is to ensure that on or before the Closing Date (as defined in Section 5.7) and conditioned only on satisfaction of the Buyer Closing Conditions (as defined in Section 5.2), Buyer closes on the purchase of the Transbay Parcel F Property and pays the Final Purchase Price. The Good Faith Deposit shall be fully non-refundable ~~(except if Closing does not occur by the Closing Date as a result of a failure of a Buyer Closing Condition not caused by Buyer~~ as specified in Section 2.4(d).

(c) In the event Closing occurs on or before the Closing Date, the Good Faith Deposit, if made by certified check (but not if in the form of a Letter of Credit) shall be credited against the Final Purchase Price owed by Buyer to the TJPA at Closing.

(d) In the event Closing does not occur by the Closing Date as a result of one of the following: (i) a failure of a Buyer Closing Condition not caused by Buyer as set forth in Section 5.2, including if the failure was the result of a TJPA default, (ii) a failure of a TJPA Closing Condition because the TJPA frustrated such fulfillment by some affirmative act or negligent omission as set forth in Section 5.3, (iii) an Event of Default by the TJPA as specified in

Section 10.3 (following notice and cure periods, as set forth herein), or (iv) the termination of this Agreement as provided in Section 12.2. and the Parties, each in its own discretion, have not agreed in writing to further extend the Closing Date, the TJPA shall forfeit the Good Faith Deposit and Escrow Agent shall immediately return the Good Faith Deposit to Buyer. Such return of the Good Faith Deposit shall be the sole remedy of Buyer for failure of Closing by the Closing Date, and Buyer shall not have any right to any other damages or to obtain specific performance for any TJPA failure to close by the Closing Date.

(e) In the event Closing does not occur by the Closing Date for any other reason, including a failure of a Buyer Closing Condition caused by Buyer as set forth in Section 5.2, and the Parties, each in its own discretion, have not agreed in writing to further extend the Closing Date, or as otherwise specified in the Letter of Credit Agreement submitted by Buyer if it made its Good Faith Deposit by Letter of Credit. Buyer shall forfeit the Good Faith Deposit and Escrow Agent shall immediately deliver the Good Faith Deposit to the TJPA. If the Good Faith Deposit is in the form of a Letter of Credit, the TJPA shall have the right to draw on such Letter of Credit to realize the Good Faith Deposit in cash. Such receipt of the Good Faith Deposit shall be the sole remedy of the TJPA for Buyer's failure to close by the Closing Date, and the TJPA shall not have any right to any other damages or to obtain specific performance for Buyer's failure to close by the Closing Date.

(f) THE PARTIES HAVE AGREED THAT THE TJPA'S OR BUYER'S ACTUAL DAMAGES, IN THE EVENT OF A FAILURE TO CONSUMMATE THE PURCHASE-SALE OF THE TRANSBAY PARCEL F PROPERTY WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, THE GOOD FAITH DEPOSIT IS A REASONABLE ESTIMATE OF THE DAMAGES THAT SUCH PARTY WOULD INCUR IN SUCH EVENT. BY PLACING ITS INITIALS BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION.

INITIALS: TJPA: _____ Buyer: _____

3. TITLE TO THE PROPERTY

3.1 Conveyance of Title to the Property

At Closing, the TJPA shall convey to Buyer fee simple title to the Transbay Parcel F Property by duly executed and acknowledged quitclaim deed in the form attached hereto as Exhibit F ("Quitclaim Deed"), subject to the Accepted Conditions of Title (described in Section 3.2), including the TJPA Retained Property.

3.2 Accepted Conditions of Title

Fee simple title to the Transbay Parcel F Property delivered by the TJPA to Buyer in accordance with Section 3.1 shall be subject to the following exceptions to title, which are hereby accepted, agreed to, and approved by Buyer (“**Accepted Conditions of Title**”):

(a) the Cooperative Agreement among the TJPA, the California State Department of Transportation (“**Caltrans**”), and the City, effective July 11, 2003 (“**Cooperative Agreement**”), sets forth the terms and conditions under which Caltrans would transfer certain state-owned parcels to the City and the TJPA. By that certain deed recorded on August 9, 2010 in the Official Records of the City and County of San Francisco, document no. 2010J017202 (“**Director’s Deed**”), Caltrans conveyed State Parcel F to the TJPA. In connection with the transfer of State Parcel F, Caltrans retained a right to terminate the transfer and re-take title to the property if certain conditions were not met following the transfer of such property to the TJPA (“**Power of Termination**”). In connection with the TJPA’s Interim Financing for the Program, as described below, on January 22, 2015 Caltrans relinquished its Power of Termination over State Parcel F pursuant to that certain document recorded on January 22, 2015 in the Official Records of the City and County of San Francisco, document no. 2015K010429 (“**Relinquishment of Power of Termination**”);

(b) the Transportation Infrastructure Finance and Innovation Act Loan Agreement among the TJPA, as borrower, and the United States Department of Transportation, as lender, dated January 1, 2010 (as amended, “**TIFIA Loan**”), pledges certain property tax increment revenue attributable to certain former state-owned parcels (“**Net Tax Increment**”), including State Parcel F, as security for the payment of a loan under the federal TIFIA program for the Transbay Program. In 2014, the TJPA and the TIFIA Loan lender entered into two amendments to the TIFIA Loan. The interim financing among the TJPA, as borrower, and Goldman Sachs Bank USA and Wells Fargo Bank, National Association, as lenders, dated January 22, 2015 (“**Interim Financing**”), is on parity with the TIFIA Loan. The Interim Financing is secured, in part, by the Net Tax Increment and the Deed of Trust, Assignment of Leases and Rents, and Security Agreement on State Parcel F, 75 Natoma, and 546 Howard, dated January 22, 2015 (“**Deed of Trust**”). At Closing, and pursuant to the Interim Financing, the TJPA shall cause Goldman Sachs Bank USA and Wells Fargo Bank, National Association to reconvey the Deed of Trust (“**Reconveyance of Deed of Trust**”);

(c) the Option Agreement for the Purchase and Sale of Real Property among the TJPA, the City, and the former Redevelopment Agency of the City and County of San Francisco (“**Former Agency**”), dated January 31, 2008 (as amended, “**Option Agreement**”), sets forth the process for the Former Agency to exercise an option for the transfer of certain former state-owned parcels, including State Parcel F, to the Former Agency to facilitate the sale of the parcels to private developers. In 2015, the TJPA, the City, and the successor to the Former Agency (“**Office of Community Investment and Infrastructure**” or “**OCII**”) entered into a first amendment to the Option Agreement and OCII. Also in 2015, the TJPA, OCII, and Goldman Sachs Bank USA entered into a Subordination of the Option Agreement (“**Subordination of Option**”), pursuant to which OCII subordinated the Option Agreement and OCII’s interest in the option relative to State Parcel F to the Deed of Trust. The Option Agreement at Section 4.2 provides OCII the authority to cancel its option as to any particular former state-owned parcels by

delivering to the TJPA written notice of cancellation. At or before Closing, and in connection with this Agreement, the TJPA shall cause OCII to release its option of State Parcel F under the Option Agreement by executing a notice of cancellation (“**Cancellation of Option Over Parcel F**”), in substantially the form attached as Exhibit H;

(d) the Metropolitan Transportation Commission (“MTC”) granted the TJPA the funding required for the acquisition of 75 Natoma and 546 Howard. In connection with the grant, on March 24, 2009, the TJPA and MTC entered into an agreement for quitclaim of interest in 75 Natoma and 546 Howard (“**MTC Quitclaim Agreement for 75 Natoma and 546 Howard**”) pursuant to which the TJPA deposited a quitclaim deed for the properties into an escrow account held by an Escrow Agent (“**Funding Partner Escrow**”), to be delivered to MTC and recorded only on satisfaction of the terms and conditions of the MTC Quitclaim Agreement for 75 Natoma and 546 Howard. In connection with the TJPA’s interim financing for the Program, on January 22, 2015, the TJPA and MTC entered a first amendment to the MTC Quitclaim Agreement pertaining to 75 Natoma and 546 Howard (“**First Amendment to MTC Quitclaim Agreement for 75 Natoma and 546 Howard**”). Pursuant to the First Amendment, to MTC Quitclaim Agreement for 75 Natoma and 546 Howard, and subject to certain conditions being satisfied, including conveying the properties to a third party for development, MTC fully released the TJPA of its obligations and duties under the MTC Quitclaim Agreement for 75 Natoma and 546 Howard. The consummation of the purchase-sale contemplated by this Agreement, will release the conditions contemplated under the First Amendment to MTC Quitclaim Agreement for 75 Natoma and 546 Howard, subject to joint written instruction from the TJPA and MTC, affirming that the bridge loan lenders have recorded the Reconveyance of Deed of Trust and the properties have been conveyed to a third party for development;

(e) MTC also granted the TJPA the funding required for the acquisition of 568 Howard. In connection with the grant, on January 4, 2011, the TJPA and MTC entered into an agreement for quitclaim of interest in 568 Howard (“**MTC Quitclaim Agreement for 568 Howard**”) pursuant to which the TJPA deposited a quitclaim deed for the property ~~in~~ to the Funding Partner Escrow, to be delivered to MTC and recorded only on satisfaction of the terms and conditions of the MTC Quitclaim Agreement for 568 Howard. At Closing, and in connection with this Agreement, the TJPA shall cause MTC to release the MTC reserved rights to the portion of 568 Howard included in the Transbay Parcel F Property by executing a release agreement (“**Release of MTC Quitclaim Agreement for 568 Howard**”), in substantially the form attached as Exhibit I;

(f) the San Francisco County Transportation Authority (“SFCTA”) granted the TJPA the funding required for the acquisition of 77-79 Natoma. In connection with the grant, on February 13, 2009, the TJPA and SFCTA entered into an agreement for quitclaim of interest in 77-79 Natoma (“**SFCTA Quitclaim Agreement for 77-79 Natoma**”) pursuant to which the TJPA deposited a quitclaim deed for the property into the Funding Partner Escrow, to be delivered to SFCTA and recorded only on satisfaction of the terms and conditions of the SFCTA Quitclaim Agreement for 77-79 Natoma. At Closing, and in connection with this Agreement, the TJPA shall cause SFCTA to release the SFCTA reserved rights to the portion of 77-79 Natoma included in the Transbay Parcel F Property by executing a release agreement (“**Release of**

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SFCTA Quitclaim Agreement for 77-79 Natoma”), in substantially the form attached as Exhibit J-1;

(g) SFCTA granted the TJPA the funding required for the acquisition of 564 Howard. In connection with the grant, on January 4, 2011, the TJPA and SFCTA entered into an agreement for quitclaim of interest in 564 Howard (“**SFCTA Quitclaim Agreement for 564 Howard**”) pursuant to which the TJPA deposited a quitclaim deed for the property into the Funding Partner Escrow, to be delivered to SFCTA and recorded only on satisfaction of the terms and conditions of the SFCTA Quitclaim Agreement for Howard. At Closing, and in connection with this Agreement, the TJPA shall cause SFCTA to release the SFCTA reserved rights to the portion of 564 Howard included in the Transbay Parcel F Property by executing a release agreement (“**Release of SFCTA Quitclaim Agreement for 564 Howard**”), in substantially the form attached as Exhibit J-2;

SFCTA granted the TJPA the funding required for the acquisition of 568 Howard. In connection with the grant, on January 4, 2011, the TJPA and SFCTA entered into an agreement for quitclaim of interest in 568 Howard (“SFCTA Quitclaim Agreement for 568 Howard”) pursuant to which the TJPA deposited a quitclaim deed for the property into the Funding Partner Escrow, to be delivered to SFCTA and recorded only on satisfaction of the terms and conditions of the SFCTA Quitclaim Agreement for 568 Howard. At Closing, and in connection with this Agreement, the TJPA shall cause SFCTA to release the SFCTA reserved rights to the portion of 568 Howard included in the Transbay Parcel F Property by executing a release agreement (“Release of SFCTA Quitclaim Agreement for 568 Howard”), in substantially the form attached as Exhibit J-3;

(h) Buyer shall take title to the Transbay Parcel F Property at Closing subject to the Train Box Easement, which shall be recorded at Closing in substantially the form attached as Exhibit B. The Train Box Easement shall provide the terms and conditions for, among other things, construction, protection, and support of the ~~Train Box~~Transbay Subsurface Facilities and Transbay Venting Facilities;

(i) the TJPA has entered an agreement for Construction Management/General Contractor services with Webcor/Obayashi, Joint Venture (“**Contractor**”) dated March 12, 2009 (as amended, “**CMGC Agreement**”) for certain services related to construction of the Program. Section 01 14 19 of the CMGC Agreement provides that the Transbay Parcel F Property shall be made available to Contractor for its use until the completion of construction of the Bus Ramp. Per the CMGC Agreement, the deadline for completion of the Bus Ramp shall be no later than December 31, 2016;

(j) ~~The~~the TJPA and Buyer shall enter and record at Closing the Reservation Agreement, in substantially the form attached as Exhibit C. The Reservation Agreement shall provide the terms and conditions for the TJPA’s exclusive use of the Transbay Parcel F Property for the period from Closing through no later than December 31, 2016;

(k) Buyer shall, at Buyer’s sole cost, connect the development of the Transbay Parcel F Property to the Transit Center Rooftop Park by a pedestrian bridge. Buyer shall enter and record at Closing the Pedestrian Bridge Easement, in substantially the form attached as

Exhibit D. The Pedestrian Bridge Easement shall provide the terms and conditions for, among other things, design and operation of the pedestrian bridge;

(l) Buyer shall take title to the Transbay Parcel F Property at Closing subject to the Bus Ramp Easement, which shall be recorded at Closing in substantially the form attached as Exhibit E. The Bus Ramp Easement shall require Buyer to agree that, among other things, a fifteen- (15-) foot-wide strip on the Transbay Parcel F Property and adjacent to the Bus Ramp shall be reserved for the TJPA's access and maintenance of the Bus Ramp;

(m) Buyer shall enter at Closing the confidential security agreement ("**Security Agreement**"), in substantially the form attached as Exhibit K [redacted]. The Security Agreement shall provide, among other things, the minimum terms and conditions for securing the connections between the ~~development of structure(s) developed on~~ the Transbay Parcel F Property and the Transbay Transit Center, and coordinating with the TJPA on security matters;

(n) all exceptions listed in Schedule B of the ~~Pro-Forma Preliminary~~ Title ~~Insurance Policy Report~~ for the Transbay Parcel F Property issued by Chicago Title Insurance Company on ~~_____~~, 2015 at _____, Title No. _____, attached as Exhibit L;

(o) all matters specifically identified in ~~the any~~ ALTA Survey of the Transbay Parcel F Property ~~dated _____ prepared by _____, attached as Exhibit M prior to the Closing Date~~, or that would otherwise be revealed by an inspection of the Transbay Parcel F Property on the Closing Date;

(p) the inclusion of the Transbay Parcel F Property in a Community Benefits District, Business Improvement District, or any similar assessment district (each a "**CBD**") that levies an assessment to provide funding for maintenance of the Rooftop Park or any similar assessment imposed on substantially all parcels within the area benefitted by a CBD of which Buyer or its successor is a member (or will be a member on acquisition of the Transbay Parcel F Property); and

(q) ~~Any any~~ right, title or interest of persons, known or unknown, who claim or may claim adversely to the vested owners by reason of the record title to the Transbay Parcel F Property 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**."

3.3 Title Policy

At Closing, Title Company shall provide and deliver to Buyer or be irrevocably committed to issue to Buyer an ALTA owner's title insurance policy ("**Title Policy**") in the amount of the Final Purchase Price insuring that fee simple title to the Transbay Parcel F Property is vested in Buyer, subject only to the Accepted Conditions of Title, including the TJPA Retained Property.

Buyer shall be entitled to request that the Title Company provide such endorsements (or amendments) to the Title Policy as Buyer may reasonably require, provided that the same shall (a)

be at no cost to the TJPA, (b) impose no material or non-customary additional liability on the TJPA, and (c) not delay Closing or be a Buyer Closing Condition under Section 5.2.

4. “AS IS” SALE; RELEASE

4.1 “As Is” Sale

(a) Buyer acknowledges and agrees that the Transbay Parcel F Property is to be sold and conveyed to and accepted by Buyer in an “AS IS” condition with all faults, subject to any changes permitted in the Reservation Agreement.

(b) With the sole exceptions of the representations and warranties in the Reservation Agreement and Section 11.1 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 the Transbay Parcel F Property. In particular, the TJPA makes no representations or warranties with respect to the following matters related to the Transbay Parcel F Property: the use, condition (whether physical, legal, zoning, environmental, or other), title, encumbrances, occupation, or management; value 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; compliance with applicable statutes, laws, codes, ordinances, regulations or requirements relating to leasing, zoning, subdivision, planning, building, fire, safety, health or environmental matters; suitability for Buyer’s intended use; or concerning contamination with Hazardous Material (as defined in Section 7.11) (collectively, “**Condition of the Transbay Parcel F Property**”).

(c) Buyer acknowledges that it is entering into this Agreement on the basis of Buyer’s own investigation of the Condition of the Transbay Parcel F Property, including the subsurface conditions. Although the TJPA has provided Buyer certain information in the TJPA’s files regarding the Condition of the Transbay Parcel F Property, Buyer acknowledges that the TJPA makes no representations or warranties as to the scope, content, accuracy, or completeness of the information, and Buyer is relying solely on its own investigation of the Transbay Parcel F Property. Buyer assumes the risk that adverse physical, legal, zoning, environmental or other conditions may not have been revealed by its investigation.

(d) The TJPA has no obligation to make any repairs or improvements to, or prepare the Transbay Parcel F Property for any purpose whatsoever prior to conveyance to Buyer, except as specified in the Reservation Agreement. The TJPA has no obligation to obtain a McEnerney Judgment, Certificate of Compliance or other evidence of Subdivision Map Act compliance, Proposition M office space allocation, or zoning or other code change pertaining to the Transbay Parcel F Property.

(e) Buyer’s obligation to purchase the Transbay Parcel F Property at Closing is not contingent on any Buyer land acquisition or construction financing; any discretionary or mandatory authorizations, approvals, permits, or entitlements by any local, State or Federal governmental agencies having jurisdiction and that may be necessary to develop the Transbay Parcel F Property; any CEQA or other environmental review that may be necessary to develop the Transbay Parcel F Property; any municipal code, zoning, or plan amendments that may be

necessary to develop the Transbay Parcel F Property; or any compliance with the Subdivision Map Act;

(f) Buyer's obligation to purchase the Transbay Parcel F Property at Closing shall not be limited or altered by the imposition of any impact fees or assessments, Mello-Roos Community Facilities District special taxes or assessments, or Community Benefits District assessments by governmental agencies having jurisdiction over the Transbay Parcel F Property prior to Closing;

(g) After Closing, Buyer, at its sole cost and expense, shall comply with all provisions of Environmental Laws (as defined in Section 7.11) applicable to the Transbay Parcel F Property and all uses, improvements and appurtenances of and to the Transbay Parcel F Property, 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, and the TJPA, OCII, the City, and the State of California, and their respective boards, commissions, members and member agencies, departments, agencies, and other subdivisions, officers, directors, agents, employees, consultants, contractors, 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 with respect thereto related to the Transbay Parcel F Property, except where such liability results from the gross negligence or intentional misconduct of the TJPA or the TJPA Parties, or as provided in the Reservation Agreement.

4.2 Waiver and Release

Buyer, 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, rights, damages, costs, expenses, penalties, fines or compensation whatsoever, direct or indirect, which Buyer now has or which Buyer may have in the future on account of or in any way arising out of or in connection with this Agreement, the process for the sale of the Transbay Parcel F Property, and the Condition of the Transbay Parcel F Property. The foregoing applies regardless of any negligence or strict liability of the TJPA or the TJPA Parties. The foregoing does not, however, release against the TJPA or the TJPA Parties any 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 prior to the expiration of the term of the Reservation Agreement (or from an exposure of the third party to Hazardous Material, or an event involving a third party occurring prior to expiration of the Reservation Agreement, on the Transbay Parcel F Property or emanating from the Transbay Parcel F Property prior to expiration of the Reservation Agreement, but causing, in whole or in part, later injury or any damage). If any exposure of a third party to Hazardous Material on or emanating from the Transbay Parcel F Property occurs both before and after expiration of the Reservation Agreement, the release shall apply only to the extent of any personal injury or any damage attributable to the exposure occurring after expiration of the Reservation Agreement.

This waiver and release is a general release. Buyer 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, Buyer 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, Buyer specifically acknowledges and confirms the validity of the release made above and the fact that Buyer was represented by counsel who explained, at the time this Agreement was made, the consequences of the above releases.

INITIALS:

Buyer's Initials

5. ESCROW; CLOSING

5.1 Opening of Escrow

No later than five (5) business days after the TJPA Board approves this Agreement, the Parties shall open an escrow by depositing an executed counterpart of this Agreement with Escrow Agent, and 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 contemplated hereby. The TJPA and Buyer 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.

5.2 Buyer Closing Conditions

The following are conditions precedent to Buyer's obligation to purchase the Transbay Parcel F Property at Closing (collectively, "**Buyer Closing Conditions**"):

(a) the TJPA Board shall have authorized the TJPA Executive Director to execute this Agreement;

(b) the TJPA shall have deposited the Good Faith Deposit with the Escrow Agent;

(c) there being no material adverse change in the Condition -of the Transbay Parcel F Property from that which existed on August 26, 2015;

(d) there being no title encumbrances on the Transbay Parcel F Property other than the Accepted Conditions of Title;

(e) the TJPA shall have delivered or caused to be delivered to the Escrow Agent the TJPA Closing Documents (as defined in Section 5.5), including, but not limited to, the

Reconveyance of Deed of Trust, the Cancellation of Option Over Parcel F, the Release of MTC Quitclaim Agreement for 568 Howard, the Release of SFCTA Quitclaim Agreement for 77-79 Natoma, the Release of SFCTA Quitclaim Agreement for 564 Howard, and the Release of SFCTA Quitclaim Agreement for 568 Howard;

(f) Escrow Agent shall be prepared to record at Closing, among other things, the Quitclaim Deed, Reconveyance of Deed of Trust, the Train Box Easement, the Reservation Agreement, the Pedestrian Bridge Easement, and the Bus Ramp Easement;

(g) Title Company shall be prepared to issue the Title Policy to Buyer at Closing;

(h) all of the TJPA's representations and warranties in Section 11.1 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

(i) there shall not be an Event of Default by the TJPA (as defined in Section 10.3) after any applicable cure periods have expired.

The Buyer Closing Conditions are solely for the benefit of Buyer; provided, if a Buyer Closing Condition cannot be fulfilled because Buyer frustrated such fulfillment by some affirmative act or negligent omission, then the TJPA may terminate this Agreement by delivery of written notice of termination to Seller, which shall be effective 10 days following the TJPA's delivery, and upon such termination, the TJPA shall have the right to the Good Faith Deposit as liquidated damages as set forth in Section 2.4 above.

If, by the Closing Date, any of the Buyer Closing Conditions is not satisfied (for any reason other than Buyer fault, as set forth above), Buyer shall have the right in its sole discretion either to waive in writing the Buyer Closing Condition in question and proceed with the sale or, in the alternative, terminate this Agreement. If, by the Closing Date, Buyer shall not have waived in writing any of the Buyer Closing Conditions and the failure of the Buyer Closing Condition is due to some act or omission of the TJPA, then Buyer shall have the right to terminate this Agreement by written notice to the TJPA, the TJPA shall return the ~~Good Faith Deposit~~ to Buyer, and the TJPA and Buyer 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 Buyer shall cooperate in good faith to do all acts as may be reasonably required by each of them to cause the fulfillment of any Buyer Closing Conditions, but without assuming any new liability not contemplated by this Agreement.

5.3 The TJPA's Closing Conditions

The following are conditions precedent to the TJPA's obligation to sell the Transbay Parcel F Property at Closing (collectively, "**TJPA Closing Conditions**", and together with the Buyer Closing Conditions, "**Closing Conditions**"):

(a) Buyer shall have delivered to the Escrow Agent the Final Purchase Price (including cash in the amount of the Good Faith Deposit if Buyer gave a Letter of Credit for the Good Faith Deposit) and such other funds as are necessary to close escrow consistent with the terms of this Agreement;

(b) Buyer shall have delivered or caused to be delivered to the Escrow Agent the Buyer Closing Documents (as defined in Section 5.4);

(c) Escrow Agent shall be prepared to record at Closing the Quitclaim Deed, Reconveyance of Deed of Trust, the Reservation Agreement, the Train Box Easement, the Pedestrian Bridge Easement, the Bus Ramp Easement, and the Deed Restriction re Taxes (as defined in Section 7.8);

(d) all of Buyer's representations and warranties in Section 11.2 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; and

(e) there shall not be an Event of Default by Buyer (as defined in Section 10.1) after any applicable cure periods have expired.

The TJPA Closing Conditions are solely for the benefit of the TJPA; provided, if a TJPA Closing Condition cannot be fulfilled because the TJPA frustrated such fulfillment by some affirmative act or negligent omission, then Buyer may terminate this Agreement by delivery of written notice of termination to the TJPA, which shall be effective 10 days following Buyer's delivery, and upon such termination, Buyer shall have the right to a return of its Good Faith Deposit as its sole remedy.

If, by the Closing Date, any of the TJPA Closing Conditions is not satisfied (for any reason other than the TJPA fault, as set forth above), 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, by the Closing Date, the TJPA shall not have waived in writing any of the TJPA Closing Conditions and the failure of the TJPA Closing Condition is due to some act or omission of Buyer, then the TJPA shall have the right to terminate this Agreement by written notice to Buyer as set forth above, Buyer shall forfeit the Good Faith Deposit to the TJPA, and the TJPA and Buyer will have no further rights or obligations hereunder, except as otherwise provided herein.

Without limiting the other obligations of Buyer regarding Closing as expressly provided in this Agreement, Buyer 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.

5.4 Buyer's Delivery of Documents, Items, and Final Purchase Price

At or before Closing, Buyer shall deliver to the TJPA through escrow the following (collectively, "**Buyer Closing Documents**"):

(a) the Final Purchase Price and any other funds expressly required to be paid by Buyer under this Agreement for Closing;

(b) a properly executed and acknowledged Train Box Easement, substantially in the form attached hereto as Exhibit B;

(c) a properly executed and acknowledged Reservation Agreement, substantially in the form attached hereto as Exhibit C;

(d) a properly executed and acknowledged Pedestrian Bridge Easement, substantially in the form attached hereto as Exhibit D;

(e) a properly executed and acknowledged Bus Ramp Easement substantially in the form attached hereto as Exhibit E;

(f) a properly executed ~~and acknowledged~~ confidential Security Agreement substantially in the form attached hereto as Exhibit K [redacted];

(g) a properly executed Statement of Financing (as defined in Section 7.13);

~~and~~

(h) a closing statement in accordance with the terms of this Agreement;

(i) a properly executed and acknowledged Deed Restriction re Taxes, substantially in the form attached hereto as Exhibit N; and

~~(j)~~ a properly executed City and County of San Francisco Transfer Tax Affidavit, substantially in the form attached as Exhibit R.

5.5 The TJPA's Delivery of Documents and Items

At or before Closing, the TJPA shall deliver to Buyer through escrow the following (collectively, "**TJPA Closing Documents**"):

(a) a properly executed and acknowledged Train Box Easement, substantially in the form attached hereto as Exhibit B;

(b) a properly executed and acknowledged Reservation Agreement, substantially in the form attached hereto as Exhibit C;

(c) a properly executed and acknowledged Pedestrian Bridge Easement, substantially in the form attached hereto as Exhibit D;

(d) a properly executed and acknowledged Bus Ramp Easement, substantially in the form attached hereto as Exhibit E;

(e) a properly executed and acknowledged Quitclaim Deed, substantially in the form attached hereto as Exhibit F;

(f) a properly executed and acknowledged Reconveyance of Deed of Trust;

(g) a properly executed Cancellation of Option Over Parcel F, substantially in the form attached hereto as Exhibit H;

(h) a properly executed Release of MTC Quitclaim Agreement for 568 Howard, substantially in the form attached hereto as Exhibit I;

(i) a properly executed Release of SFCTA Quitclaim Agreement for 77-79 Natoma, substantially in the form attached hereto as Exhibit J-1;

(j) a properly executed Release of SFCTA Quitclaim Agreement for 564 Howard, substantially in the form attached hereto as Exhibit J-2 and a properly executed Release of SFCTA Quitclaim Agreement for 568 Howard, substantially in the form attached hereto as Exhibit J-3;

(k) a properly executed confidential Security Agreement substantially in the form attached hereto as Exhibit K [redacted];

~~(l) [omitted]~~

~~(l) a properly executed and acknowledged Deed Restriction re Taxes, substantially in the form attached hereto as Exhibit N;~~

(m) an owner's ALTA affidavit, substantially in the form attached as Exhibit O;

(n) a properly executed Certificate of Transferor Other Than an Individual (FIRPTA Affidavit), pursuant to Section 1445(b)(2) of the Federal Tax Code, substantially in the form attached as Exhibit P;

(o) a properly executed California State Tax Affidavit, substantially in the form attached as Exhibit Q; and

~~(p) a properly executed City and County of San Francisco Transfer Tax Affidavit, substantially in the form attached as Exhibit R; and~~

~~(q)~~(p) a closing statement in accordance with the terms of this Agreement.

5.6 Other Documents

The TJPA and Buyer shall each deposit such other instruments as are reasonably required by Escrow Agent or the Title Company or otherwise required for Closing in accordance with the terms hereof.

5.7 Closing Date

The TJPA and Buyer are obligated to close on the purchase and sale of the Transbay Parcel F Property under the terms and conditions of this Agreement by no later than December 1,

2015 (“**Closing Date**”) but the Parties may mutually agree to an earlier Closing Date. Time is of the essence in closing the transaction and the TJPA will not extend the Closing Date.

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.

6. EXPENSES AND TAXES

6.1 Title, Escrow, and Closing Costs

(a) Buyer 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 taxes, surveys, environmental review, title policy premium and endorsements, escrow, and recording fees; except, however, that the TJPA shall bear the cost to secure and record the Reconveyance of Deed of Trust.

(b) Fees, costs, expenses, taxes, and liabilities relating to the Transbay Parcel F Property shall be apportioned as of 12:01 a.m. (Pacific Time) on the Closing Date, so that the TJPA bears all expenses with respect to the Transbay Parcel F Property and has the benefit of all income with respect to the Transbay Parcel F Property, through and including the date immediately preceding the Closing Date. There are no contracts or leases being assigned to Buyer at Closing, and therefore no rent or expenditure proration relating to the same.

(c) The TJPA and Buyer shall jointly prepare a preliminary closing adjustment on the basis of any apportionments or adjustments to be made based on payments or expenses, and shall deliver such computation to Escrow Agent prior to Closing. The parties shall not object to actual, reasonable payments or expenses consistent with this Agreement.

(d) If any of the foregoing proration cannot be calculated accurately on the Closing Date, they shall be calculated as soon after the Closing Date as feasible, but not later than ninety (90) days after Closing. Either party owing the other party a sum of money based on such subsequent proration shall promptly pay such sum to the other party.

6.2 Pre-Development and Post-Closing Costs

After Closing, any costs associated with the security, maintenance/repair, or demolition of any existing structures on the Transbay Parcel F Property are the sole and absolute responsibility of the Buyer, except as may be otherwise provided in the Train Box Easement, Reservation Agreement, Pedestrian Bridge Easement, or Bus Ramp Easement. After Closing, all ad valorem property taxes and assessments levied, assessed, or imposed from and after Closing shall be the sole and absolute responsibility of Buyer. The cost of entitlements, permitting, inspections, approvals, environmental review, parcel mapping, quiet title actions, and other pre-development costs shall be the sole and absolute responsibility of Buyer. The cost of construction and development of the Transbay Parcel F Property shall be the sole and absolute responsibility of Buyer.

7. OTHER OBLIGATIONS OF BUYER

7.1 Comply with the Train Box Easement

The Parties shall enter and record at Closing the Train Box Easement, in substantially the form attached as Exhibit B.

7.2 Permit TJPA Possession of Property After Closing

The Parties shall enter and record at Closing the Reservation Agreement, in substantially the form attached as Exhibit C.

7.3 Construct, Operate, and Maintain the Pedestrian Bridge

The Parties shall enter and record at Closing the Pedestrian Bridge Easement, in substantially the form attached as Exhibit D.

7.4 Comply with the Bus Ramp Easement

The Parties shall enter and record at Closing the Bus Ramp Easement, in substantially the form attached as Exhibit E.

7.5 Pay Mello-Roos Community Facilities District (CFD) Special Tax

(a) The City and County of San Francisco formed the Transbay Center District Plan [Mello-Roos] Community Facilities District No. 2014-1 (Transbay Transit Center) (“CFD”) to help pay the costs of constructing the new Transit Center, the Downtown Rail Extension, and other infrastructure in the Transit Center District Plan area. The special tax rates as of the Effective Date (as defined in Section 12.21) are as set forth in the CFD Rate and Method of Apportionment (“RMA”) attached hereto as Exhibit S. ~~Buyer shall be responsible for payment of the CFD special tax applied to the Transbay Parcel F Property from and after Closing and the development thereof. State Parcel F (APN 3721-015A) 75 Natoma (APN 3721-031), and 546 Howard (APN 3721-016) are already included in the CFD. On _____, 2015, the TJPA requested that the City annex 564 Howard (APN 3721-019), 568 Howard (APN 3721-020), and 77-79 Natoma (APN 3721-029) into the CFD. Buyer shall be responsible for payment of the CFD special tax applied to the Transbay Parcel F Property from and after Closing and the development thereof. If the TJPA’s request to annex 564 Howard (APN 3721-019), 568 Howard (APN 3721-020), and 77-79 Natoma (APN 3721-029) into the CFD is pending on the Closing Date, then (i) Buyer shall be responsible for diligently causing such annexation to be completed by no later than December 31, 2016, and (ii) if Buyer fails to cause such annexation to be completed by December 31, 2016, Buyer shall pay to the City for transmittal to the TJPA, or retention by the City as applicable, the estimated CFD special tax amount that otherwise would have been due to the San Francisco Office of the Assessor-Recorder (“Assessor-Recorder”) under the RMA and on the same payment schedule that would have been required as if the improvements were subject to the RMA from, and after, the date of issuance of the Final Certificate of Occupancy for the improvements until the improvements are subject to a CFD.~~

(b) Buyer, 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 Buyer now has or which Buyer may have in the future to challenge the legal validity of the CFD, the RMA, or any other part of the CFD.

This waiver and release is a general release. Buyer 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, Buyer 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, Buyer specifically acknowledges and confirms the validity of the releases made above and the fact that Buyer was represented by counsel who explained, at the time this Agreement was made, the consequences of the above releases.

INITIALS: _____
Buyer's initials

7.6 Support and Pay Community Benefits District (CBD) Assessment

(a) The Greater Rincon Hill Community Benefit District (“CBD”) ~~is now under consideration for adoption~~ was formed in August 2015 by a vote of the property owners in a portion of the Transit Center District Area and certain adjacent areas (“Greater Rincon Hill District”) to help finance community services and the maintenance of public improvements in areas including the Transbay District (as defined in the CBD), including the rooftop park on the Transit Center, (also known as “City Park”). The CBD will help fund activities and improvements such as community services and maintenance of ~~public improvements~~ parks and streetscapes in the ~~Transbay~~ Greater Rincon Hill District to benefit the properties in the CBD, including maintenance of the rooftop park on the Transit Center. Buyer shall be responsible for payment of any CBD assessment ~~applied to~~ levied on the Transbay Parcel F Property and the development thereof after expiration of the Reservation Agreement ~~in compliance with Proposition 218.~~

~~(b) If the TJPA has the right to vote on a CBD prior to Closing, the TJPA shall be entitled to cast its ballot in favor of the CBD, without the need for consultation with or approval from Buyer. If Buyer has the right to vote on a CBD after Closing, Buyer shall cast its ballot in favor of the CBD, unless the CBD would not comply with Proposition 218.~~

~~(c) If no CBD is applicable to the Transbay Parcel F Property and the development thereof on or before the date the City issues the first certificate of occupancy for the~~

~~development on the Transbay Parcel F Property, then the Parties shall engage in a good faith effort to agree on payments by Buyer to the TJPA of Buyer's Fair Share of Costs for the period from the opening of the Rooftop Park until a CBD is imposed for that purpose. "Fair Share of Costs" shall mean a portion of the costs to operate and maintain the Rooftop Park that reflects a fair and equitable allocation of all such costs amongst properties within the zone of special benefit of the Rooftop Park, taking into account the special benefit of the Rooftop Park to each property, including the proximity of the property to the Rooftop Park and any physical connection to the Rooftop Park. In the event that the Parties cannot agree on Buyer's Fair Share of Costs, either Party may demand that the question be submitted to arbitration. The arbitration shall be conducted before a single arbitrator mutually agreed on by the Parties and shall be administered by ADR Services in San Francisco, California, under ADR Services' Arbitration Rules. In any such arbitration, TJPA and Buyer agree to expedite the discovery, adjudication and decision process and shall each cooperate with one another and the ADR Services arbitrator to establish and agree upon an expedited timeline for the completion of the arbitration and rendition of an award, but absent contrary agreement by the Parties, in no event later than fifteen (15) calendar days after the demand for arbitration and selection of an arbitrator. TJPA and Buyer shall confer upon the arbitrator the power and discretion to order the parties and proceedings to achieve expeditious resolution of the arbitration and rendition of the arbitration award. In any arbitration, the prevailing party shall be entitled to recover from the losing party all costs and expenses of the arbitration, enforcement of the award, and any proceedings relating to enforcement of any judgment relating to the arbitration, including reasonable and actual attorneys' fees and costs, expert fees and costs, and fees and costs of the arbitration and arbitrator.~~

~~(d)~~(b) Buyer, 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 Buyer now has or which Buyer may have in the future to challenge the initial assessment rates of the CBD, except to the extent the CBD would require Buyer to pay an assessment for the Transbay Parcel F Property and the development thereof that does not comply with Proposition 218.

This waiver and release is a general release. Buyer 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, Buyer 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, Buyer specifically acknowledges and confirms the validity of the release made above and the fact that Buyer was represented by counsel who explained, at the time this Agreement was made, the consequences of the above releases.

INITIALS: _____
Buyer's initials

7.7 Comply with Confidential Security Agreement

Buyer shall enter at Closing the confidential Security Agreement, in substantially the form attached as Exhibit K [redacted].

7.8 Comply with TIFIA Loan Requirements

(a) Consistent with the requirements of the TIFIA Loan, the ~~TJPA~~ Buyer shall record a deed restriction for the term of the TIFIA Loan that the Transbay Parcel F Property will not be used, in whole or in part, by any entity or for a purpose that will result in an exemption from the payment of real estate taxes being granted in any amount, without the prior written consent of the lender under the TIFIA Loan, with the exception of the following: 1) property that is used for public infrastructure and other public facilities, provided that the existence of the ~~Train Box and Transbay Subsurface Facilities and Transbay~~ Venting Facilities on and under a portion of the Transbay Parcel F Property shall not be a basis for Buyer to claim exemption from the payment of real estate taxes, in whole or in part, and 2) property that is used for the production of affordable housing, as contemplated by the Transbay Redevelopment Plan (“**Deed Restriction re Taxes**”). The Deed Restriction re Taxes shall be recorded at Closing in substantially in the form of Exhibit N.

(b) Consistent with the requirements of the TIFIA Loan, no later than six (6) months prior to Buyer's Commencement of Construction (as defined in Section 7.9), Buyer shall submit to the TJPA for review and approval for consistency with the TIFIA Loan requirements at least one of the following:

(i) signed financing agreements such as a loan agreement, line or letter of credit agreement, equity contribution or grant agreements or other similar agreements or instruments, or term sheets or letters of intent therefore, for the construction of the development of the Transbay Parcel F Property; or

(ii) certificate from Buyer certifying to the USDOT as the lender under the TIFIA Loan that funds are available to be drawn by Buyer from identified accounts maintained with a financial institution and that such funds are adequate to pay the costs of planning, design, engineering, procurement, permitting, construction, installation and equipping of the development of the Transbay Parcel F Property for its intended uses and purposes; or

(iii) a construction contract(s) for the full scope of work to design, equip, construct, and install the development of the Transbay Parcel F Property; and a copy of the notice to proceed issued to the general contractor, the design/build contractor, or the construction manager at risk; and a certificate from Buyer that there have been no amendments, changes or waivers to such construction contracts.

(c) Consistent with the requirements of the TIFIA Loan, Buyer shall not object to any conclusion that the assessed value of the Transbay Parcel F Property shall be the greater of:

(a) the existing assessed value of the Transbay Parcel F Property F as determined by the Assessor-Recorder, or (b) the sum of: (x) the Purchase Price for the Transbay Parcel F Property plus (y) the cost of the building(s) constructed on the Transbay Parcel F Property. For purposes of this Section 7.8(c), “**cost of the building(s) constructed**” shall encompass hard costs and certain other costs, which may include (i) all application, origination, documentation and other fees paid to any lender, equity investor, or other third party in connection with any interim financing and permanent financing; (ii) all appraisal, inspection, underwriting, due diligence and legal costs paid or reimbursed to any lender, equity investor, or other third party in connection with or related to any interim financing and permanent financing; (iii) escrow and title insurance fees and costs and all other closing costs in connection with or related to any interim financing and permanent financing; and (iv) attorneys’ fees and costs related to any interim financing and permanent financing; but shall exclude profits. Notwithstanding the foregoing, Buyer shall have the right to contest the assessed valuation by the Assessor-Recorder in the event of a market downturn.

(d) Consistent with the requirements of the TIFIA Loan, Buyer shall apply fire and casualty property insurance proceeds to the restoration of the development of the Transbay Parcel F Property if, in the reasonable judgment of the TJPA, the funds available to Buyer in the event of all or partial destruction of the development are sufficient to restore the development to its prior use and condition.

7.9 Develop Property to Highest and Best Use; Schedule for Development

For purposes of this Agreement, Buyer agrees to develop the Transbay Parcel F Property consistent with the highest and best use of the land and to a height of 750 feet, unless otherwise required by law.

Buyer shall commence construction of development of the Transbay Parcel F Property (“**Commencement of Construction**”) no later than _____, the end of the first calendar quarter of 2019, and Buyer shall complete construction of development of the Transbay Parcel F Property no later than _____ the end of the calendar year in 2021 (“**Completion of Construction**”); for the avoidance of doubt, Buyer may start and complete construction earlier than the deadlines stated above.

Should either the Commencement of Construction or the Completion of Construction not occur by the dates specified, Buyer shall pay to the TJPA and the Successor Agency to the former San Francisco Redevelopment Agency an amount equal to the estimated property tax increment, the estimated CFD special tax, and the estimated CBD assessment that would otherwise be due had Buyer commenced and completed construction on schedule as liquidated damages. Any liquidated damages assessed under this Section 7.9 shall not be an offset against any obligation of Buyer to pay to the TJPA, the City, or the Successor Agency any property taxes, CFD special tax, or CBD assessment.

THE PARTIES AGREE THAT THE TJPA’S ACTUAL DAMAGES SHOULD BUYER FAIL TO START AND COMPLETE CONSTRUCTION TIMELY AS REQUIRED IN THIS SECTION 7.9, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS

AGREEMENT, THE PROPERTY TAXES, CFD SPECIAL TAX, AND CBD ASSESSMENTS THAT WOULD BE DUE HAD BUYER COMMENCED AND COMPLETED CONSTRUCTION ON SCHEDULE ARE A REASONABLE ESTIMATE OF THE DAMAGES THAT THE TJPA WOULD INCUR IN SUCH EVENT. BY PLACING ITS INITIALS BELOW, BUYER SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT BUYER WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION.

INITIALS:

Buyer's initials

7.10 Waive Claims re Transbay Program Construction and Operation

(a) The TJPA is responsible for implementing the Transbay Program, which includes, among other things, the construction and operation of the Transit Center, the Downtown Rail Extension (including the ~~Train Box and~~ Transbay Subsurface Facilities and Transbay Venting Facilities), and the Bus Ramp. Buyer acknowledges that these facilities will be constructed and operated adjacent to and in the subsurface of portions of the Transbay Parcel F Property. Buyer acknowledges that construction and operation of the Transbay Program facilities may involve, require, or generate noise, vibration, fumes, heat, intake of air, exhaust, and night lighting. The TJPA and Buyer will share information regarding the plans for the ~~Train Box, Transbay Subsurface Facilities, Transbay~~ Venting Facilities, and foundations of the Transit Center and of Buyer's development on the Transbay Parcel F Property, and will cooperate reasonably with one another to create a design for the Buyer's development on the Transbay Parcel F Property that will minimize movement of the Transit Center and any structures on the Transbay Parcel F Property and construction costs of the Parties.

(b) Buyer, for itself, its successors and assigns, hereby waives, releases, remises, acquits and forever discharges the TJPA, the TJPA's employees, agents, officers, directors, consultants, contractors, successors or assigns, member agencies, or any other person acting on behalf of the TJPA, and the State of California, of and from any and all rights, claims, losses, injuries, costs, damages, causes of action, demands, rights, expenses, penalties, fines or compensation whatsoever, direct or indirect, which Buyer now has or which Buyer may have in the future for (i) inverse condemnation related to noise, vibration, fumes, heat, intake of air, exhaust, or night lighting related to the design, construction, operation, maintenance, repair, or reconstruction of the Transbay Program facilities, including the Transit Center, the Downtown Rail Extension, Pedestrian Bridge, and Bus Ramp, (ii) for inverse condemnation, negligence, professional negligence, trespass, nuisance, or any other claim or cause of action of any nature for damages or equitable relief arising from movement of any structure on the Transbay Parcel F Property due to the TJPA's excavation and construction of the Transbay Program facilities or due to the TJPA's sharing of information regarding the plans for the Transbay Program facilities with Buyer, or (iii) for damage caused by the Transbay Program facilities to the foundation of any structure built on the Transbay Parcel F Property.

This waiver and release is a general release. Buyer 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, Buyer 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, Buyer specifically acknowledges and confirms the validity of the release made above and the fact that Buyer was represented by counsel who explained, at the time this Agreement was made, the consequences of the above releases.

INITIALS: _____
Buyer's initials

7.11 Indemnify Governmental Parties

(a) Buyer shall indemnify, protect, defend, and hold harmless the TJPA and the TJPA Parties from and against any and all claims, demands, losses (including, but not limited to, diminution in value), liabilities, damages (excluding consequential damages), costs and expenses (including reasonable Attorneys' Fees and Costs, and fees of consultants and experts, laboratory costs, and related costs of Indemnified Governmental Parties; any Attorneys' Fees and Costs, and fees of consultants and experts assessed by a court against the TJPA or the TJPA Parties; and TJPA or TJPA Parties' costs of investigating any Loss) (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 in connection with, arising out of, in response to, caused by, or in any manner relating to:

(i) any acts or omissions of Buyer or its agents before or after the Closing related to the Transbay Parcel F Property;

(ii) any acts or omissions occurring on or arising in relation to the Transbay Parcel F Property after Closing, including, but not limited to, any violation of any Environmental Laws and any Environmental Release (as defined in Section 7.11) or threatened Environmental Release of a Hazardous Material, or any condition of pollution, contamination, or Hazardous Material-related nuisance on, under or from the Transbay Parcel F Property;

(iii) any acts or omissions related to the auction or competitive process by which Buyer was selected as the Highest Bidder and Buyer for the purchase of the Transbay Parcel F Property; and

(iv) any acts or omissions related to entitlement or development of the Transbay Parcel F Property after Closing, including environmental review.

(b) Buyer, however, shall have no obligation to indemnify the TJPA or the TJPA Parties for Losses arising under subsection (a)(i)-(iv) above if such claims arise solely from the gross negligence or willful misconduct of the TJPA or TJPA Parties. Where the gross

negligence or willful misconduct of the TJPA or the TJPA Parties is a cause of, but is not the sole cause of, Losses arising under subsection (a)(i)-(iv) above, Buyer shall indemnify the TJPA and the TJPA Parties according to the respective parties' share of fault. Buyer also shall have no obligation to indemnify the TJPA or the TJPA Parties for claims arising under subsection (a)(ii) above related to the Environmental Release or threatened Environmental Release of a Hazardous Material where the Environmental Release or threatened Environmental Release is caused by migration of a Hazardous Material from another property that is owned, operated or controlled by the TJPA or a TJPA Party.

(c) For purposes of this Agreement:

(i) **“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.

(ii) **“Hazardous Material”** means 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 any material or substance defined as a “hazardous substance,” or “pollutant,” or “contaminant” under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“**CERCLA**”, also commonly known as the “**Superfund**” law), as amended (42 U.S.C. Sections 9601 *et seq.*), or under Section 25281 or 25316 of the California Health & Safety Code; any “hazardous waste” as defined in Section 25117 or listed under Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether such materials are part of the structure of any existing improvements on the Transbay Parcel F Property, or are naturally occurring substances on, in or about the Transbay Parcel F Property; and petroleum, including crude oil or any fraction, and natural gas or natural gas liquids.

(iii) **“Environmental Release”** means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment (including the abandonment or discharging of barrels, containers, and other closed receptacles containing any Hazardous Material).

(d) Buyer agrees to defend the Indemnified Governmental Parties against any claims that are actually within the scope of the indemnity provisions of this Agreement even if such claims may be groundless, fraudulent or false. The Indemnified Governmental Party against whom any claim is made that may be within the scope of the indemnity provisions of this Agreement shall provide notice to Buyer of such claim within a reasonable time after learning of such claim, and thereafter shall cooperate with Buyer in the defense of such claim, provided that any failure to provide such notice shall not affect Buyer's obligations under any such indemnity provisions except to the extent Buyer is materially prejudiced by such failure. The foregoing notwithstanding, if any claim is made that is within the indemnity provisions of this Agreement in part, but not in whole, Buyer shall provide indemnity and defense only with respect to those claims that are within the scope of such indemnity provisions.

(e) Buyer shall, at its option, be entitled to control the defense, compromise, or settlement of any indemnified matter through counsel of Buyer's own choice. The Indemnified Governmental Parties shall be entitled to participate in such defense, compromise, or settlement at its own expense but without increasing the amount of indemnified Losses and without taking any action that prejudices Buyer. But if Buyer shall fail, within a reasonable time following notice from an Indemnified Governmental Party alleging such failure, to take reasonable and appropriate action to defend such suit or claim, the Indemnified Governmental Party shall have the right promptly to use legal counsel of its choice to carry out such defense until such time (if any) as Buyer assumes the defense through Buyer's counsel, which expense shall be due and payable to the Indemnified Governmental Party by Buyer within ten (10) business days after receipt by Buyer of an invoice therefor.

7.12 Maintain Insurance

(a) Before Permit of Occupancy. Buyer, at no cost to the TJPA, shall procure and keep in effect at all times after the expiration of the Reservation Agreement and the transfer of possession of the Transbay Parcel F Property until Buyer obtains a permit of occupancy for all structures on the Transbay Parcel F Property, the following insurance against claims for injuries to persons or damages to tangible property that may arise from or in connection with work performed on the Transbay Parcel F Property by Buyer:

(i) Commercial general liability insurance with limits not less than Five Million Dollars (\$5,000,000) each occurrence combined single limit for bodily injury and property damage, including contractual liability, independent contractors, broad-form property damage, fire damage legal liability (of not less than One Million Dollars (\$1,000,000)), personal injury, products and completed operations, and explosion, collapse and underground (XCU).

(ii) Worker's Compensation insurance, in statutory amounts, with Employer's Liability limits not less than One Million Dollars (\$1,000,000) for each covered occurrence.

(iii) Comprehensive automobile liability insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence combined single limit for bodily injury and property damage, including owned, non-owned, and hired vehicles, if Buyer uses automobiles in connection with its use of the Transbay Parcel F Property.

(iv) Builders Risk insurance written on an "all risk" policy form, excluding earthquake and flood at Buyer's discretion, for one hundred percent (100%) of the replacement value of all completed improvements on the Transbay Parcel F Property, including coverage in transit and storage off-site (which may be subject to commercially reasonable sublimits), with a deductible not to exceed Fifty Thousand Dollars (\$50,000) each loss.

(b) After Permit of Occupancy. From and after Buyer obtains a permit of occupancy for all structures on the Transbay Parcel F Property, Buyer shall maintain, or cause to be maintained:

(i) Commercial property insurance excluding earthquake and flood at Developer's discretion, but including vandalism and malicious mischief, for one hundred percent (100%) of the replacement value of all fixtures and improvements of every kind located on the Transbay Parcel F Property, including coverage for loss of rental income due to an insured peril for at least twelve (12) months. Except as may be otherwise approved by the TJPA, which approval shall not unreasonably be withheld or delayed, the deductible or self-insured retention on such property insurance policy shall not exceed Five Million Dollars (\$5,000,000) per occurrence; and

(ii) Boiler and Machinery insurance, comprehensive form, in the amount of replacement value of all insurable machinery. Except as may be otherwise approved by the TJPA, which approval shall not unreasonably be withheld or delayed, the deductible or self-insured retention on such insurance policy shall not exceed Five Million Dollars (\$5,000,000) per occurrence. Such insurance may be issued as part of or as a component of the commercial property insurance required above.

(c) Term. Should any of the required insurance be provided under a claims-made form, Buyer shall maintain such coverage continuously through Buyer's completion of construction of development of the Transbay Parcel F Property and, without lapse, for a period of three (3) years beyond the expiration or termination of such period, to the effect that, should occurrences prior to completion of construction of development of the Transbay Parcel F Property give rise to claims made after expiration or termination of such period, such claims shall be covered by such claims-made policies.

(d) Aggregate Limits. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, either the general aggregate limit must apply separately to this project or the general aggregate limit shall be twice the required occurrence or claims limits specified above.

(e) Endorsements. All liability insurance policies shall be endorsed to provide the following:

(i) Name as additional insured the TJPA, OCII, the City, and the State, but only as to matters as to which, and only to the extent to which, Buyer is obligated to indemnify such entities under Section 7.11.

(ii) Such policies are primary insurance to any other insurance available to the additional insureds, but only as to matters as to which, and only to the extent to which, Buyer is obligated to indemnify such entities under Section 7.11. Such policies shall also provide for severability of interests and that an act or omission of one of the named insureds which would void or otherwise reduce coverage shall not reduce or void the coverage as to any other insured, and shall afford coverage for all claims based on acts, omissions, injury or damage which occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period.

(iii) Thirty (30) days' advance written notice to Buyer of cancellation, non-renewal or reduction in coverage (or ten (10) days' advance written notice in case of nonpayment of premium).

(f) Insurers. Each insurance policy required under this Section shall 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.

7.13 Submit Statement of Financing

At least thirty (30) days prior to Closing, Buyer shall submit to the TJPA a statement ("**Statement of Financing**") in a form reasonably satisfactory to the TJPA sufficient to demonstrate that Buyer has adequate funds or will have adequate funds and is committing such funds to (a) the Final Purchase Price for the purchase of the Transbay Parcel F Property at Closing, and (b) the anticipated costs of constructing the development of the Transbay Parcel F Property contemplated in Section 7.9 and consistent with Buyer's obligations under this Agreement. The TJPA shall indicate whether the Statement of Financing is satisfactory within fifteen (15) days after receipt of same.

8. OTHER OBLIGATIONS OF THE TJPA

8.1 Complete Construction of the ~~Train-Box~~ Transbay Subsurface Venting Facilities and Bus Ramp

The obligations of the TJPA to complete construction of the ~~Train-Box~~ Transbay Subsurface Facilities, Transbay Venting Facilities, and Bus Ramp shall be as set forth in the Reservation Agreement.

8.2 Transfer Possession of the Transbay Parcel F Property to Buyer

The TJPA shall deliver possession of the Transbay Parcel F Property to Buyer at expiration of the Reservation Agreement.

8.3 Maintain the Transbay Parcel F Property

Between August 26, 2015 and expiration of the Reservation Agreement, the TJPA shall maintain the Transbay Parcel F Property in good condition and repair, reasonable wear and tear excepted, and shall make all repairs and undertake all maintenance as if the TJPA were retaining the Transbay Parcel F Property, consistent with the TJPA's rights under the Reservation Agreement.

8.4 Not Enter Any New Contracts Affecting the Transbay Parcel F Property

Between August 26, 2015 and expiration of the Reservation Agreement, the TJPA shall not enter into any lease or contract, or any amendment thereof, permitting any third party to occupy any portion of the Transbay Parcel F Property from and after the Closing Date.

9. ASSIGNMENT

(a) The TJPA and Buyer acknowledge and agree that the TJPA is entering into this Agreement and granting Buyer the opportunity to purchase the Transbay Parcel F Property on the basis of the particular experience, financial capacity, skills, and capabilities of Buyer. The opportunity is personal to Buyer.

(b) Notwithstanding Section 9(a), Buyer (and any subsequent transferee permitted under this Agreement) may assign its rights and obligations under this Agreement to:

(i) an entity affiliated with, controlled by, or managed by Buyer; or

(ii) an entity not affiliated with, controlled by, or managed by Buyer if the TJPA has granted its prior written consent to the assignment. The TJPA shall not unreasonably withhold its consent to such assignment, where the proposed transferee possesses similar skills and resources, or access to resources, to perform the obligations to have been performed by transferor under this Agreement.

(c) Any assignment under Section 9(b) must be expressly conditioned on the transferee's written agreement to assume all of the surviving rights and obligations of the transferor under this Agreement arising from events occurring after the date of such transfer. No assignment shall relieve the transferor of obligations arising from events occurring before the date of the transfer. Transferor must provide prompt written notice to the TJPA of any assignment under Section 9(b). The foregoing will not prevent Buyer from creating a sole purpose entity controlled by Buyer to take title to the Property at Closing.

10. DEFAULT AND REMEDIES

10.1 Events of Default by Buyer Prior to Closing

The occurrence of any of the following shall constitute an “**Event of Default by Buyer**” if not cured within the periods specified, if any:

(a) Failure to Pay Final Purchase Price. Buyer's failure to timely deposit the Final Purchase Price and all other sums due into Escrow shall be an immediate Event of Default by Buyer without the requirement that the TJPA give notice or opportunity to cure to Buyer.

(b) Failure to Deliver Buyer Closing Documents. Buyer's failure to timely deposit the Buyer Closing Documents and any other documents as required under this Agreement into Escrow shall be an immediate Event of Default by Buyer without the requirement that the TJPA give notice or opportunity to cure to Buyer.

(c) Failure to Close. Buyer's failure to close by the Closing Date if the Buyer Closing Conditions have been satisfied shall be an immediate Event of Default by Buyer without the requirement that the TJPA give notice or opportunity to cure to Buyer.

(d) Material Breach of Warranty. Any material breach of any representation and warranty made by Buyer under Section 11.2, if such breach is not cured within the earlier of: (x) fifteen (15) days after the TJPA gives written notice to Buyer, or (y) the Closing Date.

(e) Assignment. Any assignment or attempted assignment in violation of Section 9 if such assignment is not cured within the earlier of: (x) fifteen (15) days after the TJPA gives written notice to Buyer, or (y) the Closing Date.

(f) Insolvency. Either (i) the filing by Buyer of a petition to be, or have any member of Buyer, adjudicated insolvent and unable to pay its debts as they mature, or a petition for reorganization or arrangement under any bankruptcy or insolvency law, or a general assignment by Buyer for the benefit of creditors, or (ii) the filing by or against Buyer of any action seeking reorganization, arrangement, liquidation, or other relief under any law relating to bankruptcy, insolvency, or reorganization or seeking appointment of a trustee, receiver, or liquidator of Buyer or any substantial part of the assets of Buyer, if such petition is not dismissed within the earlier of: (x) sixty (60) days after the date filed, or (y) the Closing Date.

(g) Other Material Breaches. Buyer's material breach of any other term or condition of this Agreement, if such breach is not cured within the earlier of: (x) fifteen (15) days after the TJPA gives written notice to Buyer, or (y) the Closing Date.

If Buyer cures its breach, Buyer shall give written notice to the TJPA promptly that the breach has been cured. If the breach cannot reasonably be cured within the period specified, then no Event of Default by Buyer under this Agreement shall arise if Buyer commences to cure the breach within the period specified and diligently and in good faith continues to cure the breach; provided that in no event shall the cure period extend beyond the Closing Date.

10.2 Remedies of the TJPA

Upon the occurrence of an Event of Default by Buyer, the TJPA may, at its sole option and upon written notice to Buyer following the termination of any applicable cure period under this Agreement, terminate this Agreement and, as provided in Section 2.4, retain the Good Faith Deposit.

Upon any such termination, neither party shall have any further rights or obligations to the other under this Agreement except those expressly stated to survive termination of this Agreement. The remedies described in this Section 10.2 shall be the sole remedies for any Event of Default by Buyer before the Closing. After the Closing, with regard to Buyer's default of an obligation that survives the Closing, the TJPA shall have all remedies at law and equity to remedy the default.

No partner, officer, employee, member, or agent of Buyer will be personally liable to the TJPA, or any successor in interest, in an Event of Default by Buyer or for any amount that may become due to the TJPA or any assignee or successor or on any obligations under the terms of this Agreement.

10.3 Events of Defaults by the TJPA Prior to Closing

The occurrence of any of the following shall constitute an “Event of Default by the TJPA” if not cured within the periods specified, if any:

(a) Failure to Deliver TJPA Closing Documents. The TJPA’s failure to timely deposit the TJPA Closing Documents and any other documents as required under this Agreement into Escrow shall be an immediate Event of Default by the TJPA without the requirement that Buyer give notice or opportunity to cure to the TJPA.

(b) Failure to Close. The TJPA’s failure to close by the Closing Date if the TJPA Closing Conditions have been satisfied shall be an immediate Event of Default by the TJPA without the requirement that Buyer give notice or opportunity to cure to the TJPA.

(c) Material Breach of Warranty. Any material breach of any representation and warranty made by the TJPA under Section 11.1, if such breach is not cured within the earlier of: (x) fifteen (15) days after Buyer gives written notice to Buyer, or (y) the Closing Date.

If the TJPA cures its breach, the TJPA shall give written notice to Buyer promptly that the breach has been cured. If the breach cannot reasonably be cured within the period specified, then no Event of Default by the TJPA under this Agreement shall arise if the TJPA commences to cure the breach within the period specified and diligently and in good faith continues to cure the breach; provided that in no event shall the cure period extend beyond the Closing Date.

10.4 Remedies of Buyer

Upon the occurrence of an Event of Default by the TJPA, Buyer may, at its sole option and upon written notice to the TJPA following the termination of any applicable cure period under this Agreement, terminate this Agreement and, as provided in Section 2.4, receive reimbursement of the Good Faith Deposit.

Upon any such termination, neither party shall have any further rights or obligations to the other under this Agreement except those expressly stated to survive termination of this Agreement. The remedies described in this Section 10.4 shall be the sole remedies for any Event of Default by the TJPA.

No member, official, agent or employee of the TJPA, OCII, the City, or the State will be personally liable to Buyer, or any successor in interest, in an Event of Default by the TJPA or for any amount that may become due to Buyer or any assignee or successor or on any obligations under the terms of this Agreement.

11. REPRESENTATIONS AND WARRANTIES

11.1 Representations and Warranties of TJPA

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

(a) Authority. The TJPA is the legal and equitable owner of the Transbay Parcel F Property, with full right to convey the same, and the TJPA has not granted any option or right of first refusal or first opportunity to any third party to acquire any interest in any of the Transbay Parcel F Property except as specified in Section 3.2. Persons signing this Agreement for the TJPA have all requisite power and legal authority to do so.

(b) No Continuing Obligations. At the time of Closing there will be no leases or other occupancy agreements affecting any of the Transbay Parcel F Property, and no obligations in connection with the Transbay Parcel F Property, including service contracts, utility contracts, maintenance contracts, employment contracts, management contracts, or brokerage and leasing commission agreements, which will be binding upon Buyer after Closing, except as specified in Section 3.2.

(c) 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 Buyer 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.

11.2 Representations and Warranties of Buyer

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

(a) Authority. Buyer has all requisite power and authority to participate in the live auction, offer a binding bid for the purchase of the Transbay Parcel F Property, execute and deliver this Agreement and the agreements attached as Exhibits to this Agreement) (for purposes of this Section 11.2, collectively, "this Agreement"), and carry out and perform all of the terms and covenants of this Agreement. Persons signing this Agreement for the Buyer have all requisite power and legal authority to do so.

(b) Valid Existence; Good Standing; Joint Venture Relationships. Buyer 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.

(c) 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 Buyer to enter into and perform all of the terms and covenants of this Agreement. Neither Buyer nor any member of Buyer 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 Buyer 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 Buyer or any member of Buyer before any court, governmental agency, or arbitrator which might materially

adversely affect the enforceability of this Agreement, the ability of Buyer to perform the transactions contemplated by this Agreement, or the business, operations, assets or condition of Buyer or any member of Buyer.

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

(e) 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 Buyer or any member of Buyer is a party or by which Buyer or a member of Buyer may be bound or affected, (B) any law, statute, ordinance, regulation, or (C) the articles of organization or the operating agreement of Buyer, and (ii) do not and will not result in the creation or imposition of any lien or other encumbrance upon the assets of Buyer or any member of Buyer.

(f) Meeting Financial Obligations; Material Adverse Change. Buyer and any member of Buyer are meeting their respective current liabilities as they mature; no federal or state tax liens have been filed against any of them; and neither Buyer nor any member of Buyer is in default or claimed default under any agreement for borrowed money. Buyer shall, within three (3) business days, notify the TJPA of any material adverse change in the financial condition of Buyer or any member of Buyer that would prevent performance of Buyer's obligations under this Agreement.

(g) Conflicts of Interest. Buyer 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.

(h) Skill and Capacity. Buyer and any member of Buyer has the skill, resources, and financial capacity to acquire and develop the Transbay Parcel F Property consistent with this Agreement. Buyer shall employ or contract with such persons as may be necessary or appropriate to enable Buyer to perform its obligations under this Agreement in a timely manner.

(i) Not Prohibited from Doing Business. Neither Buyer nor any member of Buyer 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 acquisition of the Transbay Parcel F Property.

(j) Business Licenses. Buyer 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.

(k) No Claims. As of the Effective Date, Buyer does not have any claim against the TJPA, OCII, the City, or the State.

11.3 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.

12. GENERAL PROVISIONS

12.1 Amendments

This Agreement may be amended or modified only by a written instrument executed by the TJPA and Buyer.

12.2 Severability

If any provision of this Agreement, or its application to any person or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision shall not affect any other provision of this Agreement or the application of such provision to any other person or circumstance, and the remaining portions of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as so modified by and in response to such invalidation would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the fundamental purposes of this Agreement. Without limiting the foregoing, if any applicable federal or state law prevents or precludes compliance with any material term of this Agreement, the parties shall promptly modify, amend, or suspend this Agreement, or any portion of this Agreement, to the extent necessary to comply with such provisions in a manner which preserves to the greatest extent possible the benefits to each of the parties to this Agreement and to Buyer before such conflict with federal or state law. But if such amendment, modification, or suspension would deprive the TJPA or Buyer of the substantial benefits derived from this Agreement or make performance unreasonably difficult or expensive, then the affected party may terminate this Agreement upon written notice to the other party. In the event of such termination, neither party shall have any further rights or obligations under this Agreement except the TJPA shall return the Good Faith Deposit to Buyer.

12.3 Non-Waiver

No waiver made by either party with respect to the performance, or manner or time of performance, or any obligation of the other party or any condition to its own obligation under this Agreement will be considered a waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived to the extent of such waiver, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party. Any waiver must be in writing, and signed by the waiving party; provided that, by Closing, each Party shall be deemed to have waived any and all Closing Conditions in Sections 5.2 and 5.3, and any defaults or other matters of which it had knowledge as of the Closing.

12.4 Successors and Assigns; Third Party Beneficiary

This Agreement shall inure to the benefit of and bind the respective successors and assigns of the TJPA and Buyer, subject to the limitations on assignment by Buyer set forth in Section 9 above. This Agreement is for the exclusive benefit of the parties hereto and not for the benefit of any other person and shall not be deemed to have conferred any rights, express or implied, upon or duties to any other person.

12.5 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of California. The TJPA and Buyer 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, United States and Buyer expressly consents to the jurisdiction of any such local, state or federal court, and consents that any service of process in such action or proceeding may be made by personal service upon Buyer wherever Buyer may then be located, or by certified or registered mail directed to Buyer at the address set forth in this Agreement.

12.6 Attorneys' Fees and Costs

If either party fails to perform any of its respective obligations under this Agreement or if any dispute arises between the parties hereto 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 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 intended to be several from the other provisions of this Agreement and to survive and not 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. "**Attorneys' Fees and Costs**" means any and all attorneys' fees, costs, expenses and disbursements, including, but not limited to, expert witness fees and costs, travel time and associated costs, transcript preparation fees and costs, document copying, exhibit preparation, courier, postage, facsimile, long-distance and communications expenses, court costs and the costs and fees arising as a result of any other legal, administrative or alternative dispute resolution proceeding, fees and costs associated with execution upon any judgment or order, and costs on appeal.

12.7 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 terms “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 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.

12.8 Entire Agreement

This Agreement (including the Exhibits) contains all the representations and 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.

12.9 Time for Performance

(a) Expiration. All performance dates (including cure dates) expire at 5:00 p.m. (Pacific Time), San Francisco, California time, on the performance or cure date.

(b) Weekends and Holidays. A performance date that falls on a Saturday, Sunday or City holiday is deemed extended to the next working day.

(c) Days for Performance. All periods for performance specified in this Agreement in terms of days shall be calendar days, and not business days, unless otherwise expressly provided in this Agreement.

(d) Time of the Essence. Time is of the essence with respect to each provision of this Agreement, including each milestone set forth in this Agreement.

(e) Force Majeure. All milestones set forth in this Agreement shall be subject to the effects of Force Majeure, to be postponed one day for each day the accomplishment of the milestone is delayed by a Force Majeure provided that (i) the Closing Date shall not be extended, (ii) in no event shall any delay due to Force Majeure continue for more than six (6) months, and (iii) Force Majeure shall not apply to Buyer's obligation pay property taxes or to make CFD Special Tax or CBD payments when due under Sections 7.5 and 7.6

(i) Before the Closing Date. Neither the TJPA or Buyer (the "**Delayed Party**," as applicable) shall be considered in breach of or default in any obligation or satisfaction of a Closing Condition under Sections 5.2 and 5.3 and all applicable dates required for satisfaction of such Closing Conditions shall automatically be extended for any period of Force Majeure. "**Force Majeure**" for purposes of this Section 12.9(e)(i) means events that cause enforced delays in the Delayed Party's performance of its obligations under Sections 5.2 through 5.5 due to any of the following causes beyond the Delayed Party's reasonable control, including an Act of God or of a public enemy, acts of terrorism, acts of Government, or administrative appeals, litigation or arbitration not initiated by a Party, or by an entity under a Party's control, but only where the administrative appeals, litigation, or arbitration prevents (i) the TJPA from performing its obligations under Sections 5.2 through 5.5 (ii) Buyer from performing its obligations under Sections 5.2 through 5.5, (iii) Buyer from obtaining a policy of title insurance at the Closing substantially in the form of the Pro Forma title policy attached to this Agreement as Exhibit L, and provided in each such case that the Delayed Party proceeds, to the extent that it is within its reasonable control to do so, with due diligence to resolve any dispute that is the subject of such administrative appeal, litigation, or arbitration.

(ii) After the Closing Date. Buyer shall not be considered in breach of or default in any obligation of this Agreement and all applicable dates required for satisfaction of such obligations shall automatically be extended for any period of Force Majeure. "**Force Majeure**" for purposes of this Section 12.9(e)(ii) means a matter outside of Buyer's reasonable control, that has occurred through no fault of Buyer, and may include: strikes; lockouts; labor disputes; acts of God; inability to obtain services, labor, or materials; government moratoria; civil commotions; riots; acts of criminals; fire or other casualty. Notwithstanding the foregoing, the following shall be excluded from Force Majeure: (1) any third-party agreement or approval with

or by Buyer's contractors, agents, consultants, members, employees, officers, or any of the foregoing; and (2) Buyer's inability to obtain financing, increases in construction costs, or any changes in market conditions.

In the event of the occurrence of a Force Majeure event, the time or times for performance will be extended for the period of the delay, provided that (i) within thirty (30) days after the beginning of any such delay, Buyer shall have first notified the TJPA in writing of the cause or causes of such delay and claimed an extension right for Force Majeure, and (ii) Buyer cannot, through commercially reasonable efforts, make up for the delay within the time period remaining prior to the applicable milestone date.

12.10 Counterparts

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

12.11 Approvals and Consents

Unless this Agreement otherwise expressly provides or unless the law requires, all approvals, consents or determinations to be made by or on behalf of (i) the TJPA under this Agreement shall be made by the TJPA's Executive Director and (ii) Buyer under this Agreement shall be made by _____ ("Buyer Representative") or such other employee or agent of Buyer as Buyer may designate to act as Buyer Representative for a particular matter. Approval by Buyer or the TJPA to or of any act or request by the other shall not be deemed to waive or render unnecessary approval to or of any similar or subsequent acts or requests.

12.12 Real Estate Commissions

Neither party has had any contact or dealings regarding the subject matter of this transaction through any licensed real estate broker or other person who could claim validly against the other party a right to a commission or finder's fee in connection with the purchase and sale contemplated herein. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes his or her claim shall be responsible for such commission or fee and shall indemnify and hold harmless the other party from all claims, costs, and expenses (including reasonable attorneys' fees and disbursements) incurred by the indemnified party in defending against the same.

12.13 Estoppel Certificates

Each Party, upon written request of any other Party, shall issue to such other Party or to any actual or prospective lender to any Party and to any actual or prospective transferee of all or a part of such Party's interest in the Transit Center or the Transbay Parcel F Property, 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 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.

12.14 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 Buyer's business, or joint venture or member in any joint enterprise with Buyer.

12.15 Defined Terms

Initially capitalized terms shall have the meaning given such terms in this Agreement.

12.16 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 if dispatched by registered or certified mail, postage prepaid, return receipt requested or reputable overnight courier service and addressed as follows:

To 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 Maria Ayerdi-Kaplan
Telephone: (415) 597-4620

With a copy to:

Office of the City Attorney
Room 234, City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Attn: Charles Sullivan
Telephone: (415) 554-4735

And to:

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

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

Attn: _____
Telephone: _____

With a copy to:

Attn: _____
Telephone: _____

Notice shall be deemed given when received or delivery is first refused.

(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;

(iii) if approval is being requested, shall be clearly marked "Request for Approval under the Agreement of Purchase and Sale of Real Property"; and

(iv) if a notice of disapproval or an objection that requires reasonableness, shall specify with particularity the reasons therefor.

(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. 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 service, 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.

12.17 Conflicts of Interest

Through its execution of this Agreement, Buyer 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 Buyer becomes aware of any such fact during the term of this Agreement, Buyer shall immediately notify the TJPA.

12.18 Notification of Limitations on Contributions

Through its execution of this Agreement, Buyer 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 and/or TJPA and the contractor. Negotiations are terminated when City and/or TJPA and/or the prospective contractor end the negotiation process before a final decision is made to award the contract.

12.19 Non-Liability of TJPA Officials, Employees and Agents and Buyer's Officers, Directors, Employees, and Agents

Notwithstanding anything to the contrary in this Agreement, no TJPA Board member, officer, employee or agent of the TJPA shall be personally liable to Buyer, its successors and assigns, in the event of any Event of Default by the TJPA or breach by the TJPA or for any amount which may become due to Buyer, its successors and assigns, or for any obligation of the TJPA under this Agreement.

Notwithstanding anything to the contrary in this Agreement, no officer, director, employee, or agent of Buyer shall be personally liable to the TJPA, its successors and assigns, in the event of any Event of Default by Buyer or breach by Buyer or for any amount which may become due to the TJPA, its successors and assigns, or for any obligation of Buyer under this Agreement.

12.20 Survival

The following provisions shall survive a termination of this Agreement or, if the Closing occurs, shall survive the Closing: Section 2.4 (Good Faith Deposit), Sections 3.2 (Accepted Conditions of Title), Section 4 ("As Is" Sale; Release), Section 6.2 (Pre-Development and Post-Closing Costs), Section 7 (Other Obligations of Buyer), Section 8 (Other Obligations of the TJPA), Section 9 (Assignment), Section 10 (Default and Remedies), Section 11 (Representations and Warranties), Section 12.3 (Non-Waiver), Section 12.4 (Successors and Assigns; Third Party Beneficiaries), Section 12.5 (Governing Law), Section 12.6 (Attorneys' Fees and Costs), Section 12(e)(ii) (Time of Performance, Force Majeure), Section 12.12 (Real Estate Commissions),

Section 12.13 (Estoppel Certificates), Section 12.16 (Notice), Section 12.19 (Non-Liability of TJPA Officials, Employees and Agents), and the general provisions of Section 12 to the extent they may apply to the foregoing surviving provisions. Any defined terms or other pertinent provisions of this Agreement not found in the foregoing surviving provisions shall survive only if and to the extent necessary to give meaning to the foregoing provisions.

12.21 Effective Date

As used in this Agreement, the term “**Effective Date**” shall mean the date on which the TJPA approves this Agreement by resolution of the TJPA’s Board, and the TJPA has executed this Agreement.

[Signatures begin on next page.]

BIDDER'S SIGNATURE PAGE
SUBMITTED WITH BINDING OFFER AND INITIAL OFFERED PURCHASE PRICE

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IN WITNESS WHEREOF, Buyer has duly executed and delivered this Agreement as of the date specified below.

BUYER: _____ REDLINE NOT FOR SIGNATURE

By: _____ REDLINE NOT FOR SIGNATURE

Name: _____ REDLINE NOT FOR SIGNATURE

Its: _____ REDLINE NOT FOR SIGNATURE

Date: _____ REDLINE NOT FOR SIGNATURE

Verification: Signature of individual verifying the legal authority of the above signatory to bind the Bidder:

By: _____ REDLINE NOT FOR SIGNATURE

Name: _____ REDLINE NOT FOR SIGNATURE

Its: _____ REDLINE NOT FOR SIGNATURE

Date: _____ REDLINE NOT FOR SIGNATURE

[CONTINUED ON FOLLOWING PAGE]

BIDDER'S SIGNATURE PAGE
SUBMITTED WITH FINAL PURCHASE PRICE BASED ON HIGHEST BID RECEIVED
AT LIVE AUCTION

IN WITNESS WHEREOF, Buyer and TJPA have duly executed and delivered this revised Agreement as of the date specified below, specifying the Final Purchase Price in Section 2.2 above.

BUYER:

By: _____

Name: _____

Its: _____

Date: _____

TRANSBAY JOINT POWERS AUTHORITY:

By: _____

Maria Ayerdi-Kaplan
Executive Director

Date: _____

APPROVED AS TO FORM:

Counsel for 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: _____

PURCHASE AGREEMENT

LIST OF EXHIBITS

Exhibit A	Legal Description
Exhibit B	Form of Train Box Easement
Exhibit C	Form of Reservation Agreement
Exhibit D	Form of Pedestrian Bridge Easement
Exhibit E	Form of Bus Ramp Easement
Exhibit F	Form of Quitclaim Deed
Exhibit G	[reserved]
Exhibit H	Form of Cancellation of Option Over Parcel F
Exhibit I	Form of Release of MTC Quitclaim Agreement for 568 Howard
Exhibit J-1	Form of Release of SFCTA Quitclaim Agreement for <u>77-79</u> Natoma
Exhibit J-2	Form of Release of SFCTA Quitclaim Agreement for <u>564</u> Howard
<u>Exhibit J-3</u>	<u>Form of Release of SFCTA Quitclaim Agreement for 568 Howard</u>
Exhibit K	Form of confidential Security Agreement [redacted]
Exhibit L	Preliminary Title Report
Exhibit M	<u>ALTA Survey</u> [reserved]
Exhibit N	Form of Deed Restriction re Taxes
Exhibit O	Form of Owner's ALTA Affidavit
Exhibit P	Form of Certificate of Transferor Other Than an Individual (FIRPTA Affidavit)
Exhibit Q	Form of California State Tax Affidavit
Exhibit R	Form of City and County of San Francisco Transfer Tax Affidavit
Exhibit S	CFD 2014-1 Rate and Method of Apportionment

List of Exhibits

Purchase-Sale Agreement
(Transbay Parcel F)

As posted to TJPA website 8-19-15,
Revised from the 6-11-2015 version

EXHIBIT A
LEGAL DESCRIPTION
[see attached]

EXHIBIT B
FORM OF TRAIN BOX EASEMENT

[see attached]

EXHIBIT C
FORM OF RESERVATION AGREEMENT

[see attached]

EXHIBIT D
FORM OF PEDESTRIAN BRIDGE EASEMENT

[see attached]

EXHIBIT E
FORM OF BUS RAMP EASEMENT

[see attached]

EXHIBIT F
FORM OF QUITCLAIM DEED

[see attached]

EXHIBIT G

[reserved]

[reserved]
Purchase-Sale Agreement
(Transbay Parcel F)

G

As posted to TJPA website 8-19-15,
Revised from the 6-11-2015 version

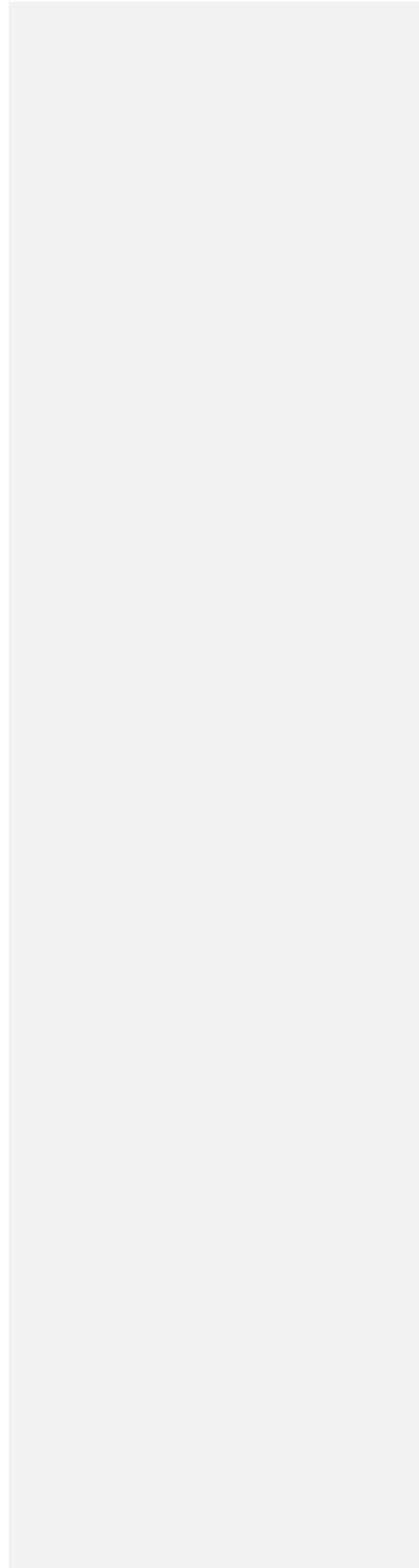


EXHIBIT H

FORM OF CANCELLATION OF OPTION OVER PARCEL F

[see attached]

EXHIBIT I

FORM OF RELEASE OF MTC QUITCLAIM AGREEMENT FOR 568 Howard

[see attached]

EXHIBIT J-1

FORM OF RELEASE OF SFCTA QUITCLAIM AGREEMENT FOR 77-79 NATOMA

[see attached]

EXHIBIT J-2

FORM OF RELEASE OF SFCTA QUITCLAIM AGREEMENT FOR 564 HOWARD

[see attached]

EXHIBIT J-3

FORM OF RELEASE OF SFCTA QUITCLAIM AGREEMENT FOR 568 HOWARD

[see attached]

EXHIBIT K

FORM OF CONFIDENTIAL SECURITY AGREEMENT [redacted]

[see attached]

EXHIBIT L
PRELIMINARY TITLE REPORT

[see attached]

EXHIBIT M

ALTA SURVEY

[reserved]

~~[see attached]~~

[reserved]
Purchase-Sale Agreement
(Transbay Parcel F)

M

As posted to TJPA website 8-19-15,
Revised from the 6-11-2015 version

EXHIBIT N
FORM OF DEED RESTRICTION RE TAXES

[see attached]

EXHIBIT O
FORM OF OWNER'S ALTA AFFIDAVIT

[see attached]

EXHIBIT P

**FORM OF CERTIFICATE OF TRANSFEROR
OTHER THAN AN INDIVIDUAL**

(FIRPTA Affidavit)

[see attached]

EXHIBIT Q

FORM OF CALIFORNIA STATE TAX AFFIDAVIT

[see attached]

Form of Cal. State Tax Affidavit
Purchase-Sale Agreement
(Transbay Parcel F)

Q

As posted to TJPA website 8-19-15,
Revised from the 6-11-2015 version

~~Form of SF Transfer Tax Affidavit
Purchase-Sale Agreement
(Transbay Parcel F)~~

~~R-1~~

~~As posted to TJPA website 6-11-15~~

EXHIBIT R

FORM OF CITY AND COUNTY OF SAN FRANCISCO TRANSFER TAX AFFIDAVIT

[see attached]

CFD 2014-1 Rate and Method Form of Apportionment S-1 SF Transfer Tax Affidavit R
Purchase-Sale Agreement
(Transbay Parcel F)

Formatted: Font: Arial
As posted to TJPA website 6-118-19-15

EXHIBIT S

CFD 2014-1 RATE AND METHOD OF APPORTIONMENT

[see attached]