

AGREEMENT FOR SALE OF REAL ESTATE

by and between

CITY AND COUNTY OF SAN FRANCISCO,
as Seller

and

TIMOTHY SU AND LAN FONG CHEN,
together, as Buyer

For the sale and purchase of

84 acres of improved real property known as
7484 Sheridan Road, Sunol, California

July ____, 2017

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AGREEMENT FOR SALE OF REAL ESTATE
(7484 Sheridan Road, Sunol, California)

THIS AGREEMENT FOR SALE OF REAL ESTATE (this “**Agreement**”) dated for reference purposes only as of _____, 2017 (the “**Agreement Date**”), is by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (“**City**” or “**Seller**”), and TIMOTHY SU, and LAN FONG CHEN, husband and wife, as community property (together, “**Buyer**”).

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

A. City owns the Property located in the unincorporated Town of Sunol in Alameda County, as defined and described in Section 1 below. The Property consists of approximately eighty-four (84) acres, or 3,658,398 square feet of land, and is located on the east side of Sheridan Road, west of Calaveras Road. The Property is currently improved with various structures including a single-family residence, barn/office, shop/store, steel-framed barns, pole barns and corrals.

B. City acquired the Property in connection with the construction by the San Francisco Public Utilities Commission (“**SFPUC**”) of the New Irvington Tunnel Project.

C. The SFPUC has completed the New Irvington Tunnel Project and has recommended sale of the Property pursuant to Resolution No. 17-0145.

D. On May 10, 2017, the SFPUC issued a request for bids by May 19, 2017, and Buyer submitted the highest and best responsible offer to purchase the Property.

E. Buyer desires to purchase the Property and City is willing to sell the Property, subject to approval by City’s Board of Supervisors and Mayor, on the terms and conditions set forth herein below.

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

1. SALE AND PURCHASE

1.1. Property Included in Sale

Subject to the terms, covenants and conditions set forth herein, City agrees to sell to Buyer, and Buyer agrees to purchase from City, the following:

(a) City’s interest in the real property consisting of approximately eighty-four (84) acres of land, located in Sunol, in unincorporated Alameda County, California, commonly known as 7484 Sheridan Road, Sunol, Alameda County, Assessor’s Parcel No. 096-0001-020-03, State of California, and more particularly described in attached Exhibit A and as shown generally on the map attached as Exhibit A-1, and all rights and appurtenances pertaining to such land (the “**Real Property**”);

(b) all improvements and fixtures located on the Real Property, including, without limitation, that certain one-story residence containing approximately 1,930 square feet of living space, a barn/office, a shop/store, two (2) steel-frame metal barns, two (2) pole barns, a pump shed, a wine cellar, ancillary agricultural improvements, all fixtures and built-in apparatus such as doors, fences (including without limitation cattle operation fencing and equipment affixed to the Real Property), gates, plumbing, electrical, heating and air conditioning systems,

and fixtures used to provide any utility, refrigeration, lighting, ventilation, garbage disposal, water, communications or other services, and all on-site parking;

(c) all air rights, mineral rights, water, water rights and water stock relating to the Real Property;

(d) together with the personal property owned by City, if any, located at the Real Property and used exclusively in the operation or maintenance of the Real Property, as described on the attached Exhibit B (the "**Personal Property**"). The Real Property, the Personal Property and the other items listed in this Section 1.1 above are collectively referred to herein as the "**Property**."

2. PURCHASE PRICE

The purchase price for the Property is Three Million Five Hundred and Fifty Thousand Dollars (\$3,550,000) (the "**Purchase Price**"). Buyer shall pay the Purchase Price as follows:

(a) Within five (5) business days after Buyer executes this Agreement, Buyer shall deposit in escrow with Chicago Title Company, 455 Market Street, Suite 2100, San Francisco, California, Attention: Mary Pat Noeker (the "**Title Company**"), the sum of Thirty Five Thousand Dollars (\$35,000) as an initial earnest money deposit (the "**Initial Deposit**"). The Initial Deposit shall be non-refundable except as expressly provided in Section 9 [Liquidated Damages] of this Agreement and shall be applied by City to meet City's ordinary application fees in the event the Closing (as defined below) does not occur. Within forty-five (45) days after Buyer's execution of this Agreement, Buyer shall increase the Deposit to Three Hundred and Fifty Thousand Dollars (\$350,000) by depositing into escrow with the Title Company an additional Three Hundred and Fifteen Thousand Dollars (\$315,000) (together with the Initial Deposit, the "**Deposit**"). The Deposit shall be non-refundable except as expressly provided in Section 9 [Liquidated Damages] of this Agreement and held in a separate, segregated interest-bearing account, and all interest thereon shall be deemed a part of the Deposit. At the Closing the Deposit shall be paid to City and credited against the Purchase Price.

(b) Buyer shall pay the balance of the Purchase Price, which is Three Million Two Hundred Thousand Dollars (\$3,200,000), to City at the consummation of the purchase and sale contemplated hereunder (the "**Closing**").

All sums payable hereunder including, without limitation, the Deposit, shall be paid in immediately available funds of lawful money of the United States of America.

3. TITLE

3.1. Conditions of Title

At the Closing, City shall quitclaim its interest in and to the Real Property to Buyer by quitclaim deed in the form of Exhibit C attached hereto (the "**Deed**"). Title to the Property shall be subject to (a) liens of local real estate taxes and assessments, (b) all existing exceptions and encumbrances, whether or not disclosed by a current preliminary title report or the public records or any other documents reviewed by Buyer pursuant to Section 5.1 below, and any other exceptions to title which would be disclosed by an accurate and thorough investigation, survey, or inspection of the Property, (c) all items of which Buyer has actual or constructive notice or knowledge, and (d) the de-watering well easement which shall be reserved as further provided in Section 3.3 below. All of the foregoing exceptions to title shall be referred to collectively as the "**Conditions of Title**." Without limiting the foregoing, Buyer acknowledges receipt of a preliminary report issued by the Title Company under Order No. FWAC-TO16001016-JM, dated February 24, 2016, covering the Property and approves all of the exceptions contained therein.

3.2. INTENTIONALLY OMITTED

3.3. Reservation of De-Watering Well Easement

City shall reserve unto itself an easement (the “**Reserved Easement**”) over the portion of the Property as described on the attached Exhibit D (the “**Reserved Easement Area**”). The City will access the Reserved Easement Area from Sheridan Road and will use the Reserved Easement Area in the event that it needs to perform repair work on either of its sub-surface water transmission tunnels. The de-watering well will be used to extract groundwater from entering the tunnel repair area during any construction activity. The Reserved Easement Area will not be occupied unless a future project to perform repairs or replacement is required. There are no contemplated plans for such use at this time.

For so long as the Reserved Easement is in place, Buyer and its agents or contractors shall not do anything in, on, under or about the Reserved Easement Area that would damage or interfere with the proper use, function, maintenance, repair, or replacement of the SFPUC facilities. Without limiting the foregoing, Buyer agrees to (i) keep the Reserved Easement Area open and free from structures of any kind; (ii) cause no trees to be cultivated on the Reserved Easement Area, (iii) not use any vibrating compacting equipment on the Easement Area without the SFPUC's prior written approval, and (iv) if Buyer or any of its agents or contractors damages, injures or disturbs any of the SFPUC facilities, Buyer shall immediately notify City of that occurrence and shall either repair the facilities to their previous condition or, if City elects to make the repairs itself, pay the reasonable and documented cost of City's repairs.

3.4. Buyer's Responsibility for Title Insurance

Buyer understands and agrees that the right, title and interest in the Property shall not exceed that vested in City, and City is under no obligation to furnish any policy of title insurance in connection with this transaction. Buyer recognizes that any fences or other physical monument of the Property's boundary lines may not correspond to the legal description of the Property. City shall not be responsible for any discrepancies in the parcel area or location of the property lines or any other matters which an accurate survey or inspection might reveal. It is Buyer's sole responsibility to obtain a survey from an independent surveyor and a policy of title insurance from a title company, if desired.

4. “AS-IS” PURCHASE; RELEASE OF CITY

4.1. Buyer's Independent Investigation

Buyer represents and warrants to City that Buyer has performed a diligent and thorough inspection and investigation of each and every aspect of the Property, either independently or through agents of Buyer's choosing, including, without limitation, the following matters (collectively, the “**Property Conditions**”):

(a) All matters relating to title including, without limitation, the existence, quality, nature and adequacy of City's interest in the Property and the existence of physically open and legally sufficient access to the Property.

(b) The zoning and other legal status of the Property, including, without limitation, the compliance of the Property or its operation with any applicable codes, laws, regulations, statutes, ordinances and private or public covenants, conditions and restrictions, and all governmental and other legal requirements such as taxes, assessments, use permit requirements and building and fire codes.

(c) The quality, nature, adequacy and physical condition of the Property, including, but not limited to, the structural elements, foundation, roof, interior, landscaping, parking facilities, and the electrical, mechanical, HVAC, plumbing, sewage and utility systems, facilities and appliance, and all other physical and functional aspects of the Property.

(d) The quality, nature, adequacy, and physical, geological and environmental condition of the Property (including soils and any groundwater), and the presence or absence of any Hazardous Materials in, on, under or about the Property or any other real property in the vicinity of the Property. As used in this Agreement, "Hazardous Material" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is now or hereafter 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.

(e) The economics and development potential, if any, of the Property.

(f) All other matters of material significance affecting the Property.

4.2. Property Disclosures

(a) Buyer acknowledges City is a government entity and exempt from providing a property disclosure statement pursuant to Civil Code Section 1102.2(j), or natural hazard disclosure statement pursuant to Civil Code Section 1103.1. Nothing revealed or related by City with respect to the Property shall limit any of the provisions of this Article or relieve Buyer of its obligations to conduct a diligent inquiry hereunder, nor shall any such matters limit any of the provisions of Section 4.4 ["As-Is" Purchase] or Section 4.5 [Release of City].]

(b) City certifies that the Property, at close of escrow, will be in compliance with (1) Section 13113.8 of the Health and Safety Code by having operable smoke detector(s), which are approved, listed and installed in accordance with the applicable State regulations and local standards; and (2) Section 19211 of the Health and Safety Code by having the water heater tank(s), if any, braced, anchored or strapped in place in accordance with applicable law.

(c) Within five (5) business days of the Agreement Date, City shall deliver to Buyer copies of, or make available to Buyer at City's offices for inspection and copying at Buyer's sole cost and expense, all non-privileged documents and materials in Seller's possession or control that are relevant to the use, occupancy and/or condition of the Property.

4.3. Entry and Indemnity

In connection with any entry by Buyer or its Agents onto the Property, Buyer shall give City reasonable advance written notice of such entry and shall conduct such entry and any inspections in connection therewith so as to minimize, to the extent possible, interference with uses being made of the Property and otherwise in a manner and on terms and conditions acceptable to City. All entries by Buyer or its Agents onto the Property to perform any testing or other investigations which could affect the physical condition of the Property (including, without limitation, soil borings) or the uses thereof will be made only pursuant to the terms and conditions of a permit to enter in form and substance satisfactory to City. Without limiting the foregoing, prior to any entry to perform any on-site testing, Buyer shall give City written notice thereof, including the identity of the company or persons who will perform such testing, the precise time and location of the testing, and the proposed scope of the testing. City shall have the right to approve, disapprove, or condition and limit the proposed testing, in City's sole discretion, within five (5) business days after receipt of such notice. If Buyer or its agents, employees or contractors take any sample from the Property in connection with any approved testing, Buyer shall provide to City a portion of such sample being tested to allow City, if it so chooses, to perform its own testing. City or its representative may be present to observe any

testing or other inspection performed on the Property. Buyer shall promptly deliver to City copies of any reports relating to any testing or other inspection of the Property performed by Buyer or its agents, employees or contractors, but shall not deliver copies of any such reports to any other person or entity without Buyer's prior written approval. Buyer shall keep all test results and information strictly confidential, and shall indemnify, reimburse, defend and hold City harmless from and against any loss, cost, expense, or damage resulting from Buyer's failure to keep any information obtained from an inspection or testing of the Property strictly confidential; provided, however, Buyer shall not be liable if and to the extent Buyer is required to disclose such information pursuant to a court order. Buyer shall comply with all laws, ordinances, rules, regulations, orders and the like in connection with any entry onto or testing of the Property.

Buyer shall maintain, and shall require that its Agents maintain, public liability and property damage insurance in amounts and in form and substance adequate to insure against all liability of Buyer and its Agents, arising out of any entry or inspection of the Property in connection with the transaction contemplated hereby, and Buyer shall provide City with evidence of such insurance coverage upon request from City.

To the fullest extent permitted under law, Buyer shall indemnify, defend and hold harmless City, its Agents, and each of them, from and against any liabilities, costs, damages, losses, liens, claims and expenses (including, without limitation, reasonable fees of attorneys, experts and consultants and related costs) arising out of or relating to any entry on, under or about the Property by Buyer, its Agents, contractors and subcontractors in performing the inspections, testings or inquiries provided for in this Agreement, whether prior to the date of this Agreement or during the term hereof, including, without limitation, any injuries or deaths to any persons (including, without limitation, Buyer's Agents) and damage to any property, from any cause whatsoever. The foregoing indemnity shall survive beyond the Closing, or, if the sale is not consummated, beyond the termination of this Agreement.

4.4. "As-Is" Purchase

BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT CITY IS SELLING AND BUYER IS PURCHASING CITY'S INTEREST IN THE PROPERTY ON AN "AS-IS WITH ALL FAULTS" BASIS. BUYER IS RELYING SOLELY ON ITS INDEPENDENT INVESTIGATION AND NOT ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM CITY OR ITS AGENTS AS TO ANY MATTERS CONCERNING THE PROPERTY, ITS SUITABILITY FOR BUYER'S INTENDED USES OR ANY OF THE PROPERTY CONDITIONS. CITY DOES NOT GUARANTEE THE LEGAL, PHYSICAL, GEOLOGICAL, ENVIRONMENTAL OR OTHER CONDITIONS OF THE PROPERTY, NOR DOES IT ASSUME ANY RESPONSIBILITY FOR THE COMPLIANCE OF THE PROPERTY OR ITS USE WITH ANY STATUTE, ORDINANCE OR REGULATION. IT IS BUYER'S SOLE RESPONSIBILITY TO DETERMINE ALL BUILDING, PLANNING, ZONING AND OTHER REGULATIONS RELATING TO THE PROPERTY AND THE USES TO WHICH IT MAY BE PUT.

4.5. Release of City

As part of its agreement to purchase the Property in its "As-Is With All Faults" condition, Buyer, on behalf of itself and its successors and assigns, waives any right to recover from, and forever releases and discharges, City, its officers, employees, agents, contractors and representatives, and their respective heirs, successors, legal representatives and assigns, from any and all demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen,

The parties have duly executed this Agreement as of the respective dates written below.

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

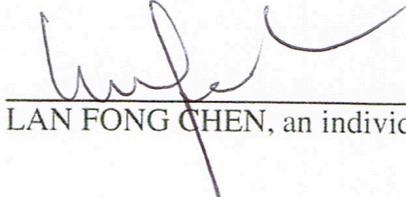
BUYER:



TIMOTHY SU, an individual

By:

Harlan L. Kelly, Jr.
General Manager
San Francisco Public Utilities
Commission



LAN FONG CHEN, an individual

Date: _____

APPROVED BY
PUBLIC UTILITIES COMMISSION

Pursuant to Resolution No. 17-0145

Adopted: _____

Secretary

APPROVED BY
BOARD OF SUPERVISORS

By Resolution No. _____

Dated: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Michelle W. Sexton
Deputy City Attorney

5.3. City's Condition Precedent

The following are conditions precedent to City's obligation to sell the Property to Buyer ("City's Conditions Precedent"):

(a) Buyer shall have performed all of its obligations hereunder and all of Buyer's representations and warranties shall be true and correct.

(b) A resolution approving and authorizing the transactions contemplated hereby and finding that the public interest or necessity demands, or will not be inconvenienced by the sale of the Property, shall have been adopted by the City's Board of Supervisors and Mayor, in their respective sole and absolute discretion, and duly enacted on or before September 30, 2017 (the "Resolution Condition").

(c) Title Company shall have agreed to be the real estate reporting person for the Closing in compliance with the Reporting Requirements (as defined in Section 6.5 below).

5.4. Failure of Buyer's or City's Conditions Precedent

Each of Buyer's and City's Conditions Precedent are intended solely for the benefit of Buyer and City, respectively. If any of Buyer's or City's Conditions Precedent are not satisfied as provided above, Buyer or City may, respectively, at its option, terminate this Agreement. Upon any such termination, the provisions of Section 9 shall apply, and neither party shall have any further rights or obligations hereunder except as provided in Sections 4.3 [Entry and Indemnity], 8.2 [Brokers], or 10.4 [Authority of Buyer] or as otherwise expressly provided herein.

6. ESCROW AND CLOSING

6.1. Escrow

Within three (3) business days after the parties hereto execute this Agreement, Buyer and City shall deposit an executed counterpart of this Agreement with the Title Company, and this instrument shall serve as the instructions to the Title Company as the escrow holder for consummation of the purchase and sale contemplated hereby. City and Buyer agree to execute such supplementary escrow instructions as may be appropriate to enable the Title Company to comply with the terms of this Agreement; provided, however, in the event of any conflict between the provisions of this Agreement and any supplementary escrow instructions, the terms of this Agreement shall control.

6.2. Closing Date

The Closing hereunder shall be held, and delivery of all items to be made at the Closing under the terms of this Agreement shall be made, at the offices of the Title Company on the date which is thirty (30) days after the enactment of the Board of Supervisor's resolution referred to in Section 5.3(b) above, or if such date is not a business day, then upon the next ensuing business day, before 1:00 p.m. San Francisco time or (ii) such earlier date and time as Buyer and City may mutually agree upon in writing (the "Closing Date"). Such date and time may not be extended without the prior written approval of both City and Buyer.

6.3. Deposit of Documents and other Deliveries at the Closing

(a) At or before the Closing, City shall deposit into escrow the following items:

(i) the duly executed and acknowledged Deed conveying the Real Property to Buyer subject to the Conditions of Title;

(ii) a duly executed counterpart of the Bill of Sale covering the Personal Property, in the form attached hereto as Exhibit E.

(b) At or before the Closing, Buyer shall deposit into escrow the following items:

(i) the funds necessary to close this transaction; and

(ii) a duly executed counterpart of the Bill of Sale.

(c) City and Buyer shall each deposit such other instruments as are reasonably required by the Title Company or otherwise required to close the escrow and consummate the purchase of the Property in accordance with the terms hereof.

(d) City shall deliver to Buyer a set of keys to the Property on the Closing Date.

(e) On the Closing Date, Seller shall execute the Deed.

6.4. Prorations

Any real property taxes and assessments; water, sewer and utility charges, if any; annual permits and/or inspection fees, if any (calculated on the basis of the period covered); and any other expenses normal to the operation and maintenance of the Property, shall be prorated as of 12:01 a.m. on the date the Deed is recorded, on the basis of a three hundred sixty-five (365)-day year. City and Buyer hereby agree that if any of the above described prorations cannot be calculated accurately on the Closing Date, then the same shall be calculated as soon as reasonably practicable after the Closing Date and either party owing the other party a sum of money based on such subsequent prorations(s) shall promptly pay said sum to the other party.

6.5. Title Company as Real Estate Reporting Person

Section 6045(e) of the United States Internal Revenue Code of 1986 and the regulations promulgated thereunder (collectively, the "**Reporting Requirements**") require that certain information be made to the United States Internal Revenue Service, and a statement to be furnished to City, in connection with the Closing. Buyer and City agree that if the Closing occurs, Title Company will be the party responsible for closing the transaction contemplated in this Agreement and is hereby designated as the real estate reporting person (as defined in the Reporting Requirements) for such transaction. Title Company shall perform all duties required of the real estate reporting person for the Closing under the Reporting Requirements, and Buyer and City shall each timely furnish Title Company with any information reasonably requested by Title Company and necessary for the performance of its duties under the Reporting Requirements with respect to the Closing.

7. RISK OF LOSS

7.1. Loss

City shall give Buyer notice of the occurrence of damage or destruction of, or the commencement of condemnation proceedings affecting, any portion of the Property. In the event that all or any portion of the Property is condemned, or destroyed or damaged by fire or other casualty prior to the Closing, then Buyer may, at its option to be exercised within ten (10) days

of City's notice of the occurrence of the damage or destruction or the commencement of condemnation proceedings, either terminate this Agreement or consummate the purchase for the full Purchase Price as required by the terms hereof. If Buyer elects to terminate this Agreement or fails to give City notice within such ten (10)-day period that Buyer will proceed with the purchase, then this Agreement shall terminate at the end of such ten (10)-day period, the Title Company shall return the Deposit to Buyer, and neither party shall have any further rights or obligations hereunder except as provided in Sections 4.3 [Entry and Indemnity], 8.2 [Brokers], or otherwise expressly provided herein. If Buyer elects to proceed with the purchase of the Property, then upon the Closing, Buyer shall receive a credit against the Purchase Price payable hereunder equal to the amount of any insurance proceeds or condemnation awards actually collected by City as a result of any such damage or destruction or condemnation, plus the amount of any insurance deductible, less any sums expended by City toward the restoration or repair of the Property. If the proceeds or awards have not been collected as of the Closing, then City shall assign such proceeds or awards to Buyer, except to the extent needed to reimburse City for sums expended to collect such proceeds or repair or restore the Property, and Buyer shall not receive any credit against the Purchase Price with respect to such proceeds or awards.

7.2. Self-Insurance

Notwithstanding anything to the contrary above, Buyer acknowledges that City self-insures and shall not be obligated to purchase any third-party commercial liability insurance or property insurance.

8. EXPENSES

8.1. Expenses

Buyer shall pay one hundred percent (100%) of any transfer taxes applicable to the sale, and fifty percent (50%) of the closing costs and other charges of escrow for the sale. City shall pay 50% of the closing costs and other charges of escrow for the sale, excluding any transfer taxes applicable to the sale.

8.2. Brokers

The parties represent and warrant to each other that no broker or finder was instrumental in arranging or bringing about this transaction and that there are no claims or rights for brokerage commissions or finder's fees in connection with the transactions contemplated by this Agreement. If any person brings a claim for a commission or finder's fee based on any contact, dealings, or communication with Buyer or City, then the party through whom such person makes a claim shall defend the other party from such claim, and shall indemnify the indemnified party from, and hold the indemnified party against, any and all costs, damages, claims, liabilities, or expenses (including, without limitation, reasonable attorneys' fees and disbursements) that the indemnified party incurs in defending against the claim. The provisions of this Section shall survive the Closing, or, if the purchase and sale is not consummated for any reason, any termination of this Agreement.

(a) City acknowledges that: (i) prior to the Effective Date, it entered into a written agreement with Colliers International CA, Inc. that provides for real estate brokerage services in connection with the marketing and sale of the Property and (ii) City shall be solely responsible for any compensation, commission, or finder's fee payable to Colliers International CA, Inc. in connection with the purchase transaction contemplated by this Agreement. Colliers International CA will cooperate with Buyer's broker, Losa Huang, of MIT Financial & Realty Group, by sharing its commission as provided in a separate agreement between those parties.

(b) Buyer acknowledges that: (i) prior to the Effective Date, it entered into a written agreement with Losa Huang, of MIT Financial & Realty Group, that provides for real estate brokerage services in connection with Buyer's proposed acquisition of the Property and (ii) Losa Huang, of MIT Financial & Realty Group shall be entitled to share in the commission payable to Seller's broker in connection with the purchase transaction contemplated by this Agreement, as provided above.

9. LIQUIDATED DAMAGES

IF THE SALE OF THE PROPERTY IS NOT CONSUMMATED DUE TO THE FAILURE OF ANY CONDITION PRECEDENT OR CITY'S DEFAULT HEREUNDER AND BUYER IS NOT THEN IN DEFAULT, THEN THE TITLE COMPANY SHALL RETURN THE DEPOSIT TOGETHER WITH ACCRUED INTEREST THEREON TO BUYER. IF THE SALE IS NOT CONSUMMATED DUE TO ANY DEFAULT BY BUYER HEREUNDER AND CITY IS NOT THEN IN DEFAULT, THEN THE TITLE COMPANY SHALL DELIVER THE DEPOSIT TOGETHER WITH ACCRUED INTEREST THEREON TO CITY, AND CITY SHALL BE ENTITLED TO RETAIN SUCH SUM AS LIQUIDATED DAMAGES. THE PARTIES HAVE AGREED THAT CITY'S ACTUAL DAMAGES, IN THE EVENT OF A FAILURE TO CONSUMMATE THIS SALE AS SPECIFIED IN THE PRECEDING SENTENCE, 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 AMOUNT OF THE DEPOSIT TOGETHER WITH ACCRUED INTEREST THEREON IS A REASONABLE ESTIMATE OF THE DAMAGES THAT CITY WOULD INCUR IN SUCH AN EVENT. RECEIPT OF THE DEPOSIT SHALL CONSTITUTE CITY'S EXCLUSIVE REMEDY AGAINST BUYER AT LAW OR IN EQUITY AND SHALL TERMINATE ALL OF BUYER'S LIABILITY AND OBLIGATIONS TO CITY UNDER THIS AGREEMENT. BY PLACING THEIR RESPECTIVE 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: CITY: _____ BUYER: _____

10. GENERAL PROVISIONS

10.1. Notices

Any notices required or permitted to be given under this Agreement shall be in writing and shall be delivered (a) in person, (b) by certified mail, postage prepaid, return receipt requested, or (c) by U.S. Express Mail or commercial overnight courier that guarantees next day delivery and provides a receipt, and such notices shall be addressed as follows:

CITY:

Real Estate Services Division
San Francisco Public Utilities Commission
525 Golden Gate Avenue, 10th Floor
San Francisco, CA 94102
Attn: Real Estate Director
Re: SFPUC Property
7484 Sheridan Road, Sunol

with a copy to:

Deputy City Attorney
Office of the City Attorney
City Hall, Room 234

1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Attn: Real Estate Finance Team
Re: SFPUC Property
7484 Sheridan Road, Sunol

BUYER:

Timothy Su
Lan Fong Chen
639 Almond Avenue
Los Altos, CA 94022

with a copy to:

Lubin Olson LLP
600 Montgomery Street, 14th Floor
San Francisco, CA 94111
Attn.: Robert Miller
Phone: (415) 955-5053

or such other address as either party may from time to time specify in writing to the other party. Any notice shall be deemed given when actually delivered if such delivery is in person, two (2) days after deposit with the U.S. Postal Service if such delivery is by certified or registered mail, and the next business day after deposit with the U.S. Postal Service or with the commercial overnight courier service if such delivery is by overnight mail.

10.2. Successors and Assigns

This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, legal representatives, administrators and assigns. Buyer's rights and obligations hereunder shall not be assignable without the prior written consent of City; provided, however, even if City approves any such proposed assignment, in no event shall Buyer be released of any of its obligations hereunder. Notwithstanding the foregoing, Buyer may assign its rights under this Agreement to an entity (including a trust, partnership or a limited liability company) owned by or held under the control of Buyer, with the prior consent and approval of City, which said consent and approval shall not be unreasonably withheld, provided that notice of such assignment is provided to City not less than five (5) business days prior to the Closing, and further provided that the City hereby approves of an assignment of this Agreement by Buyer to a limited liability company wholly owned by Buyer.

10.3. Amendments

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

10.4. Authority of Buyer

Buyer represents and warrants to City that Buyers are husband and wife. Buyer further represents and warrants to City that this Agreement and all documents executed by Buyer which are to be delivered to City at Closing: (a) are or at the time of Closing will be duly authorized, executed and delivered by Buyer; (b) are or at the time of Closing will be legal, valid and binding obligations of Buyer; and (c) do not and at the time of Closing will not violate any provision of any agreement or judicial order to which Buyer is a party or to which Buyer is subject. Notwithstanding anything to the contrary in this Agreement, the foregoing

representations and warranties and any and all other representations and warranties of Buyer contained herein or in other agreements or documents executed by Buyer in connection herewith, shall survive the Closing Date.

10.5. Buyer's Representations and Warranties

Buyer makes the following representations as of the date of this Agreement and at all times throughout this Agreement:

(a) Buyer consists of two individuals. Buyer has duly authorized by all necessary action the execution, delivery and performance of this Agreement. Buyer has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with the terms hereof.

(b) Buyer represents and warrants to City that it has not been suspended, disciplined or disbarred by, or prohibited from contracting with, any federal, state or local governmental agency. In the event Buyer has been so suspended, disbarred, disciplined or prohibited from contracting with any governmental agency, it shall immediately notify the City of same and the reasons therefore together with any relevant facts or information requested by City. Any such suspension, debarment, discipline or prohibition may result in the termination or suspension of this Agreement.

(c) No document or instrument furnished or to be furnished by the Buyer to the City in connection with this Agreement contains or will contain any untrue statement of material fact or omits or will omit a material fact necessary to make the statements contained therein not misleading, under the circumstances under which any such statement shall have been made.

10.6. Governing Law

This Agreement shall be governed by, subject to, and construed in accordance with the laws of the State of California and City's Charter and Administrative Code.

10.7. Merger of Prior Agreements

This Agreement, together with the exhibits hereto, contain any and all representations, warranties and covenants made by Buyer and City and constitutes the entire understanding between the parties hereto with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements are replaced in total by this Agreement together with the exhibits hereto.

10.8. Parties and Their Agents

The term "Buyer" as used herein shall include the plural as well as the singular. If Buyer consists of more than one (1) individual or entity, then the obligations under this Agreement imposed on Buyer shall be joint and several. As used herein, the term "Agents" when used with respect to either party shall include the agents, employees, officers, contractors and representatives of such party.

10.9. Interpretation of Agreement

The article, section and other headings of this Agreement and the table of contents are for convenience of reference only and shall not affect the meaning or interpretation of any provision contained herein. Whenever the context so requires, the use of the singular shall be deemed to include the plural and vice versa, and each gender reference shall be deemed to include the other

and the neuter. 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.

10.10. Attorneys' Fees

If either party hereto 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 hereunder, including, without limitation, court costs and reasonable attorneys' fees and disbursements. For purposes of this Agreement, the reasonable fees of attorneys of the Office of the City Attorney of the City and County of San Francisco 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 City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the City Attorney's Office.

10.11. Time of Essence

Time is of the essence with respect to the performance of the parties' respective obligations contained herein.

10.12. No Merger

The obligations contained herein shall not merge with the transfer of title to the Property but shall remain in effect until fulfilled.

10.13. Non-Liability of City Officials, Employees and Agents

Notwithstanding anything to the contrary in this Agreement, no elective or appointive board, commission, member, officer, employee or agent of City shall be personally liable to Buyer, its successors and assigns, in the event of any default or breach by City or for any amount which may become due to Buyer, its successors and assigns, or for any obligation of City under this Agreement.

10.14. Conflicts of Interest

Through its execution of this Agreement, Buyer acknowledges that it is familiar with the provisions of Article III, Chapter 2 of 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 constitute a violation of said provisions and agrees that if it becomes aware of any such fact during the term of this Agreement, Buyer shall immediately notify the City.

10.15. 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 for the selling or leasing of any land or building to or

from the City whenever such transaction would require the approval by a City elective officer, the board on which that City elective officer serves, or a board on which an appointee of that individual serves, from making any campaign contribution to (1) the City elective officer, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Buyer acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Buyer further acknowledges that the prohibition on contributions applies to each Buyer; each member of Buyer's board of directors, and Buyer's chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than twenty percent (20%) in Buyer; any subcontractor listed in the contract; and any committee that is sponsored or controlled by Buyer. Additionally, Buyer acknowledges that Buyer must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Buyer further agrees to provide to City the names of each person, entity or committee described above.

10.16. Sunshine Ordinance

Buyer understands and agrees that under the City's Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) and the State Public Records Law (Gov. Code Section 6250 et seq.), this Agreement and any and all records, information, and materials submitted to the City hereunder public records subject to public disclosure. Buyer hereby acknowledges that the City may disclose any records, information and materials submitted to the City in connection with this Agreement.

10.17. Tropical Hardwood and Virgin Redwood Ban

The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code.

10.18. No Recording

Neither this Agreement nor any memorandum or short form thereof may be recorded by Buyer.

10.19. Effective Date

As used herein, the term "Effective Date" shall mean the date on which the City's Board of Supervisors and Mayor enact an ordinance approving and authorizing this Agreement and the transactions contemplated hereby, following execution of this Agreement by both parties.

10.20. Severability

If any provision of this Agreement or the application thereof to any person, entity or circumstance shall be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law, except to the extent that enforcement of this Agreement without the invalidated provision would be unreasonable or inequitable under all the circumstances or would frustrate a fundamental purpose of this Agreement.

10.21. Acceptance by Buyer

This Agreement shall be null and void unless it is accepted by Buyer and two (2) fully executed copies hereof are returned to City on or before 5:00 p.m. San Francisco time on June __, 2017.

10.22. Counterparts

This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

10.23. Cooperative Drafting.

This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, BUYER ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF CITY HAS AUTHORITY TO COMMIT CITY TO THIS AGREEMENT UNLESS AND UNTIL A RESOLUTION OF CITY'S BOARD OF SUPERVISORS SHALL HAVE BEEN DULY ENACTED APPROVING THIS AGREEMENT AND AUTHORIZING THE TRANSACTIONS CONTEMPLATED HEREBY. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF CITY HEREUNDER ARE CONTINGENT UPON THE DUE ENACTMENT OF SUCH A RESOLUTION, AND THIS AGREEMENT SHALL BE NULL AND VOID IF CITY'S BOARD OF SUPERVISORS AND MAYOR DO NOT APPROVE THIS AGREEMENT IN THEIR RESPECTIVE SOLE DISCRETION. APPROVAL OF THE TRANSACTIONS CONTEMPLATED HEREBY BY ANY DEPARTMENT, COMMISSION OR AGENCY OF CITY SHALL NOT BE DEEMED TO IMPLY THAT SUCH ORDINANCE OR RESOLUTION WILL BE ENACTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON CITY.

[SIGNATURES ON FOLLOWING PAGE]

that may arise on account of or in any way be connected with (i) Buyer's and its Agents and customer's past, present and future use of the Property, (ii) the physical, geological or environmental condition of the Property, including, without limitation, any Hazardous Material in, on, under, above or about the Property, and (iii) any federal, state, local or administrative law, rule, regulation, order or requirement applicable thereto, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended by Superfund Amendments and Reauthorization Act of 1986 ("SARA") (42 U.S.C. Sections 9601-9657), the Resource Conservation and Recovery Act of 1976, as amended by the Solid Waste and Disposal Act of 1984 (collectively, "RCRA") (42 U.S.C. Sections 6901-6987), the Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977 (collectively the "Clean Water Act") (33 U.S.C. Section 1251 et seq.), the Toxic Substances Control Act ("TSCA") (15 U.S.C. Sections 2601-2629), Hazardous Materials Transportation Act (49 U.S.C. Section 1801 et seq.), the Carpenter-Presley-Tanner Hazardous Substance Account Law (commonly known as the "California Superfund" law) (California Health and Safety Code Sections 25300-25395), Hazardous Waste Control Act (California Health and Safety Code Section 25100 et seq.), Hazardous Materials Release Response Plans and Inventory Law (commonly known as the "Business Plan Law") (California Health and Safety Code Section 25500 et seq.), Porter-Cologne Water Quality Control Act (California Water Code Section 13000 et seq.), Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly known as "Proposition 65") (California Health and Safety Code Section 25249.5 et seq.).

In connection with the foregoing release, Buyer expressly waives the benefits of Section 1542 of the California Civil Code, which provides 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 TO HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

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: *LD* *WJ*

5. CONDITIONS PRECEDENT

5.1. Buyer's Conditions Precedent

The following are conditions precedent to Buyer's obligation to purchase the Property from City ("**Buyer's Conditions Precedent**"):

(a) City shall have performed all of its obligations hereunder and all of City's representations and warranties shall be true and correct.

(b) The Resolution Condition, as provided in Section 5.3 below, shall have been satisfied.

5.2. Contingency Period

None.

EXHIBIT A

REAL PROPERTY DESCRIPTION

All that certain real property located in the City and County of San Francisco, State of California, described as follows:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA IN COUNTY OF ALAMEDA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

SURVEY "V" OF THE OFFICIAL CONNECTED PLAT OF THE EX-MISSION OF SAN JOSE, GRANTED TO JAMES FERRETER BY PATENT DATED DECEMBER 27, 1867, RECORDED FEBRUARY 17, 1868 IN BOOK "A" OF PATENTS, PAGE 269, ALAMEDA COUNTY RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT A POST MARKED "V" NO. 5", BEING A CORNER OF THE EXTERIOR BOUNDARY LINE OF THE RANCHO EL VALLE DE SAN JOSE, SAID CORNER BEING ALSO THE CORNER COMMON TO SECTIONS 28, 29, 32 AND 33 IN TOWNSHIP 4 SOUTH, RANGE 1 EAST, MOUNT DIABLO BASE AND MERIDIAN; RUNNING THENCE ALONG THE SOUTHERN LINE OF SAID SECTION 29, NORTH 87° WEST 18.98 CHAINS (1252.68 FEET); THENCE SOUTH 35° 45' WEST 34.33 CHAINS (2265.78 FEET) TO THE EASTERN LINE OF SURVEY 37 OF SAID LANDS OF THE EX-MISSION OF SAN JOSE; THENCE ALONG THE EASTERN LINE OF SAID SURVEY 37, NORTH (AT 29.02 CHAINS (1915.32 FEET) INTERSECTS THE SOUTHERN LINE OF SAID SECTION 29, 41.80 CHAINS (2758.8 FEET) EAST OF COMMON CORNER TO SECTIONS 29, 30, 31 AND 32 IN SAID TOWNSHIP AND RANGE) 66.87 CHAINS (4413.42 FEET) TO POST MARKED "V NO. 3" OF SAID LINE OF SAID RANCHO EL VALLE DE SAN JOSE; THENCE EAST 40 CHAINS (2640 FEET) TO POST MARKED "V NO. 4" OF SAID RANCHO; AND THENCE SOUTH 40 CHAINS (2640 FEET) TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION LYING WESTERLY OF THE EASTERN LINE OF SHERIDAN ROAD, ALSO KNOWN AS COUNTY ROAD NO. 2640, AS SAID ROAD EXISTED ON JANUARY 1, 1961 AND ALSO EXCEPTING THEREFROM THAT PORTION THEREOF DESCRIBED AS FOLLOWS:

PORTION OF SURVEY "V" OF THE OFFICIAL CONNECTED PLAT OF THE EX-MISSION OF SAN JOSE, GRANTED TO JAMES FERRETER BY PATENT DATED DECEMBER 27, 1867, AND RECORDED FEBRUARY 17, 1868 IN BOOK "A" OF PATENTS, PAGE 269, ALAMEDA COUNTY RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT A CONCRETE MONUMENT BEING A CORNER IN THE EXTERIOR BOUNDARY LINE OF THE RANCHO EL VALLE DE SAN JOSE, SAID CORNER BEING ALSO THE CORNER COMMON TO SECTIONS 28, 29, 32 AND 33, IN TOWNSHIP 4 SOUTH, RANGE 1 EAST, MOUNT DIABLO BASE AND MERIDIAN; AND RUNNING THENCE ALONG THE SOUTHERN LINE OF SAID SECTION 29, NORTH 87° WEST 1271.35 FEET TO THE NORTHEASTERN LINE OF COUNTY ROAD NO. 2640, 40.00 FEET WIDE, KNOWN AS SHERIDAN ROAD, AS SAID NORTHEASTERN LINE NOW EXISTS; THENCE ALONG THE LAST NAMED LINE THE THREE FOLLOWING COURSE AND DISTANCES: NORTH 12° 51' 53" WEST 146.00 FEET; NORTH 8° 03' 53" WEST 113.00 FEET; AND NORTH 2° 42' 53" WEST 149.40 FEET; THENCE LEAVING SAID LINE OF SAID ROAD AND RUN PARALLEL WITH SAID LINE OF SAID SECTION 29 AND DISTANT 400.00 FEET, RIGHT ANGLE MEASUREMENT, NORTHERLY THEREFROM SOUTH 87° EAST 702.78 FEET; THENCE NORTH 38° 38' 19" EAST 372.19 FEET; THENCE NORTH 36° 53' 47" EAST 244.56 FEET; THENCE SOUTH 88° 56' 22" EAST 260.98 FEET TO THE WESTERN LINE OF PARCEL 62, AS SAID PARCEL IS DESCRIBED IN THE DEED BY SPRING VALLEY WATER COMPANY TO THE CITY AND COUNTY OF SAN FRANCISCO, DATED MARCH 3, 1930 AND RECORDED MARCH 3, 1930 IN BOOK 2350 OF OFFICIAL RECORDS OF ALAMEDA COUNTY, PAGE 1 (AA/13399); AND THENCE ALONG THE LAST NAMED LINE SOUTH 1° 03' 38" WEST 914.82 FEET TO THE POINT OF BEGINNING.

EXHIBIT A-1

DEPICTION OF REAL PROPERTY

(see attached)

EXHIBIT B

PERSONAL PROPERTY DESCRIPTION

1. One (1) Blue Ford tractor with a soils disking attachment (located in the open barn on the hill)
2. Miscellaneous pallets of replacement bricks, retaining wall masonry and pavers for the driveway and landscaping projects (located on the hill)
3. Miscellaneous shelving (located in the open barn on the hill)
4. Approximately 15 pressure-treated fencing posts that match the existing fencing (located on the hill)
5. Miscellaneous cattle-operation fencing and equipment not otherwise included as fixtures under Section 1(b) of the Agreement (located at various Property locations)
6. One (1) metal storage container (located adjacent to the residence)
7. One (1) walk-in cooler currently used as a storage container (located at the rear portion of the feed store)
8. Miscellaneous "T" posts for fence repair (located on the hill)
9. Miscellaneous split-rail replacement fencing
10. Two (2) steel columns (approximately four inches by 16 feet) designated for construction of an unbuilt deck off the large barn (located on the hill)
11. Miscellaneous corrugated metal drainage replacement pipe (located on the hill)
12. One (1) mobile home and associated propane tank
13. One (1) above-ground diesel fuel storage tank (located outside open barn on the hill)
14. One (1) metal rack for above-ground diesel tank (located on the hill)
15. One (1) above-ground gasoline storage tank with metal stairs (located outside the open barn on the hill)
16. One (1) approximately 5,000-gallon green water tank (located on the hill)
17. One (1) steel-wall water pressure tank (approximately 300-500 gallon capacity) (located on the hill)
18. One (1) white Club Car golf cart with flatbed (located in the open barn)

EXHIBIT C

FORM OF QUITCLAIM DEED

RECORDING REQUESTED BY,
AND WHEN RECORDED RETURN TO:

San Francisco Public Utilities Commission
Real Estate Services Division
525 Golden Gate, Avenue, 10th Floor
San Francisco, CA 94102
Attn: Real Estate Director

and

Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Attn: Director of Property

MAIL TAX STATEMENTS TO:

Attn: _____

Address: _____

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

Block _____, Lot _____

Documentary Transfer Tax of \$ _____ based upon full market value of the property without deduction for any lien or encumbrance

QUITCLAIM DEED
(Assessor's Parcel No. _____)

FOR VALUABLE CONSIDERATION, receipt and adequacy of which are hereby acknowledged, the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), pursuant to Ordinance No. _____, adopted by the Board of Supervisors on _____, 20__ and approved by the Mayor on _____, 20__, hereby RELEASES, REMISES AND QUITCLAIMS to _____, any and all right, title and interest City may have in and to the real property located in the City and County of San Francisco, State of California, described on Exhibit A attached hereto and made a part hereof.

[SIGNATURES ON FOLLOWING PAGE]

Executed as of this _____ day of _____, 20__.

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
JOHN UPDIKE
Director of Property

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By: _____
Michelle W. Sexton
Deputy City Attorney

DESCRIPTION CHECKED/APPROVED:

By: _____
[NAME]
City Engineer

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

State of California)
) ss
County of San Francisco)

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

EXHIBIT D-1

**FORM OF GRANT OF EASEMENT
(De-Watering Well)**

(see attached)

RECORDING REQUESTED BY,
AND WHEN RECORDED RETURN TO:

San Francisco Public Utilities Commission
Real Estate Services Division
525 Golden Gate Avenue, 10th Floor
San Francisco, California 94102
Attn: Real Estate Director

and

Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Attn: Director of Property

WITH A COPY TO:

The undersigned hereby declares this instrument to be exempt from Recording Fees (CA Govt. Code § 27383) and Documentary Transfer Tax (CA Rev. & Tax Code § 11922).

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

GRANT OF EASEMENT
(De-Watering Well Easement)

(Portion of Assessor's Parcel No. 096-0001-020-03)

This Grant of Easement Deed ("**Deed**") is granted by Timothy Su, an individual, and Lan Fong Chen, an individual (collectively, "**Grantor**"), for the benefit of the City and County of San Francisco, a municipal corporation ("**City**" or "**Grantee**"), acting by and through its Public Utilities Commission.

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby quitclaims and conveys to City, a perpetual, nonexclusive subsurface easement and nonexclusive surface easement, and access easement for the right to perform repair or replacement work, and extract groundwater from entering the work area in the event City needs to perform such work during any construction activity on City's subsurface water transmission tunnels (the "**De-Watering Well Easement**"), together with the right of ingress and egress from such De-Watering Well Easement along, upon and over a portion of Grantor's property situated in Alameda County, California, more particularly described in attached **Exhibit A** (the "**Grantor's Property**"), which subject portion is depicted on attached **Exhibit B** (the "**Easement Area**"). Such Exhibits are incorporated into this Deed. The Easement Area will not be occupied by City unless and only to the extent a future project to perform repairs or replacement of City's subsurface water transmission tunnels is required. However, if Grantor's groundwater is temporarily diminished during such construction activity, the San Francisco Public Utilities Commission shall provide potable water to Grantor until such time Grantor's groundwater reverts to customary levels.

1. Nature of Easement. The De-Watering Well Easement includes the right of City, at any and all times, to use, and to authorize its employees, agents, tenants, contractors,

subcontractors, suppliers, consultants, licensees and other persons authorized by City to act for and on behalf of City (collectively, "**Agents**") to: (a) improve, inspect, maintain, repair, operate, and use, on a nonexclusive basis in accordance with the terms of this Deed, the existing roadway or roadways located on the Easement Area (the "**Road**" or "**Roads**"), in the locations as depicted on **Exhibit B** for purposes of ingress, egress and passage of automobiles and other vehicles and equipment to, from and between the De-Watering Well Easement and the adjacent public street known as Sheridan Road and depicted on **Exhibit B**, in accordance with the terms of this Deed; and (b) modify, improve, remove or replace each Road within the Easement Area, provided that City obtains Grantor's approval of the proposed modification, removal and/or replacement, which approval shall not be unreasonably withheld, conditioned or delayed. The De-Watering Well Easement also includes the right by City and its Agents to conduct road grading, paving, clear any obstructions and vegetation from the Easement Area, as are reasonably necessary for the full enjoyment and accomplishment of the purposes of the De-Watering Well Easement.

2. Shared Access/Grantor's Right to Install Fences and Gates.

(a) Grantor may install fences and gates along the Easement Area and may change the location of the Road, at its sole cost and expense, provided (i) Grantor shall provide City with reasonable prior notice of such installation; (ii) Grantor shall provide City with fence and gate keys or the equivalent; and (iii) City and its Agents shall be entitled to unrestricted access to the Easement Area at any and all times without prior notice (on a 24 hour per day, 7 days per week basis) for any purpose, including without limitation, construction, maintenance or repair work or equipment transportation to and from the Easement Area.

(b) Except in the event of an emergency or emergency repairs or maintenance affecting the Easement Area and/or City's facilities located thereon, City agrees to use reasonable efforts to avoid interference with uses of the Easement Area by others, except to the extent such uses are expressly prohibited by this De Watering Well Easement.

3. No Structures or Improvements. Grantor shall not do anything in, on, or under the Easement Area that causes damage (other than ordinary wear and tear) to, or materially disrupts the use of, any Road for its intended purposes by City, or interferes with the exercise of City's easement rights with respect to the Easement Area, without the prior written consent of City. Without limiting the foregoing, Grantor agrees that no structures or improvements, whether permanent or temporary, shall be constructed or placed, and no excavation shall occur, within the Easement Area without the prior written consent of City, except as set forth in **Section 4** below.

4. Rights Reserved to Grantor. Without limiting any of Grantor's rights as owner of the Easement Area, Grantor specifically reserves and retains the following rights relating to the Easement Area, to the extent such rights are exercised in a way that does not unreasonably interfere with the permitted uses described in **Section 1** or with the exercise of City's rights under this Deed: (i) any and all water, timber, mineral and oil rights of any kind; (ii) any and all rights to use, operate, maintain, repair, enlarge, modify, expand, replace and reconstruct any of Grantor's pre-existing facilities, within portions of the Easement Area, provided the Easement Area remains at least sixty (60) feet in width; (iii) the right to construct, maintain, repair, resurface, remove, replace and relocate Roads located within the Easement Area, parking areas, utility lines, and other improvements on, over, under and across the surface of the Easement Area that will not unreasonably interfere with, damage or endanger any Road or the Easement Area, and (iv) the right to grant future easements, including rights of way, over, across, under, in and upon the Easement Area, provided such easements do not unreasonably interfere with the exercise of City's rights under this Deed.

5. Exercise of Due Care. City shall use, and shall cause its Agents (as defined above) to use due care at all times to avoid any damage or harm to the Easement Area or

Grantor's Property, or persons or property located on, in or about the Easement Area or Grantor's Property, and including any utilities or other facilities located thereon. City agrees to be responsible for the repair of any damage or harm to the Easement Area to the extent caused by City or its Agents, except to the extent caused by the negligence or willful misconduct of Grantor or its Agents. City shall fully pay and discharge all claims for labor, materials and services in connection with any work or improvements it makes on the Grantor's Property and shall take all steps to forestall the assertion of claims against the Grantor's Property as a result of such work, and in no event shall City permit any liens to attach to the Grantor's Property by reason of the exercise of its rights hereunder.

6. Restrictions on Use. City agrees that, by way of example only and without limitation, the following uses of the Easement Area by City, or any other person claiming by or through City, are inconsistent with the purpose of this Deed and are strictly prohibited as provided below:

(a) **Improvements.** Except as otherwise expressly provided herein, City shall not construct or place any permanent structures, improvements, utilities or facilities, in, on, under or about the Easement Area, without the prior written consent of Grantor. City shall not use the Easement Area or permit anything to be done in or about the Easement Area which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated (collectively, "Legal Requirements"). No material or substance that is regulated as a hazardous or toxic waste, substance, pollutant or contaminant under any Legal Requirement shall be used, handled, released or disposed of by City or its employees, agents or representatives, visitors or invitees at or about the Grantor Property without Grantor's prior consent, which consent may be granted, denied, or conditioned in Grantor's reasonable discretion. City shall not use or allow the Easement Area to be used for any improper, unlawful or objectionable purpose, nor shall City cause, maintain or permit any nuisance in, on or about the Grantor Property. City shall not commit or allow to be committed any waste in or upon the Grantor Property.

(b) **Use of Adjoining Land.** Nothing herein authorizes any entry onto or use of any of Grantor's Property other than the Easement Area and the Roads, without the prior written consent of Grantor, in its reasonable discretion, which may include reasonable compensation by City to Grantor for loss of use. City shall minimize its interference with Grantor's use of the Grantor Property to the greatest extent possible, and in no event shall City or its Agents use the Grantor Property for any purposes not related to the work to be performed on the Easement Area.

(c) **Parking.** City shall not park vehicles on the Easement Area, except to the extent reasonably required when performing emergency repairs or maintenance to City's facilities, or Road improvement and maintenance activities expressly permitted under this Deed.

7. Maintenance. Grantor shall maintain the Easement Area and any Road within the Easement Area in good condition and repair, and otherwise in a manner that affords City use of the De-Watering Well Easement in accordance with the terms of this Deed. If Grantor fails to so maintain the Easement Area, City shall provide Grantor written notice of such failure and Grantor shall have thirty (30) days thereafter to perform any necessary repairs or maintenance. City shall be responsible, at its expense, to repair and maintain the Roads only as to wear and tear caused by the proportionate use of the Roads by City and its Agents, and not wear and tear caused by use of the Roads by others.

8. Run with the Land; Successors and Assigns. The provisions of this Deed shall run with the land, burden the Easement Area, and inure to the benefit of and bind the respective successors and assigns of Grantor and City. City shall have no rights to assign any of its rights

under this De Watering Well Easement to any non-governmental entity without prior consent of Grantor.

9. As-Is Condition of Easement Area; Disclaimer of Representations. City accepts the Easement Area in its "AS IS" condition, without representation or warranty of any kind by Grantor, its officers, agents or employees and subject to all applicable laws, rules and ordinances governing the use of the Easement Area. Without limiting the foregoing, this Deed is made subject to any and all covenants, conditions, restrictions, easements, encumbrances and other matters affecting title to the Easement Area, whether foreseen or unforeseen, and whether such matters are of record or would be disclosed by an accurate inspection or survey.

10. Insurance. Grantor acknowledges that City self-insures against casualty, property damage and public liability risks and agrees that City may at its sole election, but shall not be required to, carry any third party insurance with respect to the Easement Area or otherwise. If City authorizes any Agent to utilize the De-Watering Well Easement in accordance with the terms of this Deed, and if City requires such Agent to maintain insurance with respect to its activities, or to name City as an additional or named insured on any insurance policy, then City shall also cause such Agent to name Grantor to be named as additional insureds (or as additional named insureds, at Grantor's option) under such insurance policy.

11. Notices. Any notices given under this Deed shall be effective only if in writing and given by delivering the notice in person, by sending it first class mail or certified mail with a return receipt requested, or nationally-recognized overnight courier that guarantees next day delivery and provides a receipt therefor, with postage prepaid, addressed as follows (or such alternative address as may be provided in writing):

If to City: San Francisco Public Utilities Commission
525 Golden Gate Avenue, 10th Floor
San Francisco, California 94102
Attn: Real Estate Director

with a copy to: City and County of San Francisco
Real Estate Division
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Attn: Director of Property

and: Office of the City Attorney
City and County of San Francisco
Room 234, City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102-4682
Attn: Real Estate/Finance Team

If to Grantor: 7484 Sheridan Road,
Sunol, CA 94586
Attn: Timothy Su and Lan Fong Chen

With a copy to: Lubin Olson LLP
600 Montgomery Street, 14th Floor
San Francisco, CA 94111
Attn.: Robert Miller

12. General Provisions. (a) This Deed may be amended or modified only by a writing signed by Grantor and City. (b) No waiver by any party of any of the provisions of this Deed shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. (c) All approvals and determinations of City requested, required or permitted hereunder may be made in the sole and absolute discretion of the General Manager of the San Francisco Public Utilities Commission or other authorized official. (d) The sections and other headings of this Deed are for convenience of reference only and shall be disregarded in the interpretation of this Deed. (e) Time is of the essence in each and every provision herein. (f) This Deed shall be governed by California law and City's Charter. (g) If either party commences an administrative or legal action against the other under this Deed, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of Grantor and City shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience. (h) This instrument may be executed in counterparts, each of which shall be an original, but all counterparts shall constitute one instrument.

[SIGNATURES ON FOLLOWING PAGE]

Executed as of this _____ day of _____, 2017.

GRANTOR:

TIMOTHY SU

Date: _____

LAN FONG CHEN

Date: _____

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by this Deed dated _____, 2017, from the Grantor to THE City and County of San Francisco, is hereby accepted pursuant to Board of Supervisors' Resolution No. 18110 Series of 1939, approved August 7, 1957, and City consents to recordation thereof by its duly authorized officer.

Dated: _____

By: _____

JOHN UPDIKE
Director of Property

EXHIBIT A
Description of Grantor's Property
[see following page]

EXHIBIT B
Depiction of Easement Area
[see following page]

EXHIBIT D-2

**FORM OF GRANT EASEMENT
(Electrical Tower)**

(see attached)

RECORDING REQUESTED BY,
AND WHEN RECORDED RETURN TO:

San Francisco Public Utilities Commission
Real Estate Services Division
525 Golden Gate Avenue, 10th Floor
San Francisco, California 94102
Attn: Real Estate Director

and

Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Attn: Director of Property

WITH A COPY TO:

The undersigned hereby declares this instrument to be exempt from Recording Fees (CA Govt. Code § 27383) and Documentary Transfer Tax (CA Rev. & Tax Code § 11922).

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

GRANT OF EASEMENT
(Electrical Tower Easement)

(Portion of Assessor's Parcel No. 096-0001-020-03)

This Grant of Easement Deed ("**Deed**") is granted by Timothy Su, an individual, and Lan Fong Chen, an individual (collectively, "**Grantor**"), for the benefit of the City and County of San Francisco, a municipal corporation ("**City**" or "**Grantee**"), acting by and through its Public Utilities Commission

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby quitclaims and conveys to City, a perpetual, nonexclusive right of way easement for the erection, construction, reconstruction, replacement, repair, maintenance and use for the transmission and distribution of electricity, of two lines of towers and wires suspended thereon and supported thereby, and of wires for telephone and telegraph purposes, and all necessary and proper crossarms, braces, connections, fastenings, and other appliances for use in connection therewith (the "**Tower Easement**"), together with the right of ingress and egress from such Tower Easement along, upon and over Grantor's property situated in Alameda County, California, more particularly described in attached **Exhibit A** (the "**Grantor's Property**"), (the "**Easement Area**") Such Exhibits are incorporated into this Deed. The Tower Easement is further described in the indenture recorded August 12, 1924, in Book 742, Page 436 of the Official Records of the County of Alameda.

1. Nature of Easement. The Tower Easement includes the right of City, at any and all times, to use, and to authorize its employees, agents, tenants, contractors, subcontractors, suppliers, consultants, licensees and other persons authorized by City to act for and on behalf of City (collectively, "**Agents**") to: (a) improve, inspect, maintain, repair, operate, and use, on a nonexclusive basis in accordance with the terms of this Deed, any roadway or roadways located

on the Easement Area (the "Road" or "Roads"), the present locations of which are depicted on **Exhibit B** for purposes of ingress, egress and passage of automobiles and other vehicles and equipment to, from and between the Tower Easement and the adjacent public street known as Sheridan Road and depicted on **Exhibit B**, in accordance with the terms of this Deed; and (b) modify, improve, remove or replace each Road within the Easement Area, provided that City obtains Grantor's approval of the proposed modification, removal and/or replacement, which approval shall not be unreasonably withheld, conditioned or delayed. The Tower Easement also includes the right by City and its Agents to conduct road grading, paving, clear any obstructions and vegetation from the Easement Area as are reasonably necessary for the full enjoyment and accomplishment of the purposes of the Tower Easement.

2. Shared Access/Grantor's Right to Install Fences and Gates.

(a) Grantor may install fences and gates along the Easement Area and may change the location of the Road, at its sole cost and expense, provided (i) Grantor shall provide City with reasonable prior notice of such installation; (ii) Grantor shall provide City with fence and gate keys or the equivalent; and (iii) City and its Agents shall be entitled to unrestricted access to the Easement Area at any and all times without prior notice (on a 24 hour per day, 7 days per week basis) for any purpose, including without limitation, construction, maintenance or repair work or equipment transportation to and from the Easement Area.

(b) Except in the event of an emergency or emergency repairs or maintenance affecting the Easement Area and/or City's facilities located thereon, City agrees to use reasonable efforts to avoid interference with uses of the Easement Area by others except to the extent such uses are expressly prohibited by this Agreement.

3. No Structures or Improvements. Grantor shall not do anything in, on, or under the Easement Area that causes damage (other than ordinary wear and tear) to, or materially disrupts the use of, any Road for its intended purposes by City, or interferes with the exercise of City's easement rights with respect to the Easement Area, without the prior written consent of City. Without limiting the foregoing, Grantor agrees that no structures or improvements, whether permanent or temporary, shall be constructed or placed, and no excavation shall occur, within the Easement Area without the prior written consent of City, except as set forth in **Section 4** below.

4. Rights Reserved to Grantor. Without limiting any of Grantor's rights as owner of the Easement Area, Grantor specifically reserves and retains the following rights relating to the Easement Area, to the extent such rights are exercised in a way that does not unreasonably interfere with the permitted uses described in **Section 1** or with the exercise of City's rights under this Deed: (i) any and all water, timber, mineral and oil rights of any kind; (ii) any and all rights to use, operate, maintain, repair, enlarge, modify, expand, replace and reconstruct any of Grantor's pre-existing facilities, within portions of the Easement Area, provided the Easement Area remains at least one hundred (100) feet in width; (iii) the right to construct, maintain, repair, resurface, remove, replace and relocate Roads located within the Easement Area, parking areas, utility lines, and other improvements on, over, under and across the surface of the Easement Area that will not unreasonably interfere with, damage or endanger any Road or the Easement Area, and (iv) the right to grant future easements, including rights of way, over, across, under, in and upon the Easement Area, provided such easements do not unreasonably interfere with the exercise of City's rights under this Deed.

5. Exercise of Due Care. City shall use, and shall cause its Agents (as defined above) to use due care at all times to avoid any damage or harm to the Easement Area or Grantor's Property, or persons or property located on, in or about the Easement Area or Grantor's Property, and including any utilities or other facilities located thereon. City agrees to be responsible for the repair of any damage or harm to the Easement Area to the extent caused by

City or its Agents, except to the extent caused by the negligence or willful misconduct of Grantor or its Agents. City shall fully pay and discharge all claims for labor, materials and services in connection with any work or improvements it makes on the Grantor's Property and shall take all steps to forestall the assertion of claims against the Grantor's Property as a result of such work, and in no event shall City permit any liens to attach to the Grantor's Property by reason of the exercise of its rights hereunder.

6. Restrictions on Use. City agrees that, by way of example only and without limitation, the following uses of the Easement Area by City, or any other person claiming by or through City, are inconsistent with the purpose of this Deed and are strictly prohibited as provided below:

(a) **Improvements.** Except as otherwise expressly provided herein, City shall not construct or place any permanent structures, improvements, utilities or facilities, in, on, under or about the Easement Area, without the prior written consent of Grantor. City shall not use the Easement Area or permit anything to be done in or about the Easement Area which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated (collectively, "Legal Requirements"). No material or substance that is regulated as a hazardous or toxic waste, substance, pollutant or contaminant under any Legal Requirement shall be used, handled, released or disposed of by City or its employees, agents or representatives, visitors or invitees at or about the Grantor Property without Grantor's prior consent, which consent may be granted, denied, or conditioned in Grantor's reasonable discretion. City shall not use or allow the Easement Area to be used for any improper, unlawful or objectionable purpose, nor shall City cause, maintain or permit any nuisance in, on or about the Grantor Property. City shall not commit or allow to be committed any waste in or upon the Grantor Property.

(b) **Use of Adjoining Land.** Nothing herein authorizes any entry onto or use of any of Grantor's Property other than the Easement Area and the Roads, without the prior written consent of Grantor, in its reasonable discretion, which may include reasonable compensation by City to Grantor for loss of use. City shall minimize its interference with Grantor's use of the Grantor Property to the greatest extent possible, and in no event shall City or its Agents use the Grantor Property for any purposes not related to the work to be performed on the Easement Area.

(c) **Parking.** City shall not park vehicles on the Easement Area, except to the extent reasonably required when performing emergency repairs or maintenance to City's facilities, or Road improvement and maintenance activities expressly permitted under this Deed.

7. Maintenance. Grantor shall maintain the Easement Area and any Road within the Easement Area in good condition and repair, and otherwise in a manner that affords City use of the Tower Easement in accordance with the terms of this Deed. If Grantor fails to so maintain the Easement Area, City shall provide Grantor written notice of such failure and Grantor shall have thirty (30) days thereafter to perform any necessary repairs or maintenance. City shall be responsible, at its expense, to repair and maintain the Roads only as to wear and tear caused by the proportionate use of the Roads by City and its Agents, and not wear and tear caused by use of the Roads by others.

8. Run with the Land; Successors and Assigns. The provisions of this Deed shall run with the land, burden the Easement Area, and inure to the benefit of and bind the respective successors and assigns of Grantor and City. City shall have no right to assign any of its rights under this Agreement to any non-governmental entity without the prior consent of Grantor.

9. As-Is Condition of Easement Area; Disclaimer of Representations. City accepts the Easement Area in its "AS IS" condition, without representation or warranty of any

kind by Grantor, its officers, agents or employees and subject to all applicable laws, rules and ordinances governing the use of the Easement Area. Without limiting the foregoing, this Deed is made subject to any and all covenants, conditions, restrictions, easements, encumbrances and other matters affecting title to the Easement Area, whether foreseen or unforeseen, and whether such matters are of record or would be disclosed by an accurate inspection or survey.

10. Insurance. Grantor acknowledges that City self-insures against casualty, property damage and public liability risks and agrees that City may at its sole election, but shall not be required to, carry any third party insurance with respect to the Easement Area or otherwise. If City authorizes any Agent to utilize the Tower Easement in accordance with the terms of this Deed, and if City requires such Agent to maintain insurance with respect to its activities, or to name City as an additional or named insured on any insurance policy, then City shall also cause such Agent to name Grantor to be named as additional insureds (or as additional named insureds, at Grantor's option) under such insurance policy.

11. Notices. Any notices given under this Deed shall be effective only if in writing and given by delivering the notice in person, by sending it first class mail or certified mail with a return receipt requested, or nationally-recognized overnight courier that guarantees next day delivery and provides a receipt therefor, with postage prepaid, addressed as follows (or such alternative address as may be provided in writing):

If to City: San Francisco Public Utilities Commission
525 Golden Gate Avenue, 10th Floor
San Francisco, California 94102
Attn: Real Estate Director

with a copy to: City and County of San Francisco
Real Estate Division
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Attn: Director of Property

and: Office of the City Attorney
City and County of San Francisco
Room 234, City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102-4682
Attn: Real Estate/Finance Team

If to Grantor: 7484 Sheridan Road
Sunol, CA 94586
Attn: Timothy Su and Lan Fong Chen

With a copy to: Lubin Olson LLP
600 Montgomery Street, 14th Floor
San Francisco, CA 94111
Attn.: Robert Miller

12. General Provisions. (a) This Deed may be amended or modified only by a writing signed by Grantor and City. (b) No waiver by any party of any of the provisions of this Deed shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. (c) All

approvals and determinations of City requested, required or permitted hereunder may be made in the sole and absolute discretion of the General Manager of the San Francisco Public Utilities Commission or other authorized official. (d) The sections and other headings of this Deed are for convenience of reference only and shall be disregarded in the interpretation of this Deed. (e) Time is of the essence in each and every provision herein. (f) This Deed shall be governed by California law and City's Charter. (g) If either party commences an administrative or legal action against the other under this Deed, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of Grantor and City shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience. (h) This instrument may be executed in counterparts, each of which shall be an original, but all counterparts shall constitute one instrument.

[SIGNATURES ON FOLLOWING PAGE]

Executed as of this _____ day of _____, 2017.

GRANTOR:

TIMOTHY SU

Date: _____

LAN FONG CHEN

Date: _____

CERTIFICATE OF ACCEPTANCE

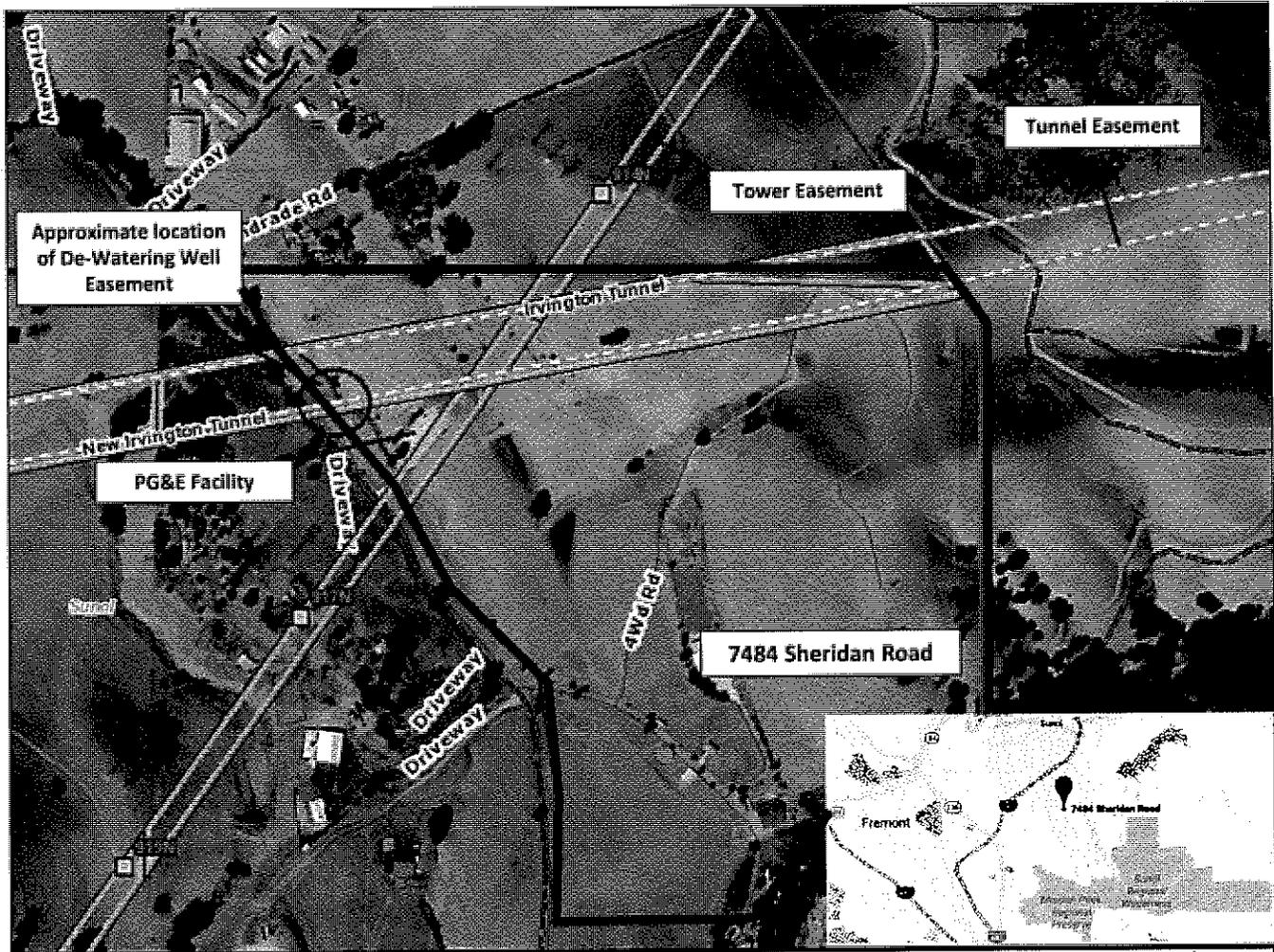
This is to certify that the interest in real property conveyed by this Deed dated _____, 2017, from the Grantor to THE City and County of San Francisco, is hereby accepted pursuant to Board of Supervisors' Resolution No. 18110 Series of 1939, approved August 7, 1957, and City consents to recordation thereof by its duly authorized officer.

Dated: _____

By: _____

JOHN UPDIKE
Director of Property

EXHIBIT A
Description of Grantor's Property
[see following page]



———— Approximate Property Boundary
 - - - - - SFPUC Easement

**Exhibit B – Depiction of Easements
7484 Sheridan Road, Sunol, CA**



**San Francisco
Water Power Sewer**
Operator of the North Bay Area Regional Water System

EXHIBIT D-3

FORM OF GRANT EASEMENT
(Tunnel Easement, Electric Transmission Line, and Telephone Line)

(see attached)

RECORDING REQUESTED BY,
AND WHEN RECORDED RETURN TO:

San Francisco Public Utilities Commission
Real Estate Services Division
525 Golden Gate Avenue, 10th Floor
San Francisco, California 94102
Attn: Real Estate Director

and

Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Attn: Director of Property

WITH A COPY TO:

The undersigned hereby declares this instrument to be exempt from Recording Fees (CA Govt. Code § 27383) and Documentary Transfer Tax (CA Rev. & Tax Code § 11922).

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

GRANT OF EASEMENT

(Subsurface Tunnel Easement and Surface Easement for an
Electric Transmission Line and Telephone Line)

(Portion of Assessor's Parcel No. 096-0001-020-03)

This Grant of Easement Deed ("**Deed**") is granted by Timothy Su, an individual, and Lan Fong Chen, an individual (collectively, "**Grantor**"), for the benefit of the City and County of San Francisco, a municipal corporation ("**City**" or "**Grantee**"), acting by and through its Public Utilities Commission.

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby quitclaims and conveys to City, a perpetual, exclusive subsurface right of way easement for the construction, maintenance and use of two aqueduct tunnels, together with the right to construct, replace, patrol and operate an electric transmission line consisting of conductors supported on one line of poles, with all necessary accessories, and a telephone line of one or more circuits supported on one line of poles, with all necessary accessories (the "**Tunnel Easement**"), along, upon and over the surface of such real property, and the right of ingress to and egress from such rights of way situated in Alameda County, California, more particularly described in attached **Exhibit A** (the "**Grantor's Property**"), (the "**Easement Area**"). Such Exhibits are incorporated into this Deed. The Tunnel Easement is further described in the indenture recorded October 26, 1928, in Book 1971, Page 225 of the Official Records of the County of Alameda.

1. Nature of Easement. The Tunnel Easement includes the right of City, at any and all times, to use, and to authorize its employees, agents, tenants, contractors, subcontractors, suppliers, consultants, licensees and other persons authorized by City to act for and on behalf of City (collectively, "**Agents**") to: (a) improve, inspect, maintain, repair, operate, and use, on an

exclusive basis in accordance with the terms of this Deed, any roadway or roadways located on the Easement Area (the “**Road**” or “**Roads**”), the present locations of which are depicted on **Exhibit B** for purposes of ingress, egress and passage of automobiles and other vehicles and equipment to, from and between the Tunnel Easement and the adjacent public street known as Sheridan Road and depicted on **Exhibit B**, in accordance with the terms of this Deed; and (b) modify, improve, remove or replace each Road within the Easement Area, provided that City obtains Grantor’s approval of the proposed modification, removal and/or replacement, which approval shall not be unreasonably withheld, conditioned or delayed. The Tunnel Easement also includes the right by City and its Agents to conduct road grading, paving, clear any obstructions and vegetation from the Easement Area as are reasonably necessary for the full enjoyment and accomplishment of the purposes of the Tunnel Easement.

2. Shared Access/Grantor’s Right to Install Fences and Gates.

(a) Grantor may install fences and gates along the Easement Area and may change the location of the Road, at its sole cost and expense, provided (i) Grantor shall provide City with reasonable prior notice of such installation; (ii) Grantor shall provide City with fence and gate keys or the equivalent; and (iii) City and its Agents shall be entitled to unrestricted access to the Easement Area at any and all times without prior notice (on a 24 hour per day, 7 days per week basis) for any purpose, including without limitation, construction, maintenance or repair work or equipment transportation to and from the Easement Area.

(b) Except in the event of an emergency or emergency repairs or maintenance affecting the Easement Area and/or City’s facilities located thereon, City agrees to use reasonable efforts to avoid interference with uses of the Easement Area by others except to the extent such uses are expressly prohibited by this Tunnel Easement.

3. No Structures or Improvements. Grantor shall not do anything in, on, or under the Easement Area that causes damage (other than ordinary wear and tear) to, or disrupts the use of, any Road for its intended purposes by City, or materially interferes with the exercise of City’s easement rights with respect to the Easement Area, without the prior written consent of City. Without limiting the foregoing, Grantor agrees that no structures or improvements, whether permanent or temporary, shall be constructed or placed, and no excavation shall occur, within the Easement Area without the prior written consent of City, except as set forth in **Section 4** below.

4. Rights Reserved to Grantor. Without limiting any of Grantor’s rights as owner of the Easement Area, Grantor specifically reserves and retains the following rights relating to the Easement Area, to the extent such rights are exercised in a way that does not unreasonably interfere with the permitted uses described in **Section 1** or with the exercise of City’s rights under this Deed: (i) any and all water, timber, mineral and oil rights of any kind; (ii) any and all rights to use, operate, maintain, repair, enlarge, modify, expand, replace and reconstruct any of Grantor’s pre-existing facilities, within portions of the Easement Area, provided the Easement Area remains at least two hundred and fifty (250) feet in width; and (iii) the right to construct, maintain, repair, resurface, remove, replace and relocate Roads located within the Easement Area, parking areas, utility lines, and other improvements on, over, under and across the surface of the Easement Area that will not unreasonably interfere with, damage or endanger any Road or the Easement Area.

5. Exercise of Due Care. City shall use, and shall cause its Agents (as defined above) to use due care at all times to avoid any damage or harm to the Easement Area or Grantor’s Property, or persons or property located on, in or about the Easement Area or Grantor’s Property, and including any utilities or other facilities located thereon. City agrees to be responsible for the repair of any damage or harm to the Easement Area to the extent caused by City or its Agents, except to the extent caused by the negligence or willful misconduct of Grantor or its Agents. City shall fully pay and discharge all claims for labor, materials and services in

connection with any work or improvements it makes on the Grantor's Property and shall take all steps to forestall the assertion of claims against the Grantor's Property as a result of such work, and in no event shall City permit any liens to attach to the Grantor's Property by reason of the exercise of its rights hereunder.

6. Restrictions on Use. City agrees that, by way of example only and without limitation, the following uses of the Easement Area by City, or any other person claiming by or through City, are inconsistent with the purpose of this Deed and are strictly prohibited as provided below:

(a) **Improvements.** Except as otherwise expressly provided herein, City shall not construct or place any permanent structures, improvements, utilities or facilities, in, on, under or about the Easement Area, without the prior written consent of Grantor. City shall not use the Easement Area or permit anything to be done in or about the Easement Area which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated (collectively, "Legal Requirements"). No material or substance that is regulated as a hazardous or toxic waste, substance, pollutant or contaminant under any Legal Requirement shall be used, handled, released or disposed of by City or its employees, agents or representatives, visitors or invitees at or about the Grantor Property without Grantor's prior consent, which consent may be granted, denied, or conditioned in Grantor's reasonable discretion. City shall not use or allow the Easement Area to be used for any improper, unlawful or objectionable purpose, nor shall City cause, maintain or permit any nuisance in, on or about the Grantor Property. City shall not commit or allow to be committed any waste in or upon the Grantor Property.

(b) **Use of Adjoining Land.** Nothing herein authorizes any entry onto or use of any of Grantor's Property other than the Easement Area and the Roads, without the prior written consent of Grantor, in its reasonable discretion, which may include reasonable compensation by City to Grantor for loss of use. City shall minimize its interference with Grantor's use of the Grantor Property to the greatest extent possible, and in no event shall City or its Agents use the Grantor Property for any purposes not related to the work to be performed on the Easement Area.

(c) **Parking.** City shall not park vehicles on the Easement Area, except to the extent reasonably required when performing emergency repairs or maintenance to City's facilities, or Road improvement and maintenance activities expressly permitted under this Deed.

7. Maintenance. Grantor shall maintain the Easement Area and any Road within the Easement Area in good condition and repair, and otherwise in a manner that affords City use of the Tunnel Easement in accordance with the terms of this Deed. If Grantor fails to so maintain the Easement Area, City shall provide Grantor written notice of such failure and Grantor shall have thirty (30) days thereafter to perform any necessary repairs or maintenance. City shall be responsible, at its expense, to repair and maintain the Roads only as to wear and tear caused by the proportionate use of the Roads by City and its Agents, and not wear and tear caused by use of the Roads by others.

8. Run with the Land; Successors and Assigns. The provisions of this Deed shall run with the land, burden the Easement Area, and inure to the benefit of and bind the respective successors and assigns of Grantor and City. City shall have no right to assign any of its rights under this Tunnel Easement to any non-governmental entity without the prior consent of Grantor.

9. As-Is Condition of Easement Area; Disclaimer of Representations. City accepts the Easement Area in its "AS IS" condition, without representation or warranty of any kind by Grantor, its officers, agents or employees and subject to all applicable laws, rules and ordinances governing the use of the Easement Area. Without limiting the foregoing, this Deed is

made subject to any and all covenants, conditions, restrictions, easements, encumbrances and other matters affecting title to the Easement Area, whether foreseen or unforeseen, and whether such matters are of record or would be disclosed by an accurate inspection or survey.

10. Insurance. Grantor acknowledges that City self-insures against casualty, property damage and public liability risks and agrees that City may at its sole election, but shall not be required to, carry any third party insurance with respect to the Easement Area or otherwise. If City authorizes any Agent to utilize the Tunnel Easement in accordance with the terms of this Deed, and if City requires such Agent to maintain insurance with respect to its activities, or to name City as an additional or named insured on any insurance policy, then City shall also cause such Agent to name Grantor to be named as additional insureds (or as additional named insureds, at Grantor's option) under such insurance policy.

11. Notices. Any notices given under this Deed shall be effective only if in writing and given by delivering the notice in person, by sending it first class mail or certified mail with a return receipt requested, or nationally-recognized overnight courier that guarantees next day delivery and provides a receipt therefor, with postage prepaid, addressed as follows (or such alternative address as may be provided in writing):

If to City: San Francisco Public Utilities Commission
525 Golden Gate Avenue, 10th Floor
San Francisco, California 94102
Attn: Real Estate Director

with a copy to: City and County of San Francisco
Real Estate Division
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Attn: Director of Property

and: Office of the City Attorney
City and County of San Francisco
Room 234, City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102-4682
Attn: Real Estate/Finance Team

If to Grantor: 7484 Sheridan Road
Sunol, CA, 94586
Attn: Timothy Su and Lan Fong Chen

With a copy to: Lubin Olson LLP
600 Montgomery Street, 14th Floor
San Francisco, CA 94111
Attn.: Robert Miller

12. General Provisions. (a) This Deed may be amended or modified only by a writing signed by Grantor and City. (b) No waiver by any party of any of the provisions of this Deed shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. (c) All approvals and determinations of City requested, required or permitted hereunder may be made in the sole and absolute discretion of the General Manager of the San Francisco Public Utilities Commission or other authorized official. (d) The sections and other headings of this Deed are

for convenience of reference only and shall be disregarded in the interpretation of this Deed. (e) Time is of the essence in each and every provision herein. (f) This Deed shall be governed by California law and City's Charter. (g) If either party commences an administrative or legal action against the other under this Deed, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of Grantor and City shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience. (h) This instrument may be executed in counterparts, each of which shall be an original, but all counterparts shall constitute one instrument.

[SIGNATURES ON FOLLOWING PAGE]

Executed as of this _____ day of _____, 2017.

GRANTOR:

TIMOTHY SU

Date: _____

LAN FONG CHEN

Date: _____

CERTIFICATE OF ACCEPTANCE

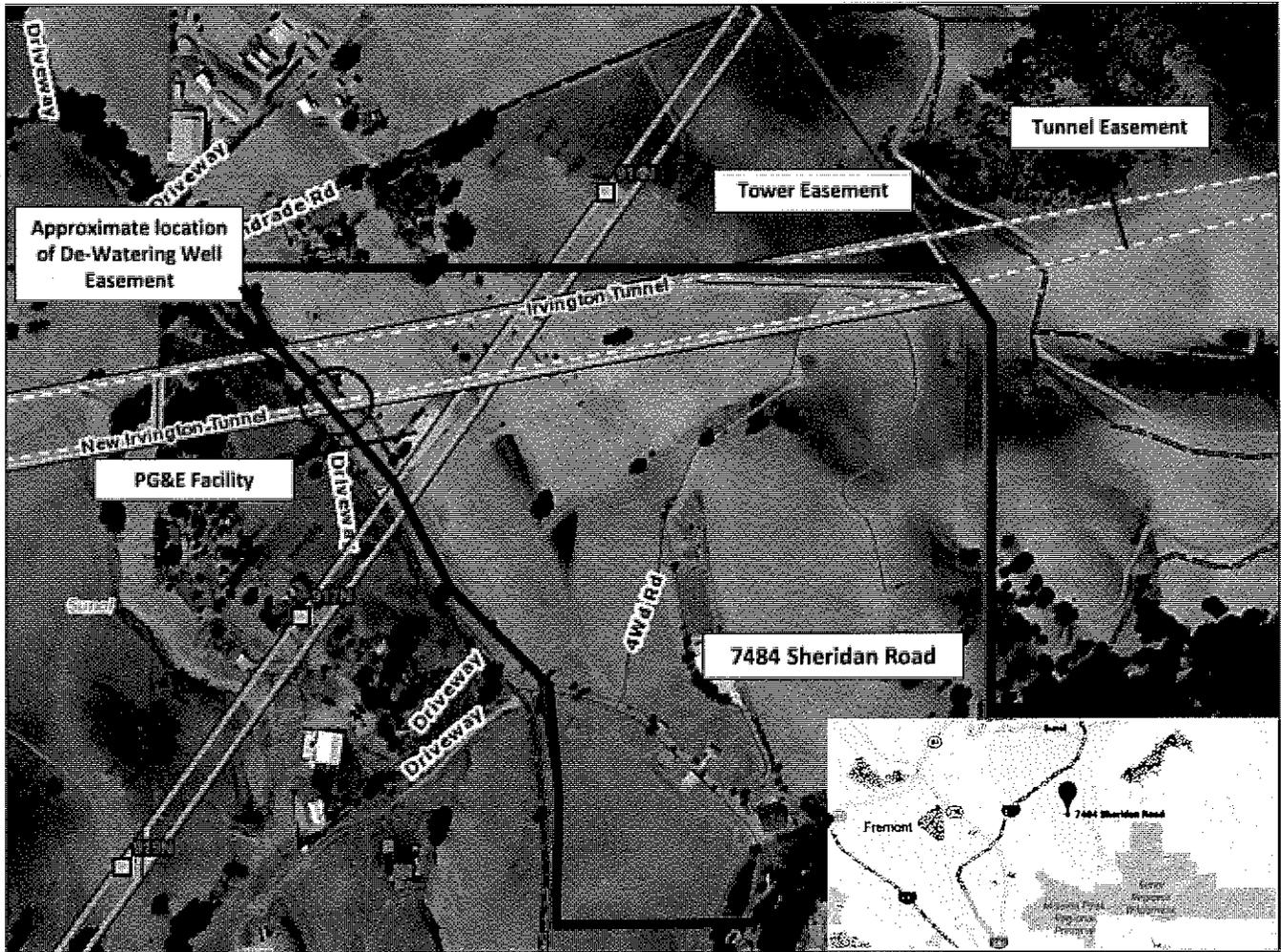
This is to certify that the interest in real property conveyed by this Deed dated _____, 2017, from the Grantor to THE City and County of San Francisco, is hereby accepted pursuant to Board of Supervisors' Resolution No. 18110 Series of 1939, approved August 7, 1957, and City consents to recordation thereof by its duly authorized officer.

Dated: _____

By: _____

JOHN UPDIKE
Director of Property

EXHIBIT A
Description of Grantor's Property
[see following page



 Approximate Property Boundary
 SFPUC Easement

**Exhibit B – Depiction of Easements
7484 Sheridan Road, Sunol, CA**



**San Francisco
Water Power Sewer**
Operator of the Hutch Hutch Regional Water System

EXHIBIT E

FORM OF BILL OF SALE

For good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), does hereby sell, transfer and convey to _____, a _____ ("Buyer"), the personal property described in _____ the attached Schedule 1 and used in connection with the operation of that certain real property located at _____, San Francisco, California.

WITHOUT LIMITING ANY OF THE PROVISIONS OF THE AGREEMENT OF PURCHASE AND SALE BETWEEN CITY AND BUYER, BUYER ACKNOWLEDGES AND AGREES THAT CITY IS SELLING AND BUYER IS PURCHASING SUCH PERSONAL PROPERTY ON AN "AS-IS WITH ALL FAULTS" BASIS AND THAT BUYER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM CITY, ITS AGENTS, EMPLOYEES OR OFFICERS, AS TO ANY MATTERS CONCERNING SUCH PERSONAL PROPERTY, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Executed as of this _____ day of _____, 20__.

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
JOHN UPDIKE
Director of Property

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By: _____
Michelle W. Sexton
Deputy City Attorney