

EXECUTION VERSION

AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE

by and between

ARCHSTONE CONCOURSE LLC, a Delaware limited liability company,
as Seller

and

CITY AND COUNTY OF SAN FRANCISCO,
as Buyer

For the purchase and sale of

600th 7th Street
San Francisco, California

November 21, 2014

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AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE
(600 7th Street, San Francisco)

THIS AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE (this "**Agreement**") dated for reference purposes only as of November 21, 2014 is by and between ARCHSTONE CONCOURSE LLC, a Delaware limited liability company ("**Seller**"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**Buyer**" or "**City**").

RECITALS

This Agreement is made with reference to the following:

A. Seller is the owner of a residential and mixed-use project located at 801 Brannan Street in San Francisco (the "**Principal Site**").

B. On January 24, 2013, pursuant to Planning Commission Motion No. 18793, the San Francisco Planning Commission approved Seller's development application for construction of a new six-story building consisting of approximately 432 dwelling units, approximately 19,650 square feet of ground floor retail, and parking for up to 422 spaces at 801 Brannan Street (the "**Principal Project**"). On January 24, 2013, pursuant to Planning Commission Motion No. 18794, the San Francisco Planning Commission approved construction by an affiliate of Seller of two new six-story buildings consisting of approximately 239 dwelling units, 13,138 square feet of ground floor retail, and parking for up to 164 spaces at 1 Henry Adams Street (the "**1HA Project**"). Planning Commission Motion Nos. 18793 and 18794 are collectively referred to herein as the "**Planning Approvals**."

C. The San Francisco Planning Code ("**Planning Code**") requires market rate residential projects to comply with certain Residential Inclusionary Housing rules designed to create affordable housing in San Francisco ("**Affordability Requirement**"). Seller desires to satisfy the Affordability Requirement for the 1HA Project and a portion of the Affordability Requirement for the Principal Project through a land dedication pursuant to Planning Code Section 419.6 and 419.5(a)(2)(A)-(J) ("**Land Dedication Option**").

D. Seller and City are entering into this Agreement in order to facilitate satisfaction of the Affordability Requirement for the 1HA Project and a portion of the Principal Project under the Land Dedication Option through a transfer to City of the Property (as defined below).

E. By letter dated January 8, 2013 from the Mayor's Office of Housing and Community Development ("**MOHCD**"), the City verified the Property as acceptable for dedication pursuant to the Land Dedication Option described above, subject to satisfaction of certain conditions set forth therein.

IN CONSIDERATION of the payment of the non-refundable sum of One Dollar (\$1.00) by City, the receipt of which is hereby acknowledged by Seller, and the respective agreements contained hereinbelow, Seller and City agree as follows:

1. PURCHASE AND SALE

1.1 Property Included in Sale

Seller agrees to sell and convey to City, and City agrees to purchase from Seller, subject to the terms, covenants and conditions hereinafter set forth, the following:

(a) the real property consisting of approximately 37,800 square feet (approximately 0.87 acre) of land, located in the City and County of San Francisco, commonly known as 600 7th Street and more particularly described in Exhibit A attached hereto (the "**Land**");

(b) all improvements and fixtures located on the Land as of the Closing Date as hereinafter defined), if any (collectively, the "**Improvements**"); and

(c) any and all rights, privileges, and easements incidental or appurtenant to the Land or Improvements, including, without limitation, any and all minerals, oil, gas and other hydrocarbon substances on and under the Land, as well as any and all development rights, air rights, water, water rights, riparian rights and water stock relating to the Land, and any and all easements, rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Land or Improvements, and any and all of Seller's right, title and interest in and to all roads and alleys adjoining or servicing the Land or Improvements (collectively, the "**Appurtenances**").

All of the items referred to in Subsections (a), (b) and (c) above are collectively referred to as the "**Property**." Seller and City hereby acknowledge and agree that the legal description for the Land attached hereto as Exhibit A may be adjusted prior to the Closing Date as necessary to conform to the legal description for the Land approved per the Final Subdivision (as hereinafter defined).

1.2 Seller's Rights to the Property

Seller and City hereby acknowledge that this Agreement is entered into for the purpose of satisfying the Affordability Requirements for the 1HA Project and a portion of the Affordability Requirements for the Principal Project through exercise by Seller and Seller's affiliate of the Land Dedication Option. However, nothing in this Agreement is intended to compel Seller to pursue the Land Dedication Option in order to satisfy a portion of the Affordability Requirement for the Principal Project or to compel Seller's affiliate to pursue the Land Dedication Option in order to satisfy the Affordability Requirement for the 1HA Project, and if for any reason Seller, in its sole discretion, elects to terminate this Agreement or the Closing under this Agreement does not occur, Seller and its affiliate may, nonetheless, satisfy said portion or entirety of the Affordability Requirement through the alternative options more specifically set forth in the Planning Approvals.

2. PURCHASE PRICE

2.1 Purchase Price

The total purchase price for the Property is One Dollar (\$1.00) (the "**Purchase Price**").

2.2 Payment

On the Closing Date (as defined herein), City shall pay the Purchase Price, adjusted pursuant to the provisions of Article 7 [Expenses and Taxes], and reduced by any credits due City hereunder.

2.3 Funds

All payments made by any party hereto shall be in legal tender of the United States of America, paid by City controller's warrant or in cash or by wire transfer of immediately available funds to Title Company (as defined below), as escrow agent.

3. TITLE TO THE PROPERTY

3.1 Conveyance of Title to the Property

At the Closing, Seller shall convey to City marketable and insurable fee simple title to the Land, the Improvements and the Appurtenances, by duly executed and acknowledged grant deed in the form attached hereto as Exhibit B (the "**Deed**"), subject to the Accepted Conditions of Title (as defined in Section 3.2).

3.2 Title Insurance

Seller has heretofore delivered to City a current commitment (the "**Title Commitment**") for an ALTA extended coverage Owner's Title Insurance Policy (the "**Title Policy**") in accordance with the preceding Section 3.1 in the amount of \$24,750,000.00, issued by First American Title Insurance Company (the "**Title Company**"), insuring fee simple title to the Land and the Improvements, in City free of the liens of any and all deeds of trust, mortgages, financing statements, creditors' claims, and all other exceptions, liens and encumbrances except solely for the following (such exceptions approved by City are collectively referred to herein as the "**Accepted Conditions of Title**"): (i) the lien of real property taxes, not yet due or payable, provided City shall be shown as exempt from such taxes in the Title Policy, and (ii) all New Title Exceptions (as hereinafter defined). The Title Policy shall provide full coverage against mechanics' and materialmen's liens arising out of the construction, repair or alteration of any of the Property (provided that at Seller's cost and expense, Seller may bond around any such matters to Title Company's reasonable satisfaction or cause Title Company to endorse over such matter to City's reasonable satisfaction upon which, such matter shall be deemed cured), shall not contain any exclusion from coverage for creditor's rights or bankruptcy, and shall contain an affirmative endorsement that there are no violations of restrictive covenants, if any, affecting the Property and such other special endorsements as City may reasonably request. The Title Policy shall also provide for reinsurance with direct access with such companies and in such amounts as City may reasonably request.

If, prior to Closing, an update of the Title Commitment discloses any materially adverse matter not set forth on the original Title Commitment, then no later than ten (10) business days prior to the Closing Date, City shall have the right to object to any such matter by written notice to Seller (each, a "**New Title Objection**") and Seller shall have ten (10) business days after receipt of City's notice to cure or attempt to cure such New Title Objection and the Closing Date shall be extended to allow for the stated time period to run; provided, however, notwithstanding the foregoing, Seller shall have no obligation whatsoever to cure or attempt to

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cure any New Title Objection except that Seller shall be obligated, at Closing, to cause Title Company to remove any and all deeds of trust, mortgages and other monetary liens and encumbrances (provided that, at Seller's cost and expense, Seller may bond around any New Title Objection to Title Company's reasonable satisfaction or cause Title Company to endorse over such matter to City's reasonable satisfaction upon which, such matter shall be deemed cured). If a New Title Objection is not cured by Seller prior to the Closing Date, City shall, as its sole and exclusive remedy, waiving all other remedies, either: (x) terminate this Agreement upon written notice thereof to Seller, at which time the parties shall have no further rights, liabilities, or obligations under this Agreement (other than those that expressly survive termination including, without limitation, Seller's obligation to satisfy the Affordability Requirement); or (y) waive the uncured New Title Objection by proceeding to Closing and thereby be deemed to have approved the title as shown in the original Title Commitment as updated and such uncured New Title Objection shall become an "Accepted Condition of Title".

3.3 Survey

No later than sixty (60) days prior to the Closing Date, Seller shall deliver to City an ALTA Survey of the Land (the "Survey"). By written notice to Seller, City shall have thirty (30) days following City's receipt of the Survey to object to any matter contained therein (each, a "Survey Objection"). If City provides a timely Survey Objection, Seller shall work in good faith to cure such Survey Objection as soon as reasonably practicable thereafter and the Closing shall be extended accordingly to allow for such cure.

4. INTENTIONALLY OMITTED

5. ENTRY AND CONDITIONS TO CLOSING

At all times prior to the Closing Date, Seller shall afford City and its Agents (as defined in Section 11.8 below) reasonable access to the Property for the purposes of satisfying City with respect to the representations, warranties and covenants of Seller contained herein and the satisfaction of the Buyer's Conditions Precedent (as defined in Section 5.1 below). No inspection shall be undertaken without reasonable prior notice to Seller. Seller shall have the right to be present at any or all inspections. No inspection shall involve the taking of samples or other physically invasive procedures without the prior written consent of Seller in its sole but reasonable discretion including, without limitation, the drilling of test wells and the taking of soil borings. City hereby agrees to indemnify, defend (with counsel acceptable to Seller) and hold Seller, ERP Operating Limited Partnership, Equity Residential, ERP Holding Co., Inc., Equity Residential Management, L.L.C., and each of their respective past, present and future affiliates harmless from and against any losses, claims and damages or injury to persons or property caused by the negligence or willful misconduct of City's or its Agents' access and entry onto the Property prior to the Closing (excluding, however, the extent to which such damage or injury is caused by the acts or omissions of Seller or its Agents). The foregoing Indemnity shall exclude any claims resulting from the discovery or non-negligent aggravation by City or its Agents of a pre-existing environmental condition (other than the Disclosed Environmental Condition, as hereinafter defined) located on, in, under or about the Property. In the event this Agreement is terminated for any reason, City shall restore the Property to substantially the condition it was found prior to City's or its Agents' entry thereon subject to applicable laws but only to the extent such restoration is not caused or impeded by Seller's default hereunder. This indemnity shall survive the termination of this Agreement or the Closing; provided, however, Seller must give

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notice of any claim Seller may have against City under the foregoing indemnity (i) within one (1) year of Closing or earlier termination of this Agreement, as applicable, if the claim is brought by a third party against Seller, or (ii) within six (6) months of Closing or earlier termination of this Agreement, as applicable, if the claim is brought by Seller against City.

5.1 City's Conditions to Closing

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

(a) Seller shall not be in material default in the performance of any covenant or agreement to be performed by Seller under this Agreement, and all of Seller's representations and warranties contained in or made pursuant to this Agreement shall have been true and correct when made and shall be true and correct as of the Closing Date. At the Closing, Seller shall deliver to City a certificate certifying that Seller's representations and warranties contained in Section 8.1 below are deemed updated and remade as if made on the Closing Date.

(b) Subject to Seller's obligation to demolish the existing improvements and complete the Remediation Work, as described in Subsection 5.1(c) below, the physical condition of the Property shall be substantially the same on the Closing Date as on the date of City's execution of this Agreement, reasonable wear and tear and loss by casualty and condemnation excepted, and, as of the Closing Date, there shall be no litigation or administrative agency or other governmental proceeding pending, which after the Closing would materially adversely affect the value of the Property or the ability of City to operate the Property for its intended use, and no proceedings shall be pending which could or would cause the change, redesignation or other modification of the zoning classification of, or of any building or environmental code requirements applicable to, any of the Property.

(c) Seller shall, at Seller's sole cost and expense and in accordance with the terms and conditions set forth in those certain documents listed on Exhibit F attached hereto (collectively, the "**Remediation Documents**"), demolish the existing improvements on the Property, remove the railroad platforms and other concealed conditions and complete the remediation of the contaminated soils currently on the Property (the "**Disclosed Environmental Condition**"). Seller shall perform such demolition, removal and remediation (collectively, the "**Remediation Work**") in accordance with all applicable federal, state and local laws, including, but not limited to, all Environmental Laws (as defined in Subsection 8.1(j) below), and shall, on a monthly basis, keep City apprised of the progress of the Remediation Work. Upon completion of the Remediation Work, Seller shall notify City, and City and its Agents shall inspect the Property and the Remediation Work. The Buyer's Condition Precedent set forth in this Subsection 5.1(c) shall be deemed satisfied only upon the written confirmation to Seller by the Department of Real Estate for the City (which confirmation shall not be unreasonably conditioned, withheld or delayed) that the Remediation Work has been completed in accordance with the terms and conditions set forth in the Remediation Documents (the "**City Confirmation**"); provided, however, although not required to consummate the transaction contemplated by this Agreement, the City Confirmation shall not be deemed to constitute the approval of any other governmental or regulatory authority (other than City and MOHCD) with jurisdiction over the Property. City hereby

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acknowledges and expressly agrees that the City Confirmation shall be deemed to constitute City's acceptance of the Remediation Work. As such, City hereby acknowledges and agrees that following Closing, Seller shall not at any time thereafter have any obligation or responsibility whatsoever with respect to the Remediation Work. Without limitation to the provisions of Section 11.20 hereof, City hereby further agrees that upon Closing, City shall be deemed, on behalf of itself and on behalf of its transferees and their respective successors and assigns, to waive, relinquish and release and forever discharge Seller, ERP Operating Limited Partnership, Equity Residential, ERP Holding Co., Inc., Equity Residential Management L.L.C. and each of their respective past, present and future affiliates from and against any and all claims, demands, causes of action, losses, damages, liabilities, costs and expenses (including attorneys' reasonable fees) of any kind or character, known or unknown, by reason of or arising out of the Remediation Work and the Disclosed Environmental Condition, without any regard whatsoever as to whether or not any such loss, damage, liability, cost or expense is covered by the Pollution Policy, it being expressly understood by the parties hereto that the Pollution Policy (as defined in Section 9.2 below) including, without limitation, the terms and adequacy of the coverage thereof with regard to the Disclosed Environmental Condition, were mutually agreed to by the parties hereto and expressly approved by City. The provisions of this Subsection 5.1(c) shall survive Closing.

(d) Seller shall, at Seller's sole cost and expense, install curb and gutter for the Property and bury the overhead utility lines located thereon (the "**Site Improvements**").

(e) Title Company shall be committed at the Closing to issue to City the Title Policy as provided in Section 3.2.

(f) The City's Mayor and the Board of Supervisors, in the respective sole discretion of each, shall have enacted a resolution approving, adopting and authorizing this Agreement and the transaction contemplated hereby ("**City Resolution**").

(g) Seller shall have delivered the items described in Section 6.3 and Section 6.5 below on or before the Closing.

(h) The following must occur with respect to the creation of the Land as a separate legal parcel: (i) Seller must complete the subdivision of the Principal Site to create the Land as a separate legal parcel and cause the final parcel map to be recorded (collectively, the "**Final Subdivision**"); and (ii) City must approve of the Survey, pursuant to the terms of Section 3.3 above.

(i) Seller shall have obtained the Pollution Policy.

(j) Seller shall have delivered to City (i) the Joint Trench plans showing the location of the electrical, gas, phone and cable runs as well as any conduits, and (ii) the Final Electrical/ Gas Site Plan showing the type and location of the building transformers and meters for the Principal Project.

The Buyer's Conditions Precedent contained in the foregoing Subsections (a) through (j) are solely for the benefit of City. If any Buyer's Condition Precedent is not satisfied, City shall have the right in its sole discretion either to waive in writing the Buyer's Condition

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Precedent in question (other than the Buyer's Condition Precedent set forth in Subsection 5.1(f) above which cannot be waived by City) and proceed with the purchase (in which event City shall be deemed to have waived such uncured Buyer's Condition Precedent) or, in the alternative, terminate this Agreement, in which event, the parties shall have no further rights, liabilities, or obligations under this Agreement (other than those that expressly survive termination including, without limitation, Seller's obligation to satisfy the Affordability Requirement). The waiver of any Buyer's Condition Precedent shall not relieve Seller of any liability or obligation with respect to any representation, warranty, covenant or agreement of Seller set forth herein. In addition, the Closing Date may be extended, at City's option, for a reasonable period of time specified by City, to allow such Buyer's Conditions Precedent to be satisfied, subject to City's further right to terminate this Agreement upon the expiration of the period of any such extension if all such Buyer's Conditions Precedent have not been satisfied; provided, however, if such extension exceeds one hundred eighty (180) days, Seller shall have the right to terminate this Agreement at which time no party shall have any further rights, liabilities, or obligations hereunder (other than those that expressly survive termination including, without limitation, Seller's obligation to satisfy the Affordability Requirement).

In the event the sale of the Property is not consummated because of a default under this Agreement on the part of Seller, or if a Buyer's Condition Precedent cannot be fulfilled because Seller frustrated such fulfillment by some intentional act or negligent omission (a "**Seller Failure**"), City may, at its sole election, either (1) terminate this Agreement by delivery of notice of termination to Seller, whereupon Seller shall pay to City its documented out-of-pocket third party expenses not to exceed the sum of Fifty Thousand and No/100ths Dollars (\$50,000.00) for legal and inspection fees incurred by City and any other expenses incurred by City in connection with the performance of its due diligence review of the Property, and no party shall have any further rights or obligations hereunder (other than those that expressly survive termination including, without limitation, Seller's obligation to satisfy the Affordability Requirement), or (2) upon notice to Seller prior to the earlier of ten (10) days after City becomes aware of a Seller Failure and Closing, and provided an action is filed within thirty (30) days thereafter, City may seek specific performance of this Agreement, but not damages. City's failure to seek specific performance as aforesaid shall constitute its election to proceed under clause (1) above.

5.2 Cooperation with City

Seller shall cooperate with City and do all acts as may be reasonably requested by City with regard to the fulfillment of any Buyer's Conditions Precedent including, without limitation, execution of any documents, applications or permits, but Seller's representations and warranties to City shall not be affected or released by City's waiver or fulfillment of any Buyer's Condition Precedent. Seller hereby irrevocably authorizes City and its Agents to make all inquiries with and applications to any person or entity, including, without limitation, any regulatory authority with jurisdiction as City may reasonably require to complete its due diligence investigations.

5.3 Seller's Conditions to Closing

The following are conditions precedent to Seller's obligation to sell the Property (collectively, "**Seller's Condition(s) Precedent**"):

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(a) Seller, in Seller's sole discretion, shall have elected to satisfy the Affordability Requirement for the 1HA Project and to satisfy a portion of the Affordability Requirement for the Principal Project by conveying the Property to the City pursuant to the Land Dedication Option.

(b) The City's Mayor and the Board of Supervisors shall have enacted the City Resolution.

(c) On or before the Closing Date, the Final Subdivision shall be completed.

(d) City shall not be in default in the performance of any covenant or agreement to be performed by City under this Agreement and all of City's representations and warranties contained in or made pursuant to this Agreement shall be updated and remade as if made on the Closing Date.

(e) Seller shall have received from the Board of Trustees of Equity Residential (or its executive committee, as the case may be), on or prior to February 18, 2015 (the "**Seller's Board Approval Period**"), approval to consummate the transaction described in this Agreement on the terms and conditions set forth herein. In the event Seller does not receive the aforementioned approval and so notifies City in writing prior to the expiration of the Seller's Board Approval Period, this Agreement shall terminate and no party shall have any further rights or obligations hereunder (except those which expressly survive termination including, without limitation, Seller's obligation to satisfy the Affordability Requirement). Seller's failure to terminate this Agreement prior to the expiration of the Seller's Board Approval Period shall be conclusively deemed a waiver by Seller of its right to terminate contained in this Subsection 5.3(e).

The Seller's Conditions Precedent contained in the foregoing Subsections 5.1(a) through (e) are solely for the benefit of Seller. If any Seller's Condition Precedent is not satisfied, Seller shall have the right in its sole discretion either to waive in writing the Seller's Condition Precedent in question and proceed with the sale (in which event Seller shall be deemed to have waived such uncured Seller's Condition Precedent) or, in the alternative, terminate this Agreement, in which event, the parties shall have no further rights, liabilities or obligations under this Agreement (other than those that expressly survive termination including, without limitation, Seller's obligation to satisfy the Affordability Requirement).

In the event the sale of the Property is not consummated because of a default under this Agreement on the part of City, or if a Seller's Condition Precedent cannot be fulfilled because City frustrated such fulfillment by some intentional act or negligent omission (a "**City Failure**"), Seller may, at its sole election, terminate this Agreement by delivery of notice of termination to City, and no party shall have any further rights or obligations under this Agreement (other than those that expressly survive termination including, without limitation, Seller's obligation to satisfy the Affordability Requirement).

6. ESCROW AND CLOSING

6.1 Opening of Escrow

On or before the Effective Date (as defined in Article 11 [General Provisions]), the parties shall open escrow by depositing an executed counterpart of this Agreement with Title Company, and this Agreement shall serve as instructions to Title Company as the escrow holder for consummation of the purchase and sale contemplated hereby. Seller and City each hereby agree to submit such additional or supplementary instructions as each party may deem appropriate to enable the escrow holder to comply with the terms of this Agreement and close the transaction; provided, however, that in the event of any conflict between the provisions of this Agreement and any additional supplementary instructions submitted by a party hereto, the terms of this Agreement shall control.

6.2 Closing Date

The consummation of the purchase and sale contemplated hereby (the "Closing") 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 San Francisco, California office of Title Company, on the date that is thirty (30) days after the date all of Buyer's Conditions Precedent and all of Seller's Conditions Precedent have been satisfied or waived, or on such earlier date as City and Seller may mutually agree in writing, subject to the provisions of Article 5 [Entry and Conditions to Closing], but in no event shall the Closing occur later than December 31, 2017 (the "Closing Date"). The Closing Date may not be extended without the prior written approval of both Seller and City, except as otherwise expressly provided in this Agreement. In the event the Closing does not occur on or before the Closing Date, Title Company shall, unless it is notified by both parties to the contrary within five (5) days after the Closing Date, return to the depositor thereof items which may have been deposited hereunder. Any such return shall not, however, limit the provisions hereof or otherwise relieve either party hereto of any liability it may have under the terms of this Agreement.

6.3 Seller's Delivery of Documents and Funds

At or before the Closing, Seller shall deliver to City through escrow, the following:

- (a) a duly executed and acknowledged Deed;
- (b) a properly executed affidavit pursuant to Section 1445(b)(2) of the Federal Tax Code in the form attached hereto as Exhibit C, and on which City is entitled to rely, that Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Federal Tax Code;
- (c) a properly executed California Franchise Tax Board Form 590 certifying that Seller is a California resident if Seller is an individual or Seller has a permanent place of business in California or is qualified to do business in California if Seller is a corporation or other evidence satisfactory to City that Seller has satisfied the requirements of Section 18662 of the State Tax Code;
- (d) such resolutions, authorizations, or other partnership documents or agreements relating to Seller and its partners as City or the Title Company may

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reasonably require to demonstrate the authority of Seller to enter into this Agreement and consummate the transactions contemplated hereby, and such proof of the power and authority of the individuals executing any documents or other instruments on behalf of Seller to act for and bind Seller;

(e) closing statement of prorations and adjustments as may be required by this Agreement, prepared by Seller and submitted to City at least three (3) business days prior to the Closing Date, in content satisfactory to City and Seller ("**Closing Statement**");

(f) a duly executed certificate updating Seller's representations and warranties set forth in Section 8.1 below;

(g) originals of the Due Diligence Documents (as defined in Subsection 8.1(b) below), all to the extent such original documents exist and are either in the possession or control of Seller, or any affiliate of Seller, or may be obtained by Seller, or any affiliate of Seller, through the exercise of commercially reasonable efforts;

(h) evidence of the full force and effect of the Pollution Policy; and

(i) the Restrictive Covenant, in substantial form and substance attached hereto as Exhibit E (the "**Restrictive Covenant**"), which Seller shall cause to be recorded at Closing against the real property underlying the Principal Project and the 1HA Project.

The above items listed in Subsections 6.3(a) through (i) are herein collectively, referred to as the "**Seller's Closing Documents**".

6.4 City's Delivery of Documents and Funds

At or before the Closing, City shall deliver to Seller through escrow the following:

(a) an acceptance of the Deed executed by City's Director of Property;

(b) the Purchase Price, as provided in Article 2 [Purchase Price] hereof;

(c) a counterpart of the Closing Statement; and

(d) a duly executed certificate updating City's representations and warranties set forth in Section 8.3 below.

6.5 Other Documents

Seller and City shall each deposit such other instruments as are reasonably required by Title Company as escrow holder or otherwise required to close the escrow and consummate the purchase of the Property in accordance with the terms hereof, including, without limitation, an agreement (the "**Designation Agreement**") designating Title Company as the "Reporting Person" for the transaction pursuant to Section 6045(e) of the Federal Tax Code and the regulations promulgated thereunder, and executed by Seller, City and Title Company. The Designation Agreement shall be substantially in the form attached hereto as Exhibit D and,

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in any event, shall comply with the requirements of Section 6045(e) of the Federal Tax Code and the regulations promulgated thereunder.

7. EXPENSES AND TAXES

7.1 Apportionments

If applicable to the transaction contemplated by this Agreement, the following are to be apportioned as of the Closing Date.

(a) **Utility Charges.** Seller shall cause all the utility meters, if any, to be read on the Closing Date, and shall be responsible for the cost of all utilities used prior to the Closing Date. All utility deposits paid by Seller, if any, shall remain the property of Seller and City shall reasonably cooperate to cause such deposits to be returned to Seller to the extent Seller is entitled thereto.

(b) **Other Apportionments.** Amounts payable under any contracts assumed pursuant hereto, annual or periodic permit or inspection fees (calculated on the basis of the period covered), and liability for other normal Property operation and maintenance expenses and other recurring costs.

7.2 Closing Costs

Seller shall pay the cost of the Survey, the premium for the Title Policy and the cost of the endorsements thereto, and escrow and recording fees. Seller shall pay the cost of any transfer taxes applicable to the sale. Seller shall be responsible for all costs incurred in connection with the prepayment or satisfaction of any loan, bond or other indebtedness secured by the Property including, without limitation, any prepayment fees, penalties or charges. Any other costs and charges of the escrow for the sale not otherwise provided for in this Section 7.2 or elsewhere in this Agreement shall be borne by Seller.

7.3 Real Estate Taxes and Special Assessments

General real estate taxes payable for the tax year prior to year of Closing and all prior years shall be prorated through escrow by Seller and City as of the Closing Date on the basis of the most recent available tax bill. At or before the Closing, Seller shall pay the full amount of any special assessments due and owing against the Property including, without limitation, interest payable thereon, applicable to the period prior the Closing Date.

7.4 Post-Closing Reconciliation

If any of the foregoing prorations cannot be calculated accurately on the Closing Date, then such prorations shall be calculated as soon as reasonably practicable after the Closing. Either party hereto owing the other party a sum of money based on such subsequent prorations shall promptly pay such sum to the other party.

7.5 Survival

The provisions of this Article 7 [Expenses and Taxes] shall survive the Closing.

8. COVENANTS, REPRESENTATIONS AND WARRANTIES

8.1 Representations and Warranties of Seller

Seller represents and warrants to and covenants with City as follows:

(a) To Seller's knowledge, Seller has received no written notice from any governmental authority of a violation of any law, rule or regulation applicable to the Property that has not been corrected prior to the date hereof.

(b) In connection with City's investigation of the Property, Seller heretofore made available to City the documents listed on Schedule 1 attached hereto (collectively, the "Due Diligence Documents"). To Seller's knowledge, the Due Diligence Documents are true, correct and complete copies of such documents.

(c) Seller has not received written notice of any condemnation, either instituted or planned to be instituted by any governmental or quasi-governmental agency having jurisdiction over the Property other than City and MOHCD, which could detrimentally affect the use, operation or value of the Property.

(d) Water, sewer, gas, electric, telephone and drainage facilities and all other utilities required for the use and operation of the Property at the time of Closing, shall be installed to the property lines of the Property and, at the time of Closing, will be adequate to service the Property.

(e) To Seller's knowledge, there are no easements or rights of way which have been acquired by prescription or which are otherwise not of record with respect to the Property and, subject to all recorded title exception documents, to Seller's knowledge, there are no easements, rights of way, permits, licenses or other forms of agreement which afford third parties the right to traverse any portion of the Property to gain access to other real property. To Seller's knowledge, there are no disputes with regard to the location of any fence or other monument of the Property's boundary nor any claims or actions involving the location of any fence or boundary.

(f) There is no litigation pending against Seller or any basis therefor that arises out of the ownership of the Property or that might detrimentally affect the use or operation of the Property for its intended purpose or the value of the Property or the ability of Seller to perform its obligations under this Agreement.

(g) Seller is the legal and equitable owner of the Property, with full right to convey the same, and without limiting the generality of the foregoing, Seller has not granted any option or right of first refusal or first opportunity to any third party to acquire any interest in any of the Property.

(h) Seller is a limited liability company duly organized and validly existing under the laws of the State of Delaware and is in good standing under the laws of the State of Delaware. Subject to Subsection 5.3(e), this Agreement and all documents executed by Seller which are to be delivered to City at the Closing are, or at the Closing will be, duly authorized, executed and delivered by Seller, are, or at the Closing will be, legal, valid and binding obligations of Seller, enforceable against Seller in accordance

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with their respective terms, are, and at the Closing will be, sufficient to convey good and marketable title (if they purport to do so), and do not, and at the Closing will not, violate any provision of any agreement or judicial order to which Seller is a party or to which Seller or the Property is subject.

(i) Seller 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 Seller 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. Upon any such suspension, debarment, discipline or prohibition, City may, in its sole discretion, elect to terminate this Agreement upon written notice thereof to Seller, at which time the parties shall have no further rights, liabilities, or obligations under this Agreement (other than those that expressly survive termination including, without limitation, Seller's obligation to satisfy the Affordability Requirement).

(j) Except as identified and described in those certain documents and reports described in Schedule 2 hereto (collectively, the "**Environmental Disclosures**"), Seller has not received from any governmental authority written notice (i) that the Property is in violation of any Environmental Laws, (ii) that the Property has ever been used in any manner for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Material, or (iii) that there is a pending inquiry by a governmental agency (including, without limitation, the California Department of Toxic Substances Control or the Regional Water Quality Control Board) with respect to the presence of Hazardous Material in, on, under or about the Property, or the migration of Hazardous Material from or to other property. As used herein the following terms shall have the meanings below:

a. "Environmental Laws" shall mean any present or future federal, state or local laws, ordinances, regulations or policies relating to Hazardous Material (including, without limitation, their use, handling, transportation, production, disposal, discharge or storage) or to health and safety, industrial hygiene or environmental conditions in, on, under or about the Property, including, without limitation, soil, air and groundwater conditions.

b. "Hazardous Material" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended, (42 U.S.C. Section 9601 et seq.) or pursuant to Section 25281 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of the Improvements or are naturally occurring substances on or about the Property; petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids; and "source,"

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"special nuclear" and "by-product" material as defined in the Atomic Energy Act of 1985, 42 U.S.C. Section 3011 et seq.

(k) Upon Closing, there shall be no leases or other occupancy agreements affecting any of the Property.

(l) Upon Closing, there will be no outstanding written or oral contracts made by Seller with respect to the Improvements that shall not be paid for by Seller in the ordinary course of Seller's business; provided, however, Seller shall cause to be discharged all mechanics' or materialmen's liens arising from the Remediation Work, Site Improvements and from any other labor or materials furnished to the Property prior to the time of Closing. There are no obligations in connection with the Property which will be binding upon City after Closing (other than matters which may become Accepted Condition of Title pursuant to the terms of Section 3 above).

(m) Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Federal Tax Code.

8.2 Seller's Knowledge

When used in this Agreement, the term "to Seller's knowledge" shall mean and be limited to the actual (and not imputed, implied or constructive) current knowledge, without inquiry, of Jim Kelly, Vice President of Development for Equity Residential. Notwithstanding anything to the contrary set forth in this Agreement, the foregoing individual shall have no any personal liability or liability whatsoever with respect to any matters set forth in this Agreement or any of Seller's representations and/or warranties herein being or becoming untrue, inaccurate or incomplete.

8.3 Indemnity

Subject to the limitations of liability provided in Section 11.14 below, and excluding the Disclosed Environmental Condition and any matter identified in the Environmental Disclosures, Seller hereby agrees to indemnify, defend and hold harmless City and its Agents from and against any and all liabilities, claims, demands, damages, liens, costs, penalties, losses and expenses, including, without limitation, reasonable attorneys' and consultants' fees, resulting from a breach by Seller of: (a) a representation or warranty made by Seller in Section 8.1 above, or (b) a covenant made by Seller in this Agreement. The indemnification obligation set forth in this Section 8.3 shall survive Closing or any earlier termination of this Agreement.

8.4 Representations and Warranties of City.

City is a municipal corporation, duly organized and validly existing under the laws of the State of California and is in good standing under the laws of the State of California. Subject to Subsection 5.1(f), this Agreement and all documents executed by City which are to be delivered to Seller at the Closing are, or at the Closing will be, duly authorized, executed and delivered by City, are, or at the Closing will be, legal, valid and binding obligations of City, enforceable against City in accordance with their respective terms, are, and do not, and at the Closing will not, violate any provision of any agreement or judicial order to which City is a party.

8.5 Additional Seller Covenant. For the period commencing on the Effective Date and ending on the date the Restrictive Covenant is recorded against the real property underlying the Principal Project and the 1HA Project, Seller hereby agrees that, prior to the lease or sale of any portion of the 801 Brannan Property or the 1HA Property, Seller shall provide written notice to each and every prospective occupant or purchaser advising each such party that, in accordance with requirements of the Planning Code, the Property is intended to be developed to create up to 150 affordable dwelling units in a building of up to 80 feet in height.

9. RISK OF LOSS AND POSSESSION

9.1 Risk of Loss

If any of the Property is damaged or destroyed prior to the Closing Date, or if condemnation proceedings are commenced against any of the Property, then the rights and obligations of Seller and City hereunder shall be as follows:

(a) If such damage or destruction would cost less than One Million Dollars (\$1,000,000) (the "**Threshold Damage Amount**") to repair or restore, then this Agreement shall remain in full force and effect and City shall acquire the Property upon the terms and conditions set forth herein. In such event, at Closing City shall receive a credit against the Purchase Price payable at Closing in the total amount of the loss equal to the estimated cost of repair, as determined by Seller's insurer's claim representative, minus any sums expended by Seller in repairs or restoration.

(b) If the cost of such destruction would equal or exceed the Threshold Damage Amount, or if condemnation proceedings are commenced against any of the Property, then, City shall have the right, at its election, either to terminate this Agreement in its entirety, or only as to that portion of the Property damaged or destroyed or subject to condemnation proceedings (in which case there shall be an equitable adjustment to the Purchase Price), or to not terminate this Agreement and purchase the Property (or the portion not damaged or affected by condemnation, as the case may be). City shall have thirty (30) days after Seller notifies City that an event described in this Subsection 9.1(b) has occurred to make such election by delivery to Seller of an election notice. City's failure to deliver such notice within such thirty (30)-day period shall be deemed City's election to terminate this Agreement in its entirety. If this Agreement is terminated in its entirety or in part pursuant to this Subsection 9.1(b) by City's delivery of notice of termination to Seller, then City and Seller shall each be released from all obligations hereunder pertaining to that portion of the Property affected by such termination under this Agreement (other than those that expressly survive termination including, without limitation, Seller's obligation to satisfy the Affordability Requirement). If City elects not to terminate this Agreement, Seller shall notify City of Seller's intention to repair such damage or destruction, in which case this Agreement shall remain in full force and effect, or notify City of Seller's intention to give City a credit against the Purchase Price at the Closing in the amount reasonably determined by Seller's insurer's third party claim representative, to be the cost of repairing such damage or destruction and, in the event of a result of such condemnation proceeding, an assignment of all of Seller's right, title and interest in and to the condemnation proceeds to be awarded to Seller as a result of such condemnation, in which case this Agreement shall otherwise remain in full force and effect. Any repairs elected to be made by Seller pursuant to this

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Subsection 9.1(b) shall be made within one hundred eighty (180) days following such damage or destruction and the Closing shall be extended until such repairs are substantially completed.

9.2 Insurance

Through the Closing Date, Seller shall maintain or cause to be maintained, at Seller's sole cost and expense, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the ownership of the Property as follows: (a) commercial general liability insurance coverage written on an Insurance Services Office (ISO) coverage form CG 00 01 or another occurrence form providing equivalent coverage, with limits of not less than One Million and No/100ths Dollars (\$1,000,000.00) per occurrence, but increasing to Ten Million and No/100ths Dollars (\$10,000,000.00) during construction, (b) commercial automobile insurance coverage of not less than One Million and No/100ths Dollars (\$1,000,000.00) per occurrence which shall cover liability arising in connection with any automobile at the Property (including owned, hired and non-owned automobiles), (c) workers' compensation insurance as required by statute in the State of California and employer's liability insurance of not less than One Million and No/100ths Dollars (\$1,000,000.00) per accident, and (d) pollution legal liability insurance in the amount of Five Million and No/100ths (\$5,000,000.00) which such policy shall protect the interests of the Seller and City as named insureds and will be written on a five (5) year policy term (the "**Pollution Policy**"). City has reviewed and approved Seller's insurance and agrees that substantially similar renewals of said insurance programs shall be acceptable and satisfy the requirements of this Section 9.2.

City, its officers, officials, employees, and volunteers shall be named as additional insureds with respect to coverages required by subsections (a) and (b) immediately preceding. If any coverages are written on a claims-made form: (i) the retroactive date must be shown, and must be before the date of the contract or the beginning of contract work, and (ii) insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work. Insurance must be issued by an insurance company authorized to do business in the State of California having a rating of at least "AVII" by A.M. Best Company, unless otherwise acceptable to City. Seller shall furnish City with endorsements effecting coverage required by this clause. The endorsements are to be signed by a person authorized by that Insurer to bind coverage on its behalf.

9.3 Possession

Possession of the Property shall be delivered to City on the Closing Date.

10. MAINTENANCE; CONSENT TO NEW CONTRACTS

10.1 Maintenance of the Property by Seller

Between the date of Seller's execution of this Agreement and the Closing, Seller shall maintain the Property in good order, condition and repair, reasonable wear and tear excepted and shall make all repairs and otherwise operate the Property in the same manner as before the making of this Agreement, as if Seller were retaining the Property.

10.2 City's Consent to New Contracts Affecting the Property; Termination of Existing Contracts

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After the date this Agreement is executed by Seller, Seller shall not enter into any lease or contract, or any amendment thereof, assignment or agreement pertaining to the Property (other than with regard to the Remediation Work and the Site Improvements), without in each instance obtaining City's prior written consent thereto. City agrees that it shall not unreasonably withhold or delay any such consent.

11. GENERAL PROVISIONS

11.1 Notices

Any notice, consent or approval required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given upon (i) hand delivery, against receipt, (ii) one (1) day after being deposited with a reliable overnight courier service, or (iii) two (2) days after being deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required, and addressed as follows:

Buyer:

Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Attn: Director of Property
Re: 801 Brannan
Facsimile No.: (415) 552-9216

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with copy to:

Evan Gross
Deputy City Attorney
Office of the City Attorney
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102-4682
Re: 801 Brannan
Facsimile No.: (415) 554-4755

City:

ARCHSTONE CONCOURSE LLC
c/o Equity Residential
333 Third Street, Suite 210
San Francisco, California 94107
Facsimile No.: (954) 491-0708
Attention: Jim Kelly

With copy to:

c/o Equity Residential
Two North Riverside Plaza, Suite 400
Chicago, Illinois 60606
Facsimile No.: (312) 526-0671
Attention: Dede Berdelle, Esq.

or to such other address as either party may from time to time specify in writing to the other upon five (5) days prior written notice in the manner provided above. For convenience of the parties, copies of notices may also be given by facsimile to the telephone number listed above, or such other numbers as may be provided from time to time. However, neither party may give official or binding notice by facsimile. The effective time of a notice shall not be affected by the receipt, prior to receipt of the original, of a facsimile copy of the notice.

11.2 Brokers and Finders

No party has had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the purchase and sale contemplated herein. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes his or her claim shall be responsible for such commission or fee and shall indemnify and hold harmless the other party from all claims, costs, and expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred by the indemnified party in defending against the same. The provisions of this Section 11.2 shall survive the Closing.

11.3 Successors and Assigns

This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns.

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11.4 Amendments

Except as otherwise provided herein, this Agreement may be amended or modified only by a written instrument executed by City and Seller.

11.5 Continuation and Survival of Representations and Warranties

(a) All representations and warranties by the respective parties contained herein are intended to be, and at Closing, shall be deemed to be material and updated and remade as if made on the Closing Date.

(b) Any actions or conduct of Seller permitted under this Agreement, all of the representations and warranties of Seller set forth in Subsections 8.1(h), 8.1(i) and 8.1(m) shall survive the Closing and the delivery of the Deed and the representations and warranties in Subsections 8.1(a) through 8.1(g) and Subsections 8.1(i) through 8.1(l), together with all conditions, covenants and indemnities made by Seller in this Agreement, shall survive the Closing and the delivery of the Deed for a period of twelve (12) months following the Closing Date. Notice of any claim as to a breach of any representation or warranty (other than those under Subsections 8.1(h), 8.1(i) and 8.1(m)) must be made to Seller prior to the expiration of such twelve (12) month period or it shall be deemed a waiver of City's right to assert such claim.

(c) The representations and warranties of City set forth in Section 8.4, together with all conditions, covenants and indemnities made by City in this Agreement, shall survive the Closing and delivery of the Deed.

(d) Notwithstanding anything to the contrary contained in this Agreement, City and Seller are prohibited from making any claims against the other party hereto after the Closing with respect to any breaches of the other party's representations, warranties and covenants contained in this Agreement of which the claiming party has actual knowledge prior to Closing.

11.6 Governing Law

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

11.7 Merger of Prior Agreements

The parties intend that this Agreement (including all of the attached exhibits and schedules, which are incorporated into this Agreement by reference) shall be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous oral or written agreements or understandings. The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including, without limitation, prior drafts or changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Agreement.

11.8 Parties and Their Agents; Approvals

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The term "Seller" as used herein shall include the plural as well as the singular. If there is more than one Seller, then the obligations under this Agreement imposed on Seller 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. All approvals, consents or other determinations permitted or required by City hereunder shall be made by or through City's Director of Property unless otherwise provided herein, subject to applicable law.

11.9 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.

11.10 Attorneys' Fees

In the event that any party hereto fails to perform any of its obligations under this Agreement or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the defaulting party or the non-prevailing party in such dispute, as the case may be, shall pay the prevailing party reasonable attorneys' and experts' fees and costs, and all court costs and other costs of action incurred by the prevailing party in connection with the prosecution or defense of such action and enforcing or establishing its rights hereunder (whether or not such action is prosecuted to a judgment). For purposes of this Agreement, reasonable attorneys' fees of the City's Office of the City Attorney 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 Office of the City Attorney. For purposes of this Agreement, reasonable attorneys' fees of Seller's in-house legal counsel 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 Seller's in-house legal counsel services were rendered who practice in the City of Chicago in medium-sized law firms. The term "attorneys' fees" shall also include, without limitation, all such fees incurred with respect to appeals, mediations, arbitrations, and bankruptcy proceedings, and whether or not any action is brought with respect to the matter for which such fees were incurred. The term "costs" shall mean the costs and expenses of counsel to the parties, which may include printing, duplicating and other expenses, air freight charges, hiring of experts, and fees billed for law clerks, paralegals, and others not admitted to the bar but performing services under the supervision of an attorney.

11.11 Sunshine Ordinance

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Seller 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. Seller hereby acknowledges that the City may disclose any records, information and materials submitted to the City in connection with this Agreement.

11.12 Conflicts of Interest

Through its execution of this Agreement, Seller acknowledges that Seller is familiar with the provisions of Section 15.103 of the San Francisco Charter, 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 would constitute a violation of said provision, and agrees that if Seller becomes aware of any such fact during the term of this Agreement, it shall immediately notify the City.

11.13 Notification of Limitations on Contributions

Through its execution of this Agreement, Seller 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. Seller 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. Seller further acknowledges that the prohibition on contributions applies to Seller; each member of Seller's board of directors, and Seller's chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than twenty percent (20%) in Seller; any subcontractor listed in the contract; and any committee that is sponsored or controlled by Seller. Additionally, Seller acknowledges that Seller must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Seller further agrees to provide to City the names of each person, entity or committee described above.

11.14 Non-Liability of City Officials, Employees and Agents; Limitation on Seller Liability

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 Seller or its successors and assigns, in the event of any default or breach by City or for any amount which may become due to Seller or its successors and assigns, or for any obligation of City under this Agreement. Notwithstanding anything to the contrary contained herein, if the Closing shall have occurred (and City shall not have waived, relinquished or released any applicable rights in further limitation), the aggregate liability of Seller arising pursuant to or in connection with the representations, warranties, indemnifications, covenants or

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other obligations (whether express or implied) of Seller under this Agreement (or in Seller's Closing Documents) shall not exceed Two Million and No/100ths Dollars (\$2,000,000.00).

11.15 Earned Income Credit (EIC) Forms

(a) San Francisco Administrative Code Section 12O requires that employers provide their employees with IRS Form W-5 (Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found.

(b) Seller shall provide EIC Forms to each Eligible Employee at each of the following times: (i) within thirty (30) days following the date on which this Agreement becomes effective (unless Seller has already provided such EIC Forms at least once during the calendar year in which such effective date falls); (ii) promptly after any Eligible Employee is hired by Seller; and (iii) annually between January 1 and January 31 of each calendar year during the term of this Agreement.

(c) Failure to comply with any requirement contained in Subsection 11.15(a) shall constitute a material breach by Seller of the terms of this Agreement. If, within thirty (30) days after Seller receives written notice of such a breach, Seller fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Seller fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Agreement or under applicable law.

(d) Any Subcontract entered into by Seller shall require the subcontractor to comply, as to the subcontractor's Eligible Employees, with each of the terms of this Section 11.15.

(e) Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Section 12O of the San Francisco Administrative Code.

11.16 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.

11.17 Effective Date

As used herein, the term "**Effective Date**" shall mean the date on which the City enacts the City Resolution.

11.18 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

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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.

11.19 Cooperative Drafting

This Agreement has been drafted through a cooperative effort of all parties, and all 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, SELLER ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF CITY HAS AUTHORITY TO COMMIT CITY TO THIS AGREEMENT UNLESS AND UNTIL A CITY RESOLUTION HAS BEEN ENACTED APPROVING THIS AGREEMENT AND AUTHORIZING THE TRANSACTION CONTEMPLATED HEREBY. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF CITY HEREUNDER ARE CONTINGENT UPON THE DUE ENACTMENT OF SUCH LEGISLATION, 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 ANY OF THE TRANSACTION CONTEMPLATED HEREBY BY ANY DEPARTMENT, COMMISSION OR AGENCY OF CITY SHALL NOT BE DEEMED TO IMPLY THAT SUCH LEGISLATION WILL BE ENACTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON CITY.

11.20 Release

(a) SUBJECT TO SELLER'S REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH BOTH IN SECTION 8.1 ABOVE AND IN SELLER'S CLOSING DOCUMENTS, AND FURTHER SUBJECT TO SELLER'S INDEMNIFICATION OBLIGATION SET FORTH IN SECTION 8.3 ABOVE, AND ACKNOWLEDGING CITY'S OPPORTUNITY TO INSPECT THE PROPERTY AND THE DISCLOSED ENVIRONMENTAL CONDITION THEREON, CITY AGREES TO PURCHASE THE PROPERTY, AND ACKNOWLEDGES THAT THE PROPERTY IS BEING SOLD, "AS IS", "WHERE IS", WITH ALL FAULTS AND CONDITIONS THEREON. ANY WRITTEN OR ORAL INFORMATION, REPORTS, STATEMENTS, DOCUMENTS OR RECORDS CONCERNING THE PROPERTY ("DISCLOSURES") PROVIDED OR MADE AVAILABLE TO CITY, ITS AGENTS OR CONSTITUENTS BY SELLER, SELLER'S AGENTS, EMPLOYEES OR THIRD PARTIES REPRESENTING OR PURPORTING TO REPRESENT SELLER INCLUDING THAT WHICH IS CONTAINED IN THE DUE DILIGENCE DOCUMENTS, SHALL NOT BE REPRESENTATIONS OR WARRANTIES, UNLESS SPECIFICALLY SET FORTH IN SECTION 8.1 OF THIS AGREEMENT.

(b) CITY ACKNOWLEDGES AND AGREES THAT EXCEPT AS EXPRESSLY SET FORTH IN SECTION 8.1 OF THIS AGREEMENT AND IN SELLER'S CLOSING DOCUMENTS, SELLER HAS NOT MADE, DOES NOT MAKE

EXECUTION VERSION

AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO THE PROPERTY INCLUDING, WITHOUT LIMITATION, (A) THE NATURE, QUALITY OR PHYSICAL CONDITION OF THE PROPERTY, (B) THE WATER, SOIL AND GEOLOGY OF THE PROPERTY, (D) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH CITY MAY CONDUCT THEREON, (E) THE COMPLIANCE OF OR BY THE PROPERTY WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY GOVERNMENTAL AUTHORITY OR BODY HAVING JURISDICTION THEREOVER, AND (F) ANY MATTER REGARDING HAZARDOUS MATERIALS, AS HEREINAFTER DEFINED, INCLUDING AS SET FORTH IN THE ENVIRONMENTAL DISCLOSURES.

(c) CITY REPRESENTS TO SELLER THAT CITY HAS CONDUCTED, OR WILL CONDUCT PRIOR TO CLOSING, SUCH INVESTIGATIONS OF THE PROPERTY, AS CITY DEEMS NECESSARY OR DESIRABLE TO SATISFY ITSELF AS TO ANY MATTER RELATING TO THE PROPERTY AND WILL RELY SOLELY UPON SAME AND NOT UPON ANY INFORMATION PROVIDED BY OR ON BEHALF OF SELLER, SELLER'S AGENTS, EMPLOYEES OR THIRD PARTIES REPRESENTING OR PURPORTING TO REPRESENT SELLER, WITH RESPECT THERETO. UPON CLOSING, CITY SHALL ASSUME THE RISK THAT ADVERSE MATTERS REGARDING THE PROPERTY MAY NOT HAVE BEEN REVEALED BY CITY'S INVESTIGATIONS, AND CITY, UPON CLOSING, SHALL BE DEEMED, ON BEHALF OF ITSELF AND ON BEHALF OF ITS TRANSFEREES AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, TO WAIVE, RELINQUISH, RELEASE AND FOREVER DISCHARGE SELLER AND SELLER'S AFFILIATES FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION, LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES (INCLUDING ATTORNEYS' FEES) OF ANY AND EVERY KIND OR CHARACTER, KNOWN OR UNKNOWN, BY REASON OF OR ARISING OUT OF THE PROPERTY, WHETHER PURSUANT TO STATUTES IN EFFECT IN THE STATE OF CALIFORNIA OR ANY OTHER FEDERAL, STATE, OR LOCAL ENVIRONMENTAL OR HEALTH AND SAFETY LAW OR REGULATION. THIS RELEASE INCLUDES CLAIMS OF WHICH CITY IS PRESENTLY UNAWARE AND OF WHICH CITY DOES NOT PRESENTLY SUSPECT TO EXIST WHICH, IF KNOWN BY CITY, WOULD MATERIALLY AFFECT CITY'S RELEASE OF SELLER.

NOTHING IN THIS SECTION 11.20 SHALL BE DEEMED TO RELEASE SELLER FROM (A) SELLER'S INDEMNIFICATION OBLIGATION SET FORTH IN SECTION 8.3 ABOVE, OR (B) ANY CLAIM OR CAUSE OF ACTION BY CITY AGAINST SELLER (I) FOR A BREACH OF A REPRESENTATION OR WARRANTY BY SELLER CONTAINED IN THIS AGREEMENT OR IN SELLER'S CLOSING DOCUMENTS, OR (II) FOR FRAUD.

City's Initials



Seller's Initials

11.21 Signatures

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Handwritten signatures to this Agreement transmitted by telecopy or electronic transmission (for example, through use of a Portable Document Format or "PDF" file) shall be valid and effective to bind the party so signing. Each party agrees to promptly deliver to the other party an executed original of this Agreement with its actual signature, but a failure to do so shall not affect the enforceability of this Agreement, it being expressly agreed that each party to this Agreement shall be bound by its own telecopied or electronically transmitted handwritten signature and shall accept the telecopied or electronically transmitted handwritten signature of the other party to this Agreement.

11.22 No Memorandum of Agreement

This Agreement or any notice or memorandum hereof shall not be recorded in any public record.

[SIGNATURES ON FOLLOWING PAGES]

EXECUTION VERSION

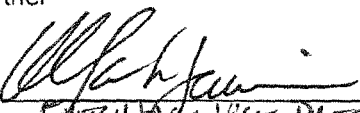
The parties have duly executed this Agreement as of the respective dates written below.

SELLER:

ARCHSTONE CONCOURSE LLC, a Delaware limited liability company

By: ERP Operating Limited partnership, an Illinois limited partnership, its sole member

By: Equity Residential, a Maryland real estate investment trust, its general partner

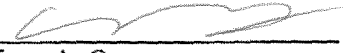
By: 
Its: EXECUTIVE VICE PRESIDENT
Date: 11.21.19

CITY:

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: 
Evan A. Gross
Deputy City Attorney

Title Company agrees to act as escrow holder in accordance with the terms of this Agreement and to execute the Designation Agreement (attached hereto as **Exhibit D**) and act as the Reporting Person (as such term is defined in the Designation Agreement). Title Company's failure to execute below shall not invalidate the Agreement between City and Seller.

TITLE COMPANY:

FIRST AMERICAN TITLE INSURANCE COMPANY

By: _____
Its: _____
Date: _____

EXECUTION VERSION

LIST OF EXHIBITS

- EXHIBIT A – Legal Description - Land
- EXHIBIT B – Grant Deed
- EXHIBIT C – Certificate of Transferor Other Than An Individual (FIRPTA Affidavit)
- EXHIBIT D – Designation Agreement
- EXHIBIT E – Restrictive Covenant
- EXHIBIT F – Remediation Documents

- SCHEDULE 1 – Due Diligence Documents
- SCHEDULE 2 – Environmental Disclosures

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EXHIBIT A

REAL PROPERTY DESCRIPTION

[Note: Prior to Closing, the legal description set forth below shall be adjusted as necessary to make consistent with the legal description approved per the Final Subdivision]

All that certain real property situate in the City and County of San Francisco, State of California, being a portion of Lot 1 as shown on that certain Parcel Map filed November 16, 1983, in Volume 26 at Page 138, Records of said County, being more particularly described as follows:

BEGINNING at the point of intersection of the southerly line of 7th Street with the easterly line of Brannan Street as shown on said map, said point of intersection also being the most northwesterly corner of said Lot 1, Assessor's Block 3783 as shown on said map and the **TRUE POINT OF BEGINNING** of this description;

Thence southerly along said easterly line of Brannan Street 168.00 feet;

Thence leaving said easterly line, easterly at a right angle, 225.00 feet;

Thence leaving said line, northerly at a right angle, 168.00 feet, to a point on said southerly line of 7th Street;

Thence westerly along said southerly line 225.00 feet to the **TRUE POINT OF BEGINNING**.

Containing an area of 37,800 square feet or 0.87 acres, more or less.

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EXHIBIT B

GRANT DEED

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

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

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
and S.F. Bus. & Tax Reg. Code § 1105)

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

GRANT DEED

(Assessor's Parcel No. _____)

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
_____, a _____, hereby grants
to the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, 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 (the "Property").

TOGETHER WITH all improvements thereon and all of Grantor's interest in any rights
and privileges solely appurtenant thereto including, without limitation, any and all oil, gas,
hydrocarbon substances and other minerals, and mineral rights, royalties, bonuses, production
payments, and any and all other oil, gas and mineral interest of whatever nature and character
or other interests connected therewith, arising therefrom arising therefrom or ancillary thereto, in
and under and/or that may be produced, saved and marketed from the Property.

AND GRANTOR hereby binds itself and its successors to warrant and defend the title
against all of the acts of Grantor and no other, subject to the matters set forth above.

[SIGNATURES ON FOLLOWING PAGE]

EXECUTION VERSION

Executed as of this _____ day of _____, 201_.

GRANTOR:

ARCHSTONE CONCOURSE LLC, a Delaware limited liability company

By: ERP Operating Limited partnership, an Illinois limited partnership, its member

By: Equity Residential, a Maryland real estate investment trust, its general partner

By: _____

Name: _____

Its: _____

[STATE OF ILLINOIS ACKNOWLEDGEMENT TO BE ADDED]

EXECUTION VERSION

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the foregoing Grant Deed to the City and County of San Francisco, a municipal corporation, is hereby accepted pursuant to Board of Supervisors' Resolution No. 18110 Series of 1939, approved August 7, 1957, and the grantee consents to recordation thereof by its duly authorized officer.

Date: _____

By: _____
Name: _____
Its: _____

EXHIBIT C

**CERTIFICATE OF TRANSFEROR
OTHER THAN AN INDIVIDUAL
(FIRPTA Affidavit)**

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. To inform the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, the transferee of certain real property located in the City and County of San Francisco, California, that withholding of tax is not required upon the disposition of such U.S. real property interest by

_____, a
_____ ("Transferor"), the undersigned hereby certifies
the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. Transferor's U.S. employer identification number is _____; and
3. Transferor's office address is: Two North Riverside Plaza, Suite 400, Chicago, IL 60606.

Transferor understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

EXECUTION VERSION

Under penalty of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

Dated: _____, 201_.

By: _____
Name: _____
Its: _____

EXHIBIT D

DESIGNATION AGREEMENT

This DESIGNATION AGREEMENT (the "Agreement") dated as of _____, 20____, is by and amongst _____, a _____ ("Seller"), the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), and FIRST AMERICAN TITLE INSURANCE COMPANY ("Title Company").

A. Pursuant to that certain Purchase Agreement entered into by and between Seller and City, dated _____, 20____ (the "**Purchase Agreement**"), Seller has agreed to sell to City, and City has agreed to purchase from Seller, certain real property located in City and County of San Francisco, California, more particularly described in Exhibit A attached hereto (the "**Property**"). The purchase and sale of the Property is sometimes hereinbelow referred to below as the "**Transaction**").

B. Section 6045(e) of the United States Internal Revenue Code of 1986 and the regulations promulgated thereunder (collectively, the "**Reporting Requirements**") require an information return to be made to the United States Internal Revenue Service, and a statement to be furnished to Seller, in connection with the Transaction.

C. Pursuant to Subsection 2(b)(i) of the Purchase Agreement, an escrow has been opened with Title Company, Escrow No. _____, through which the Transaction will be or is being accomplished. Title Company is either (i) the person responsible for closing the Transaction (as described in the Reporting Requirements) or (ii) the disbursing title or escrow company that is most significant in terms of gross proceeds disbursed in connection with the Transaction (as described in the Reporting Requirements).

D. Seller, City and Title Company desire to designate Title Company as the "**Reporting Person**" (as defined in the "**Reporting Requirements**") with respect to the Transactions.

ACCORDINGLY, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller, City and Title Company agree as follows:

1. Title Company is hereby designated as the Reporting Person for the Transaction. Title Company shall perform all duties that are required by the Reporting Requirements to be performed by the Reporting Person for the Transaction.

2. Seller and City shall furnish to Title Company, in a timely manner, any information requested by Title Company and necessary for Title Company to perform its duties as Reporting Person for the transaction.

3. Title Company hereby requests Seller to furnish to Title Company Seller's correct taxpayer identification number. Seller acknowledges that any failure by Seller to provide Title Company with Seller's correct taxpayer identification number may subject Seller to civil or criminal penalties imposed by law. Accordingly, Seller hereby certifies to Title Company, under penalties of perjury, that Seller's correct taxpayer identification number is _____.

EXECUTION VERSION

4. The names and addresses of the parties hereto are as follows:

Seller: _____

Attn: _____
Facsimile No.:() _____

City: Director of Property
25 Van Ness Avenue, Suite 400
San Francisco, CA 94102
Facsimile No.: ()

Title Company: First American Title Insurance Company

Attn: _____
Facsimile No.:() _____

5. Each of the parties hereto shall retain this Agreement for a period of four (4) years following the calendar year during which the date of closing of the Transaction occurs.

[SIGNATURES ON FOLLOWING PAGE]

EXECUTION VERSION

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date and year first above written.

SELLER:

ARCHSTONE CONCOURSE LLC, a Delaware limited liability company

By: ERP Operating Limited partnership, an Illinois limited partnership, its sole member

By: Equity Residential, a Maryland real estate investment trust, its general partner

By: _____
Name: _____
Its: _____

CITY:

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation

By: _____
JOHN UPDIKE
Director of Property

TITLE COMPANY:

FIRST AMERICAN TITLE INSURANCE COMPANY

By: _____
Name: _____
Its: _____

EXHIBIT E

RESTRICTIVE COVENANT

[CONFORM TO JURSDICTIONAL RECORDING REQUIREMENTS]

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Director of Property
Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
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 and S.F. Bus. & Tax
Reg. Code § 1105)

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

THIS RESTRICTIVE COVENANT is made this ___ day of _____, 201_, by
ARCHSTONE CONCOURSE LLC, a Delaware limited liability company ("**Seller**"), in
favor of the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation
("**City**").

RECITALS

A. On January 24, 2013, pursuant to Planning Commission Motion No.
18793, the San Francisco Planning Commission approved Seller's development
application for construction of a new six-story building consisting of residential dwelling
units, ground floor retail space, and parking located at 801 Brannan Street, San
Francisco (the "**801 Brannan Project**"), and more particularly described on Exhibit A
attached hereto (the "**801 Brannan Property**"). On January 24, 2013, pursuant to
Planning Commission Motion No. 18794, the San Francisco Planning Commission
approved construction by an affiliate of Seller of two new six-story buildings also
consisting of residential dwelling units, ground floor retail space, and parking located at
1 Henry Adams Street, San Francisco, and more particularly described on Exhibit B
attached hereto (the "**1HA Project**").

B. The San Francisco Planning Code ("**Planning Code**") requires market
rate residential projects to comply with certain Residential Inclusionary Housing rules
designed to create affordable housing in San Francisco ("**Affordability Requirement**").
Seller has satisfied the Affordability Requirement for the 1HA Project and a portion of

EXECUTION VERSION

the Affordability Requirement for the 801 Brannan Project through dedication to the City of land adjacent to the 801 Brannan Property in order for the City to develop affordable dwelling units thereon in accordance with Planning Code Sections 419.6 and 419.5(a)(2)(A)-(J).

C. Pursuant to a certain Agreement of Purchase and Sale For Real Estate dated November 21, 2014 (the "**Sale Agreement**"), by and between Seller and City, Seller conveyed to City the real property described on **Exhibit C** attached hereto (the "**City Property**"). The City Property is immediately adjacent to the 801 Brannan Property.

C. Pursuant to the terms of the Sale Agreement, as a condition to City's agreement to acquire the City Property, Seller agreed to record this Restrictive Covenant against the 801 Brannan Property and the 1HA Property.

WITNESSETH, that, as a condition to City's agreement to acquire the City Property, Seller, and any successor entity or individual who owns a fee interest in all or any portion of the 801 Brannan Property or the 1HA Property, hereby agrees that such property shall hereafter be subject to the express covenant that, prior to the lease or sale of any portion of the 801 Brannan Property or the 1HA Property, written notice shall be given to each and every prospective occupant or purchaser advising each such party that, in accordance with requirements of the Planning Code, the City Property is intended to be developed to create up to 150 affordable dwelling units in a building of up to 80 feet in height.

The foregoing covenant shall run with title to the 801 Brannan Property and the 1HA Property, and shall inure to the benefit of City, and shall be binding upon, Seller and its successors and assigns; provided, however, the covenant contained herein shall automatically terminate on the date that a final certificate of occupancy is issued for any development of the City Property, without further action by Seller or City.

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IN WITNESS WHEREOF, Seller has caused this Restrictive Covenant to be executed this ____ day of _____, 201_.

SELLER:

ARCHSTONE CONCOURSE LLC, a Delaware limited liability company

By: ERP Operating Limited partnership, an Illinois limited partnership, its sole member

By: Equity Residential, a Maryland real estate investment trust, its general partner

By: _____
Its: _____
Date: _____

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EXHIBIT A

801 BRANNAN PROPERTY

EXECUTION VERSION

EXHIBIT B

1HA PROPERTY

EXECUTION VERSION

EXHIBIT C
CITY PROPERTY

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EXHIBIT F

REMEDICATION DOCUMENTS

1. Letter dated October 21, 2014, and revised November 19, 2014, addressed to Steve Nelson, Senior Construction Manager, Equity Residential, from Veronica M. Tiglao, PE, Senior Project Engineer, Jeffrey F. Ludlow, PG, Principal, of Langan Treadwell Rollo, regarding Langan Project No. 731615201.
2. Letter dated June 25, 2014, from Stephanie K.J. Cushing, MSPH, CHMM, Principal Environmental Health Inspector, Department of Public Health, Environmental Health Division, Site Assessment and Mitigation (DPH SAM), regarding the Site Mitigation Plan and Dust Control Plan Approval for 801 Brannan, San Francisco, CA, SMED 985.
3. Site Mitigation Plan, 801 Brannan Street, San Francisco, California, SMED 985, Prepared For Equity Residential, Two N. Riverside Plaza, Suite 400, Chicago, Illinois 60606-2609, *Prepared By:* Langan Treadwell Rollo, 555 Montgomery Street, Suite 1300, San Francisco, California 94111, Veronica M. Tiglao, PE, Senior Project Engineer, Jeffrey F. Ludlow, PG, Principal, 26 March 2014, 731615201.

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SCHEDULE 1

DUE DILIGENCE DOCUMENTS

1. Feasibility Study prepared by Luk Associates dated November 7, 2011;
2. Owner's Policy of Title Insurance issued by First American dated February 2, 2013;
3. Land Survey prepared by Luk Associates dated October 21, 2011;
4. Geotechnical Report prepared by Treadwell & Rollo dated November 14, 2011 and supplemental letter from Treadwell & Rollo dated September 28, 2012;
5. Code Compliance Matrix prepared by Neil Sekhri at Gibson, Dunn & Crutcher LLP, undated;
6. Density Study prepared by David Baker FAIA + Partners dated February 2, 2012;
7. Construction Cost Study prepared by Archstone and Build Group dated August 14, 2012;
8. Phase I/II Environmental Site Assessment prepared by Stellar Environmental Solutions, Inc., dated October 28, 2011, Project Number 2011-34;
9. Report from Stellar Environmental Solutions, Inc., dated August 1, 2012;
10. Treadwell & Rollo Soil Gas Investigation dated November 18, 2013 Project No. 731609101;
11. Cardno ATC Hazardous Materials Survey Report dated April 2, 2013 Project No. 75.75542.0033.
12. Letter dated June 25, 2014, from Stephanie K.J. Cushing, MSPH, CHMM, Principal Environmental Health Inspector, Department of Public Health, Environmental Health Division, Site Assessment and Mitigation (DPH SAM), regarding the Site Mitigation Plan and Dust Control Plan Approval for 801 Brannan, San Francisco, CA, SMED 985.
13. Appraisal of 801 Brannan Street, San Francisco, California, A Portion of a Residential Development Site, at the request of Mr. Jim Kelly, First Vice President – Development, Equity Residential, 333 Third Street, Suite 210, San Francisco, CA 94107. As of August 25, 2014, prepared by Hamilton, Ricci & Associates, Inc., 930 Montgomery Street, Suite 400, San Francisco, CA 94133.
14. Soil Gas Investigation, 801 Brannan Street, San Francisco, California, Equity Residential, Two N. Riverside Plaza, Suite 400, Chicago, Illinois 60606-2609, 18 November 2013, Project No. 731609101.
15. Site Mitigation Plan, 801 Brannan Street, San Francisco, California, SMED 985, Prepared For Equity Residential, Two N. Riverside Plaza, Suite 400, Chicago, Illinois 60606-2609, *Prepared By:* Langan Treadwell Rollo, 555 Montgomery Street, Suite 1300, San

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EXECUTION VERSION

SCHEDULE 1 continued

Francisco, California 94111, Veronica M. Tiglao, PE, Senior Project Engineer, Jeffrey F. Ludlow, PG, Principal, 26 March 2014, 731615201.

16. Dust Monitoring Plan, 801 Brannan Street, San Francisco, California, SMED 985, Prepared For Equity Residential, Two N. Riverside Plaza, Suite 400, Chicago, Illinois 60606-2609, *Prepared By:* Langan Treadwell Rollo, 555 Montgomery Street, Suite 1300, San Francisco, California 94111, Veronica M. Tiglao, PE, Senior Project Engineer, Jeffrey F. Ludlow, PG, Principal, 26 March 2014, 73161520.

17. Letter dated September 5, 2014, from Langan Treadwell Rollo, Veronica M. Tiglao, PE, Senior Project Engineer, Jeffrey F. Ludlow, PG, Principal, 26 March 2014, 73161520, regarding the Methane Mitigation System.

SCHEDULE 2

ENVIRONMENTAL DISCLOSURES

1. Phase I/II Environmental Site Assessment prepared by Stellar Environmental Solutions, Inc., dated October 2011, Project Number 2011-34.
2. Report from Stellar Environmental Solutions, Inc., dated August 1, 2012.
3. Treadwell & Rollo Soil Gas Investigation dated November 18, 2013 Project No. 731609101.
4. Cardno ATC Hazardous Materials Survey Report dated April 2, 2013 Project No. 75.75542.0033.

