

RECORDING REQUESTED BY:
CITY AND COUNTY OF SAN FRANCISCO FINANCE CORPORATION

WHEN RECORDED MAIL TO:

Squire Patton Boggs (US) LLP
275 Battery Street, Suite 2600
San Francisco, California 94111
Attention: Nathan Treu, Esq.

APN(s): (Space above for Recorder's Use Only)

[ADDRESS], San Francisco

ASSIGNMENT AGREEMENT

by and between the

**CITY AND COUNTY OF SAN FRANCISCO
FINANCE CORPORATION**

and

U.S. BANK NATIONAL ASSOCIATION,

as Trustee

Dated as of June 1, 2018

NO DOCUMENTARY TRANSFER TAX
This Assignment Agreement is exempt pursuant to
Section 6103 of the California Government Code

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ASSIGNMENT AGREEMENT

This Assignment Agreement (the “Assignment Agreement”), dated as of June 1, 2018, by and between the City and County of San Francisco Finance Corporation, a California nonprofit corporation (the “Corporation”), and U.S. Bank National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States, as trustee (the “Trustee”),

WITNESSETH:

WHEREAS, the Corporation and the Trustee previously have entered into a Master Trust Agreement dated as of October 1, 2006 (the “Master Trust Agreement”) in connection with the issuance by the Corporation of its \$27,005,000 principal amount of Lease Revenue Bonds, Series 2006 (Open Space Fund - Various Park Projects) (the “Series 2006 Bonds”);

WHEREAS, pursuant to the Master Trust Agreement as supplemented by that certain First Supplemental Master Trust Agreement, dated as of October 1, 2007, and previously entered into between the Corporation and the Trustee (the “First Supplemental Trust Agreement”), the Corporation issued its \$42,435,000 principal amount of Lease Revenue Bonds, Series 2007 (Open Space Fund - Various Park Projects) (the “Series 2007 Bonds”); and

WHEREAS, the Corporation will issue its \$[xx,xxx],000 principal amount of Refunding Lease Revenue Bonds, Series 2018A (Open Space Fund - Various Park Projects) (the “Series 2018 Bonds”) pursuant to the Master Trust Agreement and that certain Second Supplemental Master Trust Agreement of even date herewith, between the Corporation and the Trustee (the “Second Supplemental Trust Agreement” and, together with the First Supplemental Trust Agreement and the Master Trust Agreement, the “Trust Agreement”);

WHEREAS, the City and County of San Francisco, a charter city and county and municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of California (the “City”) previously has entered into a Site Lease, dated as of October 1, 2006 (the “Site Lease”), by and between the City as lessor and the Corporation as lessee;

WHEREAS, in connection with the issuance of the Series 2007 Bonds, the City previously has entered into a First Amendment to Site Lease, dated as of October 1, 2007 (the “First Amendment to Site Lease”), by and between the City as lessor and the Corporation as lessee;

WHEREAS, in connection with the issuance of the Series 2018 Bonds, the City has entered into a Second Amendment to Site Lease, dated as of June 1, 2018 (the “Second Amendment to Site Lease”), by and between the City as lessor and the Corporation as lessee recorded concurrently herewith (together, the Site Lease, the First Amendment to Site Lease and the Second Amendment to Site Lease are referred to as the “Amended Site Lease”), pursuant to which the City has leased to the Corporation the real property described in Exhibit A attached hereto and made a part hereof;

WHEREAS, the Corporation previously entered into a Master Lease, dated as of October 1, 2006 (the “Master Lease”), by and between the Corporation as lessor and the City as lessee;

WHEREAS, in connection with the issuance of the Series 2007 Bonds, the Corporation previously entered into a First Amendment to Master Lease, dated as of October 1, 2007 (the “First Amendment to Lease”), by and between the Corporation as lessor and the City as lessee;

WHEREAS, in connection with the issuance of the Series 2018 Bonds, the Corporation has entered into a Second Amendment to Master Lease, dated as of June 1, 2018 (the “Second Amendment to Lease”), by and between the Corporation as lessor and the City as lessee recorded concurrently herewith (together, the Master Lease, the First Amendment to Lease and the Second Amendment to Lease are referred to herein as the “Amended Lease”), pursuant to which the Corporation has leased back to the City the real property described in Exhibit A attached hereto and made a part hereof;

WHEREAS, the Corporation desires to assign to the Trustee without recourse all its rights, title and interest as lessor under the Second Amendment to Site Lease and the Second Amendment to Lease; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of the Assignment Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into the Assignment Agreement;

NOW THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties hereto do hereby agree as follows:

SECTION 1. Definitions.

Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Amended Lease or the Trust Agreement as appropriate.

SECTION 2. Assignment.

The Corporation, for the sum of one dollar and other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby unconditionally grant, transfer and assign to the Trustee, without recourse, all its rights, title and interest under the Second Amendment to Lease and the Second Amendment to Site Lease, including without limitation the following: (i) all its rights to receive the Base Rental payments scheduled to be paid by the City under and pursuant to the Second Amendment to Lease, (ii) all rents, profits, products and proceeds from the Facilities to which the Corporation has any right or claim whatsoever under the Second Amendment to Lease or the Second Amendment to Site Lease, other than Additional Rental not payable to the Trustee, (iii) the right to take all actions and give all consents under the Second Amendment to Lease and the Second Amendment to Site Lease, (iv) any right of access provided in the Second Amendment to Lease and the Second Amendment to Site Lease, (v) any and all other rights and remedies of the Corporation in the Second Amendment to Site Lease as lessee thereunder and the Second Amendment to Lease as lessor thereunder (other than the right to indemnification under Section 11.02 of the Amended Lease).

SECTION 3. Acceptance.

The Trustee hereby accepts the foregoing assignment for the benefit of the owners of the Series 2018 Bonds and any Parity Bonds, solely in its capacity as Trustee, subject to the conditions and terms of the Trust Agreement, and all such rights and obligations so assigned shall be exercised by the Trustee as provided in the Trust Agreement.

SECTION 4. Termination of Assignment.

When the Second Amendment to Site Lease and the Second Amendment to Lease shall have been terminated, and all amounts paid by or on behalf of the City under the Second Amendment to Lease, the Assignment Agreement shall become and be void and of no further force and effect and the Trustee shall execute any and all certificates or documents reasonably requested by the Corporation to evidence the termination of the Assignment Agreement.

SECTION 5. Protections of the Trustee.

The Trustee may rely upon and shall be protected in acting or refraining from acting upon the basis of any bond, certificate, consent, notice, opinion, order, request, report, resolution or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may be counsel of or to the City or the Corporation, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance therewith.

Whenever in the administration of the rights, title and interest assigned hereby the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering or omitting any action hereunder, such matter may be deemed to be conclusively proved and established by a written certificate of the City or the Corporation, and such certificate shall be full warrant to the Trustee for any action taken or suffered or omitted in good faith under the provisions of the Second Amendment to Site Lease or the Second Amendment to Lease in reliance upon such certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable. The Trustee shall be entitled to the advice of counsel and other professionals concerning all matters of trust and its duty hereunder, but the Trustee shall not be answerable for the professional malpractice of any attorney-at-law or certified public accountant in connection with the rendering of his professional advice if such attorney-at-law or certified public accountant was selected by the Trustee with due care.

The Corporation agrees to indemnify and hold harmless the Trustee from all liabilities whatsoever, including reasonable attorney's fees and legal costs, arising from hazardous waste in connection with the real property leased under the Second Amendment to Site Lease or the Second Amendment to Lease.

Before taking any action or exercising any rights or powers assigned hereby, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all reasonable costs and expenses which it may incur and to indemnify it against all liability, except liability which may result from its negligence or willful misconduct, by reason of any action so taken.

SECTION 6. Amendment.

The Assignment Agreement may be amended in writing signed by the parties hereto, but only if such amendment does not materially adversely affect the owners of the Series 2018 Bonds or any Parity Bonds outstanding.

SECTION 7. California Law.

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

SECTION 8. Severability.

If any agreement, condition, covenant or term hereof or any application hereof should be held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, all agreements, conditions, covenants and terms hereof and all applications thereof not held invalid, void or unenforceable shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

SECTION 9. Execution in Counterparts.

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

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed and entered into the Assignment Agreement by their officers thereunto duly authorized as of the day and year first above written.

CITY AND COUNTY OF SAN
FRANCISCO FINANCE CORPORATION

By: _____
President

ATTEST:

Secretary

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

CONSENT BY CITY AND COUNTY OF SAN FRANCISCO

The City and County of San Francisco hereby consents to the assignment of the Second Amendment to Site Lease and the Second Amendment to Lease as set forth herein and further agrees to accept the Trustee as assignee of the lessee under the Second Amendment to Site Lease and as assignee of the lessor under the Second Amendment to Lease.

Dated: June 1, 2018

CITY AND COUNTY OF SAN
FRANCISCO

By: _____
Mayor

ATTEST:

By: _____
Clerk, Board of Supervisors

APPROVED AS TO FORM:

Dennis J. Herrera
City Attorney

By: _____
Deputy City Attorney

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

STATE OF _____)

COUNTY OF _____)

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

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

WITNESS my hand and official seal.

Signature

(Seal)

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

STATE OF _____)
)
 COUNTY OF _____)

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

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

WITNESS my hand and official seal.

 Signature (Seal)

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

The land referred to herein is situated in the State of California, County of San Francisco, City of San Francisco, and described as follows:

[Include legal descriptions from title report(s) for each of the follow:

Betty Ann Ong Chinese Recreation Center, 1199 Mason St. San Francisco, CA 94108;

Sunset Recreation Center, 2201 Lawton St. San Francisco, CA 94122; and

Palace of Fine Arts, 3601 Lyon St & Marina Blvd San Francisco, CA 94123.]