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JONES HALL, A PROFESSIONAL LAW CORPORATION
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San Francisco Assessor-Recorder
Carmen Chu, Assessor-Recorder
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5206A-006,004
1032-001
5753-313
4277-013
2353-002
3513-008,081

SUBLEASE

Dated as of February 1, 2014

between

**U.S. BANK NATIONAL ASSOCIATION,
in its capacity as Trustee,
as Sublessor**

and

**CITY AND COUNTY OF SAN FRANCISCO,
as Sublessee**

NO DOCUMENTARY TRANSFER TAX DUE. This Sublease is exempt pursuant to Section 27383 of the California Government Code and Section 11928 of the California Revenue and Taxation Code.

DOCUMENTARY TRANSFER TAX \$ 0
☐ COMPUTED ON FULL VALUE OF PROPERTY CONVEYED, OR
☐ COMPUTED ON FULL VALUE LESS LIENS & ENCUMBRANCES
REMAINING THEREON AT TIME OF SALE.
Signal to a _____ for agent determining tax - firm name

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SUBLEASE

This **SUBLEASE**, dated as of February 1, 2014 (as amended, supplemented or modified from time to time, the "**Sublease**"), is entered into between the **U.S. BANK NATIONAL ASSOCIATION** (the "**Trustee**"), a national banking association, solely in its capacity as Trustee under the Trust Agreement, dated as of February 1, 2014 (the "**Trust Agreement**") between the City and the Trustee, as sublessor, and the **CITY AND COUNTY OF SAN FRANCISCO** (the "**City**"), a charter city and county duly organized and existing under the laws and Constitution of the State of California, as sublessee.

BACKGROUND

1. The Trustee is the lessee of the Property (as hereinafter defined), pursuant to the terms and conditions set forth in the Site Lease, dated of even date herewith, between the City and the Trustee, and desires to sublease to the City the Property, and the City desires to sublease from the Trustee the Property on the terms stated herein.

2. The City is authorized to enter into this Sublease pursuant to applicable law of the State.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree and covenant as follows:

ARTICLE I

DEFINITIONS; RULES OF INTERPRETATION

Section 1.1. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 will, for all purposes of this Sublease, have the meanings as set forth below. All other capitalized terms used herein without definition will have the meanings as set forth in the Trust Agreement (as hereinafter defined).

"Additional Rental" means the amounts specified as such in Section 3.1(h).

"Assumed Interest Cost" means, as of any date of calculation or for any period of time, the amount that would accrue as interest during such period on the Commercial Paper Certificates Outstanding as of the date of such calculation assuming such Commercial Paper Certificates bore interest during the entirety of such period at the Assumed Interest Rate for the Base Rental Period during which such date of calculation occurs.

"Assumed Interest Rate" means, (A) with respect to Tax-Exempt Commercial Paper Certificates, (i) for purposes of the Base Rental Period beginning on the first date of delivery of Tax-Exempt Commercial Paper Certificates, an interest rate equal to 0.75% per annum; and (ii) for purposes of any Base Rental Period thereafter, the lesser of (a) the Maximum Interest Rate or (b) 125% of (1) the amount of interest accrued with respect to Certificates during the 12 months ended on the April 30 preceding the commencement of such Base Rental Period,

divided by (2) the average daily balance of principal amount of Certificates Outstanding during the 12 months ended on the April 30 preceding the commencement of such Base Rental Period;

(B) with respect to Taxable Commercial Paper Certificates, (i) for purposes of the Base Rental Period beginning on the first date of delivery of Taxable Commercial Paper Certificates, an interest rate equal to 1.25% per annum; and (ii) for purposes of any Base Rental Period thereafter, the lesser of (a) the Maximum Interest Rate or (b) 125% of (1) the amount of interest accrued with respect to Certificates during the 12 months ended on the April 30 preceding the commencement of such Base Rental Period, divided by (2) the average daily balance of principal amount of Certificates Outstanding during the 12 months ended on the April 30 preceding the commencement of such Base Rental Period; and

(C) means, with respect to the Revolving Bank Certificates, as of any date of calculation, 1.25 times the Default Rate (as defined in the applicable Reimbursement Agreement) in effect on such date of calculation.

"Component" means, as the context requires, any parcel or parcels constituting a discrete portion of the Property, including any Property added thereto or substituted therefor pursuant to Section 7, but does not include any property released pursuant to Section 7.

"Debt Service Certificate -- Additional Interest and/or Principal" means a certificate substantially in the form of Exhibit C-3.

"Debt Service Certificate -- Additional Commercial Paper Certificates" means a certificate substantially in the form of Exhibit C-2.

"Debt Service Certificate -- Annual" means a certificate substantially in the form of Exhibit C-1.

"Fiscal Year" means the fiscal year of the City, which at the date of this Sublease is the period from July 1 to and including the following June 30.

"Minimum Required Rental Payment" means that amount determined pursuant to the Debt Service Certificate -- Annual establishing the Minimum Required Rental Payment.

"Minimum Supplemental Rental Payment" means an amount determined pursuant to a Debt Service Certificate -- Additional Commercial Paper Certificates or a Debt Service Certificate -- Additional Interest and/or Principal.

"Property" means, collectively, each of the Components, including access to public roads therefrom and parking thereto. "Property" also includes any property, or portion thereof, that by amendment hereto becomes subject to this Sublease and any property, or portion thereof, substituted for any of the Components pursuant to Section 3.8, but "Property" excludes any Component for which new property has been substituted, and any Component or property released, pursuant to Section 3.8.

"Proposition F" means Proposition F, approved by the voters of the City on November 8, 2005.

"Related Documents" means the Trust Agreement, the Delivery and Paying Agent Agreement, the Site Lease, the Dealer Agreement, the Credit Facilities and the Reimbursement Agreements.

"Restricted Fire Station Components" means the portion of the Components designated as such in Exhibit A, which Components are subject to the restrictions of Proposition F.

"Risk Manager" means the Director of Public Finance of the City or, if the Director of Public Finance of the City is no longer performing the function of risk manager for the City such other person or firm of favorable reputation, qualified and experienced in the field of insurance and risk management consultation as may from time to time be designated by the City, and who may be employed by the City.

"Sublease" means this Sublease, including any amendments or supplements hereto made or entered into in accordance with the terms hereof and Section 7.02 of the Trust Agreement.

"Sublease Term" means the term of this Sublease, as provided in Section 2.2.

Section 1.2. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and do not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Sublease; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Sublease as a whole and not to any particular Article, Section or subdivision hereof.

(d) All references herein to a party that "will" take an action is deemed to be a directive to such party to take such action and an agreement by such party to take such action. All references herein to a party that "will not" take an action is deemed to be a directive to such party not to take such action and an agreement by such party not to take such action.

ARTICLE II

SUBLEASE; TERM

Section 2.1. Sublease. The Trustee hereby subleases the Property to the City. During the term hereof, except as hereinafter provided, the City will use the Property for public purposes so as to afford the public the benefits contemplated hereby and so as to permit the Trustee to carry out its agreements and covenants contained herein and in the Trust Agreement, and the City will not abandon or vacate the Property during the term hereof.

Section 2.2. Term. Subject to the next succeeding paragraph of this Section 2.2, with respect to a respective Component, the term of this Sublease with respect to such Component will begin on the Closing Date and end on the earliest of: (a) the date set forth with respect to such Component in Exhibit B (and in the case of any Property which is substituted for a Component pursuant to Section 3.8 hereof and Section 7.02 of the Trust Agreement, the date set forth in Exhibit B with respect to such substituted Component), (b) the date all Base Rental related to such Component is paid in full, (c) the date of termination of this Sublease with respect to such Component due to casualty or condemnation in accordance with the terms of Section 5.1 or 5.2, or (d) the date of release of such Component in accordance with the terms of Section 3.8 hereof and Section 7.02 of the Trust Agreement.

Notwithstanding anything to the contrary contained herein, including without limitation the provisions of Section 3.1, if, at any time there remains outstanding any obligations payable to the Banks under the Reimbursement Agreements, the term of this Sublease with respect to each Component subject to this Sublease at such time will be extended until such date as all such obligations payable to the Banks under the Reimbursement Agreements have been fully satisfied; provided, however, in no event will the term of this Sublease with respect to any Component exceed the maximum useful life of such Component or March 1, 2039, whichever is earlier. During such extension of the term of this Sublease the City will pay Base Rental (including any Maximum Base Rental which accrued during any prior Base Rental Period but was not paid during such prior Base Rental Period) in an amount sufficient to satisfy such obligations to the Banks in full; provided, however, that the Base Rental with respect to any Component during any Base Rental Period will not exceed the then fair rental value with respect to such Component during such Base Rental Period.

Upon the making of any term loan or any default advance under the Credit Facilities or the Reimbursement Agreements, as applicable, and for so long as any reimbursement obligation remains unpaid under the Reimbursement Agreements, the City and the Trustee will cause the Maximum Base Rental for each Component to be increased so that the annual aggregate rental payments payable with respect to such Component equal the maximum fair market rental for such Component. The City and the Trustee will, solely at the Banks' request, redetermine or cause to be redetermined the maximum fair market rental for such Component as of the date of any such event at the sole expense of the City.

ARTICLE III

RENTAL PAYMENTS; SUBLEASE OF PROPERTY

Section 3.1. Rental Payments. The City will pay to the Trustee Base Rental in an amount up to the Maximum Base Rental, and the Additional Rental, with respect to each Component, as provided herein, for the use, occupancy and possession of the Property for which such Maximum Base Rental is payable, all on the terms and conditions set forth herein. The City will be obligated to pay the Minimum Required Rental Payment for each Base Rental Period, with the interest portion thereof being paid at the applicable Assumed Interest Rate in equal quarterly installments on each February 1, May 1, August 1 and November 1, with an amount equal to the Required Principal Reduction Amount being paid not later than the first day of the calendar quarter during which such amount will be used to reimburse the Banks for any Advances used to retire Commercial Paper Certificates that will not be refunded, renewed or refinanced, and with any principal due under the Revolving Bank Certificates during such Base Rental Period being paid on or prior to the date that is ten days prior to the date such amount is due under the Revolving Bank Certificates. Any Minimum Supplemental Rental Payment and Additional Rental will be paid on the terms, in the amounts, at the times and in the manner hereinafter set forth. The City will make payments of Base Rental directly to the Delivery and Paying Agent, as agent for the Trustee, for deposit into the Base Rental Account of the Delivery and Paying Agent Fund and, to the extent not otherwise paid to the Person to whom any amount constituting Additional Rental is owing, will make payment of Additional Rental to the Delivery and Paying Agent for deposit into the Administrative Expense Account of the Delivery and Paying Agent Fund.

(a) Maximum Base Rental. Subject to Section 2.2 above, the Maximum Base Rental for each Component for each Base Rental Period will be the amount set forth in Exhibit B, as such amount may be adjusted from time to time, and, except as otherwise provided in this Section 3.1, will become due and payable annually in advance on each Base Rental Payment Date during the Sublease Term. The City will pay, from legally available funds, to the extent required hereunder, the aggregate Maximum Base Rental for each Component for each Base Rental Period on the respective Base Rental Payment Date.

(b) Minimum Required Rental Payment. Subject to Section 3.1(g) below, not later than the first day of the commencement of each Base Rental Period, the City will issue to the Trustee a Debt Service Certificate -- Annual. If the Minimum Required Rental Payment set forth on the Debt Service Certificate -- Annual for a Base Rental Period is less than the aggregate Maximum Base Rental for all Components for such Base Rental Period, the City may deposit with the Delivery and Paying Agent such Minimum Required Rental Payment as set forth above. The amount by which the aggregate Maximum Base Rental for said Base Rental Period exceeds the amount so deposited will continue to be an obligation of the City for such Base Rental Period and will be payable by the City if and to the extent that payment is required pursuant to Section 3.1(c) or 3.1(d).

(c) Additional Deposit if Certificates Increase. If the Debt Service Certificate -
- Additional Commercial Paper Certificates issued by the City to the Trustee pursuant to Section 3.01(e)(i)(F) of the Trust Agreement indicates that a Minimum Supplemental Rental Payment is required, the City will promptly pay to the Delivery and Paying Agent such Minimum Supplemental Rental Payment, except as provided in Section 3.1(e)

hereof. The City will not be required to issue the Debt Service Certificate - Additional Commercial Paper Certificates if the delivery of such Additional Certificates was taken into account in completing the Debt Service Certificate - Annual for the current Base Rental Period.

(d) Additional Deposit for Interest and/or Principal. If the Debt Service Certificate -- Additional Interest and/or Principal filed by the City with the Trustee pursuant to Section 6.16 of the Trust Agreement indicates that a Minimum Supplemental Rental Payment is required, the City will promptly pay to the Delivery and Paying Agent such Minimum Supplemental Rental Payment, except as provided in Section 3.1(e).

(e) Alternative to Payment of Minimum Supplemental Rental Payment. The City will not be required to pay any Minimum Supplemental Rental Payment if it has delivered its Commercial Paper Certificates to provide funds in an amount equal to or in excess of the amount of the Minimum Supplemental Rental Payment plus the Minimum Required Rental Payment for such newly delivered Commercial Paper Certificates and the proceeds of the Commercial Paper Certificates have been deposited into the Bank Reimbursement Account within the Delivery and Paying Agent Fund. Additionally, if the City has delivered its Commercial Paper Certificates to provide funds to pay a portion of the amount of any Minimum Supplemental Rental Payment plus the Minimum Required Rental Payment for such newly delivered Commercial Paper Certificates and the proceeds of the Commercial Paper Certificates have been deposited into the Bank Reimbursement Account within the Delivery and Paying Agent Fund, the amount of the Minimum Supplemental Rental Payment may be reduced by the amount of proceeds so deposited.

(f) No Payments in Excess of Aggregate Maximum Base Rental. Notwithstanding any provisions of this or any other document to the contrary, under no circumstances will the City be required to pay during any Base Rental Period amounts (exclusive of Additional Rental) in excess of aggregate Maximum Base Rental, as such amount may be adjusted in accordance with the terms hereof, provided that the City has the right at any time to pay Base Rental in excess of that required hereunder in order to provide for the retirement of Commercial Paper Certificates or amounts payable under the Revolving Bank Certificates.

(g) Delivery of Debt Service Certificate - Annual. Notwithstanding anything herein to the contrary, the City will not be required to deliver a Debt Service Certificate - Annual for the Base Rental Periods ending April 30, 2014 or April 30, 2015 unless the City determines not to fund all of the capitalized interest with respect to the Commercial Paper Certificates from the proceeds of Commercial Paper Certificates for those Base Rental Periods or unless amounts are due and owing on the Revolving Bank Certificates. If the City determines not to fully all of the fund capitalized interest with respect to the Commercial Paper Certificates through April 30, 2015, or if amounts are due and owing on the Revolving Bank Certificates, the City will be obligated to deliver the Debt Service Certificate - Annual, as required by paragraph (b) above, for each Base Rental Period for which capitalized interest is not being fully funded or for which as of the date of delivery of the Debt Service Certificate - Annual there is an amount owing on the Revolving Bank Certificates, and the City will be obligated to budget and appropriate the necessary Base Rental for those Base Rental Periods.

Additionally, the City will take into consideration any amounts on deposit in the Capitalized Interest Account and any capitalized interest it intends to fund for the Base Rental Period ending April 30, 2014 and the Base Rental Period ending April 30, 2015 in completing the Debt Service Certificate - Annual, for the Base Rental Period ending April 30, 2014 and the Base Rental Period ending April 30, 2015.

(h) Additional Rental. In addition to the Minimum Required Rental Payments and any Minimum Supplemental Rental Payments set forth herein, the City will pay as Additional Rental all of the following:

(i) All taxes and assessments of any nature whatsoever, including but not limited to excise taxes, ad valorem taxes, ad valorem and specific lien special assessments and gross receipts taxes, if any, levied upon any Component or upon any interest of the Trustee, the Banks or the Holders therein or in this Sublease, including taxes and charges contemplated by Section 4.2;

(ii) All costs of maintenance, operation, repair and replacement of the Property as required under Section 4.1;

(iii) Insurance premiums, if any, on all insurance required under the provisions of Section 4.3;

(iv) All fees, costs and expenses (not otherwise paid or provided for out of the proceeds of the sale of the Commercial Paper Certificates) of the Trustee, the Delivery and Paying Agent and the Dealer in connection with the Trust Agreement;

(v) All fees, costs, expenses and other amounts payable to the Banks under the Reimbursement Agreements; and

(vi) Any other fees, costs or expenses incurred by the Trustee and the Delivery and Paying Agent in connection with the execution, performance or enforcement of this Sublease or any assignment hereof or of the Trust Agreement or any of the transactions contemplated hereby or thereby or related to the Property.

Amounts constituting Additional Rental payable hereunder will be paid by the City directly to the person or persons to whom such amounts are payable. The City will pay all such amounts when due or at such later time as such amounts may be paid without penalty or, in any other case, within 60 days after notice in writing from the Trustee or the Banks to the City stating the amount of Additional Rental then due and payable and the purpose thereof.

Section 3.2. Consideration. The Base Rental for each Fiscal Year or portion thereof during the Sublease Term will constitute the total rental for such Fiscal Year or portion thereof and will be payable by the City for and in consideration for the use and possession, and the continued quiet use and enjoyment, of the Property by the City for and during such Fiscal Year or portion thereof. The parties hereto have agreed and determined that the Maximum Base Rental payable in respect of any Component is not in excess of the total fair rental value of such Component. In making such determination, consideration has been given to the uses and purposes served by each such Component and the benefits therefrom that will accrue to the

parties by reason of this Sublease and to the general public by reason of the City's use of each such Component.

Section 3.3. Budget. Subject to Section 3.1(g) above, the City hereby covenants to include all Minimum Required Rental Payments and Additional Rental due hereunder in each Fiscal Year in its annual budget and to make the necessary annual appropriations for all such Minimum Required Rental Payments and Additional Rental, and for all Minimum Supplemental Rental Payments, subject to Section 3.5. The covenants on the part of the City herein contained are deemed to be and construed to be ministerial duties imposed by law and by the Charter of the City and it is the ministerial duty of each and every public official of the City who bears direct or indirect responsibility for administering this Sublease to take such action and do such things as are required by law in the performance of such official duty of such officials to enable the City to carry out and perform the covenants and agreements on the part of the City contained in this Sublease. The obligation of the City to pay Base Rental and Additional Rental does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. Notwithstanding anything to the contrary contained herein, neither the Commercial Paper Certificates nor the obligation of the City to pay Base Rental or Additional Rental constitutes an indebtedness of the City within the meaning of any constitutional or statutory debt limitation or restriction.

Section 3.4. Payment. The City will pay amounts necessary to pay Base Rental and Additional Rental on the dates set forth in Section 3.1 in lawful money of the United States of America, to the Delivery and Paying Agent, care of the Principal Office of the Trustee, or at such other place or places as may be established in accordance herewith or with the Trust Agreement. Except as provided in Section 3.1(g) or 3.5, any amount necessary to pay any Base Rental and Additional Rental which is not so deposited will remain due and payable until received by the Trustee. Notwithstanding any dispute between the City and the Trustee hereunder, the City will make all Rental Payments when due and may not withhold any payments of Base Rental and Additional Rental pending the final resolution of such dispute or for any other reason whatsoever. The City's obligation to pay Base Rental and Additional Rental in the amounts and on the terms and conditions specified hereunder will be absolute and unconditional without any right of set-off or counterclaim, and without abatement, subject only to the provisions of Section 3.5.

Section 3.5. Rental Abatement. Except to the extent of (a) available amounts held by the Delivery and Paying Agent in the Base Rental Account, the Payment Account or the Bank Reimbursement Account of the Delivery and Paying Agent Fund, (b) amounts, if any, received in respect of rental interruption insurance with respect to any Component, and (c) amounts, if any, otherwise legally available to the City for payments in respect of this Sublease or to the Delivery and Paying Agent for payments in respect of the Certificates, Base Rental due hereunder will be subject to abatement in accordance with this Section 3.5 during any period in which, by reason of material damage, destruction or condemnation of any Component, or defects in title to any Component, there is substantial interference with the use, occupancy or possession of any Component by the City. The amount of annual rental abatement will be such that the resulting Base Rental in respect of the Property in any Fiscal Year during which such interference continues, excluding any amounts described in clauses (a), (b) or (c) above, do not exceed the annual fair rental value of the Property with respect to which there has not been substantial interference, as evidenced by a certificate of a Authorized Representative. Such abatement will continue for the period commencing with the date of such damage, destruction, condemnation or discovery of such title defect and ending with the restoration of the affected

Component to tenantable condition or correction of the title defect. In the event of any such damage, destruction, condemnation or title defect, this Sublease will continue in full force and effect, except as set forth in Sections 5.1 and 5.2.

Section 3.6. Triple Net Sublease. This Sublease is intended to be a triple net lease. The City agrees that the rentals provided for herein will be an absolute net return to the Trustee free and clear of any expenses, charges or set-offs whatsoever.

Section 3.7. Assignment and Sublease. Except as permitted by Section 3.8, the City will not, after the Closing Date, mortgage, pledge, assign or transfer any interest of the City in this Sublease by voluntary act or by operation of law, or otherwise. However, the City may, with the prior written consent of the Banks, which consent will not be unreasonably withheld, sublease all Property or any Component thereof, or may grant concessions to others involving the use of the Property or any Component, whether such concessions purport to convey a leasehold interest or a license to use such Property or Component, but only if such sublease or grant will be subject to the terms hereof and of the Trust Agreement. Subject to the limitations set forth herein, the City will at all times remain liable for the performance of the covenants and conditions on its part to be performed under this Sublease, notwithstanding any subletting or granting of concessions which may be made. Nothing herein contained will be construed to relieve the City of its obligation to pay Base Rental and Additional Rental with respect to each Component as provided in this Sublease or to relieve the City of any other obligations contained herein. In no event will the City sublease to or permit the use of all or any part of any Component by any person so as to cause interest with respect to the Tax-Exempt Commercial Paper Certificates to be includable in gross income for federal income tax purposes or to be subject to State personal income tax.

Section 3.8. Addition, Substitution or Release of Property. Notwithstanding Section 3.7, if no default or event of default has occurred and is continuing hereunder or under the Reimbursement Agreements, the City may acquire from the Trustee, free and clear of the Trustee's rights under this Sublease and the Site Lease, the release or substitution of any Component, subject to the requirements set forth in Section 7.02 of the Trust Agreement, or the City may add a component or other property to this Sublease and the Site Lease, subject to the requirements set forth in Section 7.02 of the Trust Agreement. The City hereby covenants and agrees that it will observe all covenants of the City set forth in Trust Agreement (including, without limitation, Section 7.02(c) of the Trust Agreement), and all such covenants and agreements are incorporated by reference herein as if set forth herein directly.

ARTICLE IV

MAINTENANCE; TAXES; INSURANCE; AND OTHER MATTERS

Section 4.1. Replacement, Maintenance and Repairs. The City will, at its own expense, during the Sublease Term, maintain each Component or cause the same to be maintained, in good order, condition and repair and will repair or replace any Component which is destroyed or damaged to such an extent that there is substantial interference with the use and possession of such Component by the City which would result in an abatement of Base Rental or any portion thereof pursuant to Section 3.5, subject to the availability of sufficient insurance proceeds to pay for such repair or replacement. However, the City will not be required to repair or replace any Component pursuant to this Section 4.1 if insurance proceeds or other legally available funds are applied in an amount sufficient to pay and retire (i) all of the Certificates Outstanding and all amounts owing to the Banks under the Reimbursement Agreements, or (ii) any portion of the Certificates Outstanding and amounts owing to the Banks under the Reimbursement Agreements such that the resulting Maximum Base Rental payable pursuant to Section 3.1 in any Fiscal Year following such partial repayment is sufficient to pay in each such Fiscal Year the principal of and interest with respect to all Certificates to remain Outstanding and all obligations under the Reimbursement Agreements to remain outstanding, to the extent such amounts are due and payable in such Fiscal Year, immediately after such partial repayment.

The City will provide or cause to be provided all security service, custodial service, janitorial service and other services necessary for the proper upkeep and maintenance of each Component. It is understood and agreed that in consideration of the payment by the City of the Base Rental herein provided for, the City is entitled to possession of each Component and the Trustee will have no obligation to incur any expense of any kind or character in connection with the management, operation or maintenance of such Component during the Sublease Term with respect to such Component. The Trustee will not be required at any time to make any improvements, alterations, changes, additions, repairs or replacements of any nature whatsoever in or to any Component. The City hereby expressly waives the right to make repairs or to perform maintenance of any Component at the expense of the Trustee and (to the extent permitted by law) waives the benefit of Sections 1932, 1941 and 1942 of the California Civil Code relating thereto. The City will keep each Component free and clear of all liens, charges and encumbrances other than those existing on or prior to the Closing Date or on or prior to the date any property is substituted for any Component pursuant to Section 3.8 and included in the exceptions and exclusions set forth in the title policies delivered pursuant to Section 4.3 and Permitted Encumbrances, and any liens of mechanics, materialmen, suppliers, vendors or other persons or entities for work or services performed or materials furnished in connection with such Component which are not due and payable or the amount, validity or application of which is being contested in accordance with Section 4.4, subject only to the provisions of Section 4.2.

Section 4.2. Taxes, Other Governmental Charges and Utility Charges. The City contemplates that the Property will be used for a governmental purpose of the City and, therefore, that the Property will be exempt from all taxes presently assessed and levied with respect to the Property. The City will pay during the Sublease Term with respect to each Component as the same respectively become due, all taxes (except for income or franchise taxes, if any, of the Trustee), utility charges and governmental charges of any kind whatsoever, if any, that may at any time be lawfully assessed or levied against or with respect to each such

Component. Notwithstanding the forgoing, with respect to any governmental charges that may lawfully be paid in installments over a period of years, (a) the City will be obligated to pay only such installments as are accrued during such time as this Sublease is in effect with respect to such Component, and (b) the City may contest in good faith the validity or application of any tax, utility charge or governmental charge in any reasonable manner which does not adversely affect the right, title and interest of the Trustee in and to any Component or its rights or interests under this Sublease or subject any portion of any Component to loss or forfeiture. Any such taxes or charges will constitute Additional Rental under Section 3.1(h) and will be payable directly to the entity assessing such taxes or charges.

Section 4.3. Insurance.

(a) The City will maintain or cause to be maintained at all times throughout the Sublease Term:

(1) Comprehensive general liability insurance against damages occasioned by reason of the construction of improvements to, or operation of, the Property. The policy or policies will provide coverage in the following minimum amount: \$5,000,000 combined single limit for bodily and personal injury, death and property damage per occurrence. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried by the City. Such policies will name the City as an insured party, and will name the Trustee and the Banks and their officers, agents and employees as additional insured parties.

(2) All risk property insurance on all structures, facilities and improvements constituting any part of the Property in an amount at least equal to the aggregate Outstanding principal amount of Certificates and all obligations outstanding under the Reimbursement Agreements, but in no event less than the replacement cost of such structures, facilities and improvements. The insurance will, as nearly as practicable, cover loss or damage by fire, lightning, explosion, windstorm, hail, riot, civil commotion, vandalism, malicious mischief, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance.

(3) To the extent commercially available, earthquake insurance in an amount equal to the lesser of (i) the aggregate Outstanding principal amount of the Certificates or (ii) the replacement cost of the Property; provided that no such earthquake insurance will be required if the Risk Manager files a written recommendation annually with the Trustee that such insurance is not obtainable in reasonable amounts at reasonable costs on the open market from reputable insurance companies.

(4) Rental interruption insurance with the Trustee and the Banks as named additional insureds, as their interests may appear, in an amount not less than the aggregate amount payable by the City pursuant to this Sublease for a period of at least 24 months (such amount to be determined based on the Maximum Principal Amount of Certificates available as of the Closing Date plus interest at the Maximum Interest Rate), to insure against loss of rental income from the Property caused by perils covered by the insurance required by clauses (2) and (3) above.

(5) Boiler and machinery insurance, comprehensive form, insuring against accidents to pressure vessels and mechanical and electrical equipment, with a property damage limit not less than \$5,000,000 per accident.

All policies of insurance required under clauses (2), (3), (4) and (5) above will name the City as the insured party, and the Trustee and the Banks as additional insured parties and will provide that all proceeds thereunder will be payable to the Trustee pursuant to a lender's loss payable endorsement substantially in accordance with the form approved by the Risk Manager, and all amounts so paid to the Trustee will be applied as provided in the Trust Agreement. All policies of insurance required in this Section 4.3 may provide for a deductible amount which is commercially reasonable (as determined by the Risk Manager).

(b) All policies of insurance required by this Sublease will be in a form or forms certified by the Risk Manager (as provided below) to be in compliance with the requirements of this Sublease. The City will pay when due the premiums for all insurance policies required by this Sublease. All insurance under this Sublease is primary to any other insurance available to the City, and applies separately to each insured against whom claim is made or suit is brought and must provide that the Trustee and the Banks will be given 30 days' notice of cancellation (10 days if for nonpayment of premium) or intended non-renewal. All insurance required to be maintained pursuant to this Sublease may be maintained either separately or as a part of any insurance carried by the City, but if maintained as part of other insurance carried by the City, must specifically identify the Property as being covered by such insurance, the amount of coverage applicable to the Property, and the amount of the deductible applicable to the Property. All insurance must be provided by a commercial insurer rated "A-, VIII" or higher by A.M. Best Company.

The City will certify in writing to the Trustee and the Banks by no later than May 15 of each year commencing May 15, 2014, that there is in effect the insurance or self-insurance required by this Section 4.3. The Risk Manager will also, at that time, file the written recommendation required by Section 4.3(a)(3) if no earthquake insurance has been obtained by the City, and will also certify that the insurance the City has obtained pursuant to this Sublease is in a form or forms which are in compliance with the requirements of this Sublease.

(c) Notwithstanding anything herein to the contrary, the City has the right to adopt alternative risk management programs to insure against any of the risks required to be insured against under this Sublease, including a program of self-insurance (other than rental interruption insurance pursuant to clause (4) of subsection (a) and title insurance pursuant to subsection (d)), in whole or in part; provided that (i) any such alternative risk management program has been approved as reasonable and appropriate risk management by the Risk Manager, and (ii) any reserves set aside for such program will be certified at least annually on each May 15, commencing May 15, 2014, as to their adequacy by the Risk Manager in a certificate delivered to the Trustee and the Banks. In addition, any of the Mayor, Controller, Director of Property or Director of Public Finance of the City may, if in the best interests of the City, approve such other types of insurance, including any increases in the insurance coverage required by this Sublease, upon the recommendation of the Risk Manager, or in connection with obtaining or maintaining any rating on the Certificates. The Trustee will not be responsible for the adequacy, sufficiency or coverage of the insurance or self-insurance required or allowed by this Section 4.3.

(d) The City will deliver to the Trustee, on the date of execution and delivery of the Certificates, evidence of the commitment of a title insurance company to issue a CLTA or ALTA policy of title insurance, in an amount at least equal to the amount available to be drawn under the Credit Facilities issued pursuant to the Reimbursement Agreements, showing fee title of the Property in the name of the City and a leasehold interest in the Property in the name of the Trustee, and naming the insured parties as the City, the Banks and the Trustee, for the benefit of the Holders of the Certificates and the Banks.

Section 4.4. Liens; Permitted Encumbrances. The City will promptly pay or cause to be paid all sums of money that may become due for any labor, services, materials, supplies or equipment alleged to have been furnished or to be furnished to or for, in, upon or about any Component and which may be secured by any mechanic's, materialman's or other lien against such Component, or the interest of the Trustee therein, and will cause each such lien to be fully discharged and released; except, that the City or the Trustee (a) may contest any such claim or lien without payment thereof so long as such non-payment and contest stays execution or enforcement of the lien, but if such lien is reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not stayed, or if stayed and the stay thereafter expires, then and in any such event the City will forthwith pay and discharge such judgment or lien, or (b) delay payment without contest so long as and to the extent that such delay will not result in the imposition of any penalty or forfeiture. Additionally, the Trustee and the City will not create or suffer to be created any lien, charge or encumbrance upon the Property, or upon any real or personal property essential to the operation of the Property, except Permitted Encumbrances. The Trustee and the City will not sell or otherwise dispose of the Property or any other property essential to the proper operation of the Property.

Section 4.5. Laws and Ordinances. The City will observe and comply with all rules, regulations and laws applicable to the City with respect to the Property and the operation thereof. The cost, if any, of such observance and compliance will be borne by the City, and the Trustee will not be liable therefor. The City agrees further to place, keep, use, maintain and operate all Property in such a manner and condition as will provide for the safety of its agents, employees, invitees, subtenants, licensees and the public.

Section 4.6. Additions and Improvements; Removal. The City has the right during the Sublease Term to make any additions or improvements to any Component, to attach fixtures, structures or signs, and to affix any personal property to any Component, so long as the fair rental value of the Component is not thereby reduced. Title to all fixtures, equipment or personal property affixed by the City on any Component will remain in the City. Title to any personal property, improvements or fixtures affixed on any Component by any sublessee or licensee of the City will be controlled by the sublease or license agreement between such sublessee or licensee and the City, which sublease or license agreement will not be inconsistent with this Sublease.

ARTICLE V

USE OF NET PROCEEDS; EMINENT DOMAIN

Section 5.1. Application of Insurance Proceeds.

(a) General. The City will transfer proceeds of insurance received in respect of destruction of or damage to any portion of any Component by fire, earthquake or other casualty or event to the Trustee for application in accordance with the provisions of Section 3.10 of the Trust Agreement. If there is an abatement of Base Rental due pursuant to Section 3.5 as a result of such casualty or event, and the City elects pursuant to Section 3.10 of the Trust Agreement to apply such insurance to the payment and retirement of Certificates rather than to the replacement or repair of the destroyed or damaged Component, then this Sublease will terminate with respect to the destroyed or damaged Component as of the later of the date of such election by the City or the date the amount required by Section 3.10 of the Trust Agreement is received by the Trustee. If the City elects, pursuant to Section 3.10 of the Trust Agreement to apply such proceeds to the repair or replacement of the portion of any Component which has been damaged or destroyed, in the event there has been an abatement of Base Rental pursuant to Section 3.5, then Base Rental without any abatement will again begin to accrue with respect thereto upon repair or replacement of such portion of such Component.

(b) Title Insurance. The City will transfer proceeds of title insurance received with respect to any Component to the Trustee for application in accordance with the provisions of Section 3.11 of the Trust Agreement.

Section 5.2. Eminent Domain.

(a) Total Condemnation. If any Component, or so much thereof as to render the remainder of such Component unusable for the City's purposes under this Sublease, is taken under the power of eminent domain, then this Sublease will terminate with respect to such Component as of the day possession is so taken or as of the date of entry of the interlocutory judgment and Base Rental with respect to such Component will be abated. The City will transfer any award made in eminent domain proceedings for the taking to the Trustee for application in accordance with the provisions of Section 3.10 of the Trust Agreement. Notwithstanding the foregoing, the City may substitute other real property or improvements for such Component in accordance with Section 7.02 of the Trust Agreement, and Base Rental will again begin to accrue with respect thereto upon substitution of the Component.

(b) Partial Condemnation. If less than a substantial portion of any Component is taken under the power of eminent domain, and the remainder is useable for the City's purposes, then this Sublease will continue in full force and effect as to the remaining portions of such Component, subject only to such rental abatement as is required by Section 3.5. The City and the Trustee hereby waive the benefit of any law to the contrary. The City will transfer any award made in eminent domain proceedings for the taking to the Trustee for application in accordance with the provisions of Section 3.10 of the Trust Agreement. If the City elects, pursuant to Section 3.10 of the Trust Agreement, to apply such proceeds to the replacement of the condemned portion of any Component, in the event there has been an abatement of Base Rental pursuant to Section 3.5, then Base Rental without any abatement will again begin to accrue with respect thereto upon replacement of the Component.

ARTICLE VI

OTHER COVENANTS

Section 6.1. Right of Entry. Representatives of the Trustee and the Banks will, subject to reasonable security precautions, have the right to enter upon any Component during reasonable business hours (and in emergencies and upon the occurrence and continuance of any Event of Default at all times) (a) to inspect the same, (b) for any purpose connected with the rights or obligations of the Trustee under this Sublease or under the Trust Agreement or the Banks under the Reimbursement Agreements, or (c) for all other lawful purposes.

Section 6.2. Quiet Enjoyment. The Trustee covenants and agrees that the City, upon keeping and performing the covenants and agreements herein contained, will, at all times during the Sublease Term, peaceably and quietly have, hold, and enjoy the Property.

Section 6.3. Indemnification. To the extent permitted by law, the City will indemnify the Trustee and its officers and directors from and against any and all costs, claims, expenses or liabilities which might arise out of or are related to this Sublease, the Site Lease, the Property and the Certificates, including without limitation obligations to the Banks, and the City will further defend the Trustee and its directors in any action arising out of or related to the Property and the Certificates.

Section 6.4. Performance of Trustee's Duties and Responsibilities. The City and the Trustee agree that any and all administrative or ministerial actions or determinations that the Trustee is required to do or make pursuant to this Sublease, the Trust Agreement, the Site Lease, the Dealer Agreement, the Reimbursement Agreements, the Credit Facilities or any other related agreement may be performed by the City on behalf of the Trustee, provided the Trustee shall not be liable for any actions performed or not performed by the City on behalf of the Trustee.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.1. Events of Default. The following are "Events of Default" under this Sublease and the terms "Events of Default" and "default" mean, whenever they are used in this Sublease, any one or more of the following events:

(a) Failure by the City to pay to the Trustee any Base Rental payment with respect to any Component as and when the same becomes due and payable

(b) Failure by the City to pay any Additional Rental payment under Section 3.1(h) for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Trustee or to the City and the Trustee by the Holders of not less than a majority in aggregate principal amount of Commercial Paper Certificates then Outstanding or the Banks or if the failure stated in the notice cannot be corrected within such 30-day period, then the City fails to institute corrective action within such 30-day period and diligently pursue the same to completion.

(c) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Sublease, the Trust Agreement, or the Site Lease, other than such failure as may constitute an Event of Default under clause (a) or (b) of this Section 7.1, for a period of 60 days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Trustee or to the City and the Trustee by the Holders of not less than a majority in aggregate principal amount of Commercial Paper Certificates then Outstanding or the Banks or if the failure stated in the notice cannot be corrected within such 60-day period, then the City fails to institute corrective action within such 60-day period and diligently pursue the same to completion.

(d) The City (i) voluntarily commences any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consents to the institution of, or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) applies for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) files an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) makes a general assignment for the benefit of creditors, (vi) admits in writing its inability generally to pay its debts as they become due or (vii) takes action for the purpose of effecting any of the foregoing.

(e) An involuntary proceeding is commenced or an involuntary petition is filed in a court of competent jurisdiction seeking (i) relief in respect of the City, or of a substantial part of its property, under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law or (ii) the appointment of a receiver, trustee, custodian, sequestrator or similar official for the City or for a substantial part of its property, and such proceeding or petition continues undismissed for 60 days or an order or decree approving or ordering any of the foregoing continues unstayed and in effect for 30 days.

(f) The Trustee receives written notice from a Bank of the occurrence of an event of default under a Reimbursement Agreement.

Section 7.2. Remedies on Default. Subject to Section 7.3, the Trustee has the right, at its option, without any further demand or notice, to pursue the following rights and remedies:

(a) Except as set forth in subsection (c) below, the Trustee may, and will at the direction of the applicable Bank, reenter any or all Component(s) and eject all parties in possession therefrom and, without terminating this Sublease, relet the Component as the agent and for the account of the City upon such terms and conditions as the Trustee may deem advisable, in which event the rents received on such reletting will be applied first to the expenses of reletting and collection, including expenses for repair or restoration of the Component to its original condition (taking into account normal wear and tear), reasonable attorneys' fees and any real estate commissions actually paid, and second to Base Rental with respect to such Component in accordance with this Sublease and the Trust Agreement and third to Additional Rental with respect to such Component in accordance with this Sublease. If a sufficient amount is not realized to pay such sums and other charges then the City will pay to the Trustee any net deficiency existing on the date when the Base Rental or Additional Rental with respect to such Component is due hereunder. Any such reentry and reletting may be done only with the consent of the City, which consent is hereby irrevocably given.

(b) In lieu of the above, so long as the Trustee does not terminate this Sublease or the City's possession of any Component, the Trustee may enforce all of its rights and remedies under this Sublease, including the right to recover Base Rental payments as they become due under this Sublease pursuant to section 1951.4 of the California Civil Code and to otherwise enforce performance by the City, and to pursue any remedy available in law or in equity, other than by terminating this Sublease or reentering and reletting the Leased Property, or except as expressly provided herein.

Any reentry under this Section 7.2 will be allowed by the City without hindrance, and the Trustee will not be liable in damages for any reentry or be guilty of trespass. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBLEASE OR THE TRUST AGREEMENT, IN NO EVENT WILL THE TRUSTEE HAVE THE RIGHT TO ACCELERATE THE PAYMENT OF ANY BASE RENTAL WITH RESPECT TO THE PROPERTY HEREUNDER.

Each and every remedy of the Trustee hereunder is cumulative and the exercise of one remedy will not impair the right of the Trustee to any or all other remedies. If any statute or rule validly limits the remedies given to the Trustee hereunder, the Trustee nevertheless will be entitled to whatever remedies are allowable under any statute or rule of law.

The Trustee will apply all damages and other payments received by the Trustee pursuant to this Section 7.2 in the manner set forth in Section 3.12 of the Trust Agreement.

(c) With respect to the Restricted Fire Station Components, the remedies set forth in subparagraph (a) above are not applicable, and the Trustee may proceed solely under subparagraph (b) above when exercising remedies if there is an Event of Default, but only for so long as Proposition F (i) prohibits the re-letting of the Restricted Fire Stations and (ii) applies to the Restricted Fire Stations.

Section 7.3. Rights of Banks upon Default. In furtherance of the foregoing, the City and the Trustee agree that: (i) the City will simultaneously mail to the Banks a copy of any notice given by the City to the Trustee; (ii) prior to taking any action by the Trustee or its assignee upon a default by the City in the performance of any obligation under the terms of this Sublease, the Trustee will provide written notice thereof to the Banks and thereupon the Banks will have the right, but not the obligation, to cure any such default. In that connection, the Trustee will not take action to effect a termination of this Sublease or to re-enter or take possession of the Property or any Component as a consequence of such default except upon the prior written direction of the Banks. Furthermore, if this Sublease is rejected or disaffirmed pursuant to any bankruptcy law or other law affecting creditors' rights or if this Sublease is terminated for any other reason whatsoever, the City will use its best efforts to enter into a new lease of the Property at the request of the Banks for the remainder of the term of this Sublease, effective as of the date of such rejection or disaffirmance or termination. So long as the Credit Facilities are in effect or any obligations payable by the City to the Banks under the Reimbursement Agreements remain unsatisfied, (i) neither the City nor the Trustee will accept a voluntary surrender of this Sublease and (ii) this Sublease will not be amended, supplemented or modified in any material respect without, in each case, the prior written consent of the Banks. Anything herein to the contrary notwithstanding, in the event a Bank has failed to honor a properly presented and conforming drawing under its Credit Facility, such Bank will be excluded from the term "Banks" for purposes of determining any required consent or written direction of the Banks as provided for in this Section 7.3.

Section 7.4. Waiver. The waiver by the Trustee of any breach by the City, and the waiver by the City of any breach by the Trustee of any term, covenant or condition hereof will not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof.

ARTICLE VIII

REPRESENTATIONS AND WARRANTIES OF THE CITY

Section 8.1. Representations and Warranties of the City. The City represents and warrants that, as of the Closing Date:

(a) **Existence.** The City is validly existing as a charter city and county, duly organized and created and validly existing under the Constitution of the State, with full right and power to execute, deliver and perform its obligations hereunder and under the Related Documents (as defined in the Reimbursement Agreements) to which it is a party.

(b) **Authorization; Contravention.** The execution, delivery and performance by the City of this Sublease and the Related Documents to which it is a party are within the City's powers, have been duly authorized by all necessary action, require no action by or in respect of, or filing with, any governmental body, agency or official applicable to the City and do not violate or contravene, or constitute a default under, any provision of applicable law, charter, ordinance or regulation or of any material agreement, judgment, injunction, order, decree or material instrument binding upon the City or result in the creation or imposition of any lien or encumbrance on any asset of the City (other than pursuant to such enumerated documents).

(c) **Binding Effect.** Assuming due authorization, execution and delivery by each of the other parties hereto and thereto, this Sublease and each Related Document to which the City is a party, constitutes the legal, valid and binding obligation of the City enforceable against the City in accordance with its respective terms, subject, as to enforceability, to applicable bankruptcy, moratorium, insolvency or similar laws affecting the rights of creditors generally and to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) **No Default.** The City is not, in any material respect, in violation of any applicable law or administrative regulation of the State or of the United States, relating, in each case, to the issuance or delivery of debt securities by it, or any applicable judgment, decree, loan agreement, note, resolution, ordinance or other material agreement to which it is a party or is otherwise subject, which violation would materially adversely affect the City's ability to perform its obligations under this Sublease. Late delivery of financial statements or other reporting documentation will not be deemed material for purposes of this subsection.

(e) **Litigation.** Except as previously disclosed in writing to the Banks, there is no action, suit or proceeding pending with service of process accomplished, against, or to the knowledge of the City threatened against or affecting, the City before any court or arbitrator or any governmental body, agency or official in which there is a reasonable possibility of an adverse decision which could materially adversely affect the City's ability to perform its obligations under this Sublease or which in any manner draws into question the validity or enforceability of this Sublease or any Related Document to which the City is a party.

(f) **No Sovereign Immunity.** The City is subject to civil and commercial law in respect of its obligations under this Sublease, and the Related Documents to which it is a party, and the execution, delivery and performance of such instruments and agreements constitute commercial acts rather than public or governmental acts; however, (i) the substantive provisions and procedural requirements of California civil law and commercial law which apply to the City are, in many respects, different from the substantive provisions and procedural requirements

which would apply to other Persons under similar circumstances; (ii) California law limits the exercise of prejudgment and postjudgment remedies against public entities, including the City; and (iii) a court may not strictly enforce certain covenants if it concludes that enforcement would be unreasonable under the circumstances. To the extent that the City is entitled to any immunity from suit, it hereby waives such immunity to the fullest extent permitted by law.

(g) Incorporation of Representations and Warranties by Reference. The City hereby makes to the Banks the same representations and warranties made by the City as are set forth in the Related Documents, which representations and warranties, as well as the related defined terms contained therein, are hereby incorporated by reference with the same effect as if fully set forth herein.

(h) Legislation. To the best knowledge of the City, no legislation has been enacted which would materially adversely affect or prohibit (i) the execution and delivery of this Sublease or the Related Documents to which the City is a party, or (ii) the performance by the City of its obligations under this Sublease or the Related Documents to which the City is a party.

ARTICLE IX

MISCELLANEOUS

Section 9.1. Disclaimer of Warranties. NEITHER THE TRUSTEE NOR ANY PERSON ACTING ON ITS BEHALF HAS MADE OR MAKES ANY WARRANTY OR REPRESENTATION AS TO THE PAST, PRESENT OR FUTURE CONDITION OF THE PROPERTY NOT HEREIN EXPRESSED, AND THE CITY HAS ENTERED INTO THIS SUBLEASE WITHOUT REPRESENTATIONS OR WARRANTIES WITH RESPECT THERETO ON THE PART OF THE TRUSTEE, ITS AGENTS, REPRESENTATIVES OR EMPLOYEES.

Section 9.2. Notices. Except as otherwise specifically provided in this Sublease, all notices, requests, demands and other communications under this Sublease will be in writing (unless otherwise specified herein) and will be sufficiently given on the date of service if served personally upon the person to whom notice is to be given or on receipt if sent by telex or other telecommunication facility or courier or if mailed by registered or certified mail, return receipt requested, postage prepaid, and properly addressed as follows:

If to the City: City and County of San Francisco
City Hall, 1 Dr. Carlton B. Goodlett Place,
Room 316
San Francisco, California 94102
Attention: City Controller

If to the Trustee: U.S. Bank National Association
One California Street, Suite 1000
San Francisco, California 94111
Attention: Corporate Trust Services
Facsimile: (415) 677-3769

If to the Delivery and Paying Agent:

U.S. Bank National Association
Corporate Trust Services
100 Wall Street, Suite 1600
New York, New York 10005
Facsimile: (212) 514-6841

If to the Bank: State Street Bank and Trust Company
Loan Operation Department
Mailstop: CPH0453
100 Huntington Ave
Tower 1, 4th Floor
Boston, Massachusetts 02116
Attn: Standby LOC Operation - David Pennybaler
Telephone: (617) 937-8805
Facsimile: (617) 988-6674

With a copy to: State Street Bank and Trust Company
One Lincoln Street, 5th Floor
Boston, Massachusetts 02111
Attention: Mimi Li
Telephone: (617) 664-3196
Facsimile: (617) 946-0188

or to such other address or addresses as any such person has designated to the others by notice given in accordance with the provisions of this Section 9.2.

Section 9.3. Validity. If any one or more of the terms, provisions, promises, covenants or conditions of this Sublease will to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, then each and all of the remaining terms, provisions, promises, covenants and conditions of this Sublease will not be affected thereby and will be valid and enforceable to the fullest extent permitted by law.

If for any reason this Sublease will be held by a court of competent jurisdiction to be void, voidable or unenforceable by the Trustee or by the City, or if for any reason it is held by such a court that any of the covenants and agreements of the City hereunder, including the covenant to pay Base Rental and Additional Rental hereunder, is unenforceable for the full term hereof, then and in such event for and in consideration of the right of the City to possess, occupy and use the Property, which right in such event is hereby granted, this Sublease will thereupon become and will be deemed to be a sublease from year to year under which the annual Base Rental payments and Additional Rental payments herein specified will be paid by the City.

Section 9.4. Execution in Counterparts. This Sublease may be executed in several counterparts, each of which is deemed to be an original, and all of which together constitute but one and the same agreement.

Section 9.5. Law Governing; Venue. The formation, interpretation and performance of this Sublease is governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Sublease is in San Francisco.

Section 9.6. Amendment. This Sublease may be amended only in accordance with and as permitted by the terms of Section 7.02 of the Trust Agreement.

Section 9.7. Excess Payments. Notwithstanding anything contained herein or in the Trust Agreement to the contrary, if for any reason, including but not limited to damage, destruction, condemnation, transfer, sale or disposition, the City or the Trustee receive payments, proceeds or awards with respect to any Component in excess of the amount necessary to pay or prepay or provide in accordance with the Trust Agreement for the payment or redemption of all of the Outstanding Certificates and all amounts payable to the Banks under the Reimbursement Agreements, such excess will represent the City's equity interest in such Component and will all be paid to the City.

Section 9.8. No Merger. If both the Trustee's and the City's estate under this Sublease or the Site Lease or any other lease relating to any Component at any time by any time by any reason become vested in one owner, this Component and the estate created hereby will not be destroyed or terminated by the doctrine of merger unless the City so elects as evidenced by recording a written declaration so stating, and, unless and until the City so elects, the City will continue to have and enjoy all of its rights and privileges as to the separate estates.

Section 9.9. Further Assurances and Corrective Instruments. The City and the Trustee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property or any Component leased hereby or intended to be so leased or for carrying out the express intention of the Sublease.

Section 9.10. Refinancing of Trustee Obligations. In the event that any Advance or any other amount under the Revolving Bank Certificates is not paid by the Trustee when due under the Reimbursement Agreements, the City will use its best efforts to issue long-term bonds or certificates of participation or other obligations in an aggregate principal amount, or to substitute the applicable Credit Facility or Facilities with credit facilities of one or more Alternate Banks, in each case so as to obtain funds sufficient in amount to pay the same in full.

Section 9.11. Third Party Beneficiaries. Each Bank is a third party beneficiary of this Sublease with the power to enforce the same until the later of (i) the date the applicable Credit Facility has terminated and been surrendered to the applicable Bank for cancellation and (ii) the date all amounts payable under the applicable Reimbursement Agreement and Revolving Bank Certificate have been satisfied in full.

Section 9.12. Limited Liability of Trustee. The Trustee is executing this Sublease solely in its capacity as Trustee under the Trust Agreement, subject to the protections, indemnities and limitations from liability afforded to the Trustee under the Trust Agreement, (ii) nothing contained herein will be construed as creating any liability on U.S. Bank National Association ("U.S. Bank") individually or personally, to perform any covenant, duty or obligation of any kind contained in this Sublease, and (iii) under no circumstances will U.S. Bank be liable for the payment of any fees, costs, indebtedness or expenses related to or arising from the Sublease or any documents related hereto.

ARTICLE X

CITY REQUIREMENTS

Section 10.1. Local Business Enterprise Utilization; Liquidated Damages.

(a) **The LBE Ordinance.** The Trustee will comply with all the requirements of the Disadvantaged Business Enterprise Ordinance set forth in Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (collectively the "LBE Ordinance"), provided such amendments do not materially increase the Trustee's obligations or liabilities, or materially diminish the Trustee's rights, under this Sublease. Such provisions of the LBE Ordinance are incorporated by reference and made a part of this Sublease as though fully set forth in this section. The Trustee's willful failure to comply with any applicable provision of the LBE Ordinance is a material breach of the Trustee's obligations under this Sublease and will entitle City, subject to any applicable notice and cure provisions set forth in this Sublease, to exercise any of the remedies provided for under this Sublease, under the LBE Ordinance or otherwise available at law or in equity, which remedies will be cumulative unless this Sublease expressly provides that any remedy is exclusive. In addition, the Trustee will comply fully with all other applicable local, state and federal laws prohibiting discrimination and requiring equal opportunity in contracting, including subcontracting.

(b) **Compliance and Enforcement.** If the Trustee willfully fails to comply with any of the provisions of the LBE Ordinance, the rules and regulations implementing the LBE Ordinance, or the provisions of this Sublease pertaining to LBE participation, The Trustee will be liable for liquidated damages in an amount equal to The Trustee's net profit on this Sublease, or 10% of the total amount of this Sublease, or \$1,000, whichever is greatest. The Director of the City's Human Rights Commission or any other public official authorized to enforce the LBE Ordinance (separately and collectively, the "Director of HRC") may also impose other sanctions against the Trustee authorized in the LBE Ordinance, including declaring the Trustee to be irresponsible and ineligible to contract with the City for a period of up to five years or revocation of the Trustee's DBE certification. The Director of HRC will determine the sanctions to be imposed, including the amount of liquidated damages, after investigation pursuant to Administrative Code §14B.17.

By entering into this Sublease, the Trustee acknowledges and agrees that any liquidated damages assessed by the Director of the HRC will be payable to City upon demand. The Trustee further acknowledges and agrees that any liquidated damages assessed may be withheld from any monies due to the Trustee on any contract with City.

The Trustee will maintain records necessary for monitoring its compliance with the LBE Ordinance for a period of three years following termination or expiration of this Sublease, and will make such records available for audit and inspection by the Director of HRC or the Controller upon request.

Section 10.2. Nondiscrimination; Penalties.

(a) **Trustee Will Not Discriminate.** In the performance of this Sublease, the Trustee agrees not to discriminate against any employee, City and County employee working with such contractor or subcontractor, applicant for employment with such contractor or subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) **Subcontracts.** The Trustee will incorporate by reference in all subcontracts the provisions of §§12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code (copies of which are available from Purchasing) and will require all subcontractors to comply with such provisions. The Trustee's failure to comply with the obligations in this subsection will constitute a material breach of this Sublease.

(c) **Nondiscrimination in Benefits.** The Trustee does not as of the date of this Sublease and will not during the term of this Sublease, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in §12B.2(b) of the San Francisco Administrative Code.

(d) **Condition to Contract.** As a condition to this Sublease, the Trustee will execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.

(e) **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Sublease as though fully set forth herein. The Trustee will comply fully with and be bound by all of the provisions that apply to this Sublease under such Chapters, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, the Trustee understands that pursuant to §12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Sublease may be assessed against the Trustee and/or deducted from any payments due the Trustee.

Section 10.3. MacBride Principles—Northern Ireland. Pursuant to San Francisco Administrative Code §12F.5, the City urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City urges San Francisco companies to do business with

corporations that abide by the MacBride Principles. By signing below, the person executing this Sublease on behalf of the Trustee acknowledges and agrees that he or she has read and understood this section.

Section 10.4. Tropical Hardwood and Virgin Redwood Ban. Pursuant to §804(b) of the San Francisco Environment Code, the City urges contractors not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

Section 10.5. Drug-Free Workplace Policy. The Trustee acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City premises. The Trustee agrees that any violation of this prohibition by the Trustee, its employees, agents or assigns will be deemed a material breach of this Sublease.

Section 10.6. Compliance with Americans with Disabilities Act. The Trustee acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. The Trustee will provide the services specified in this Sublease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. The Trustee agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Sublease and further agrees that any violation of this prohibition on the part of the Trustee, its employees, agents or assigns will constitute a material breach of this Sublease.

Section 10.7. Sunshine Ordinance. In accordance with San Francisco Administrative Code §67.24(e), contracts, contractors' bids, responses to solicitations and all other records of communications between the City and persons or firms seeking contracts, will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

Section 10.8. Limitations on Contributions. Through execution of this Sublease, the Trustee acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, 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. The Trustee 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. The Trustee further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of the Trustee's board of directors; the Trustee's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in the Trustee; any subcontractor listed in

the bid or contract; and any committee that is sponsored or controlled by the Trustee. Additionally, the Trustee acknowledges that the Trustee must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126.

Section 10.9. Requiring Minimum Compensation for Covered Employees.

(a) The Trustee will comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Sublease as though fully set forth. The text of the MCO is available on the web at <http://www.sfgov.org/olse/mco>. A partial listing of some of the Trustee's obligations under the MCO is set forth in this Section. The Trustee is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Sublease shall have the meanings ascribed to such terms in Chapter 12P.

(b) The MCO requires the Trustee to pay the Trustee's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and the Trustee is obligated to keep informed of the then-current requirements. Any subcontract entered into by the Trustee will require the subcontractor to comply with the requirements of the MCO and will contain contractual obligations substantially the same as those set forth in this Section. It is the Trustee's obligation to ensure that any subcontractors of any tier under this Sublease comply with the requirements of the MCO. If any subcontractor under this Sublease fails to comply, City may pursue any of the remedies set forth in this Section against the Trustee.

(c) The Trustee will not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) The Trustee will maintain employee and payroll records as required by the MCO. If the Trustee fails to do so, it will be presumed that the Trustee paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect the Trustee's job sites and conduct interviews with employees and conduct audits of the Trustee.

(f) The Trustee's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Sublease. The City in its sole discretion will determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Trustee fails to comply with these requirements. The Trustee agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for the Trustee's noncompliance. The procedures governing the assessment of liquidated damages will be those set forth in Section 12P.6.2 of Chapter 12P.

(g) The Trustee understands and agrees that if it fails to comply with the requirements of the MCO, the City will have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under

applicable law. If, within 30 days after receiving written notice of a breach of this Sublease for violating the MCO, the Trustee fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, the Trustee fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City will have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies will be exercisable individually or in combination with any other rights or remedies available to the City.

(h) The Trustee represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If the Trustee is exempt from the MCO when this Sublease is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but the Trustee later enters into an agreement or agreements that cause the Trustee to exceed that amount in a fiscal year, the Trustee will thereafter be required to comply with the MCO under this Sublease. This obligation arises on the effective date of the Sublease that causes the cumulative amount of agreements between the Trustee and this department to exceed \$25,000 in the fiscal year.

Section 10.10. Requiring Health Benefits for Covered Employees. Unless exempt, the Trustee will comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated herein by reference and made a part of this Sublease as though fully set forth. The text of the HCAO is available on the web at <http://www.sfgov.org/oca/lwlh.htm>. Capitalized terms used in this Section and not defined in this Sublease will have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, the Trustee will provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If the Trustee chooses to offer the health plan option, such health plan will meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Trustee is a small business as defined in Section 12Q.3(d) of the HCAO, it will have no obligation to comply with part (a) above.

(c) The Trustee's failure to comply with the HCAO will constitute a material breach of this Sublease. City will notify the Trustee if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Sublease for violating the HCAO, the Trustee fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, the Trustee fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City will have the right to pursue the remedies set forth in 12Q.5(f)(1-5). Each of these remedies will be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any subcontract entered into by the Trustee will require the subcontractor to comply with the requirements of the HCAO and will contain contractual obligations substantially the same as those set forth in this Section. The Trustee will notify City's Office of Contract Administration when it enters into such a subcontract and will certify to

the Office of Contract Administration that it has notified the subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on subcontractor through the subcontract. The Trustee will be responsible for its subcontractors' compliance with this Chapter. If a subcontractor fails to comply, the City may pursue the remedies set forth in this Section against the Trustee based on the subcontractor's failure to comply, provided that City has first provided the Trustee with notice and an opportunity to obtain a cure of the violation.

(e) The Trustee will not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to the Trustee's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) The Trustee represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) The Trustee will maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) The Trustee will keep itself informed of the current requirements of the HCAO.

(i) The Trustee will provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on subcontractors and subtenants, as applicable.

(j) The Trustee will provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) The Trustee will allow City to inspect the Trustee's job sites and have access to the Trustee's employees in order to monitor and determine compliance with HCAO.

(l) The City may conduct random audits of the Trustee to ascertain its compliance with HCAO. The Trustee will cooperate with City when it conducts such audits.

(m) If the Trustee is exempt from the HCAO when this Sublease is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but the Trustee later enters into an agreement or agreements that cause the Trustee's aggregate amount of all agreements with City to reach \$75,000, all the agreements will be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Trustee and the City to be equal to or greater than \$75,000 in the fiscal year.

Section 10.11. Prohibition on Political Activity with City Funds. In accordance with San Francisco Administrative Code Chapter 12.G, the Trustee may not participate in, support,

or attempt to influence any political campaign for a candidate or for a ballot measure (collectively, "**Political Activity**") in the performance of the services provided under this Sublease. The Trustee will comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the City's Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event the Trustee violates the provisions of this section, the City may, in addition to any other rights or remedies available hereunder, (i) terminate this Sublease, and (ii) prohibit the Trustee from bidding on or receiving any new City contract for a period of two (2) years. The Controller will not consider the Trustee's use of profit as a violation of this section.

Section 10.12. Conflict of Interest. Through its execution of this Sublease, the Trustee acknowledges that it is familiar with the provisions of section 15.103 of the City's 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 constitute a violation of said provision and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Sublease.

Section 10.13. Earned Income Credit (EIC) Forms. The Trustee shall comply with Internal Revenue Service regulations, if any, that require the Trustee to notify its employees of EIC. Failure to comply with any requirement contained in of this Section 28 shall constitute a material breach by the Trustee of the terms of this Facilities Lease. If, within thirty (30) days after the Trustee receives written notice of such a breach, the Trustee fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, the Trustee 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 Facilities Lease or under applicable law.

Section 10.14. Preservative-treated Wood Containing Arsenic. The Trustee may not purchase preservative-treated wood products containing arsenic in the performance of this Sublease unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of the Environment under Section 1304 of the Code. The term "preservative-treated wood containing arsenic" will mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. The Trustee may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude the Trustee from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" will mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

Section 10.15. Nondisclosure of Private Information. The Trustee has read and will the terms set forth in San Francisco Administrative Code Sections 12M.2, "Nondisclosure of Private Information," and 12M.3, "Enforcement" of Administrative Code Chapter 12M, "Protection of Private Information," which are incorporated herein as if fully set forth. The Trustee agrees that any failure of the Trustee to comply with the requirements of Section 12M.2 of this Chapter will be a material breach of this Sublease, provided that, notwithstanding anything herein or in the Administrative Code to the contrary, the foregoing will not be construed to prohibit (i) disclosure of any and all information that is or becomes publicly known, or information obtained by the Trustee from sources other than the other parties hereto, (ii)

disclosure of any and all information (A) if reasonably required to do so by any applicable city, state or federal rule or regulation, (B) to any government agency or regulatory body having or reasonably claiming authority to regulate or oversee any aspects of Trustee's business or that of its affiliates, (C) pursuant to any valid subpoena, civil investigative demand or similar demand or request of any court, regulatory authority, arbitrator or arbitration relating to this Sublease to which Trustee or any affiliate or an officer, director, employer or shareholder thereof is a party or (D) to any affiliate, independent or internal auditor, agent, employee or attorney of Trustee having a need to know the same, provided that Trustee advises such recipient of the confidential nature of the information being disclosed, or (iii) any other disclosure authorized by the City and this Sublease.

Section 10.16. Proprietary or Confidential Information of City. The Trustee understands and agrees that, in the performance of the work or services under this Sublease or in contemplation thereof, the Trustee may have access to private or confidential information which may be owned or controlled by the City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to the City. The Trustee agrees that all information disclosed by the City to the Trustee will be held in confidence and used only in performance of the Sublease provided that, notwithstanding anything in this Sublease to the contrary, the foregoing will not be construed to prohibit (i) disclosure of any and all information that is or becomes publicly known, or information obtained by the Trustee from sources other than the other parties to this Sublease, (ii) disclosure of any and all information (A) if reasonably required to do so by any applicable city, state or federal rule or regulation, (B) to any government agency or regulatory body having or reasonably claiming authority to regulate or oversee any aspects of Trustee's business or that of its affiliates, (C) pursuant to any valid subpoena, civil investigative demand or similar demand or request of any court, regulatory authority, arbitrator or arbitration relating to this Sublease to which Trustee or any affiliate or an officer, director, employer or shareholder is a party or (D) to any affiliate, independent or internal auditor, agent, employee or attorney of Trustee having a need to know the same, provided that Trustee advises such recipient of the confidential nature of the information being disclosed, or (iii) any other disclosure authorized by the City and this Sublease. The Trustee will exercise the same standard of care to protect such information as a reasonably prudent Trustee would use to protect its own proprietary data.

Section 10.17. Compliance with Laws. The Trustee will keep itself fully informed of the City's Charter, codes, ordinances and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Sublease, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

Section 10.18. Works for Hire. If, in connection with services performed under this Sublease, the Trustee or its subcontractors create artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes or any other original works of authorship, such works of authorship will be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works are the property of the City. If it is ever determined that any works created by the Trustee or its subcontractors under this Sublease are not works for hire under U.S. law, the Trustee hereby assigns all copyrights to such works to the City, and will provide any material and execute any documents necessary to effectuate such assignment. With the approval of the City, the Trustee may retain and use copies of such works for reference and as documentation of its experience and capabilities.

Section 10.19. Resource Conservation. Chapter 5 of the San Francisco Environment Code ("Resource Conservation") is incorporated herein by reference. Failure by the Trustee to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract.

Section 10.20. Food Service Waste Reduction Requirements. Effective June 1, 2007, the Trustee agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Sublease as though fully set forth. This provision is a material term of this Sublease. By entering into this Sublease, the Trustee agrees that if it breaches this provision, the City will suffer actual damages that will be impractical or extremely difficult to determine; further, the Trustee agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that the City will incur based on the violation, established in light of the circumstances existing at the time this Sublease was made. Such amount will not be considered a penalty, but rather agreed monetary damages sustained by the City because of the Trustee's failure to comply with this provision.

Section 10.21. Submitting False Claims; Monetary Penalties. Pursuant to San Francisco Administrative Code §21.35, any contractor, subcontractor or consultant who submits a false claim will be liable to the City for three times the amount of damages which the City sustains because of the false claim. A contractor, subcontractor or consultant who submits a false claim will also be liable to the City for the costs, including attorneys' fees, of a civil action brought to recover any of those penalties or damages, and may be liable to the City for a civil penalty of up to \$10,000 for each false claim. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

Section 10.22. Ownership of Results. Any interest of the Trustee or its Subcontractors, in drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by the Trustee or its subcontractors in connection with services to be performed under this Sublease, shall become the property of and will be transmitted to City. However, the Trustee may retain and use copies for reference and as documentation of its experience and capabilities.

Section 10.23. Audit and Inspection of Records. The Trustee will maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its work under this Sublease. The Trustee will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters

covered by this Sublease, whether funded in whole or in part under this Sublease, except to the extent such information is proprietary or confidential to the Trustee. The Trustee shall maintain such data and records in an accessible location and condition for a period of not less than three years after final payment under this Sublease or until after final audit has been resolved, whichever is later. The State of California or any federal agency having an interest in the subject matter of this Sublease shall have the same rights conferred upon City by this Section.

Section 10.24. Repeal of Administrative Code Provisions. To the extent that the City repeals any provision of the Administrative Code incorporated, set forth or referenced in Sections 19 through 41 hereof, other than pursuant to a restatement or amendment of any such provision, such provision, as incorporated, set forth or referenced herein, will no longer apply to this Site Lease or the Trustee.


Section 10.25. Subcontracting. The Trustee is prohibited from subcontracting this Sublease or any part of it unless such subcontracting is first approved by City in writing. Neither party shall, on the basis of this Sublease, contract on behalf of or in the name of the other party. An agreement made in violation of this provision shall confer no rights on any party and shall be null and void.

Section 10.26. Assignment. The services to be performed by Trustee are personal in character and neither this Sublease nor any duties or obligations hereunder may be assigned or delegated by the Trustee unless first approved by City by written instrument executed and approved in the same manner as this Sublease.

Section 10.27. Non-Waiver of Rights. The omission by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.

IN WITNESS WHEREOF, the parties hereto have executed this Sublease as of the date first above written.

U.S. BANK NATIONAL ASSOCIATION, as
Sublessor

By: 
Authorized Officer
Andrew Fong

**CITY AND COUNTY OF SAN
FRANCISCO**, as Sublessee

By: _____
Mayor

APPROVED AS TO FORM:

By: _____
City Attorney

ACKNOWLEDGMENT

State of California

County of San Francisco)

On February 19th, 2014 before me, Nam Huynh - Notary Public
(insert name and title of the officer)

personally appeared Andrew Fung
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.

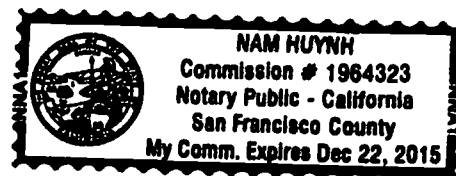
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)




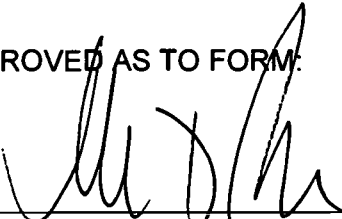
IN WITNESS WHEREOF, the parties hereto have executed this Sublease as of the date first above written.

**U.S. BANK NATIONAL ASSOCIATION, as
Sublessor**

By: _____
Authorized Officer

**CITY AND COUNTY OF SAN
FRANCISCO, as Sublessee**

By:  _____
Director of Public Finance
Nadia Sesoy

APPROVED AS TO FORM:

By: _____
City Attorney

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT
CIVIL CODE § 1189

State of California

County of San Francisco

On February 26, 2014 before me, Olga A. Ryerson, a Notary Public
Date Here Insert Name and Title of the Officer

personally appeared

Nadic Sesay

Name(s) of Signer(s)



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.

Place Notary Seal Above

Signature: [Signature]

Signature of Notary Public

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Sublease Document Date: Feb 1, 2014

Number of Pages: 1 Signer(s) Other Than Named Above: 1

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

- ☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Sublease, dated as of February 1, 2014 (the "Sublease"), from U.S. Bank National Association, as sublessor, to the City and County of San Francisco (the "City"), a municipal corporation, as sublessee, is hereby accepted by the undersigned officer on behalf of the City, pursuant to authority conferred by resolution of the Board of Supervisors of the City adopted on July 25, 2013, and the sublessee consents to recordation of the Sublease, by the City's duly authorized officer.

Dated as of February 1, 2014

CITY AND COUNTY OF SAN FRANCISCO

By



Mayor

March 20, 2013

Exhibit "A"
LEGAL DESCRIPTION
Central Shops

All that certain real property situate in the City and County of San Francisco, State of California, being more particularly described as follows;

BEGINNING at the intersection of the northerly line of Hudson Avenue, as said Avenue existed prior to the vacation of a portion thereof by Ord. 10607, September 23, 1957, B.8-P.239, and the westerly line of Quint Street, as said Street existed prior to the vacation of a portion thereof by Resolution No. 245-78, March 27, 1978, B.10-P18;

thence along the westerly line of said Quint Street, South 35°31'49" West, 560.00 feet to the northerly line of Jerrold Avenue;

thence along said northerly line of Jerrold Avenue, North 54°28'11" West, 313.28 feet to the easterly line of the Rail Road Right-of-Way as described in Resolution No. 5518 (series of 1939), approved May 28, 1946;

thence along said Rail Road Right-of-Way, North 6°17'09" East, 641.80 feet to the Northerly line of said Hudson Avenue extended to the northwest;

thence along said northerly line of Hudson Avenue and the extension thereof, South 54°28'11" East, 626.82 feet to the **POINT OF BEGINNING**.

Containing 6.04 acres, more or less.

A plat showing the above-described parcels is attached herein and made a part hereof as Exhibit "B".

This description was prepared by me or under my direction in conformance with the Professional Land Surveyors' Act.

Tony E. Durkee 06-07-13
Tony E. Durkee, PLS 5773

END OF DESCRIPTION

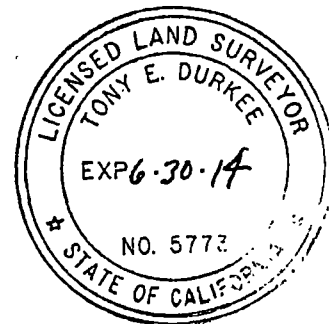
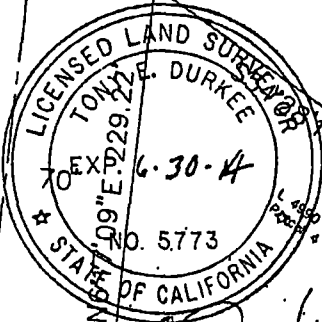
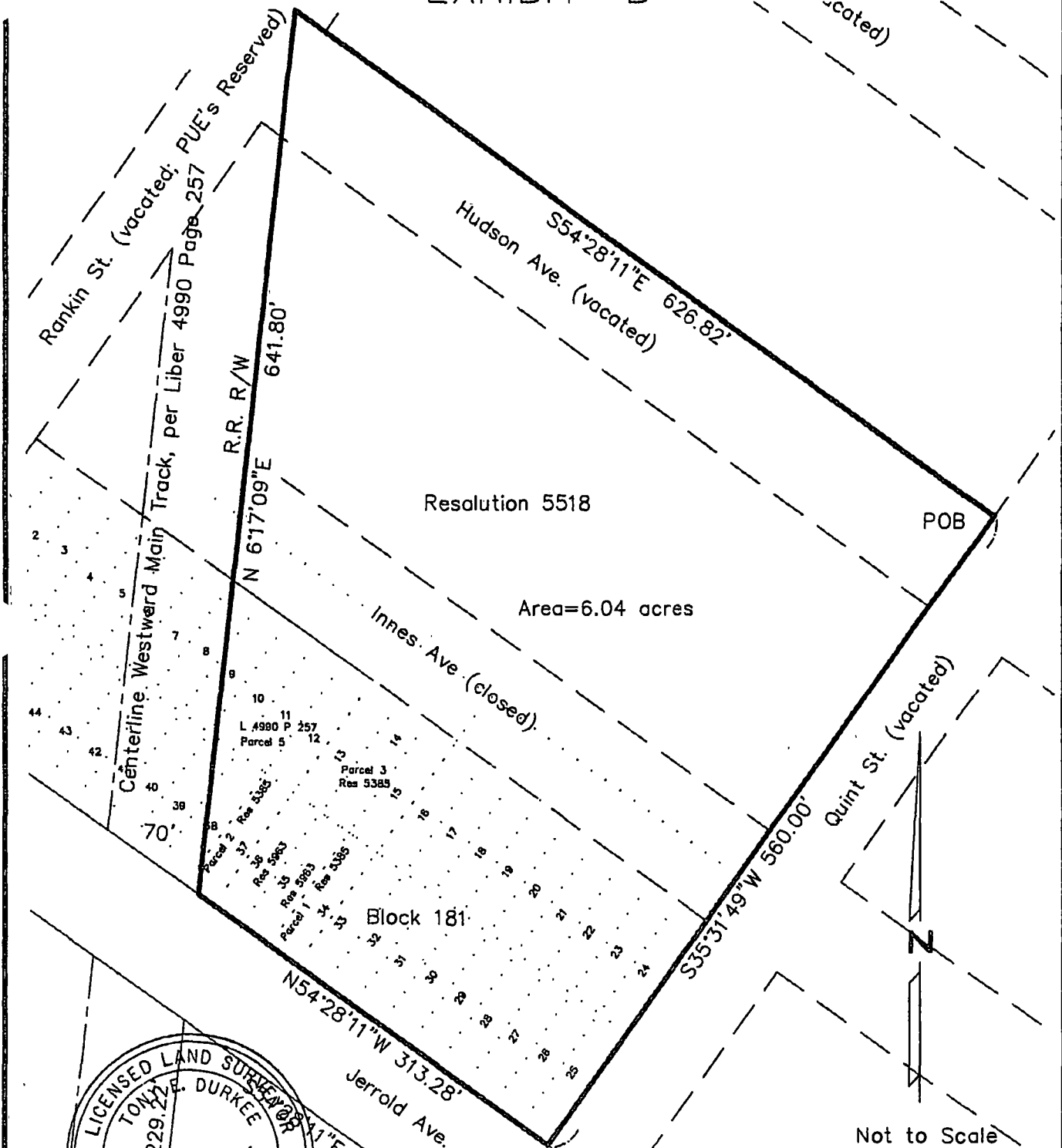


EXHIBIT "B"



Tony E. Durkee
6.7.13

central_shops.dwg 03/20/2013

City and County of San Francisco Public Utilities Commission Real Estate Services
CENTRAL SHOPS Parcel
City and County of San Francisco

EXHIBIT A

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

TRACT A:

All that certain real property situate in the City and County of San Francisco, State of California, being a portion of Assessor's Blocks 5731, 5732 and 5733 and portion of Bronte and Bradford Streets, and more particularly described as follows:

Beginning at a point on the Westerly line of Peralta Avenue, a distance thereon South 6.296 feet from the Southerly line of Tompkins Avenue; thence from said point of beginning, Southerly along said Westerly line, South 52.904 feet to the Northwesternly line of Crescent Avenue; thence along said Northwesternly line South 38 degrees 30' 48" West 224.831 feet to the Easterly line of Bradford Street; thence across Bradford Street West 39.500 feet to the Westerly line of said Bradford Street; thence Southerly along said Westerly line South 139.881 feet to the Northerly line of Ogden Avenue; thence Westerly along said Northerly line West 285.000 feet to a point thereon, said point being located East 35.000 feet from the Easterly line of Putnam Street; thence leaving said Northerly line North 8 degrees 30' 00" East 214.620 feet; thence tangent to the preceding course on the arc of a curve to the right having a radius of 163 feet and central of 27 degrees 43' 10" through an arc length of 78.859 feet; thence tangent to the preceding curve on the arc of a curve to the right having a radius of 143 feet and a central angle of 48 degrees 46' 50" through an arc distance of 121.748 feet; thence tangent to the preceding curve North 85 degrees 00' 00" East 301.313 feet to the point of beginning.

The bearing North for the Easterly line of Putnam Street was held as the basis for the bearings shown hereon.

As described in that certain Certificate of Compliance recorded February 4, 1994, as Instrument No. 94-F541139-00, Reel G-062, Image 0331 of Official Records.

Assessor's Parcel No. : Lot 3, Block 5731

EXHIBIT A

(continued)

TRACT B:

Beginning at the point of intersection of the Southeasterly line of Crescent Avenue with the Southwesterly line of San Bruno Avenue and running thence Southwesterly along said line of Crescent Avenue and running thence Southwesterly along said line of Crescent Avenue 353.330 feet to the Easterly line of Bradford Street; thence deflecting 38 degrees 30' 48" to the left and running Southerly 43.526 feet to the Northerly line of Ogden Avenue; thence at a right angle Easterly 53.948 feet to the Northwesterly line of Alemany Boulevard as per map thereof filed April 9, 1944, in Map Book "P" at Pages 1 to 16, inclusive, Official Records of the City and County of San Francisco, thence Northeasterly along said line of Alemany Boulevard along the arc of a curve to the left whose tangent deflects 50 degrees 06' 43" to the left from the preceding course with a radius of 2824.93 feet central angle 7 degrees 44' 31" a distance of 381.711 feet to the Southwesterly line of San Bruno Avenue thence deflecting 75 degrees 16' 56" to the left from the tangent to the preceding curve and running Northwesterly along said line of San Bruno Avenue 53.250 feet to the Southeasterly line of Crescent Avenue and the point of beginning.

By Action Pursuant to the Destroyed Land Records Relief Law, filed November 17, 1998, San Francisco Superior Court Case No. 44480, recorded November 17, 1998, as Instrument No. 1998-G468018-00, Reel H-263, Image 0363 of Official Records.

Assessor's Parcel Nos. : Lots 1 and 2, Block 5733-A

TRACT C:

Parcel One:

PARCEL FIVE, PARCEL SIX, PARCEL SEVEN, PARCEL EIGHT, and PARCEL NINE, by and as shown in Exhibit B of that certain Action Pursuant to the Destroyed Land Records Relief Law, filed November 17, 1998, San Francisco Superior Court Case No. 44480, recorded November 17, 1998, as Instrument No. 1998-G468018-00, Reel H-263, Image 0363 of Official Records.

EXHIBIT A

(continued)

EXCEPTING THEREFROM any portion thereof within the following described property:

All That certain real property situate in the City and County of San Francisco, State of California, being a portion of Assessor's Blocks 5731, 5732, 5733 and 5734 and portion of Ogden Avenue Bronte and Bradford Streets, and more particularly described as follows:

Beginning at the intersection of the Easterly line of Putnam Street with the Southerly line of Tompkins Avenue; thence from said point of beginning, Easterly along said Southerly line, East 499.500 feet to the Westerly line of Peralta Avenue; thence Southerly along said Westerly line South 6.296 feet to a point thereon; thence leaving said Westerly line South 85 degrees 00' 00" West 301.313 feet; thence tangent to the preceding course on the arc to the left having a radius of 143 feet and central angle of 48 degrees 46' 50" through an arc length of 121.748 feet; thence tangent to the preceding curve on the arc of a curve to the left having a radius of 163 feet and a central angle of 27 degrees 43' 10" through an arc length of 78.859 feet; thence tangent to the preceding curve South 8 degrees 30' 00" West 250.620 feet; thence tangent to the preceding course on the arc of a curve to the right having a radius of 90 feet and a central angle of 40 degrees 15' 25" through an arc length of 63.235 feet to a point on the above described Easterly line of Putnam Street, said point being located Southerly along said Easterly line South 41.975 feet from the intersection of said Easterly line with the Southerly line of Ogden Avenue; thence Northerly along said Easterly line North 464.975 feet to the point of beginning.

The bearing North for the Easterly line of Putnam Street was held as the basis for the bearings shown hereon.

As described in that certain Certificate of Compliance recorded February 4, 1994, as Instrument No. 94-F541139-00, Reel G-062, Image 0331 of Official Records.

Assessor's Parcel No. : Lot 2, Block 5734

Parcel Two:

EXHIBIT A

(continued)

All that certain real property situate in the City and County of San Francisco, State of California, being a portion of Assessor's Block 5734 and described as follows:

Beginning at a point on the Southerly line of Ogden Avenue, distant thereon East 26.92 feet from the intersection of said Southerly line of Ogden Avenue with the Easterly line of Putnam Street; thence from said point of beginning along said Southerly line East 288.95 feet to a point thereon, thence leaving said Southerly line Southwesterly from a tangent that bears South 68 degrees 44' 19" West on the arc of a curve to the right having a radius of 127 feet and a central angle of 18 degrees 20' 40" through an arc length of 40.66 feet; thence tangent to the preceding curve on the arc to the left having a radius of 61 feet and a central angle of 40 degrees 18' 49" through an arc length of 42.92 feet; thence tangent to the preceding curve South 46 degrees 46' 10" West 104.21 feet; thence tangent to the preceding course on the arc of a curve to the left having a radius of 61 feet and a central angle of 48 degrees 46' 00" through an arc length of 51.92 feet; thence tangent to the preceding curve on the arc of a curve to the right having a radius 119 feet and a central angle of 50 degrees 28' 31" through an arc length of 104.83 feet; thence tangent to the preceding curve on the arc of a curve to the right having a radius of 2799.93 feet and a central angle of 0 degrees 49' 27" through an arc length of 40.28 feet; thence tangent to the preceding curve on the arc of a curve to the right having a radius of 119 feet and a central angle of 17 degrees 37' 12" through an arc length of 36.60 feet; thence tangent to the preceding curve on the arc of a curve to the right having a radius of 31 feet and a central angle of 92 degrees 23' 08" through an arc length of 49.99 feet to said Easterly of Putnam Street; thence along said Easterly line North 222.343 feet to a point thereon, said point being located South 41.975 feet from the above described intersection of Ogden Avenue and Putnam Street; thence leaving said Easterly line from a tangent that bears North 48 degrees 45' 25" East on the arc of a curve to the left having a radius of 90 feet and central angle of 32 degrees 10' 00" through an arc length of 50.527 feet to the point of beginning.

The bearing North for the Easterly line of Putnam Street was held as the basis for the bearings shown hereon.

As described in that certain Certificate of Compliance recorded February 4, 1994, as Instrument No. 94-F541139-00, Reel G-062, Image 0331 of Official Records.

Assessor's Parcel No. Lot 3, Block 5734

EXHIBIT A

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

PARCEL 1:

BEGINNING at a point on the Southwesterly line of Jerrold Avenue, if produced Northwesterly, distant thereon one thousand three hundred ninety-seven and fifty-nine hundredths (1397.59) feet Northwesterly from the Northwesterly line of Selby Street and running thence Northwesterly along the Southwesterly line of Jerrold Avenue produced one hundred and fifteen (115) feet; thence Southwesterly at right angles with Jerrold Avenue, produced, four hundred and seventy-three (473) feet; thence Southerly eighty-four (84) feet, more or less, to the Northeasterly corner of Lot 1942 of Gift Map No. 4, as recorded on Pages 16 to 19 inclusive, of Map Book 2 A and B, records of the City and County of San Francisco, thence Easterly along the line forming the Northerly boundary of Lots 1943 to 1954 inclusive of said Gift Map Number 4 to its intersection with a line through the point of beginning, at right angles with Jerrold Avenue produced; thence Northeasterly at right angles with Jerrold Avenue produced, five hundred twenty (520) feet, more or less, to the point of beginning, as described in the Indenture recorded November 3, 1915 in Book 910 of Deeds, Page 14, Instrument No. Q12712, in the Office of the Recorder of the City and County of San Francisco, State of California.

As said Streets are shown and delineated on that Map recorded March 9, 1929, in Book "M" of Maps, Page 10, in the Office of the Recorder of the City and County of San Francisco, State of California.

Assessor's Parcel No. Lot 006, Block 5286A

PARCEL 2:

BEGINNING at a point on the Southerly line of Jerrold Avenue, distant thereon 166.590 feet Westerly from the Westerly line of Upton Street or distant 1380.590 feet Westerly from the Westerly line of Selby Street; thence at right angles Southerly from the Southerly line of Jerrold Avenue a distance of 642.788 feet; thence Southerly on a curve to the left of 279.439 foot radius, tangent to the preceding course central angle 24 degrees 48 minutes 1 second to a point on the Northerly line of McKinnon Avenue (which line is 560 feet perpendicularly Northerly from and parallel with the Northerly line of Oakdale Avenue), said point being 140.818 feet perpendicularly Westerly from the Westerly line of Upton Street, or 1354.818 feet perpendicularly Westerly from the Westerly line of Selby Street, a distance of 120.954 feet; thence deflecting to the right 114 degrees 48 minutes 1 second from the tangent to the preceding and running Westerly along said Northerly line of McKinnon Avenue, a distance of 18.616 feet; thence Northerly on a curve to the right of 296.439 foot radius, parallel to the second preceding course and tangent to a line deflected 66 degrees 42 minutes 31 seconds to the right from the Northerly line of McKinnon Avenue, central angle 23 degrees 17 minutes 29 seconds, a distance of 120.501 feet; thence Northerly tangent to the preceding course to a point on the Southerly line of Jerrold Avenue, a distance of 642.788 feet; thence at right angles Easterly along said Southerly line of Jerrold Avenue a distance of 17 feet to the point of beginning, as described in the Deed recorded March 2, 1928 in Book 1621 of Official Records, Page 188, Instrument No. C51790, in the Office of the Recorder of the City and County of San Francisco, State of California.

EXHIBIT A

(continued)

As said Streets are shown and delineated on that Map recorded March 9, 1929, in Book "M" of Maps, Page 10, in the Office of the Recorder of the City and County of San Francisco, State of California.

Excepting therefrom all that portion thereof described in the Deed recorded November 10, 1942 in Book 3934 of Official Records, Page 152, Instrument No. R-20181 in the Office of the Recorder of the City and County of San Francisco, State of California.

Assessor's Parcel No. Lot 004, Block 5286A

PARCEL 3:

BEGINNING at a point at right angles Northwesterly 183.59 feet from the Northwesterly line of Upton Street and distant at right angles 520 feet Southwesterly from the Southwesterly line of Jerrold Avenue, said point of beginning being also the Southeasterly corner of the property of the City and County of San Francisco as acquired by Deed recorded November 3, 1915, in Liber 910 of Deeds at Page 14, Official Records of City and County; thence Southwesterly parallel with and distant 183.59 feet Northwesterly from said line of Upton Street and along the Northwesterly boundary of the property of the City and County of San Francisco as acquired by Deed recorded March 2, 1928, in Liber 1621 of Official Records at Page 188, Official Records of said City and County 122.788 feet; thence continuing Southwesterly on last mentioned boundary on the arc of a curve to the left with a radius of 296.439 feet, a central angle of $23^{\circ} 17' 29''$ a distance of 120.501 feet to the Northeasterly line of McKinnon Avenue; thence deflecting $113^{\circ} 17' 29''$ to the right from the tangent to the preceding curve and running Northwesterly on said line of McKinnon Avenue 0.726 feet; thence Northeasterly on a curve to the right whose tangent deflects $66^{\circ} 45' 50''$ to the right from the preceding course and which is concentric with and radially distant 8 inches from the second preceding course of this description with a radius of 297.106 feet a central angle of $23^{\circ} 14' 10''$ an arc distance of 120.490 feet; thence continuing Northeasterly tangent to the preceding curve parallel with and 8 inches at right angles Northwesterly from the first course of this description 122 feet more or less to the Southerly boundary of first above mentioned property of the City and County of San Francisco; thence Easterly on said Southerly boundary 8 inches more or less to the point of beginning, as described in the Deed recorded November 10, 1942, in Book 3934 of Official Records, Page 151, Instrument No. R20180, in the Office of the Recorder of the City and County of San Francisco, State of California.

As said Streets are shown and delineated on that Map recorded March 9, 1929, in Book "M" of Maps, Page 10, in the Office of the Recorder of the City and County of San Francisco, State of California.

Assessor's Parcel No. Lot 004, Block 5286A (Portion)

EXHIBIT A

For APN/Parcel ID(s): Lot 001, Block 1032

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

Beginning at the Northerly extremity of the curve with a radius of 60 feet joining the Northwesternly line of Euclid Avenue with the Westerly line of Presidio Avenue as shown on "Map of Laurel Heights" filed in Map Book "P" at Pages 55 and 56 Official Records of the City and County of San Francisco and running thence North 9° 06' West along said line of Presidio Avenue 176.267 feet; thence Northwesternly, Westerly and Southwesterly along the arc of a curve to the left with a radius of 3 feet a central angle of 135° 00' a distance of 7.069 feet to tangency with the Southeasterly line of Masonic Avenue as shown on "Map showing the extension of Masonic Avenue from Euclid Avenue to Presidio Avenue, etc., thence South 35° 54' West along said line of Masonic Avenue 317.472 feet; thence Southwesterly, Southerly, Southeasterly, Easterly and Northeasterly along the arc of a curve to the left tangent to the preceding course with a radius of 20.631 feet, a central angle of 142° 42' a distance of 51.384 feet to tangency with the Northwesternly line of Euclid Avenue; thence North 73° 12' East along said line of Euclid Avenue 161.752 feet; thence Northeasterly, Northerly and Northwesternly along the arc of the above mentioned curve, joining the Northwesternly line of Euclid Avenue with the Westerly line of Presidio Avenue with a radius of 60 feet, a central angle of 82° 18' a distance of 86.184 feet to the point of beginning.

Being Lot 1 in Assessor's Block 1032.

EXHIBIT A

For APN/Parcel ID(s): Lot 313, Block 3753

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

Parcel One:

Parcel A, as shown on that certain Map entitled, "Parcel Map 6314, being a Two Lot Subdivision of that Real Property described in that certain Deed recorded March 30, 2010 in Reel K110, Image 0014", which map was filed for record in the Office of the Recorder of the City and County of San Francisco, State of California on October 31, 2012 in Book 48 of Parcel Maps, at Pages 121-122, inclusive.

Parcel Two:

A non-exclusive easement, appurtenant to Parcel One above, for parking, over, along and through a portion of Parcel B, as said parcel is shown on that certain map entitled, "Parcel Map 6314, being a Two Lot Subdivision of that real property described in that certain Deed, Recorded March 30, 2010 in Reel K110 , Image 0014" which map was filed for record on October 31, 2012, in Book 48 of Parcel Maps, at Pages 121-122, Inclusive, and as granted in that certain Agreement entitled "Parking Easement Agreement", dated February 19, 2013 and executed by New Florian, LLC, Limited Liability Company and between the City of San Francisco, a municipal corporation, Recorded March 8, 2013, as Instrument No. 2013-J616145, Reel K849, Image 0227, Official Records, San Francisco County Records.

EXHIBIT A

For APN/Parcel ID(s): Lot 013, Block 4277

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

Parcel One:

Beginning at the point of intersection of the Southerly line of Twenty-Fifth Street and the Westerly line of Utah Street; running thence Southerly along said line of Utah Street 98 feet; thence at a right angle Westerly 200 feet to the Easterly line of Potrero Avenue; thence at a right angle Northerly along said line of Potrero Avenue 98 feet to the Southerly line of Twenty-Fifth Street; thence at a right angle Easterly along said line of Twenty-Fifth Street 200 feet to the point of beginning. Being a portion of Potrero Nuevo Block No. 83.

Parcel Two:

Beginning at a point on the Easterly line of Potrero Avenue, distant thereon 98 feet Southerly from the Southerly line of Twenty-Fifth Street; running thence Easterly parallel with the Southerly line of Twenty-Fifth Street 200 feet to the Westerly line of Utah Street, as shown upon the Map thereof recorded in the Office of the Recorder of the City and County of San Francisco, State of California on July 10, 1926 in Book "K" of Maps, at Page 65; thence Southerly along said line of Utah Street 53 feet and 10 inches to an angle point therein; thence Westerly parallel with the Southerly line of Twenty-Fifth Street 200 feet to the Easterly line of Potrero Avenue; thence Northerly along said line of Potrero Avenue 53 feet and 10 inches to the point of beginning.

EXHIBIT A

For APN/Parcel ID(s): Lot 002, Block 2353

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

Beginning at a point on the Westerly line of 24th Avenue distant thereon 225 feet Northerly from the Northerly line of Taraval Street, formerly T Street, and thence running thence Northerly along said line of 24th Avenue 150 feet; thence at a right angle Westerly 130 feet; thence at a right angle Southerly 150 feet; thence at a right angle Easterly 130 feet to said line of 24th Avenue and the point of beginning.

Being a portion of Sunset Block 1126.

EXHIBIT A

For APN/Parcel ID(s): 3513-008 and 3513-081

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

Parcel 1:

Commencing at a point on the Westerly line of Otis Street, distant thereon 134 feet and 10-3/4 inches Northerly from the northerly line of Du Bocc Avenue; running thence Northerly and along said line of Otis Street 71 feet and 4-1/4 inches; thence at a right angle Westerly 137 feet and 5 inches; thence at a right angle northerly 85 feet and 9-7/8 inches; thence at an angle of 11° 10' Northwesterly 101 feet and 11-5/8 inches; thence at an angle of 32° 42' southwesterly 132 feet and 6 inches; thence at a right angle Southeasterly 272 feet and 7-1/2 inches to the point of commencement.

Being part of Mission Block No. 21.

Parcel 2:

BEGINNING at a point on the Westerly line of Jessie Street distant thereon along said line of Jessie Street South 4 degrees 30 minutes East 185 feet from the Southerly line of McCoppin Street; running thence Southerly and along said line of Jessie Street 47.45 feet to the Northerly line of McNamara Claim; thence deflecting 111 degrees 18 minutes to the right from the preceeding course and running North 73 degrees 12 minutes West 31.90 feet to a point in said line of said Claim where the same deflects South 9 degrees 30 minutes West; thence deflecting 97 degrees 18 minutes to the left from the preceeding course and running along the said line of said Claim South 9 degrees and 30 minutes West 132.50 feet to a point which bears North 80 degrees 30 minutes West and is distant 272 feet 7-1/2 inches from a point on the Westerly line of Otis Street, which is distant thereon South 4 degrees 30 minutes East 415 feet 1-1/4 inches from the point of intersection of said Westerly line of Otis Street with the Southerly line of McCoppin Street; thence at a right angle Northwesterly 16 feet, more or less, to a point on a line parallel to and perpendicularly distant Easterly 77.50 feet from the Easterly line of Stevenson Street; running thence Northerly along said Parallel line 160 feet, more or less, to a point on a line parallel to and perpendicularly distant Southerly 185 feet from the Southerly line of McCoppin Street; thence Easterly along said parallel line 77.50 feet to the point of beginning.

Being a portion of Mission Block No. 21

Parcel 3:

"BEGINNING at a point on the Easterly line of Jessie Street, distant thereon 206.25 feet Southerly of the Southerly line of Mc Coppin Street; thence Southerly along said easterly line of Jessie Street, a distance of 40 feet, more or less, to the Southerly terminal line of Jessie Street, a distance of 36 feet, more or less, to the Westerly line of Jessie Street; thence Northerly and along said Westerly line of Jessie Street, a

EXHIBIT A

(continued)

distance of 29 feet, more or less, to a point 206-25 feet Southerly, of the Southerly line of Mc Coppin Street; thence Easterly parallel to said Southerly line of McCoppin Street, a distance of 35 feet to the Easterly line of Jessie Street and the point of beginning.

Being a portion of Jessie Street in Assessor's Block 3513."

EXHIBIT B
BASE RENTAL PAYMENT SCHEDULE

Base Rental Payment Schedule

CITY AND COUNTY OF SAN FRANCISCO

Lease Revenue Commercial Paper Program

Included Properties - Series 3 and 3-T (State Street)

Included Properties:	8				
Total Value	121,300,000	LOC Stated Amount: \$	109,000,000	Initial Maximum Principal Amount \$	100,000,000
Date	Assumed Asset Amortization	Assumed Interest Rate	Assumed Interest	Annual Base Rental	Maximum Principal Amount
Total: >>	121,300,000		353,967,329	475,267,329	
02/26/14					
06/30/14	-	15.0%	6,267,167	6,267,167	100,000,000
06/30/15	565,006	15.0%	18,195,000	18,760,006	100,000,000
06/30/16	649,757	15.0%	18,110,249	18,760,007	100,000,000
06/30/17	747,221	15.0%	18,012,785	18,760,007	100,000,000
06/30/18	859,304	15.0%	17,900,702	18,760,007	100,000,000
06/30/19	988,200	15.0%	17,771,807	18,760,007	100,000,000
06/30/20	1,136,430	15.0%	17,623,577	18,760,006	100,000,000
06/30/21	1,306,894	15.0%	17,453,112	18,760,007	100,000,000
06/30/22	1,502,929	15.0%	17,257,078	18,760,006	100,000,000
06/30/23	1,728,368	15.0%	17,031,639	18,760,007	100,000,000
06/30/24	1,987,623	15.0%	16,772,384	18,760,007	100,000,000
06/30/25	2,285,766	15.0%	16,474,240	18,760,006	100,000,000
06/30/26	2,628,631	15.0%	16,131,375	18,760,007	100,000,000
06/30/27	3,022,926	15.0%	15,737,080	18,760,006	100,000,000
06/30/28	3,476,365	15.0%	15,283,642	18,760,006	100,000,000
06/30/29	3,997,820	15.0%	14,762,187	18,760,007	100,000,000
06/30/30	4,597,493	15.0%	14,162,514	18,760,006	100,000,000
06/30/31	5,287,117	15.0%	13,472,890	18,760,006	99,932,000
06/30/32	6,080,184	15.0%	12,679,822	18,760,006	93,169,000
06/30/33	6,992,212	15.0%	11,767,795	18,760,006	85,594,000
06/30/34	8,041,043	15.0%	10,718,963	18,760,007	77,110,000
06/30/35	9,247,200	15.0%	9,512,807	18,760,006	67,607,000
06/30/36	10,634,280	15.0%	8,125,727	18,760,006	56,963,000
06/30/37	12,229,422	15.0%	6,530,585	18,760,006	45,044,000
06/30/38	14,063,835	15.0%	4,696,171	18,760,006	31,695,000
06/30/39	17,243,974	15.0%	1,516,033	18,760,006	16,744,000

Base Rental Payment Schedule

Name: Human Services Agency Central Office
Address: 166 - 170 Otis (Block 3513, Lots 008 and 081)

Land Area (sqft)	Building Area (sqft)
41,434	171,385

Total Value	\$	34,000,000	Total LOC Stated Amt	\$	109,000,000	Allocated Stated Amt	\$	30,552,350	\$	Initial Maximum Principal Amount	28,030,000
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Date	Assumed Asset Amortization	Assumed Interest Rate	Assumed Interest	Annual Base Rental	Maximum Principal Amount
Total: >>	34,000,000		99,215,904	133,215,904	
02/26/14					
06/30/14	-	15.0%	1,756,667	1,756,667	28,030,000
06/30/15	158,370	15.0%	5,100,000	5,258,370	28,030,000
06/30/16	182,125	15.0%	5,076,245	5,258,370	28,030,000
06/30/17	209,444	15.0%	5,048,926	5,258,370	28,030,000
06/30/18	240,860	15.0%	5,017,509	5,258,370	28,030,000
06/30/19	276,989	15.0%	4,981,380	5,258,370	28,030,000
06/30/20	318,538	15.0%	4,939,832	5,258,370	28,030,000
06/30/21	366,318	15.0%	4,892,051	5,258,370	28,030,000
06/30/22	421,266	15.0%	4,837,103	5,258,370	28,030,000
06/30/23	484,456	15.0%	4,773,914	5,258,370	28,030,000
06/30/24	557,124	15.0%	4,701,245	5,258,370	28,030,000
06/30/25	640,693	15.0%	4,617,677	5,258,370	28,030,000
06/30/26	736,797	15.0%	4,521,573	5,258,370	28,030,000
06/30/27	847,316	15.0%	4,411,053	5,258,369	28,030,000
06/30/28	974,414	15.0%	4,283,956	5,258,370	28,030,000
06/30/29	1,120,576	15.0%	4,137,794	5,258,370	28,030,000
06/30/30	1,288,662	15.0%	3,969,707	5,258,370	28,030,000
06/30/31	1,481,962	15.0%	3,776,408	5,258,370	28,015,000
06/30/32	1,704,256	15.0%	3,554,113	5,258,370	26,119,000
06/30/33	1,959,894	15.0%	3,298,475	5,258,370	23,995,000
06/30/34	2,253,879	15.0%	3,004,491	5,258,370	21,617,000
06/30/35	2,591,960	15.0%	2,666,409	5,258,370	18,953,000
06/30/36	2,980,754	15.0%	2,277,615	5,258,370	15,969,000
06/30/37	3,427,868	15.0%	1,830,502	5,258,370	12,628,000
06/30/38	3,942,048	15.0%	1,316,322	5,258,370	8,886,000
06/30/39	4,833,430	15.0%	424,939	5,258,370	4,694,000

Base Rental Payment Schedule

Name: Alemany Market
Address: 100 Alemany (Block 5731, Lot 003, Block 5734, Lots 002 and 003, Block 5733A, Lots 001 and 002)

Land Area (sqft)	Building Area (sqft)
238,254	1,000

Total Value	\$	30,000,000	Total LOC Stated Amt	\$	109,000,000	Allocated Stated Amt	\$	26,957,955	Initial Maximum Principal Amount	\$	24,733,000
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Date	Assumed Asset Amortization	Assumed Interest Rate	Assumed Interest	Annual Base Rental	Maximum Principal Amount
Total: >>	30,000,000		87,543,445	117,543,445	
02/26/14					
06/30/14	-	15.0%	1,550,000	1,550,000	24,733,000
06/30/15	139,738	15.0%	4,500,000	4,639,738	24,733,000
06/30/16	160,698	15.0%	4,479,039	4,639,738	24,733,000
06/30/17	184,803	15.0%	4,454,935	4,639,738	24,733,000
06/30/18	212,524	15.0%	4,427,214	4,639,738	24,733,000
06/30/19	244,402	15.0%	4,395,336	4,639,738	24,733,000
06/30/20	281,063	15.0%	4,358,675	4,639,738	24,733,000
06/30/21	323,222	15.0%	4,316,516	4,639,738	24,733,000
6/30/22	371,705	15.0%	4,268,032	4,639,738	24,733,000
06/30/23	427,461	15.0%	4,212,277	4,639,738	24,733,000
06/30/24	491,580	15.0%	4,148,158	4,639,738	24,733,000
06/30/25	565,317	15.0%	4,074,420	4,639,738	24,733,000
06/30/26	650,115	15.0%	3,989,623	4,639,738	24,733,000
06/30/27	747,632	15.0%	3,892,106	4,639,738	24,733,000
06/30/28	859,777	15.0%	3,779,961	4,639,738	24,733,000
06/30/29	988,744	15.0%	3,650,994	4,639,738	24,733,000
06/30/30	1,137,055	15.0%	3,502,683	4,639,738	24,733,000
06/30/31	1,307,613	15.0%	3,332,124	4,639,738	24,718,000
06/30/32	1,503,755	15.0%	3,135,982	4,639,738	23,045,000
06/30/33	1,729,319	15.0%	2,910,419	4,639,738	21,171,000
06/30/34	1,988,716	15.0%	2,651,021	4,639,738	19,072,000
06/30/35	2,287,024	15.0%	2,352,714	4,639,738	16,722,000
06/30/36	2,630,077	15.0%	2,009,660	4,639,738	14,090,000
06/30/37	3,024,589	15.0%	1,615,149	4,639,738	11,142,000
06/30/38	3,478,277	15.0%	1,161,460	4,639,738	7,840,000
06/30/39	4,264,792	15.0%	374,946	4,639,738	4,142,000

Base Rental Payment Schedule

Name: Central Shops
Address: 1758 Jerrold (Block 5262, Lot 009)

Land Area (sqft)	Building Area (sqft)
214,909	88,000

Total Value	\$	20,000,000	Total LOC Stated Amt	\$	109,000,000	Allocated Stated Amt	\$	17,971,970	\$	Initial Maximum Principal Amount	\$	16,489,000
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Date	Assumed Asset Amortization	Assumed Interest Rate	Assumed Interest	Annual Base Rental	Maximum Principal Amount
Total: >>	20,000,000		58,362,297	78,362,297	
02/26/14					
06/30/14	-	15.0%	1,033,333	1,033,333	16,489,000
06/30/15	93,159	15.0%	3,000,000	3,093,159	16,489,000
06/30/16	107,132	15.0%	2,986,026	3,093,159	16,489,000
06/30/17	123,202	15.0%	2,969,956	3,093,159	16,489,000
06/30/18	141,682	15.0%	2,951,476	3,093,159	16,489,000
06/30/19	162,935	15.0%	2,930,224	3,093,159	16,489,000
06/30/20	187,375	15.0%	2,905,783	3,093,159	16,489,000
06/30/21	215,481	15.0%	2,877,677	3,093,159	16,489,000
06/30/22	247,804	15.0%	2,845,355	3,093,159	16,489,000
06/30/23	284,974	15.0%	2,808,184	3,093,159	16,489,000
06/30/24	327,720	15.0%	2,765,438	3,093,159	16,489,000
06/30/25	376,878	15.0%	2,716,280	3,093,159	16,489,000
06/30/26	433,410	15.0%	2,659,749	3,093,159	16,489,000
06/30/27	498,421	15.0%	2,594,737	3,093,159	16,489,000
06/30/28	573,185	15.0%	2,519,974	3,093,159	16,489,000
06/30/29	659,162	15.0%	2,433,996	3,093,159	16,489,000
06/30/30	758,037	15.0%	2,335,122	3,093,159	16,489,000
06/30/31	871,742	15.0%	2,221,416	3,093,159	16,477,000
06/30/32	1,002,504	15.0%	2,090,655	3,093,159	15,362,000
06/30/33	1,152,879	15.0%	1,940,279	3,093,159	14,113,000
06/30/34	1,325,811	15.0%	1,767,348	3,093,159	12,714,000
06/30/35	1,524,683	15.0%	1,568,476	3,093,159	11,147,000
06/30/36	1,753,385	15.0%	1,339,774	3,093,159	9,392,000
06/30/37	2,016,393	15.0%	1,076,766	3,093,159	7,427,000
06/30/38	2,318,852	15.0%	774,307	3,093,159	5,226,000
06/30/39	2,843,194	15.0%	249,964	3,093,159	2,761,000

Base Rental Payment Schedule

Name: DPH Health Center
Address: 2789 25th Street (Block 4277, Lot 013)

Land Area (sqft)	Building Area (sqft)
30,366	62,760

Total Value	\$	15,700,000	Total LOC Stated Amt	\$	109,000,000	Allocated Stated Amt	\$	14,107,997	Initial Maximum Principal Amount	\$	12,943,000
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Date	Assumed Asset Amortization	Assumed Interest Rate	Assumed Interest	Annual Base Rental	Maximum Principal Amount
Total: >>	15,700,000		45,814,403	61,514,403	
02/26/14					
06/30/14	-	15.0%	811,167	811,167	12,943,000
06/30/15	73,129	15.0%	2,355,000	2,428,129	12,943,000
06/30/16	84,099	15.0%	2,344,031	2,428,129	12,943,000
06/30/17	96,714	15.0%	2,331,416	2,428,129	12,943,000
06/30/18	111,221	15.0%	2,316,909	2,428,129	12,943,000
06/30/19	127,904	15.0%	2,300,226	2,428,129	12,943,000
06/30/20	147,089	15.0%	2,281,040	2,428,129	12,943,000
06/30/21	169,153	15.0%	2,258,977	2,428,129	12,943,000
06/30/22	194,526	15.0%	2,233,604	2,428,129	12,943,000
06/30/23	223,705	15.0%	2,204,425	2,428,129	12,943,000
06/30/24	257,260	15.0%	2,170,869	2,428,129	12,943,000
06/30/25	295,849	15.0%	2,132,280	2,428,129	12,943,000
06/30/26	340,227	15.0%	2,087,903	2,428,129	12,943,000
06/30/27	391,261	15.0%	2,036,869	2,428,129	12,943,000
06/30/28	449,950	15.0%	1,978,179	2,428,129	12,943,000
06/30/29	517,442	15.0%	1,910,687	2,428,129	12,943,000
06/30/30	595,059	15.0%	1,833,071	2,428,129	12,943,000
06/30/31	684,318	15.0%	1,743,812	2,428,129	12,934,000
06/30/32	786,965	15.0%	1,641,164	2,428,129	12,059,000
06/30/33	905,010	15.0%	1,523,119	2,428,129	11,079,000
06/30/34	1,040,762	15.0%	1,387,368	2,428,129	9,981,000
06/30/35	1,196,876	15.0%	1,231,254	2,428,129	8,751,000
06/30/36	1,376,407	15.0%	1,051,722	2,428,129	7,373,000
06/30/37	1,582,868	15.0%	845,261	2,428,129	5,830,000
06/30/38	1,820,299	15.0%	607,831	2,428,129	4,102,000
06/30/39	2,231,908	15.0%	196,222	2,428,129	2,167,000

Base Rental Payment Schedule

Name: Fire Station No. 9
Address: 2245 Jerrold (Block 5286A, Lots 004 and 006)

Land Area (sqft)	Building Area (sqft)
73,211	15,000

Total Value	\$	8,000,000	Total LOC Stated Amt	\$	109,000,000	Allocated Stated Amt	\$	7,188,788	\$	Initial Maximum Principal Amount	6,595,000
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Date	Assumed Asset Amortization	Assumed Interest Rate	Assumed Interest	Annual Base Rental	Maximum Principal Amount
Total: >>	8,000,000		23,344,919	31,344,919	
02/26/14					
06/30/14	-	15.0%	413,333	413,333	6,595,000
06/30/15	37,263	15.0%	1,200,000	1,237,263	6,595,000
06/30/16	42,853	15.0%	1,194,410	1,237,263	6,595,000
06/30/17	49,281	15.0%	1,187,983	1,237,263	6,595,000
06/30/18	56,673	15.0%	1,180,590	1,237,263	6,595,000
06/30/19	65,174	15.0%	1,172,089	1,237,263	6,595,000
06/30/20	74,950	15.0%	1,162,313	1,237,263	6,595,000
06/30/21	86,193	15.0%	1,151,071	1,237,263	6,595,000
06/30/22	99,121	15.0%	1,138,142	1,237,263	6,595,000
06/30/23	113,990	15.0%	1,123,274	1,237,263	6,595,000
06/30/24	131,088	15.0%	1,106,175	1,237,263	6,595,000
06/30/25	150,751	15.0%	1,086,512	1,237,263	6,595,000
06/30/26	173,364	15.0%	1,063,899	1,237,263	6,595,000
06/30/27	199,369	15.0%	1,037,895	1,237,263	6,595,000
06/30/28	229,274	15.0%	1,007,990	1,237,263	6,595,000
06/30/29	263,665	15.0%	973,598	1,237,263	6,595,000
06/30/30	303,215	15.0%	934,049	1,237,263	6,595,000
06/30/31	348,697	15.0%	888,567	1,237,263	6,589,000
06/30/32	401,001	15.0%	836,262	1,237,263	6,143,000
06/30/33	461,152	15.0%	776,112	1,237,263	5,644,000
06/30/34	530,324	15.0%	706,939	1,237,263	5,085,000
06/30/35	609,873	15.0%	627,390	1,237,263	4,458,000
06/30/36	701,354	15.0%	535,909	1,237,263	3,756,000
06/30/37	806,557	15.0%	430,706	1,237,263	2,970,000
06/30/38	927,541	15.0%	309,723	1,237,263	2,090,000
06/30/39	1,137,278	15.0%	99,986	1,237,263	1,104,000

Base Rental Payment Schedule

Name: Taraval Police Station
 Address: 2345 24th Street (Block 2353, Lot 002)

Land Area (sqft)	Building Area (sqft)
19,497	18,070

Total Value	\$	5,400,000	Total LOC Stated Amt	\$	109,000,000	Allocated Stated Amt	\$	4,852,432	Initial Maximum Principal Amount	\$	4,451,000
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Date	Assumed Asset Amortization	Assumed Interest Rate	Assumed Interest	Annual Base Rental	Maximum Principal Amount
Total: >>	5,400,000		15,757,820	21,157,820	
02/26/14					
06/30/14	-	15.0%	279,000	279,000	4,451,000
06/30/15	25,153	15.0%	810,000	835,153	4,451,000
06/30/16	28,926	15.0%	806,227	835,153	4,451,000
06/30/17	33,265	15.0%	801,888	835,153	4,451,000
06/30/18	38,254	15.0%	796,899	835,153	4,451,000
06/30/19	43,992	15.0%	791,160	835,153	4,451,000
06/30/20	50,591	15.0%	784,562	835,153	4,451,000
/30/21	58,180	15.0%	776,973	835,153	4,451,000
/30/22	66,907	15.0%	768,246	835,153	4,451,000
06/30/23	76,943	15.0%	758,210	835,153	4,451,000
06/30/24	88,484	15.0%	746,668	835,153	4,451,000
06/30/25	101,757	15.0%	733,396	835,153	4,451,000
06/30/26	117,021	15.0%	718,132	835,153	4,451,000
06/30/27	134,574	15.0%	700,579	835,153	4,451,000
06/30/28	154,760	15.0%	680,393	835,153	4,451,000
06/30/29	177,974	15.0%	657,179	835,153	4,451,000
06/30/30	204,670	15.0%	630,483	835,153	4,451,000
06/30/31	235,370	15.0%	599,782	835,153	4,447,000
06/30/32	270,676	15.0%	564,477	835,153	4,146,000
06/30/33	311,277	15.0%	523,875	835,153	3,809,000
06/30/34	357,969	15.0%	477,184	835,153	3,431,000
06/30/35	411,664	15.0%	423,489	835,153	3,008,000
06/30/36	473,414	15.0%	361,739	835,153	2,534,000
06/30/37	544,426	15.0%	290,727	835,153	2,004,000
06/30/38	626,090	15.0%	209,063	835,153	1,410,000
06/30/39	767,662	15.0%	67,490	835,153	745,000

Base Rental Payment Schedule

Name: Fire Station No. 1
Address: 935 Folsom Street, Block 3753, Lot 313

Land Area (sqft)	Building Area (sqft)
9,450	14,000

Total Value	\$	4,200,000	Total LOC Stated Amt	\$	109,000,000	Allocated Stated Amt	\$	3,774,114	\$	Initial Maximum Principal Amount	3,462,000
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Date	Assumed Asset Amortization	Assumed Interest Rate	Assumed Interest	Annual Base Rental	Maximum Principal Amount
Total: >>	4,200,000		12,256,082	16,456,082	
02/26/14					
06/30/14	-	15.0%	217,000	217,000	3,462,000
06/30/15	19,563	15.0%	630,000	649,563	3,462,000
06/30/16	22,498	15.0%	627,066	649,563	3,462,000
06/30/17	25,872	15.0%	623,691	649,563	3,462,000
06/30/18	29,753	15.0%	619,810	649,563	3,462,000
06/30/19	34,216	15.0%	615,347	649,563	3,462,000
06/30/20	39,349	15.0%	610,215	649,563	3,462,000
06/30/21	45,251	15.0%	604,312	649,563	3,462,000
06/30/22	52,039	15.0%	597,525	649,563	3,462,000
06/30/23	59,845	15.0%	589,719	649,563	3,462,000
06/30/24	68,821	15.0%	580,742	649,563	3,462,000
06/30/25	79,144	15.0%	570,419	649,563	3,462,000
06/30/26	91,016	15.0%	558,547	649,563	3,462,000
06/30/27	104,669	15.0%	544,895	649,563	3,462,000
06/30/28	120,369	15.0%	529,195	649,563	3,462,000
06/30/29	138,424	15.0%	511,139	649,563	3,462,000
06/30/30	159,188	15.0%	490,376	649,563	3,462,000
06/30/31	183,066	15.0%	466,497	649,563	3,458,000
06/30/32	210,526	15.0%	439,038	649,563	3,224,000
06/30/33	242,105	15.0%	407,459	649,563	2,962,000
06/30/34	278,420	15.0%	371,143	649,563	2,668,000
06/30/35	320,183	15.0%	329,380	649,563	2,339,000
06/30/36	368,211	15.0%	281,352	649,563	1,971,000
06/30/37	423,442	15.0%	226,121	649,563	1,558,000
06/30/38	486,959	15.0%	162,604	649,563	1,096,000
06/30/39	597,071	15.0%	52,492	649,563	579,000

Base Rental Payment Schedule

Name: Fire Station No. 10
Address: 655 Presidio (Block 1032, Lot 001)

Land Area (sqft)	Building Area (sqft)
30,879	15,000

Total Value	\$	4,000,000	Total LOC Stated Amt \$	109,000,000	Allocated Stated Amt \$	3,594,394	Initial Maximum Principal Amount \$	3,297,000
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Date	Assumed Asset Amortization	Assumed Interest Rate	Assumed Interest	Annual Base Rental	Maximum Principal Amount
Total: >>	4,000,000		11,672,459	15,672,459	
02/26/14					
06/30/14	-	15.0%	206,667	206,667	3,297,000
06/30/15	18,632	15.0%	600,000	618,632	3,297,000
06/30/16	21,426	15.0%	597,205	618,632	3,297,000
06/30/17	24,640	15.0%	593,991	618,632	3,297,000
06/30/18	28,337	15.0%	590,295	618,632	3,297,000
06/30/19	32,587	15.0%	586,045	618,632	3,297,000
06/30/20	37,475	15.0%	581,157	618,632	3,297,000
06/30/21	43,096	15.0%	575,535	618,632	3,297,000
06/30/22	49,561	15.0%	569,071	618,632	3,297,000
06/30/23	56,995	15.0%	561,637	618,632	3,297,000
06/30/24	65,544	15.0%	553,088	618,632	3,297,000
06/30/25	75,376	15.0%	543,256	618,632	3,297,000
06/30/26	86,682	15.0%	531,950	618,632	3,297,000
06/30/27	99,684	15.0%	518,947	618,632	3,297,000
06/30/28	114,637	15.0%	503,995	618,632	3,297,000
06/30/29	131,832	15.0%	486,799	618,632	3,297,000
06/30/30	151,607	15.0%	467,024	618,632	3,297,000
06/30/31	174,348	15.0%	444,283	618,632	3,294,000
06/30/32	200,501	15.0%	418,131	618,632	3,071,000
06/30/33	230,576	15.0%	388,056	618,632	2,821,000
06/30/34	265,162	15.0%	353,470	618,632	2,542,000
06/30/35	304,937	15.0%	313,695	618,632	2,229,000
06/30/36	350,677	15.0%	267,955	618,632	1,878,000
06/30/37	403,279	15.0%	215,353	618,632	1,485,000
06/30/38	463,770	15.0%	154,861	618,632	1,045,000
06/30/39	568,639	15.0%	49,993	618,632	552,000

EXHIBIT C-1

FORM OF DEBT SERVICE CERTIFICATE -- ANNUAL

City and County of San Francisco
City Hall, 1 Dr. Carlton B. Goodlett Place,
Room 316
San Francisco, California 94102

U.S. Bank National Association
One California Street, Suite 1000
San Francisco, California 94111

State Street Bank and Trust Company
Mailstop: CPH0453
100 Huntington Ave
Tower 1, 4th Floor
Boston, Massachusetts 02116

Pursuant to Section 3.1(b) of the Sublease (the "Sublease"), dated as of February 1, 2014, between the **U.S. Bank National Association** (the "Trustee") as Sublessor, and the **City and County of San Francisco** (the "City"), as Sublessee, the undersigned, based on information available as of _____, 20__ [no earlier than April 1 of such year] hereby certifies that for the Base Rental Period commencing May 1, 20__:

- (a) the average principal amount of Commercial Paper Certificates Outstanding during the current Base Rental Period commencing May 1, 20__, is expected to be \$_____;
- (b) the Assumed Interest Rate for the Base Rental Period commencing on May 1, 20__ is, with respect to the Tax-Exempt Commercial Paper Certificates, ___% per annum, with respect to the Taxable Commercial Paper Certificates, ___% per annum, and, with respect to the Revolving Bank Certificates, ___% per annum, as calculated pursuant to the Trust Agreement;
- (c) based upon the expected average principal amount of Commercial Paper Certificates Outstanding during the current Base Rental Period and the applicable Assumed Interest Rate, the Assumed Interest Cost required during the Base Rental Period commencing May 1, 20__, will be \$_____, with \$_____ of such amount expected to be paid from capitalized interest pursuant to Section 3.2(g) of the Sublease;
- (d) the Required Principal Reduction Amount for the Base Rental Period commencing May 1, 20__, is \$_____;
- (e) the amount of interest coming due on the Revolving Bank Certificates at the Assumed Interest Rate during the Base Rental Period commencing May 1, 20__ is \$_____;
- (f) the amount of principal coming due on the Revolving Bank Certificates during the Base Rental Period commencing May 1, 20__ is \$_____;
- (g) the Minimum Required Rental Payment is \$_____, which represents the sum of the amounts set forth in paragraphs (c) (excluding the amount of capitalized interest set forth in (c) above), (d), (e) and (f); and

- (h) the City agrees that it is obligated to pay the Minimum Required Rental Payment as provided in Section 3.1 of the Sublease.

Dated: _____

CITY AND COUNTY OF SAN FRANCISCO

BY: _____
Authorized Representative

EXHIBIT C-2

**FORM OF DEBT SERVICE CERTIFICATE -- ADDITIONAL
COMMERCIAL PAPER CERTIFICATES**

City and County of San Francisco
City Hall, 1 Dr. Carlton B. Goodlett Place,
Room 316
San Francisco, California 94102

U.S. Bank National Association
One California Street, Suite 1000
San Francisco, California 94111

State Street Bank and Trust Company
Mailstop: CPH0453
100 Huntington Ave
Tower 1, 4th Floor
Boston, Massachusetts 02116

Pursuant to Section 3.1(c) of the Sublease (the "Sublease"), dated as of February 1, 2014, between the **U.S. Bank National Association** (the "Trustee") as Sublessor, and the **City and County of San Francisco** (the "City"), as Sublessee, the undersigned hereby certifies that as of the date of delivery (the "Date of Calculation") of Commercial Paper Certificates referred to in Section 3.01.e(i)(F) of the Trust Agreement dated as of February 1, 2014, between the City and the Trustee (the "Trust Agreement"):

- (a) the expected average principal amount of Commercial Paper Certificates Outstanding during the current Base Rental Period after such delivery is expected to be \$_____;
- (b) the Assumed Interest Rate for the Base Rental Period during which the Date of Calculation occurs, as calculated pursuant to the Trust Agreement and as evidenced by the Debt Service Certificate--Annual filed by the Trustee in respect of that Base Rental Period during which the Date of Calculation occurs is ____% per annum;
- (c) based upon the expected average principal amount of Commercial Paper Certificates Outstanding during the current Base Rental Period after such delivery and the Assumed Interest Rate for the Base Rental Period during which the Date of Calculation occurs, the Assumed Interest Cost with respect to the Commercial Paper Certificates during the portion of the Base Rental Period from and after the Date of Calculation, will be \$_____, with \$_____ of such amount expected to be paid from capitalized interest pursuant to Section 3.2(g) of the Sublease;
- (d) the interest accrued with respect to Commercial Paper Certificates during the Base Rental Period prior to the Date of Calculation is \$_____;

- (e) the Required Principal Reduction Amount for the Base Rental Period during which the Date of Calculation occurs which remains unpaid is \$_____;
- (f) the amount of Minimum Required Rental Payment and Minimum Supplemental Rental Payment relating to the Commercial Paper Certificates previously paid by the City for the Base Rental Period during which the Date of Calculation occurs is \$_____;
- (g) the Minimum Supplemental Rental Payment is the sum of the amounts set forth in paragraphs (c) (excluding the amount of capitalized interest set forth in (c) above), (d) and (e), less the amount set forth in paragraph (f), which is \$_____; and
- (h) if the amount set forth in paragraph (g) is greater than zero, demand is hereby made that the City pay the Minimum Supplemental Rental Payment.

Dated: _____

CITY AND COUNTY OF SAN FRANCISCO

BY: _____
Authorized Representative

EXHIBIT C-3

FORM OF DEBT SERVICE CERTIFICATE - - ADDITIONAL INTEREST AND/OR PRINCIPAL

City and County of San Francisco
City Hall, 1 Dr. Carlton B. Goodlett Place,
Room 316
San Francisco, California 94102

U.S. Bank National Association
One California Street, Suite 1000
San Francisco, California 94111

State Street Bank and Trust Company
Mailstop: CPH0453
100 Huntington Ave
Tower 1, 4th Floor
Boston, Massachusetts 02116

Pursuant to Section 3.1(d) of the Sublease (the "Sublease"), dated as of February 1, 2014, between the **U.S. Bank National Association** (the "**Trustee**") as Sublessor, and the **City and County of San Francisco** (the "**City**"), as Sublessee, the undersigned hereby certifies that as of the date hereof (the "Date of Calculation"):

- (a) the amount of interest required to be paid with respect to Commercial Paper Certificates scheduled to mature during the portion of the Base Rental Period after the Date of Calculation is \$_____, with \$_____ of such amount expected to be paid from capitalized interest pursuant to Section 3.2(g) of the Sublease;
- (b) the amount of interest required to be paid with respect to the Revolving Bank Certificates (based on the Assumed Interest Rate as of the Date of Calculation) during the portion of the Base Rental Period after the Date of Calculation is \$_____;
- (c) the interest actually paid with respect to Commercial Paper Certificates during the Base Rental Period prior to the Date of Calculation is \$_____, with \$_____ of such amount having been paid from capitalized interest pursuant to Section 3.2(g) of the Sublease;
- (d) the interest actually paid with respect to the Revolving Bank Certificates during the Base Rental Period prior to the Date of Calculation is \$_____;
- (e) the Required Principal Reduction Amount for the Base Rental Period during which the Date of Calculation occurs which remains unpaid is \$_____;
- (f) the amount of principal due with respect to the Revolving Bank Certificates for the Base Rental Period during which the Date of Calculation occurs which remains unpaid is \$_____;

- (g) the amount of Minimum Required Rental Payment and Minimum Supplemental Rental Payment previously paid by the City for the Base Rental Period during which the Date of Calculation occurs is \$_____;
- (h) the Minimum Supplemental Rental Payment is the sum of the amounts set forth in paragraphs (a), (b), (c), (d), (e) and (f), less the amount set forth in paragraph (g), which is \$_____, and taking into account both the capitalized interest paid and expected to be paid pursuant to Section 3.2(g) of the Sublease; and
- (i) if the amount set forth in paragraph (h) is greater than zero, demand is hereby made that the City pay the Minimum Supplemental Rental Payment.

Dated:_____

CITY AND COUNTY OF SAN FRANCISCO

BY:_____
Authorized Representative