



City and County of San Francisco  
Joaquin Torres, Assessor-Recorder

RECORDING REQUESTED BY,  
AND WHEN RECORDED RETURN TO:

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

Doc #	<b>2022112690</b>	Fees	\$0.00
12/20/2022	3:30:45 PM	Taxes	\$0.00
AM	Electronic	Other	\$0.00
Pages	29 Title 002	SB2 Fees	\$0.00
Customer	2327	Paid	\$0.00

With a copy to:

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

The undersigned hereby declares this instrument to be exempt from Recording Fees (CA Govt Code § 27383) Documentary Transfer Tax of \$ — based upon full market value of the property without deduction for any lien or encumbrance

APNs Parcel A 3180-198, Parcel C 3180-200, Parcel D 3180-201, Parcel E 3180-202, and Parcel F 3180-203 (all formerly portions of Block 3180, Lot 190)

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

11 Frida kahlo way

**DEED OF TRUST, ASSIGNMENT OF RENTS,  
SECURITY AGREEMENT AND FIXTURE FILING**  
(Balboa Reservoir)

**THIS DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (“Deed of Trust”)** is made as of December 20<sup>th</sup>, 2022, by **BHC BALBOA BUILDERS, LLC**, a California limited liability company (“**Trustor**”), whose address is 600 California Street, Suite 900, San Francisco, California 94108, to **CHICAGO TITLE INSURANCE COMPANY** (“**Trustee**”), whose address is One Embarcadero Center, Suite 250, San Francisco, California, for the benefit of the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, acting by and through its Public Utilities Commission (“**Beneficiary**” or “**City**”) This Deed of Trust is executed in connection with a loan (the “**Loan**”) evidenced by a Secured Promissory Carry Back Note made by Trustor to the order of Beneficiary and dated as of the date of this Deed of Trust, as it may be amended from time to time (the “**Note**”)

**1. Grant in Trust.** For valuable consideration, Trustor hereby grants, transfers, and assigns to Trustee, in trust, with power of sale, for the benefit of Beneficiary, all right, title, and interest Trustor now has or may have in the future in all or any part of the following, or any interest in all or any part of it, as the context requires (the “**Property**”):

(a) that real property situated in the City and County of San Francisco, State of California, described in the attached **Exhibit A** and incorporated herein by reference (the “**Land**”); and

(b) all buildings, structures, and other improvements now or in the future located or to be constructed on the Land (the “**Improvements**”); and

(c) all existing and future leases, subleases, tenancies, subtenancies, licenses, occupancy agreements, and concessions (“**Leases**”) relating to the use and enjoyment of all or any part of the Land and Improvements, and any and all guaranties and other agreements relating to or made in connection with any of the Leases, and

(d) except for personal property and removable fixtures installed by tenants or subtenants, all goods, materials, supplies, chattels, furniture, fixtures, equipment, and machinery now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy, or operation of all or any part of the Land and Improvements, whether stored on the Land or elsewhere, including all pumping plants, engines, pipes, ditches, and flumes, and also all gas, electric, cooking, heating, cooling, air conditioning, lighting, refrigeration, and plumbing fixtures and equipment, all of which will be considered to the fullest extent of the law to be real property for purposes of this Deed of Trust; and

(e) all building materials, equipment, work in process, or other personal property of any kind, whether stored on the Land or elsewhere, that have been or later will be acquired for the purpose of being delivered to, incorporated into, or installed in or about the Land or Improvements; and

(f) all Loan funds, whether disbursed or not, and all funds now or in the future on deposit in any account required in connection with the Loan, and

(g) all proceeds, including proceeds of all present and future fire, hazard, or casualty insurance policies, all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, Improvements, or other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements; and

(h) all books and records pertaining to any and all of the property described above, including records relating to tenants under any Leases, the qualifications of any tenants and any certificates, vouchers and other documents in any way related thereto, and records relating to the application and allocation of any federal, state, or local tax credits or benefits; and

(i) all rents, revenues, issues, royalties, proceeds, and profits, including prepaid rent and security deposits (“**Rents**”), from the Land and the Improvements, subject to (A) Trustor's right to collect and retain the same as they become due and payable; and (B) Beneficiary's rights under **Section 5(d)** [Further Agreements] below; and

(j) All intangible personal property and rights relating to the Property or its operation or used in connection with it, including, without limitation, permits, licenses, plans, specifications, construction contracts, subcontracts, bids, soils reports, engineering reports, land planning maps, drawings, construction contracts, notes, drafts, documents, engineering and architectural drawings, deposits for utility services, installations, refunds due Trustor, trade names, trademarks, and service marks, and

(k) all proceeds of, interest accrued on, additions and accretions to, substitutions and replacements for, and changes in any of the property described above.

This Deed of Trust constitutes a security agreement under, and a fixture filing in accordance with, the California Uniform Commercial Code, as it may be amended from time to time. The filing of a financing statement pertaining to personal property may not be construed in any way as derogating from or impairing the lien of, or the rights or obligations of the parties under, this Deed of Trust.

**2. Obligations Secured.** This Deed of Trust is given for the purpose of securing the following (collectively, the "**Secured Obligations**").

(a) performance of all present and future obligations of Trustor set forth in the Note as well as performance of all present and future obligations of Trustor set forth in this Deed of Trust and performance of each agreement incorporated by reference, contained therein, or entered into in connection with the Note,

(b) payment of the indebtedness evidenced by the Note in the original principal amount of Eleven Million Six Thousand Nine Hundred Sixty-Five and No/100 Dollars (\$11,006,965), with three percent (3%) interest, according to the terms of the Note, and

(c) payment of any additional sums Trustor may borrow or receive from Beneficiary, when evidenced by another note (or any other instrument) reciting that payment is secured by this Deed of Trust.

**3. Trustor's Covenants** To protect the security of this Deed of Trust, Trustor agrees as follows

(a) to perform the Secured Obligations in accordance with their respective terms;

(b) to keep the Land and the Improvements in good condition and repair, normal wear and tear and acts of God excepted, to return to a safe and secure state any Improvements that are part of the Project, as defined in the Development Agreement (defined below) and constructed, damaged, or destroyed on the Land, to pay when due all claims for labor performed and materials furnished therefor, subject to Trustor's right to contest any claim in good faith; to comply with all laws affecting the Project, subject to Trustor's right to contest any claim in good faith, not to commit or permit waste with respect to the Land or the Improvements, which would have the effect of materially diminishing the value thereof, not to commit, suffer, or permit any act upon the Land or the Improvements in violation of law, including Environmental Laws, and to do all other acts made reasonably necessary by the character or use of the Land and the Improvements, provided, however, that notwithstanding the foregoing, Trustor may without the consent of Beneficiary construct, demolish, and reconstruct or substantially renovate the Improvements and develop infrastructure improvements on the Land in a manner consistent with the Balboa Reservoir Master Infrastructure Plan attached to the Development Agreement (defined below), and following the execution of a Public Infrastructure Agreement ("**PIA**") or Infrastructure Permitting Agreement ("**IPA**") with the City, substantially in the form of the City's PIA or IPA template, pursuant to which the City's customary bonding requirements, including without limitation restoration and completion bonding requirements, apply to the entirety of the Land and Improvements, and otherwise develop the Land in a manner consistent with that certain Development Agreement by and between the City and Trustor, dated as of February 18, 2021, and recorded in the Official Records of San Francisco County, California as Document

No 2021044095 (the “**Development Agreement**”), it being acknowledged that Trustor acquired the Property from Beneficiary for such purposes. “Environmental Laws” means all present and future federal, state, local, and administrative laws, ordinances, statutes, rules and regulations, orders, judgments, decrees, agreements, authorizations, consents, licenses, permits, and other governmental restrictions and requirements relating to health and safety, industrial hygiene or the environment or to any Hazardous Substance or Environmental Activity, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (commonly known as the “Superfund” law) (42 U.S.C §§ 9601 *et seq.*), the Resource Conservation and Recovery Act of 1976, as amended by the Solid Waste and Disposal Act of 1984 (42 U S C §§ 6901 *et seq.*); the National Environmental Policy Act of 1969 (“NEPA”) (24 CFR §§ 92 and 24 CFR §§ 58); the California Hazardous Substance Account Act (also known as the Carpenter-Presley-Tanner Hazardous Substance Account Law and commonly known as the “California Superfund” law) (Cal. Health & Safety Code §§ 25300 *et seq* ), and the Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly known as “Proposition 65”) (Cal. Health & Safety Code §§ 25249.2 *et seq* ); and Sections 25117 and 25140 of the California Health & Safety Code; “Hazardous Substance” means any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any Governmental Agency to pose a present or potential hazard to human health or safety or to the environment. Hazardous Substance includes any material or substance listed, defined or otherwise identified as a “hazardous substance,” “hazardous waste,” “hazardous material,” “pollutant,” “contaminant,” “pesticide” or is listed as a chemical known to cause cancer or reproductive toxicity or is otherwise identified as “hazardous” or “toxic” under any Environmental Law, as well as any asbestos, radioactive materials, polychlorinated biphenyls and any materials containing any of them, and petroleum, including crude oil or any fraction, and natural gas or natural gas liquids. Materials of a type and quantity normally used in the construction, operation or maintenance of developments similar to the Project will not be deemed “Hazardous Substances” for the purposes of this Deed of Trust if used in compliance with applicable Environmental Laws “Environmental Activity” means any actual, proposed or threatened spill, leak, pumping, discharge, leaching, storage, existence, release, generation, abatement, removal, disposal, handling, or transportation of any Hazardous Substance from, under, into, or on the Land,

(c) Unless the City otherwise consents in writing, at all times from and after the date of this Deed of Trust, at its sole expense, Trustor must (i) comply with all applicable Environmental Laws relating to the Property, and not engage in or otherwise permit the occurrence of any Environmental Activity in violation of any applicable Environmental Laws or that is not customary and incidental to the intended use of the Property, *provided that* nothing contained in this Section will prevent Trustor from contesting, in good faith and by appropriate proceedings, any interpretation or application of Environmental Laws, and (ii) deliver to the City notice of the discovery by Trustor of any event rendering any compliance with the covenant in item (i) above is incorrect in any respect promptly following Trustor’s discovery;

(d) to provide, maintain, and deliver to Beneficiary property and liability insurance as set forth on the attached **Exhibit B**, and apply any insurance proceeds as provided below;

(e) to enter into a PIA or an IPA, which agreement will include all customary restoration, completion, and other bonding provisions required in the City’s form of PIA or IPA

and which provisions will apply to the Land in its entirety and to any Improvements, prior to initiating infrastructure grading or construction work on the Land,

(f) to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of evidence of title and reasonable attorneys' fees and costs incurred in any such action or proceeding in which Beneficiary or Trustee may appear and in any suit brought by Beneficiary to foreclose this Deed of Trust following an Event of Default,

(g) to pay prior to delinquency (i) all taxes and assessments affecting the Property, including assessments on appurtenant water stock, and (ii) all encumbrances, charges, and liens, with interest, on the Property or any part thereof that appear to be prior or superior hereto and that are created by, through, or under Trustor,

(h) should Trustor fail to make any payment or to do any act as herein provided, then, subject to the notice and cure provisions of the Loan Documents, without (i) obligation to do so, (ii) notice to or demand upon Trustor; or (iii) releasing Trustor from any obligation hereof, Beneficiary or Trustee may (A) make or do the same in any manner and to the extent as it deems necessary to protect the security hereof; (B) appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; (C) pay, purchase, contest, or compromise any encumbrance, charge, or lien that in its judgment appears to be prior or superior hereto, and (D) in exercising these powers, pay necessary expenses, employ counsel, and pay reasonable attorneys' fees and costs, and Trustor consents to Beneficiary's and/or Trustee's entry upon the Land and Improvements for any purpose set forth in this Subsection, including Beneficiary's exercise of its rights under California Code of Civil Procedure Section 564(c); and

(i) to reimburse within ten (10) days of demand all sums expended by Beneficiary or Trustee pursuant to this Deed of Trust, with interest at an annual rate of interest equal to the lesser of (i) the default interest rate under the Note, or (ii) the maximum lawful rate from date of expenditure to the date of payment

#### **4. Insurance and Condemnation Proceeds.**

(a) Trustor hereby collaterally assigns to Beneficiary any award of damages received by Trustor arising from the condemnation of all or any part of the Property for public use and any insurance proceeds arising from injury to all or any part of the Property or the Project.

(b) So long as no Event of Default by Trustor hereunder is continuing, any award of damages or any insurance proceeds shall be paid to Trustor and shall be applied by Trustor to restoration of the Property. Any condemnation award or builders risk or property insurance proceeds not used to repair the property must be paid to Beneficiary to be applied to Trustor's obligations under the Note or, if Beneficiary has entered into an Intercreditor Agreement (defined in **Section 13(a)** [Intercreditor Agreement] below), condemnation and property insurance proceeds shall be used according to the provisions of such Intercreditor Agreement.

(c) If a condemnation award or insurance proceeds are paid to Beneficiary, Beneficiary will release or authorize the release of funds to Trustor, provided that the funds will be used for the restoration of the Property and, if applicable, in accordance with any Intercreditor

Agreement. In all other cases, Beneficiary may choose in its discretion to apply funds to Trustor's obligations under the Note, with the remaining funds, if any, released to Trustor

(d) Trustor agrees that Beneficiary's application or release of funds pursuant to this Section will not cure or waive any default or Notice of Default (defined in **Section 8(d)** [Beneficiary's Rights Following Default] below) or invalidate any act by Beneficiary performed following a default pursuant to any Loan Document unless the default has been cured by the application or release of funds.

**5. Further Agreements** Trustor further acknowledges and agrees as follows

(a) Beneficiary does not waive its right either to require prompt payment when due of all other sums secured by this Deed of Trust or to declare Trustor in default for failure to pay timely by accepting payment of any sum secured hereby after its due date.

(b) Trustee may reconvey any part of the Property at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the Note for endorsement without affecting the liability of any entity or person for payment of the indebtedness secured hereby.

(c) Upon: (i) written request of Beneficiary stating that all obligations secured hereby have been paid or performed, (ii) Beneficiary's surrender of this Deed of Trust and the Note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose, and (iii) payment of its fees, if any, Trustee shall reconvey the Property then held hereunder without covenant or warranty

(d) As additional security, Trustor hereby irrevocably, absolutely, and unconditionally assigns to Beneficiary all Rents, whether now due, past due, or to become due, subject to Beneficiary's grant to Trustor of a license to collect and retain Rents as they become due and payable so long as no Event of Default (defined in **Section 7** [Event of Default] below) by Trustor is continuing hereunder

(e) Any voluntary or involuntary conveyance, sale, encumbrance, pledge, or other transfer of all or any interest in the Property or in Trustor, including a security interest, in violation of the Loan Documents will constitute an Event of Default giving Beneficiary the right to exercise its remedies at law or in equity

(f) For the purposes of this Deed of Trust, Beneficiary from time to time may substitute a successor or successors to Trustee named herein or acting hereunder by an instrument in writing executed by Beneficiary and duly acknowledged and recorded in the office of the recorder of San Francisco County, which instrument shall be conclusive proof of proper substitution of a successor trustee or trustees. Without conveyance from Trustee, any successor or substitute trustee will succeed to all title, estate, rights, powers, and duties of Trustee. The instrument must contain the name of the original Trustor, Trustee, and Beneficiary hereunder, the recording information for this Deed of Trust, and the name and address of the new Trustee

(g) This Deed of Trust applies to, inures to the benefit of, and binds all parties to this Deed of Trust, their heirs, legatees, devisees, administrators, executors, successors, and assigns, provided that this subsection does not constitute Beneficiary's consent to any transfer in

violation of this Deed of Trust. The term Beneficiary shall mean the holder of the Note, whether or not named as Beneficiary in this Deed of Trust. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or the neuter, and the singular number includes the plural.

(h) Trustee accepts this Trust when this duly executed and acknowledged Deed of Trust is made a public record as provided by law. Trustee is not obligated to notify any party to this Deed of Trust of pending sale under any other deed of trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee

6. **Representations and Warranties** Trustor represents and warrants to Beneficiary as follows:

(a) The execution, delivery, and performance of the Loan Documents will not contravene or constitute a default under or result in a lien other than this Deed of Trust upon assets of Trustor under any applicable law, any organizational documents of Trustor, or any instrument binding upon or affecting Trustor, or any contract, agreement, judgment, order, decree, or other instrument binding upon or affecting Trustor

(b) When duly executed, the Loan Documents will constitute the legal, valid, and binding obligations of Trustor. Trustor hereby waives any defense to the enforcement of the Loan Documents related to alleged invalidity of the Loan Documents.

(c) No action, suit, or proceeding is pending or, to Trustor's knowledge, threatened that might affect Trustor's ability to perform under this Deed of Trust.

(d) Trustor is not in default under any agreement to which it is a party, including any lease of real property.

(e) None of Trustor or Trustor's principals, if applicable, has been suspended or debarred by the Department of Industrial Relations or any Governmental Agency, nor has Trustor or any of its principals, if applicable, been suspended, disciplined, or prohibited from contracting with any Governmental Agency.

(f) All statements and representations made by Trustor in connection with the Loan remain true and correct as of the date of this Deed of Trust

(g) The Trustor is duly organized and in good standing under applicable laws of the State of California and is qualified to do business in the City and County of San Francisco.

7. **Event of Default.** Any material breach by Trustor of any covenant, agreement, provision, or warranty contained in this Deed of Trust or the Note that remains uncured upon the expiration of any applicable notice and cure periods contained therein will constitute an "Event of Default," including the following:

(a) Trustor fails to make any payment required under the Loan Documents within ten (10) days after the date when due, and such failure continues uncured for five (5) business days after receipt of written notice thereof from Beneficiary to Trustor, or

(b) Any lien is recorded against all or any part of the Land without the Beneficiary's prior written consent, whether prior or subordinate to the lien of the Deed of Trust, and the lien is not removed from title or otherwise remedied to the Beneficiary's satisfaction within thirty (30) days after Trustor's receipt of written notice from the Beneficiary to cure the default, or, if the default cannot be cured within a 30-day period, Trustor will have ninety (90) days to cure the default, or any longer period of time deemed necessary by the Beneficiary, *provided that* Trustor commences to cure the default within the 30-day period and diligently pursues the cure to completion; provided, further, that Trustor may contest in good faith the validity or amount of any such lien as long as Trustor has furnished to Beneficiary a cash deposit, statutory release bond, or other appropriate security in an amount and form reasonably satisfactory to Beneficiary to protect Beneficiary against the creation of any lien on, or any sale or forfeiture of, any property encumbered by the Deed of Trust, or

(c) Trustor fails to perform or observe any other term, covenant or agreement contained in any Loan Document, and the failure continues for thirty (30) days after Trustor's receipt of written notice from the Beneficiary to cure the default, or, if the default cannot be cured within a 30-day period, Trustor will have ninety (90) days to cure the default, or any longer period of time deemed necessary by the Beneficiary, *provided that* Trustor commences to cure the default within the 30-day period and diligently pursues the cure to completion; or

(d) Any representation or warranty made by Trustor in any Loan Document proves to have been intentionally incorrect in any material respect when made, which representation materially and adversely affects Trustor's ability to perform hereunder, or

(e) Reserved,

(f) Trustor is dissolved or liquidated, or merged with or into any other entity, or, if Trustor is a corporation, partnership, limited liability company, or trust, Trustor ceases to exist in its present form and (where applicable) in good standing and duly qualified under the laws of the jurisdiction of formation and California for any period of more than ten (10) days; or, if Trustor is an individual, Trustor dies or becomes incapacitated; or all or substantially all of the assets of Trustor are sold or otherwise transferred; or

(g) Without the City's prior written consent, Trustor assigns or attempts to assign any rights or interest under any Loan Document, whether voluntarily or involuntarily, other than in connection with a Permitted Transfer (as defined in the Development Agreement), or

(h) Without the City's prior written consent, Trustor voluntarily or involuntarily assigns or attempts to sell, lease, assign, encumber, or otherwise transfer all or any portion of the ownership interests in Trustor or of its right, title, or interest in the Project or the Site (as such terms are defined in the Development Agreement), other than in connection with a Permitted Transfer; or

(i) If the Deed of Trust ceases to constitute a valid and indefeasible perfected lien on the Property, or

(j) Trustor is subject to an order for relief by the bankruptcy court, or is unable or admits in writing its inability to pay its debts as they mature or makes an assignment for the benefit of creditors, or Trustor applies for or consents to the appointment of any receiver, trustee,



or similar official for Trustor, or for all or any part of its property (or an appointment is made without its consent and the appointment continues undischarged and unstayed for sixty (60) days); or Trustor institutes or consents to any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, custodianship, conservatorship, liquidation, rehabilitation, or similar proceeding relating to Trustor or to all or any part of its property under the laws of any jurisdiction (or a proceeding is instituted without its consent and continues undismissed and unstayed for more than sixty (60) days), or any judgment, writ, warrant of attachment, or execution or similar process is issued or levied against the Land, the Improvements, or any other property of Trustor and is not released, vacated, or fully bonded within sixty (60) days after its issue or levy.

Beneficiary agrees to accept full performance and compliance by either BRIDGE Housing Corporation or AvalonBay Communities, Inc. with any provision of the Loan Documents applicable to the obligations of Trustor in order to cure any default by Trustor under the Loan Documents

**8. Beneficiary's Rights Following Default** Upon and during the continuance of any Event of Default by Trustor

(a) Trustor's license to collect and retain Rents will terminate automatically,

(b) Trustor consents to Beneficiary's entry upon and taking possession of the Property or any part thereof, at any time after the occurrence of an Event of Default without notice, either in person, by agent, or by a receiver to be appointed by a court without regard to the adequacy of any security for the indebtedness hereby secured to sue for or otherwise collect and apply Rents, less costs and expenses of operation and collection, including those of the Property, in its own name or in the name of Trustor. Beneficiary's collection and application of Rents shall not cure or waive any Event of Default or Notice of Default (defined below), or invalidate any act done pursuant to any notice;

(c) Beneficiary may perform any of Trustor's obligations in any manner, in the Beneficiary's reasonable discretion;

(d) Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold the Property ("**Notice of Default**"); and

(i) Trustee shall cause the Notice of Default to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, the Note, and all documents evidencing expenditures secured hereby.

(ii) After the lapse of time then required by law following the recordation of a Notice of Default, and notice of sale ("**Notice of Sale**") having been given as then required by law, Trustee without demand on Trustor may sell the Property at the time and place fixed in the Notice of Sale either as a whole or in separate parcels in any order at public auction to the highest bidder for cash in lawful money of the United States payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at the time and place of sale and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to any purchaser a trustee's deed conveying the property so sold, but without any covenant or warranty, express or implied.

The recitals in the trustee's deed of any matters of facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary, may purchase at the sale

(iii) After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: (A) all sums expended under the terms of this Deed of Trust not then repaid, with accrued interest at the default rate under the Note, (B) all other sums then secured hereby, and (C) the remainder, if any, to the person or persons legally entitled thereto.

**9. Notices** All notices required by this Deed of Trust must be made in writing and may be communicated by personal delivery, facsimile (if followed within one (1) business day by first class mail), by a nationally recognized courier service that obtains receipts, or by United States certified mail, postage prepaid, return receipt requested. Delivery will be deemed complete as of the earlier of actual receipt (or refusal to accept proper delivery) or five (5) days after mailing, *provided that* any notice that is received after 5 p.m. on any day or on any weekend or holiday will be deemed to have been received on the next succeeding business day. Notices must be addressed as follows:

To the City: Real Estate Services Division  
San Francisco Public Utilities Commission  
525 Golden Gate Avenue, 10th Floor  
San Francisco, California 94102  
Attn: Real Estate Director  
Re: Balboa Reservoir  
Telephone: (415) 487-5210  
E-mail: [RES@sfgwater.org](mailto:RES@sfgwater.org)

City and County of San Francisco  
Real Estate Division  
25 Van Ness Avenue, Suite 400  
San Francisco, California 94102  
Attn: Director of Property  
Re: Balboa Reservoir  
Telephone: (415) 554-9850  
Email: [RealEstateAdmin@sfgov.org](mailto:RealEstateAdmin@sfgov.org)

With a copy to: Elizabeth Dietrich, Deputy City Attorney  
Office of the City Attorney  
City Hall, Room 234  
Dr. Carlton B. Goodlett Place  
San Francisco, California 94102-4682  
Attn: Real Estate and Finance Team  
Re: Balboa Reservoir  
E-mail: [BetsyDietrich@sfcityatt.org](mailto:BetsyDietrich@sfcityatt.org)

To Trustor: BHC Balboa Builders, LLC  
c/o BRIDGE Housing Corporation  
600 California Street, Suite 900  
San Francisco, California 94108  
Attn: Brad Wiblin  
Telephone: (415) 321-3565  
E-mail: [bwiblin@bridgehousing.com](mailto:bwiblin@bridgehousing.com)

With a copy to: c/o AvalonBay Communities, Inc  
455 Market Street, Suite 1650  
San Francisco, California 94105  
Attn: Joe Kirchofer, Vice President, Development  
Phone: (415) 284-9082  
E-Mail: [joe\\_kirchofer@avalonbay.com](mailto:joe_kirchofer@avalonbay.com)

With a copy to: AVB Balboa LLC  
c/o AvalonBay Communities, Inc.  
4040 Wilson Blvd , Suite 1000  
Arlington, Virginia 22203  
Attn: Alan Adamson, Vice President, Associate General Counsel  
Phone: (703) 317-4767  
E-Mail: [alan\\_adamson@avalonbay.com](mailto:alan_adamson@avalonbay.com)

or any other address a party designates from time to time by written notice sent to the other party in manner set forth in this Section. The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to it at its address set forth above or any succeeding address given by notice in accordance with this Deed of Trust.

**10. City's Recourse** The City's recourse against Trustor following an Event of Default is limited as set forth more specifically in Section 6.5 of the Note.

**11. Partial Releases**. Upon Trustor's fulfillment of the applicable terms and conditions in the Note, Beneficiary agrees upon the written request of Trustor to instruct the Trustee to execute and deliver a partial release of this Deed of Trust as follows:

(a) Upon satisfaction of the conditions precedent for a release of the Phase 1 Property pursuant to Section 5.1 of the Note, Lender will instruct Trustee to reconvey the Phase 1 Property, and Trustee shall within five (5) business days after receipt of such instructions reconvey without warranty the Phase 1 Property to Trustor.

(b) Additionally, upon the request of Trustor, and without payment of any consideration to Lender, a partial reconveyance may be given from the lien of this Deed of Trust as to any portion of the Property, which is about to be conveyed to a public utility, governmental entity, or public maintenance district for easements or other public infrastructure that is necessary as part of Trustor's development of the Land in a manner consistent with the Development Agreement, provided that Trustor shall first present to Beneficiary evidence reasonably satisfactory to Beneficiary that such portion of the Property has been or is about to be conveyed for such purposes.

## 12. Indemnity.

(a) Trustor must Indemnify the City and its respective officers, agents and employees (individually or collectively, an “Indemnitee”) against any and all loss, liability, damage, cost, expense or charge and reasonable attorneys’ fees and costs (“Loss” or “Losses”) arising out of: (i) any default by Trustor in the observance or performance of any of Trustor’s obligations under the Loan Documents, (ii) any failure of any representation by Trustor to be correct in all respects when made; (iii) from and after the date Trustor acquires the Property from Beneficiary, injury or death to persons or damage to property or other loss occurring on or in connection with the Property, whether caused by the negligence or any other act or omission of Trustor or any other person or by negligent, faulty, inadequate or defective design, building, construction, rehabilitation, or maintenance, or any other condition or otherwise, (iv) from and after the date Trustor acquires the Property from Beneficiary, any claim of any surety in connection with any bond relating to the construction or rehabilitation of any improvements or offsite improvements; (v) any claim, demand, or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnitee that relates to or arises out of the Loan Documents, the Loan, or the Property from and after the date the date Trustor acquires the Property from Beneficiary, (vi) the occurrence, from and after the date Trustor acquires the Property from Beneficiary, until the expiration of the term of this Deed of Trust, of any Environmental Activity, or any failure of Trustor, or any other person to comply with all applicable Environmental Laws relating to the Property, (vii) the occurrence, after the expiration of the term of this Deed of Trust, of any Environmental Activity resulting directly or indirectly from any Environmental Activity occurring from and after the date Trustor acquires the Property from Beneficiary and before the expiration of the term of this Deed of Trust, (viii) any liability of any nature arising from Trustor’s contest of or relating to the application of any law, (ix) any claim, demand, or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnitee that relates to or arises out of any of the following: (A) the Project Contracts (defined in the Note), or (B) any agreements or any encumbrances entered into by Trustor that allow any third party the right to use or occupy any portion of the Property to the extent any such claim, demand, or cause of action arises from events occurring prior to the expiration of the term of this Deed of Trust; or (x) any claim, demand, or cause of action, or any investigation, inquiry, order, hearing, action, or other proceeding by or before any governmental agency, whether meritorious or not, that directly or indirectly relates to, arises from, or is based on the occurrence or allegation of any of the matters described in clauses (i) through (ix) above, *provided that* no Indemnitee will be entitled to indemnification under this Section for matters caused solely by its own gross negligence or willful misconduct. In the event any action or proceeding is brought against an Indemnitee by reason of a claim arising out of any Loss for which Trustor has indemnified the Indemnitees, upon written notice, Trustor must answer and otherwise defend the action or proceeding using counsel approved in writing by the Indemnitee at Trustor’s sole expense. Each Indemnitee will have the right, exercised in its sole discretion, but without being required to do so, to defend, adjust, settle or compromise any claim, obligation, debt, demand, suit, or judgment against the Indemnitee in connection with the matters covered by this Agreement. The provisions of this Section will survive the repayment of the Loan.

(b) Trustor’s obligations under **Section 12(a)** are not limited by the insurance requirements under this Deed of Trust.

### 13. General Provisions

(a) Intercreditor Agreement. Beneficiary and Trustor will cooperate in good faith with providers of other financing to Trustor secured by and used for development of the Property (“**Other Lenders**”) in the negotiation of commercially reasonable intercreditor, recognition or similar agreements between Beneficiary as senior lender and one or more of the Other Lenders, pursuant to which such lenders stipulate in advance the process related to addressing the senior lender and Other Lenders’ interests, notice and cure rights in connection with such interests, and how to work in tandem in service to Trustor as their mutual borrower, provided that Beneficiary’s first position security interest will not be subordinated (each, an “**Intercreditor Agreement**”), as required by Trustor’s Other Lenders, which may include without limitation the California Department of Housing and Community Development and various private lenders, sufficient to permit Trustor to obtain the financing necessary to permit Trustor to design and construct infrastructure and conduct all other predevelopment activities associated with the construction and development of the Property as contemplated by the Balboa Reservoir Master Infrastructure Plan attached to the Development Agreement. Following review and approval by Beneficiary and approval as to form by the City Attorney’s Office, Beneficiary’s authorized representative will execute and deliver any approved Intercreditor Agreement. Such agreement may be executed and delivered without additional approval by the City’s Board of Supervisors or the San Francisco Public Utilities Commission (“**SFPUC**”).

(b) Permitted Transfers With the prior written consent of Beneficiary, Trustor may assign its rights and obligations under the Loan Documents to a Permitted Transferee under the Purchase Agreement. Consent to the transfer shall include review of evidence supporting the creditworthiness, skill, capability, and experience of the transferee and the SFPUC General Manager must be satisfied that the proposed transferee, including any single-purpose entity specifically established for development of the Property, meets the same standards of creditworthiness, skill, capability, and experience as Trustor

(c) No Third-Party Beneficiaries Nothing contained in this Deed of Trust, nor any act of Beneficiary, may be interpreted or construed as creating the relationship of third party beneficiary, limited or general partnership, joint venture, employer and employee, or principal and agent between the Beneficiary and Trustor or Trustor’s agents, employees or contractors.

(d) No Claims by Third Parties Nothing contained in this Agreement creates or justifies any claim against the Beneficiary by any person or entity with respect to the purchase of materials, supplies, or equipment, or the furnishing or the performance of any work or services with respect to the Property. Trustor must include this requirement as a provision in any contracts for the development of the Property.

(e) Entire Agreement. The Deed of Trust incorporates the terms of all agreements made by the Beneficiary and Trustor with regard to the subject matter of the Deed of Trust. No alteration or variation of the terms of this Deed of Trust will be valid unless made in writing and signed by the parties to this Deed of Trust. No oral understandings or agreements not incorporated in this Deed of Trust will be binding on the Beneficiary or Trustor.

(f) No Inconsistent Agreements Trustor warrants that it has not executed and will not execute any other agreement(s) with provisions materially contradictory or in opposition to the provisions of the Loan Documents.

(g) Successors. Except as otherwise limited in this Deed of Trust, the provisions of this Deed of Trust bind and inure to the benefit of the undersigned parties and their heirs, executors, administrators, legal representatives, successors and assigns.

(h) Severability. The invalidity or unenforceability of any one or more provisions of this Deed of Trust will in no way affect any other provision.

(i) Time. Time is of the essence in this Deed of Trust. Whenever the date on which an action must be performed falls on a Saturday, Sunday, or federal holiday, the date for performance will be deemed to be the next succeeding business day.

(j) Consent. Except as expressly provided otherwise, whenever consent or approval of a party is required in any Loan Document, that party agrees not to withhold or delay its consent or approval unreasonably.

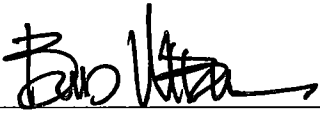
(k) Attorneys' Fees. In the event of any legal proceedings arising from the enforcement of or a default under this Deed of Trust, the prevailing party will have the right to recover its reasonable attorneys' fees (including allocated fees of the City Attorney's Office) and costs of suit from the other party, whether incurred in a judicial, arbitration, mediation or bankruptcy proceeding or on appeal. For the purposes of this Deed of Trust, reasonable fees of attorneys in the City Attorney's office will be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter of law for which the City Attorney's services were rendered, who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the City Attorney's Office. An award of attorneys' fees and costs will bear interest at the default rate under the Note from the date of the award until paid.

*[Signatures on Following Page]*

**“TRUSTOR:”**

**BHC BALBOA BUILDERS, LLC,**  
a California limited liability company

By BRIDGE Housing Corporation,  
a California nonprofit public benefit corporation,  
Its Manager

By   
Name BRAD WISLAN  
Title EVP

*[ALL SIGNATURES MUST BE NOTARIZED]*

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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

State of California )  
County of San Francisco )

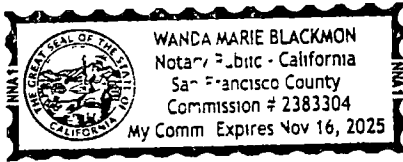
On November 14, 2022 before me, Wanda Marie Blackmon, Notary Public  
*Date Here Insert Name and Title of the Officer*

personally appeared Brad Wiblin  
*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.



Signature Wanda Marie Blackmon  
*Signature of Notary Public*

*Place Notary Seal Above*

**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: \_\_\_\_\_ Document Date: \_\_\_\_\_

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

**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: \_\_\_\_\_



**EXHIBIT A**

Legal Description of the Land

*[To Be Inserted by Title Company at Acquisition Closing]*

## EXHIBIT A

### LEGAL DESCRIPTION

#### PARCEL A

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

A PORTION OF PARCEL ONE (CITY AND COUNTY OF SAN FRANCISCO), AS SAID PARCEL IS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED FEBRUARY 15, 2012 IN DOCUMENT NO. 2012-J355048, OFFICIAL RECORDS AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL ONE; THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL ONE SOUTH 89°36'00" WEST 656.18 FEET TO THE WESTERLY LINE OF SAID PARCEL ONE; THENCE ALONG SAID WESTERLY LINE OF PARCEL ONE SOUTH 00°24'00" EAST 995.92 FEET TO A LINE THAT IS PARALLEL WITH AND PERPENDICULARLY DISTANT 80.00 FEET NORTHERLY FROM THE SOUTHERLY LINE OF SAID PARCEL ONE; THENCE ALONG SAID LINE THAT IS PARALLEL WITH SAID SOUTHERLY LINE OF PARCEL ONE SOUTH 75°22'33" EAST 685.33 FEET TO THE EASTERLY LINE OF SAID PARCEL ONE; THENCE ALONG SAID EASTERLY LINE OF PARCEL ONE NORTH 00°40'45" WEST 1173.59 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCELS C, D, E, AND F:

A PORTION OF PARCEL ONE (CITY AND COUNTY OF SAN FRANCISCO), AS SAID PARCEL IS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED FEBRUARY 15, 2012 IN DOCUMENT NO. 2012-J355048, OFFICIAL RECORDS AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

#### PARCEL C

COMMENCING AT THE NORTHWEST CORNER OF SAID PARCEL ONE; THENCE ALONG THE WESTERLY LINE OF SAID PARCEL ONE SOUTH 00°24'00" EAST 995.92 FEET TO A LINE THAT IS PARALLEL WITH AND PERPENDICULARLY DISTANT 80.00 FEET NORTHERLY FROM THE SOUTHERLY LINE OF SAID PARCEL ONE; THENCE ALONG SAID PARALLEL LINE SOUTH 75°22'33" EAST 141.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID PARALLEL LINE SOUTH 75°22'33" EAST 149.00 FEET; THENCE NORTH 14°37'27" EAST 200.00 FEET; THENCE NORTH 75°22'33" WEST 140.24 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH HAVING A RADIUS OF 20.00 FEET; THENCE WESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 25°59'19", AN ARC LENGTH OF 9.07 FEET; THENCE SOUTH 14°37'27" WEST 197.98 FEET TO THE TRUE POINT OF BEGINNING.

## EXHIBIT A

### LEGAL DESCRIPTION

#### PARCEL D

COMMENCING AT THE NORTHWEST CORNER OF SAID PARCEL ONE; THENCE ALONG THE WESTERLY LINE OF SAID PARCEL ONE SOUTH  $00^{\circ}24'00''$  EAST 995.92 FEET TO A LINE THAT IS PARALLEL WITH AND PERPENDICULARLY DISTANT 80.00 FEET NORTHERLY FROM THE SOUTHERLY LINE OF SAID PARCEL ONE; THENCE ALONG SAID PARALLEL LINE SOUTH  $75^{\circ}22'33''$  EAST 340.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID PARALLEL LINE SOUTH  $75^{\circ}22'33''$  EAST 225.75 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHEAST WHOSE RADIUS POINT BEARS SOUTH  $69^{\circ}38'26''$  EAST 207.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF  $16^{\circ}26'30''$ , AN ARC LENGTH OF 59.40 FEET; THENCE NORTH  $36^{\circ}48'04''$  EAST 6.12 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 105.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF  $37^{\circ}28'49''$ , AN ARC LENGTH OF 68.69 FEET; THENCE NORTH  $00^{\circ}40'45''$  WEST 72.09 FEET; THENCE NORTH  $75^{\circ}22'33''$  WEST 227.36 FEET; THENCE SOUTH  $14^{\circ}37'27''$  WEST 200.00 FEET TO THE TRUE POINT OF BEGINNING.

#### PARCEL E

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL ONE; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL ONE SOUTH  $00^{\circ}40'45''$  EAST 264.30 FEET; THENCE SOUTH  $89^{\circ}19'15''$  WEST 61.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH  $89^{\circ}19'15''$  WEST 96.33 FEET; THENCE SOUTH  $00^{\circ}40'45''$  EAST 273.05 FEET; THENCE SOUTH  $04^{\circ}50'37''$  WEST 56.03 FEET; THENCE SOUTH  $75^{\circ}24'09''$  EAST 105.45 FEET; THENCE NORTH  $00^{\circ}40'45''$  WEST 356.60 FEET TO THE TRUE POINT OF BEGINNING.

## EXHIBIT A

### LEGAL DESCRIPTION

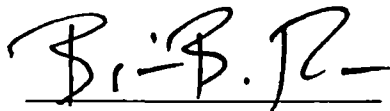
#### PARCEL F

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL ONE; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL ONE SOUTH 00°40'45" EAST 264.30 FEET; THENCE SOUTH 89°19'15" WEST 296.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 89°19'15" WEST 134.00 FEET; THENCE SOUTH 00°40'45" EAST 300.00 FEET; THENCE NORTH 89°19'15" EAST 134.00 FEET; THENCE NORTH 00°40'45" WEST 300.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL A CONTAINS 563,561± SQ.FT. OR 12.938± ACRES

THE BASIS OF BEARINGS FOR THE ABOVE DESCRIPTION IS THE MONUMENT LINE ON OCEAN AVENUE FROM MIRAMAR AVENUE TO LEE AVENUE SHOWN AS S75°22'33"E ON "RECORD OF SURVEY 11110" FILED FOR RECORD ON MARCH 9, 2022 IN BOOK JJ OF SURVEY MAPS, AT PAGES 103 THROUGH 105 INCLUSIVE, OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO.

THIS DESCRIPTION WAS PREPARED BY ME IN ACCORDANCE WITH THE PROFESSIONAL LAND SURVEYORS' ACT.



DECEMBER 9, 2022

BENJAMIN B. RON, PLS 5015



## EXHIBIT A

### LEGAL DESCRIPTION

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

A PORTION OF PARCEL ONE (CITY AND COUNTY OF SAN FRANCISCO), AS SAID PARCEL IS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED FEBRUARY 15, 2012 IN DOCUMENT NO. 2012-J355048, OFFICIAL RECORDS AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

#### PARCEL C

COMMENCING AT THE NORTHWEST CORNER OF SAID PARCEL ONE; THENCE ALONG THE WESTERLY LINE OF SAID PARCEL ONE SOUTH 00°24'00" EAST 995.92 FEET TO A LINE THAT IS PARALLEL WITH AND PERPENDICULARLY DISTANT 80.00 FEET NORTHERLY FROM THE SOUTHERLY LINE OF SAID PARCEL ONE; THENCE ALONG SAID PARALLEL LINE SOUTH 75°22'33" EAST 141.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID PARALLEL LINE SOUTH 75°22'33" EAST 149.00 FEET; THENCE NORTH 14°37'27" EAST 200.00 FEET; THENCE NORTH 75°22'33" WEST 140.24 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH HAVING A RADIUS OF 20.00 FEET; THENCE WESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 25°59'19", AN ARC LENGTH OF 9.07 FEET; THENCE SOUTH 14°37'27" WEST 197.98 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 29,794± SQ.FT. OR 0.684± ACRES

#### PARCEL D

COMMENCING AT THE NORTHWEST CORNER OF SAID PARCEL ONE; THENCE ALONG THE WESTERLY LINE OF SAID PARCEL ONE SOUTH 00°24'00" EAST 995.92 FEET TO A LINE THAT IS PARALLEL WITH AND PERPENDICULARLY DISTANT 80.00 FEET NORTHERLY FROM THE SOUTHERLY LINE OF SAID PARCEL ONE; THENCE ALONG SAID PARALLEL LINE SOUTH 75°22'33" EAST 340.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID PARALLEL LINE SOUTH 75°22'33" EAST 225.75 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHEAST WHOSE RADIUS POINT BEARS SOUTH 69°38'26" EAST 207.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 16°26'30", AN ARC LENGTH OF 59.40 FEET; THENCE NORTH 36°48'04" EAST 6.12 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 105.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 37°28'49", AN ARC LENGTH OF 68.69 FEET; THENCE NORTH 00°40'45" WEST 72.09 FEET; THENCE NORTH 75°22'33" WEST 227.36 FEET; THENCE SOUTH 14°37'27" WEST 200.00 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 47,842± SQ.FT. OR 1.098± ACRES

## EXHIBIT A

### LEGAL DESCRIPTION

#### PARCEL E

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL ONE; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL ONE SOUTH 00°40'45" EAST 264.30 FEET; THENCE SOUTH 89°19'15" WEST 61.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 89°19'15" WEST 96.33 FEET; THENCE SOUTH 00°40'45" EAST 273.05 FEET; THENCE SOUTH 04°50'37" WEST 56.03 FEET; THENCE SOUTH 75°24'09" EAST 105.45 FEET; THENCE NORTH 00°40'45" WEST 356.60 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 33,240± SQ.FT. OR 0.763± ACRES

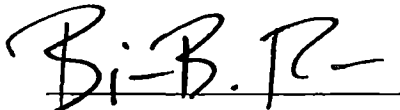
#### PARCEL F

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL ONE; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL ONE SOUTH 00°40'45" EAST 264.30 FEET; THENCE SOUTH 89°19'15" WEST 296.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 89°19'15" WEST 134.00 FEET; THENCE SOUTH 00°40'45" EAST 300.00 FEET; THENCE NORTH 89°19'15" EAST 134.00 FEET; THENCE NORTH 00°40'45" WEST 300.00 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 40,200 SQ.FT. OR 0.923± ACRES

THE BASIS OF BEARINGS FOR THE ABOVE DESCRIPTION IS THE MONUMENT LINE ON OCEAN AVENUE FROM MIRAMAR AVENUE TO LEE AVENUE SHOWN AS S75°22'33"E ON "RECORD OF SURVEY 11110" FILED FOR RECORD ON MARCH 9, 2022 IN BOOK JJ OF SURVEY MAPS, AT PAGES 103 THROUGH 105 INCLUSIVE, OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO.

THIS DESCRIPTION WAS PREPARED BY ME IN ACCORDANCE WITH THE PROFESSIONAL LAND SURVEYORS' ACT.



DECEMBER 9, 2022

BENJAMIN B. RON, PLS 5015



APN 3180-002  
(4661 O.R. 278 & 2512 O.R. 415)

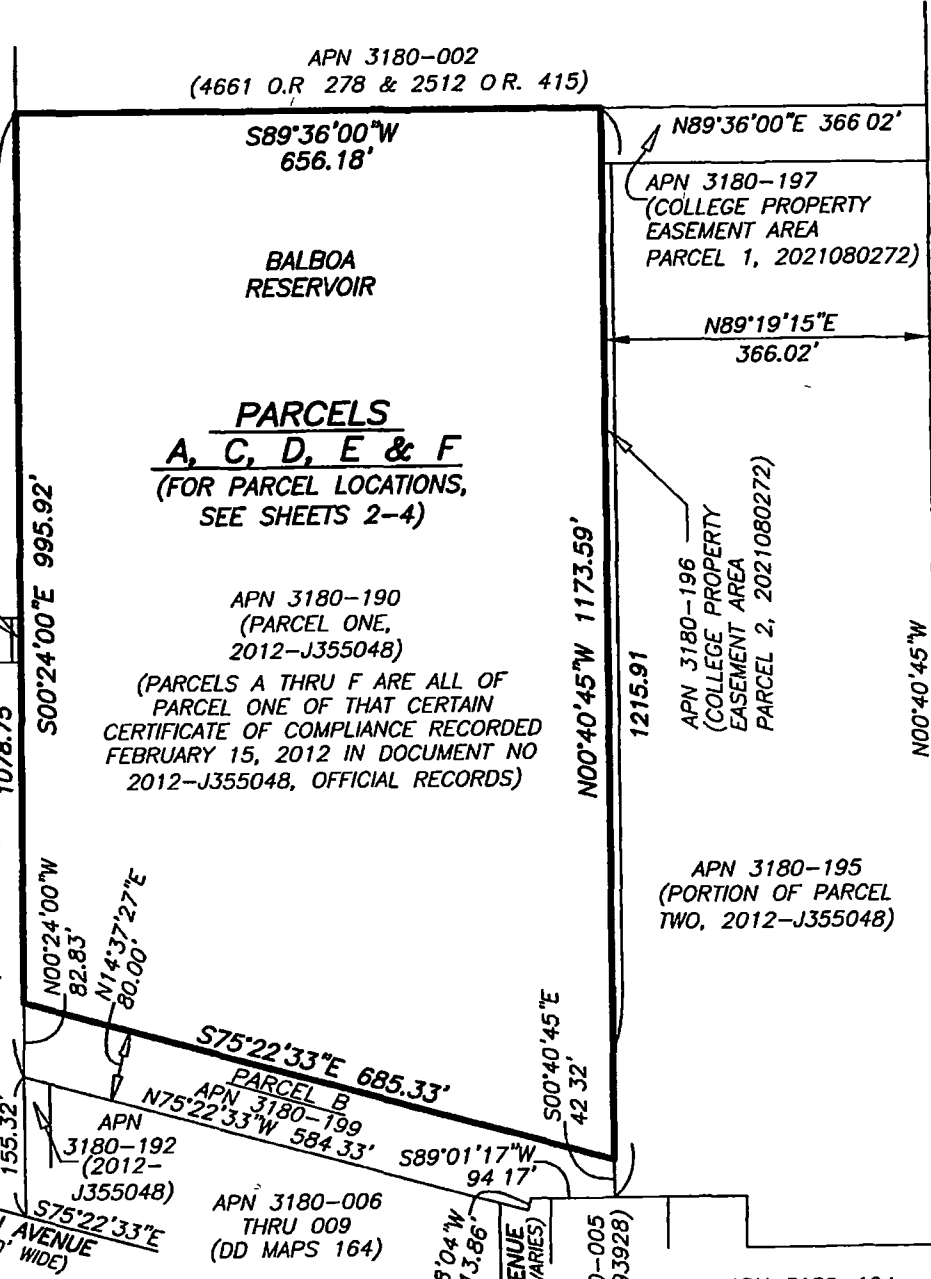


AB 3178  
"WESTWOOD PARK"  
(H MAPS 65)

SAN RAMON WAY  
(50 00' WIDE)  
APN 3178-018

AB 3199  
"WESTWOOD PARK"  
(H MAPS 65)

OCEAN AVENUE  
(80 00' WIDE)



**PARCELS  
A, C, D, E & F**  
(FOR PARCEL LOCATIONS,  
SEE SHEETS 2-4)

APN 3180-190  
(PARCEL ONE,  
2012-J355048)  
  
(PARCELS A THRU F ARE ALL OF  
PARCEL ONE OF THAT CERTAIN  
CERTIFICATE OF COMPLIANCE RECORDED  
FEBRUARY 15, 2012 IN DOCUMENT NO  
2012-J355048, OFFICIAL RECORDS)

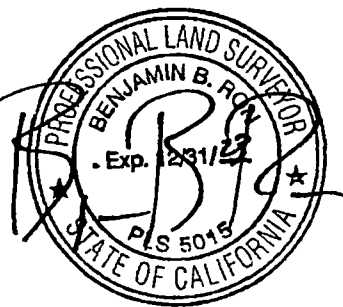
**LEGEND**

APN	ASSESSOR'S PARCEL NUMBER
AB	ASSESSOR'S BLOCK
P.O.B	POINT OF BEGINNING
P.O.C.	POINT OF COMMENCEMENT
T.P.O.B	TRUE POINT OF BEGINNING
P.	PARCEL
O.R	OFFICIAL RECORDS

**NOTE**

DIMENSIONS ARE IN  
FEET AND DECIMALS  
THEREOF

FRIDA KAHLO WAY  
(78 403' WIDE)  
(FORMERLY PHELAN AVENUE)



**BASIS OF BEARINGS**

THE BASIS OF BEARINGS IS THE MONUMENT  
LINE ON OCEAN AVENUE FROM MIRAMAR  
AVENUE TO PLYMOUTH AVENUE, TAKEN TO BE  
S75°22'33"E, AS SHOWN ON "RECORD OF  
SURVEY 11110".

**MAP REFERENCES**

1. "RECORD OF SURVEY 11110" FILED MARCH 9, 2022 IN  
BOOK JJ OF SURVEY MAPS, AT PAGES 103-105.
2. "MAP OF WESTWOOD PARK" RECORDED MARCH 20, 1917,  
IN BOOK H OF MAPS, AT PAGES 65-71.

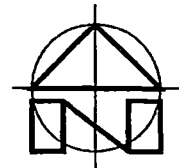
**SKETCH TO ACCOMPANY LEGAL DESCRIPTIONS**

BY JP CHKD. BR DATE 12-9-22 SCALE 1"=200' SHEET 1 OF 4 JOB NO S-9668

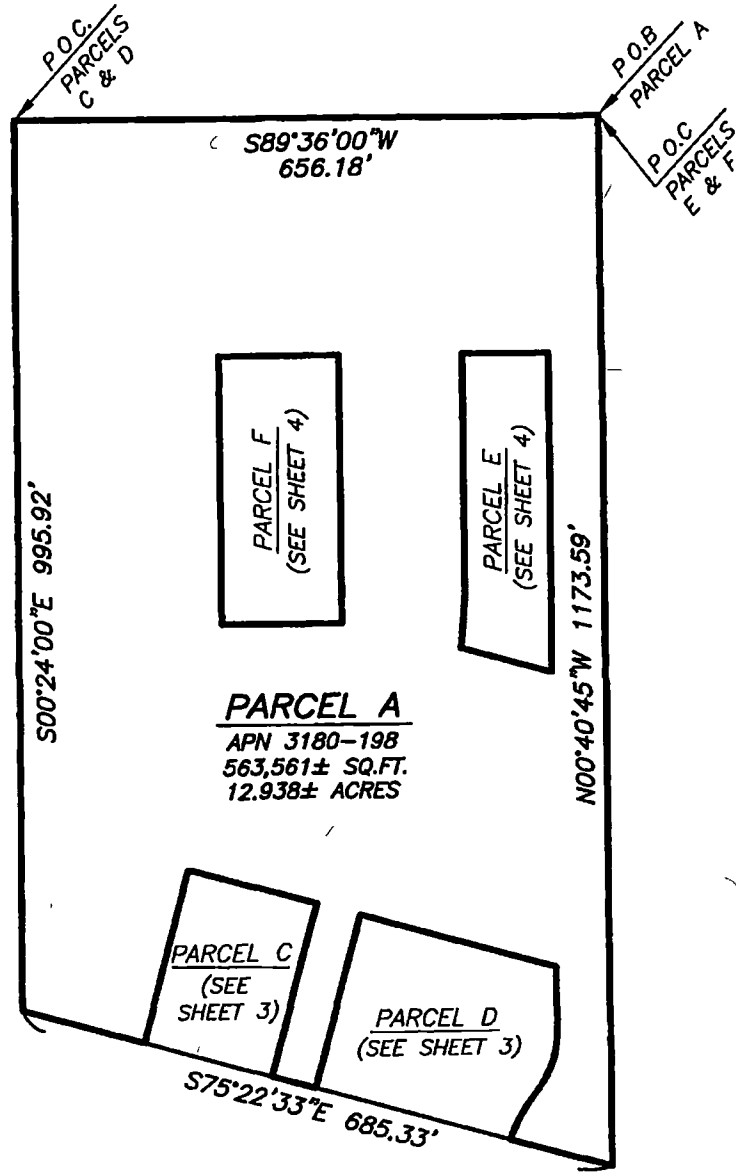
**MARTIN M. RON ASSOCIATES, INC.**  
LAND SURVEYORS

ASSESSOR'S BLOCK 3180  
CITY AND COUNTY OF  
SAN FRANCISCO,  
STATE OF CALIFORNIA

859 HARRISON STREET  
SAN FRANCISCO, CA 94107  
(415) 543-4500  
S-9668\_BNDY PLAT REV dwg



NORTH



**PARCEL A**

**SKETCH TO ACCOMPANY LEGAL DESCRIPTIONS**

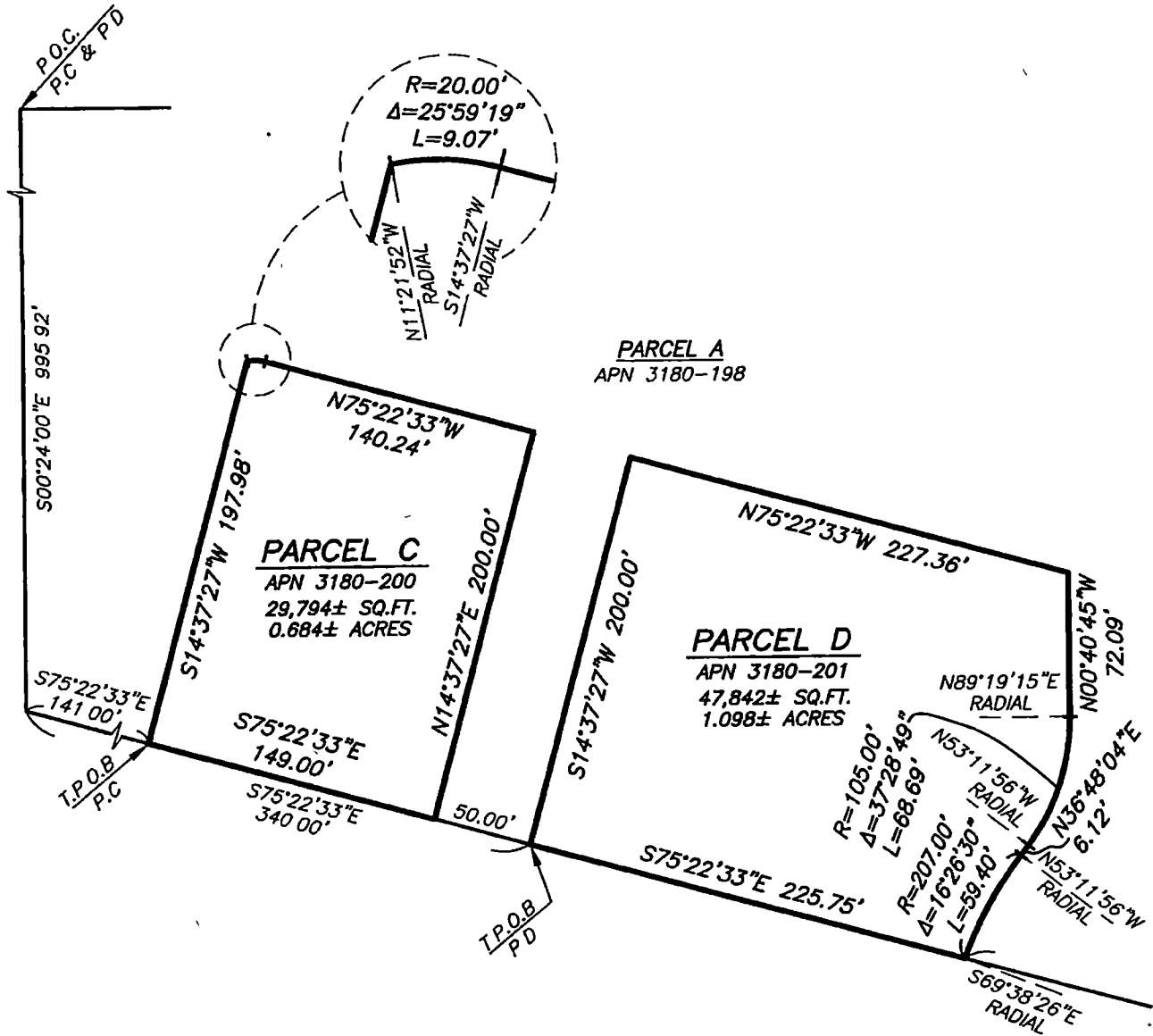
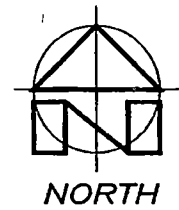
ASSESSOR'S BLOCK 3180  
CITY AND COUNTY OF  
SAN FRANCISCO,  
STATE OF CALIFORNIA

BY JP CHKD. BR DATE 12-9-22 SCALE 1"=200' SHEET 2 OF 4 JOB NO. S-9668

**MARTIN M. RON ASSOCIATES, INC.**  
LAND SURVEYORS

859 HARRISON STREET  
SAN FRANCISCO, CA 94107  
(415) 543-4500  
S-9668\_BNDY PLAT REV.dwg





**PARCELS C AND D**

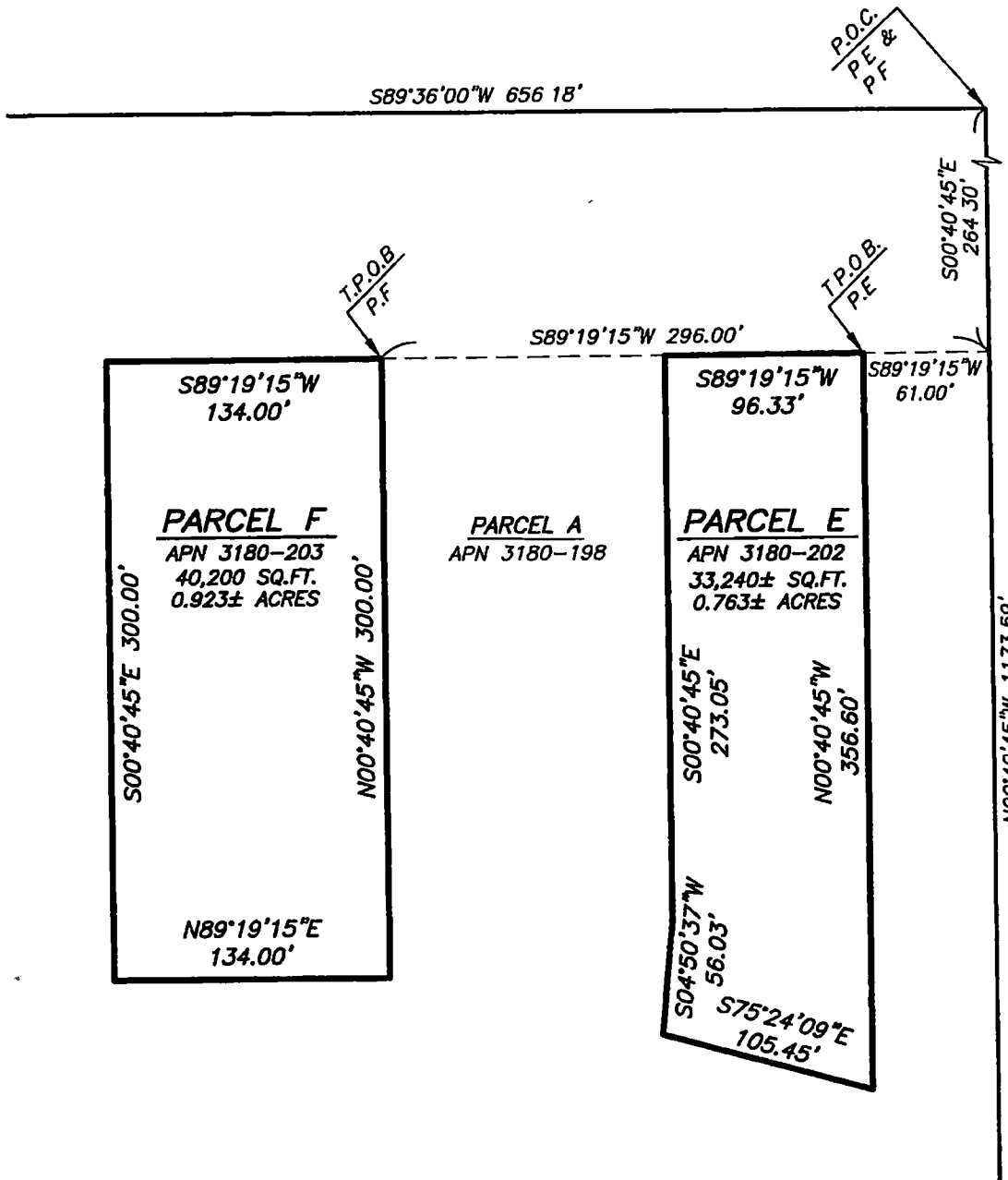
SKETCH TO ACCOMPANY LEGAL DESCRIPTIONS

ASSESSOR'S BLOCK 3180  
CITY AND COUNTY OF  
SAN FRANCISCO,  
STATE OF CALIFORNIA

BY JP CHKD. BR DATE 12-9-22 SCALE 1"=80' SHEET 3 OF 4 JOB NO S-9668

MARTIN M. RON ASSOCIATES, INC.  
LAND SURVEYORS

859 HARRISON STREET  
SAN FRANCISCO, CA 94107  
(415) 543-4500  
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**PARCELS E AND F**

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## EXHIBIT B

### Insurance Requirements

Subject to approval by the City's Risk Manager of the insurers and policy forms, Trustor must obtain and maintain, or caused to be maintained, the insurance and bonds as set forth below from the date Trustor acquires control of the Property until the Note is fully repaid at no expense to the City.

#### 1. Trustor, Contractors:

(a) to the extent Trustor or its contractors and subcontractors have "employees" as defined in the California Labor Code, workers' compensation insurance with employer's liability limits not less than One Million Dollars (\$1,000,000) each accident, injury or illness;

(b) With respect to the Trustor, commercial general liability insurance, with limits no less than Two Million Dollars (\$2,000,000) combined single limit per occurrence and Four Million Dollars (\$4,000,000) annual aggregate limit for bodily injury and property damage, including coverage for contractual liability, personal injury; fire damage legal liability, advertisers' liability; owners' and contractors' protective liability, products and completed operations, broad form property damage, and explosion, collapse and underground (XCU) coverage during any period in which Trustor is conducting any activity on, alteration or improvement to the Site with risk of explosions, collapse, or underground hazards;

(c) business automobile liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, combined single limit for bodily injury and property damage, including coverage for any owned, hired and non-owned auto coverage, as applicable;

#### 2. Property Insurance

Trustor must maintain, or cause its contractors and property managers, as appropriate for each, to maintain, insurance and bonds as follows

(a) Prior to construction, applicable to any existing buildings that will be retained as part of the construction improvements, as well as following completion of construction, applicable to all completed Buildings constructed as part of the Project:

Property insurance, excluding earthquake and flood, in the amount no less than One Hundred Percent (100%) of the replacement value of all improvements prior to commencement of construction and City property in the care, custody and control of the Trustor or its contractor, including coverage in transit and storage off-site, the cost of debris removal and demolition as may be made reasonably necessary by such perils, resulting damage and any applicable law, ordinance or regulation, start up, testing and machinery breakdown including electrical arcing, one year of business interruption coverage, and with a deductible not to exceed One Hundred Thousand Dollars (\$100,000) each loss, including the City as loss payees

(b) During the course of construction.

(i) Builder's risk insurance, special form coverage, excluding earthquake and flood, for one hundred percent (100%) of the replacement value of all completed improvements and City property in the care, custody and control of the Trustor or its contractor, including coverage in transit and storage off-site; the cost of debris removal and demolition as may be made reasonably necessary by such covered perils, resulting damage and any applicable law, ordinance or regulation; start up, testing and machinery breakdown including electrical arcing, copy of the applicable endorsement to the Builder's Risk policy, if the Builder's Risk policy is issued on a declared-project basis, and with a deductible not to exceed One Hundred Thousand Dollars (\$100,000) each loss, including the City as loss payees

(ii) Performance and payment bonds of contractors, each in the amount of One Hundred Percent (100%) of contract amounts, naming the City and Trustor as dual obligees or other completion security approved by the City in its sole discretion

The following notice is provided in accordance with the provisions of California Civil Code Section 2955.5: Under California law, no lender shall require a borrower, as a condition of receiving or maintaining a loan secured by real property, to provide hazard insurance coverage against risks to the improvements on that real property in an amount exceeding the replacement value of the improvements on the property.

### 3. General Requirements

(a) General and automobile liability policies of Trustor, contractors, commercial tenants and property managers must include the City, including its Boards, commissions, officers, agents and employees, as an additional insured by endorsement acceptable to the City

(b) All policies required by this Agreement must be endorsed to provide no less than thirty (30) days' written notice to the City before cancellation or intended non-renewal is effective. If notice cannot be provided by carrier, then the burden of notice to City shall be borne by the Trustor.

(c) With respect to any property insurance, Trustor hereby waives all rights of subrogation against the City to the extent of any loss covered by Trustor's insurance, except to the extent subrogation would affect the scope or validity of insurance.

(d) Approval of Trustor's insurance by the City will not relieve or decrease the liability of Trustor under this Agreement.

(e) The City and its officers, agents and employees will not be liable to Trustor for any required premium of policies required of or maintained by Trustor.

(f) The City reserves the right to require an increase in insurance coverage in the event the City determines that conditions show cause for an increase, unless Trustor demonstrates to the City's satisfaction that the increased coverage is commercially unreasonable and unavailable to Trustor.

(g) All liability policies must provide that the insurance is primary to any other insurance available to the additional insureds with respect to claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought and that an act of omission of one of the named insureds that would void or otherwise reduce coverage will not void or reduce coverage as to any other insured, but the inclusion of more than one insured will not operate to increase the insurer's limit of liability.

(h) Any policy in a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs are included in the general annual aggregate limit must be in amounts that are double the occurrence or claims limits specified above.

(i) All claims based on acts, omissions, injury or damage occurring or arising in whole or in part during the policy period must be covered. If any required insurance is provided under a claims-made policy, coverage must be maintained continuously for a period ending no less than three (3) years after recordation of a notice of completion.

(j) Trustor must provide the City with copies of endorsements for each required insurance policy and make each policy available for inspection and copying promptly upon request.