

AGREEMENT FOR THE EXCHANGE
AND CONVEYANCE OF REAL ESTATE

by and between the

CITY AND COUNTY OF SAN FRANCISCO

and the

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

For the conveyance and exchange of

1950 Mission Street

and

555 Franklin Street (a.k.a. Parcel E) and 380 Fulton Street (a.k.a Lot 53)
San Francisco, California

_____, 2014

TABLE OF CONTENTS

	<u>Page</u>
RECITALS	3
ARTICLE 1: PROPERTY EXCHANGE AND TERMINATION OF INTERESTS	3
1.1 Exchange of Property and Additional Fee	3
1.2 Easements and Property Restrictions.....	Error! Bookmark not defined.
1.3 Termination of Interests.....	4
1.4 Exchange Valuation.....	4
ARTICLE 2: PRE-CLOSING RIGHTS AND OBLIGATIONS.....	4
2.1 Due Diligence Investigation of City Property.	4
2.2 Due Diligence Investigation of SFUSD Property.....	6
2.3 Property Documents.....	7
2.4 No New Improvements; Maintenance	7
ARTICLE 3: TITLE	7
3.1 Permitted Title Exceptions to the Property.....	7
3.2 Responsibility for Title Insurance.....	9
ARTICLE 4: REPRESENTATIONS AND WARRANTIES.....	9
4.1 Representations and Warranties of SFUSD.....	9
4.2 Representations and Warranties of City	11
4.3 Indemnities.....	12
4.4 As-Is Conditions; Release.....	13
4.5 Definitions.....	14
ARTICLE 5: CONDITIONS PRECEDENT TO CLOSING	16
5.1 City's Conditions Precedent	16
5.2 Failure of City's Conditions Precedent.....	17
5.3 SFUSD's Conditions Precedent.....	17
5.4 Failure of SFUSD's Conditions Precedent	18
5.5 Notification Obligation.....	18
5.6 Cooperation of Parties.....	18
ARTICLE 6: ESCROW AND CLOSING.....	19
6.1 Escrow.....	19
6.2 Closing Date.....	19
6.3 Deposit of Documents and Funds for Closing.....	19
6.4 Expenses	20
6.5 Prorations	20
6.6 Possession	20
ARTICLE 7: RISK OF LOSS.....	21
7.1 Loss	21
7.2 Self-Insurance	21

ARTICLE 8: DEFAULT AND REMEDIES.....	21
8.1 Default; Right to Specific Performance.....	21
8.2 Termination.....	21
ARTICLE 9: GENERAL PROVISIONS	21
9.1 Notices	21
9.2 Amendments	22
9.3 Severability	23
9.4 Non-Waiver.....	23
9.5 Successors and Assigns.....	23
9.6 Consents and Approvals	23
9.7 Governing Law	23
9.8 Applicable Laws	23
9.9 No Brokers or Finders.....	23
9.10 Counterparts.....	24
9.11 Interpretation of Agreement.....	24
9.12 Entire Agreement.....	24
9.13 Survival.....	24
9.14 Parties and Their Agents.....	25
9.15 Attorneys' Fees	25
9.16 Time of Essence.....	25
9.17 Non-Liability.....	25
9.18 Tropical Hardwoods and Virgin Redwoods	25
9.19 Sunshine Ordinance	25
9.20 MacBride Principles - Northern Ireland	25
9.21 Relationship of the Parties	26
9.22 Prohibition Against Making Contributions to City.....	26
9.23 Effective Date	26

LIST OF EXHIBITS

EXHIBIT A:	Legal Description of Parcel E Property
EXHIBIT B:	Legal Description of Lot 53 Property
EXHIBIT C:	Legal Description of SFUSD Property
EXHIBIT D:	Parcel E Deed
EXHIBIT E:	Lot 53 Deed
EXHIBIT F:	SFUSD Deed

**AGREEMENT FOR THE EXCHANGE
AND CONVEYANCE OF REAL ESTATE**

This Agreement for the Exchange and Conveyance of Real Estate (this “**Agreement**”), dated for reference purposes only as of _____, 2014, is by and between the City and County of San Francisco, a municipal corporation (the “**City**”), and the San Francisco Unified School District (“**SFUSD**”). City and SFUSD may each be referred to herein as a “**Party**” and together referred to herein as the “**Parties**”.

RECITALS

A. City owns that certain real property commonly known as Parcel E (Block 0785, Lots 030,033) in San Francisco, California, as more particularly described in the attached Exhibit A, (the “**Parcel E Property**”).

B. City owns that certain real property commonly known as Lot 53 in San Francisco, California, as more particularly described in the attached Exhibit B (the “**Lot 53 Property**”). The Parcel E Property, Lot 53 Property, and all of City’s interest in any improvements, fixtures, rights, privileges, and easements incidental or appurtenant thereto, shall be referred to herein as the “**City Property**”.

C. SFUSD owns that certain real property commonly known as 1950 Mission Street in San Francisco, California, as more particularly described in the attached Exhibit C, which together with all of SFUSD’s interest in any improvements, fixtures, rights, privileges, and easements incidental or appurtenant thereto, shall be referred to herein as the “**SFUSD Property**”.

D. The Parties agree that the fair market value of the SFUSD Property is \$9,775,000.00 and the fair market value of the City Property is \$7,100,000.00.

E. City wishes to acquire fee interest in the SFUSD Property and SFUSD wishes to acquire fee interest in the City Property through an exchange thereof and an additional payment of \$2,675,000.00 (the “**Additional Fee**”) from City to SFUSD, due to the higher fair market value of the SFUSD Property, on the terms and conditions set forth in this Agreement (the “**Exchange**”).

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

ARTICLE 1: PROPERTY EXCHANGE AND TERMINATION OF INTERESTS

1.1 Exchange of Property and Additional Fee. Subject to the terms, covenants and conditions in this Agreement, at Closing (as defined in Section 6.2), SFUSD agrees to convey the SFUSD Property to City and City agrees to convey the City Property and deliver the Additional Fee to SFUSD. The SFUSD Property and the City Property (or any portion of them, as the context requires) shall be collectively referred to as the “**Property**”.

1.2 Reservation of Easement. As part of the consideration for the Exchange, the Parties further agree that the City shall reserve for itself a nonexclusive, irrevocable easement for construction, installation, operation, maintenance, repair, removal and replacement of utility lines, pipes, conduits, manholes, above-ground markers and other convenient structures, equipment and fixtures, street lights, ancillary electric and power lines and related facilities and structures to be located in, on or under the portion of the Parcel E Property more specifically described in the legal description attached hereto as Exhibit A, for public utility purposes, together with reasonable access thereto for such purposes, and the right to approve the placement of other utilities within such easement area (the "Public Utility Easement"). The Public Utility Easement right shall be set forth in the Parcel E Deed (as defined in Section 3.1(a) below).

1.3 Termination of Interests. As part of the consideration for the Exchange, the Parties further agree to terminate the following interests at or before Closing:

(a) Pursuant to a ground lease between City and SFUSD dated June 2, 1975 (the "**Parcel E Lease**"), SFUSD currently leases the Parcel E Property. City and SFUSD agree that the Parcel E Lease shall automatically terminate as of the Closing Date, subject to the survival of any terms or conditions of the Parcel E Lease that expressly survive the termination thereof.

1.4 Exchange Valuation. The Parties agree that, for purposes of the Exchange, the fair market value for the City Property shall be deemed to be \$7,100,000.00 and that the fair market value for the SFUSD Property shall be deemed to be \$9,775,000.00.

ARTICLE 2: PRE-CLOSING RIGHTS AND OBLIGATIONS

2.1 Due Diligence Investigation of City Property.

(a) Entry. In addition to SFUSD's rights under the Parcel E Lease, at all times prior to the Closing Date (as defined in Section 6.2), City shall afford SFUSD and its Agents (as defined in Section 9.14) access to the City Property so SFUSD, at its sole election, may independently conduct its due diligence review of all aspects of the City Property and verify City's representations, warranties and covenants in this Agreement. SFUSD shall give City notice of any planned entry of the City Property to conduct the testing permitted below (except to the extent already permitted under the Parcel E Lease) by facsimile or phone to City at least three (3) business days before such entry and shall conduct such entry and any inspections in a manner that reasonably minimizes interference with the current uses of the City Property.

(b) On-Site Testing. Notwithstanding anything to the contrary in this Section 2.1 or in the Parcel E Lease, SFUSD shall not perform any on-site invasive testing on the City Property without first obtaining the prior written consent of the Director of City's General Services Agency, Real Estate Division (the "**Director of Property**"). To obtain such consent, SFUSD shall notify the Director of Property of the identity of the party that will perform the testing, the proposed scope of the testing, and any other information reasonably requested by the Director of Property. City shall have the right to reasonably approve or disapprove of the proposed testing within ten (10) business days after receipt of such notice. In addition, City may condition any such approval on the procurement of insurance (subject to Section 2.1(c)) and the release of any claims against City by the party performing such testing. If SFUSD or its Agents takes any

sample from the City Property, upon written request, SFUSD shall provide to City a portion of such sample being tested to allow City, if it so chooses, to perform its own testing. City or its representative may be present to observe any testing or other inspection performed on the City Property. If Closing does not occur for any reason, SFUSD shall promptly deliver, or cause to be delivered, to City a copy of any reports relating to any testing or other inspection of the City Property performed by SFUSD or its respective Agents. SFUSD shall have the right to retain any other copies of such reports, provided that neither SFUSD nor its Agents shall disclose such information to other parties unless and except to the extent required by Applicable Law (as defined in Section 9.8).

(c) Insurance. If SFUSD conducts any on-site testing on the City Property, SFUSD, and any of its Agents performing such testing, shall maintain an occurrence-based commercial general liability insurance policy during the period of such testing, with coverage of at least One Million Dollars (\$1,000,000), to insure against all liability of SFUSD and its Agents that arises out of any such testing. SFUSD shall have the right to self-insure in lieu of maintaining such an insurance policy. SFUSD shall provide City with (or cause to be provided to City) evidence of such insurance coverage (either through an insurance policy or SFUSD's program of self-insurance) upon request from City.

(d) Indemnification. SFUSD hereby agrees to indemnify, protect, defend and hold harmless City, including, but not limited to, all of its boards, commissions, departments, agencies and other subdivisions, all of the Agents of City, and their respective heirs, legal representatives, successors and assigns (collectively, the "**City Indemnified Parties**"), from and against any Losses (defined as follows) arising out of or relating to the conduct of SFUSD or its Agents, as applicable, or its or their activities during any entry on, under or about the City Property in performing any inspections, testings or inquiries thereof, whether prior to the date of this Agreement or during the term hereof, including, without limitation, any injuries or deaths to any party (including, without limitation, SFUSD's Agents) and damage to any property, from any cause whatsoever, except to the extent caused by the negligence or willful misconduct of City. The foregoing indemnity shall not include any claims resulting from the discovery or disclosure of pre-existing environmental conditions or the non-negligent aggravation of pre-existing environmental conditions on, in, under or about the City Property, nor shall it alter any of SFUSD's obligations under the Parcel E Lease. If SFUSD's investigation of the City Property causes any material alteration and this Agreement is terminated for any reason other than City's default hereunder, SFUSD shall restore the City Property to substantially the condition it was in prior to such investigation, to the extent such restoration is necessary to comply with SFUSD's maintenance or surrender obligations under the Parcel E Lease (provided that SFUSD's obligation to restore the portion of the City Property leased by SFUSD pursuant to the Parcel E Lease shall be excused if the Closing occurs) and subject to all Applicable Laws. This indemnity shall survive the termination of this Agreement or the Closing, as applicable.

"**Loss**" or "**Losses**" shall mean any and all claims, demands, losses, liabilities, damages (including foreseeable and unforeseeable consequential damages), liens, obligations, interest, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and reasonable costs and expenses of whatever kind or nature, known or unknown, foreseen or unforeseen, or contingent or otherwise, including, without limitation, Attorneys' Fees and Costs. "**Attorneys' Fees and Costs**" shall mean any and all reasonable attorneys' fees, costs, expenses and

disbursements, including, but not limited to, paralegal fees, expert witness fees and costs, travel time and associated costs, transcript preparation fees and costs, document copying, printing or duplication, exhibit preparation, courier, postage, facsimile, long-distance and communications expenses, court costs and the costs and fees associated with any other legal, administrative or alternative dispute resolution proceeding, including mediation and arbitration, fees and costs associated with execution upon any judgment or order, and costs on appeal.

2.2 Due Diligence Investigation of SFUSD Property.

(a) Entry. At all times prior to the Closing Date, SFUSD shall afford City and its Agents access to the SFUSD Property so City, at its sole election, may independently conduct its due diligence review of all aspects of the SFUSD Property and verify SFUSD's representations, warranties and covenants in this Agreement. Subject to the provisions of the Section 2.2(b), such activities may include tests of the environmental condition of the SFUSD Property, including, without limitation, the drilling of test wells and the taking of soil borings. City shall give SFUSD notice of any planned entry of the SFUSD Property by facsimile or phone to SFUSD at least three (3) business days before such entry and shall conduct such entry and any inspections in a manner that reasonably minimizes interference with the current uses of the SFUSD Property.

(b) On-Site Testing. Notwithstanding anything to the contrary in this Section 2.2, City shall not perform any invasive on-site testing of the SFUSD Property without first obtaining SFUSD's prior written consent. To obtain such consent, City shall notify SFUSD of the identity of the party that will perform the testing, the proposed scope of the testing, and any other information reasonably requested by SFUSD. SFUSD shall have the right to reasonably approve or disapprove the proposed testing within ten (10) business days after receipt of such notice. In addition, SFUSD may condition any such approval on the procurement of insurance (unless covered by City's self-insurance) and the release of any claims against SFUSD by the party performing such testing. If City or its Agents takes any sample from the SFUSD Property, upon written request, City shall provide to SFUSD a portion of such sample being tested to allow SFUSD, if it so chooses, to perform its own testing. SFUSD or its representative may be present to observe any testing or other inspection performed on the SFUSD Property. If Closing does not occur for any reason, City shall promptly deliver, or cause to be delivered, to SFUSD one copy of any reports relating to any testing or other inspection of the SFUSD Property performed by City or its Agents. City shall have the right to retain any other copies of such reports, provided that neither City nor its Agents shall disclose such information to other parties unless and except to the extent required by Applicable Law.

(c) Insurance. SFUSD acknowledges that City is self-insured, and shall not require City to maintain insurance in connection with City's inspection of the SFUSD Property.

(d) Indemnification. City hereby agrees to indemnify, protect, defend and hold harmless SFUSD, including, but not limited to, all of its boards, commissions, departments, agencies and other subdivisions, all of the Agents of SFUSD, and their respective heirs, legal representatives, successors and assigns (collectively, the "**SFUSD Indemnified Parties**"), from and against any Losses arising out of or relating to the conduct of City or its Agents, as applicable, or its or their activities during any entry on, under or about the SFUSD Property in performing any inspections, testings or inquiries thereof, whether prior to the date of this

Agreement or during the term hereof, including, without limitation, any injuries or deaths to any party (including, without limitation, City's Agents) and damage to any property, from any cause whatsoever, except to the extent caused by the negligence or willful misconduct of SFUSD. The foregoing indemnity shall not include any claims resulting from the discovery or disclosure of pre-existing environmental conditions or the non-negligent aggravation of pre-existing environmental conditions on, in, under or about the SFUSD Property. If City's investigation of the SFUSD Property causes any material alteration and this Agreement is terminated for any reason other than SFUSD's default hereunder, City shall restore the SFUSD Property to substantially the condition it was in prior to such investigation, subject to all Applicable Laws. This indemnity shall survive the termination of this Agreement or the Closing, as applicable.

2.3 Property Documents. From the Effective Date (as defined in Section 9.23) until the Closing or earlier termination of this Agreement, neither Party shall enter into any binding lease or contract with respect to the Property, or any amendment or assignment thereto, without first obtaining the other Party's prior written consent, which consent shall not be unreasonably withheld or delayed.

2.4 No New Improvements; Maintenance. From the Effective Date until the Closing or earlier termination of this Agreement, SFUSD agrees that it shall not construct any improvements on the SFUSD Property, except to the extent that such improvements are pursuant to City's prior written approval, and City agrees that it shall not construct any improvements on the City Property, except with SFUSD's prior written approval. In addition, from the Effective Date until the Closing or earlier termination of this Agreement, SFUSD agrees to maintain the SFUSD Property in good order, condition and repair, reasonable wear and tear excepted, and to make all repairs, maintenance and replacements of any improvements and otherwise operate the SFUSD Property in the same manner as before the making of this Agreement, and City agrees (to the extent required under the Parcel E Lease) to maintain the City Property in good order, condition and repair, reasonable wear and tear excepted, and to make all repairs, maintenance and replacements of any improvements and otherwise operate the City Property in the same manner as before the making of this Agreement.

ARTICLE 3: TITLE

3.1 Permitted Title Exceptions to the Property.

(a) City Property Permitted Title Exceptions. At the Closing, City shall convey its right, title and interest in and to the City Property to SFUSD pursuant to the quitclaim deeds attached hereto as Exhibit D (the "**Parcel E Deed**") and Exhibit E (the "**Lot 53 Deed**").

(1) Title to the Parcel E Property shall be subject to (i) liens of local real estate taxes and assessments that are not yet payable, (ii) the exceptions shown as _____ in the preliminary report issued by the Title Company for Title No. _____, dated _____, 2014; (iii) a reservation of the Public Utility Easement, and (iv) any other exceptions approved in writing by SFUSD in its sole discretion. All of the foregoing permitted exceptions to title shall be referred to collectively as the "**Parcel E Property Permitted Title Exceptions**" and shall be reflected in an owner's title insurance policy (the "**Parcel E Property Title Policy**") issued by the Title Company to SFUSD as of the Closing Date, with such coinsurance or reinsurance and

direct access agreements and endorsements as SFUSD may reasonably request, in an amount specified by SFUSD to the Title Company, insuring SFUSD's fee interest in the Parcel E Property, subject only to the Parcel E Property Permitted Title Exceptions, all at the sole cost and expense of SFUSD.

(2) Title to the Lot 53 Property shall be subject to (i) liens of local real estate taxes and assessments that are not yet payable, (ii) the exceptions shown as _____ in the preliminary report issued by the Title Company for Title No. _____, dated _____, 2014; and (iii) any other exceptions approved in writing by SFUSD in its sole discretion. All of the foregoing permitted exceptions to title shall be referred to collectively as the "Lot 53 Property Permitted Title Exceptions" and shall be reflected in an owner's title insurance policy (the "Lot 53 Property Title Policy") issued by the Title Company to SFUSD as of the Closing Date, with such coinsurance or reinsurance and direct access agreements and endorsements as SFUSD may reasonably request, in an amount specified by SFUSD to the Title Company, insuring SFUSD's fee interest in the Lot 53 Property, subject only to the Lot 53 Property Permitted Title Exceptions, all at the sole cost and expense of SFUSD.

(b) SFUSD Property Permitted Title Exceptions. At the Closing, SFUSD shall convey its right, title and interest in and to the SFUSD Property to City by using the form of quitclaim deed attached hereto as Exhibit (the "**SFUSD Deed**").

Title to the SFUSD Property shall be subject to (i) pro rated liens of local real estate taxes and assessments that are not yet payable, (ii) the exceptions shown as _____ in the preliminary report issued by the Title Company for Title No. _____, dated _____, 2013, and (iii) any other exceptions approved in writing by City in its sole discretion. All of the foregoing permitted exceptions to title shall be referred to collectively as the "**SFUSD Property Permitted Title Exceptions**" and shall be reflected in an owner's title insurance policy (the "**SFUSD Property Title Policy**") issued by the Title Company to City as of the Closing Date, with such coinsurance or reinsurance and direct access agreements and endorsements as City may reasonably request, in an amount specified by City to the Title Company, insuring City's fee interest in the SFUSD Property, subject only to the SFUSD Property Permitted Title Exceptions, all at the sole cost and expense of City.

(c) Title Defect. If at the time scheduled for Closing, any of the Property is (i) occupied by other parties, (ii) subject to the rights of possession other than those of SFUSD or City, as the case may be, or (iii) encumbered by a lien, encumbrance, covenant, assessment, easement, lease, tax or other matter (except for a Parcel E Property Permitted Title Exception, a Lot 53 Property Permitted Title Exception, a SFUSD Property Permitted Title Exception, or anything caused by the action or inaction of the acquiring Party) that would materially affect the proposed development or use of such Property, as determined by the acquiring Party in its sole discretion ("**Title Defect**"), City or SFUSD, as the case may be, will have up to sixty (60) days after the date scheduled for Closing to cause the removal of the Title Defect. The Closing will be extended to the earlier of five (5) business days after the Title Defect is removed or the expiration of such sixty (60) day period (the "**Extended Closing**").

(d) Remedies With Respect to Uncured Title Defect. If a Title Defect still exists at the date specified for the Extended Closing, unless the Parties mutually agree to extend such date, the acquiring Party of such affected Property may by written notice to the other Party either (i) terminate this Agreement or (ii) accept conveyance of such affected Property. If the acquiring Party accepts conveyance of such affected Property, the Title Defect will be deemed waived but solely with respect to any action by the acquiring Party against the other Party. If the acquiring Party does not accept conveyance of the affected Property and fails to terminate this Agreement within seven (7) days after the date specified for the Extended Closing, or any extension provided above, either Party may terminate this Agreement upon three (3) days' written notice to the other Party. If this Agreement is terminated under this Section, neither Party shall have any further remedies under this Agreement against the other Party with respect to such termination nor any other rights or remedies, except for those that expressly survive the termination of this Agreement.

3.2 Responsibility for Title Insurance. Each Party understands and agrees, on behalf of itself and its transferees, that the right, title and interest in the City Property and the SFUSD Property, conveyed by City and SFUSD, respectively, shall not exceed that vested in City or SFUSD immediately prior to the Closing Date, as the case may be, and neither Party is under any obligation to furnish any policy of title insurance in connection with this transaction. Each Party recognizes that any physical monument of any of the Property's boundary lines may not correspond to the legal description of such Property. Neither Party shall be responsible for any discrepancies in the area or location of the property lines or any other matters that an accurate survey or inspection might reveal. It is the sole responsibility of each Party to obtain a survey and a policy of title insurance, if desired, and to investigate any and all title, survey and inspection matters affecting the Property it intends to acquire under this Agreement.

ARTICLE 4: REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of SFUSD. City agrees that it shall accept the SFUSD Property in its "as-is" condition, as further set forth in Section 4.4, subject only to the following matters, to which SFUSD represents and warrants to and covenants with City as of the Effective Date and as of the Closing Date:

(a) To the best of SFUSD's knowledge, there are no (i) leases, easements, rights of way, permits, licenses, purchase agreements, option agreements or any other agreements that provide any third parties with the right to acquire, use, possess, access, or traverse any portion of the SFUSD Property other than this Agreement, (ii) disputes or claims with regard to the SFUSD Property's boundaries, or the location of any fence or other monument on any of such boundaries, and (iii) easements or rights of way that have been acquired by prescription or are otherwise not of record with respect to the SFUSD Property.

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

(c) SFUSD does not have knowledge of any condemnation, either instituted or planned to be instituted by any governmental or quasi-governmental agency other than City, that could detrimentally affect the use, operation or value of the SFUSD Property.

(d) To the best of SFUSD's knowledge, there is no litigation pending or, threatened, against SFUSD or any basis therefor that arises out of the ownership of the SFUSD Property or that might detrimentally affect its use, operation or value, or SFUSD's ability to perform its obligations under this Agreement.

(e) SFUSD is the legal and equitable owner of the SFUSD Property, with full right to convey the same, and without limiting the generality of the foregoing, except for this Agreement, SFUSD has not granted any option or right of first refusal or first opportunity to any non-City party to acquire any interest in any of the SFUSD Property.

(f) This Agreement and all documents executed by SFUSD that are to be delivered to City at the Closing are, or at the Closing will be, all of the relevant documents and information pertaining to the condition and operation of the SFUSD Property that are under the possession of SFUSD, are duly authorized, executed and delivered by SFUSD, are legal, valid and binding obligations of SFUSD, enforceable against SFUSD in accordance with their respective terms, are, and at the Closing will be, sufficient to convey good and marketable title (if they purport to do so), and do not, and at the Closing will not, violate any provision of any agreement or judicial order to which SFUSD is a party or to which SFUSD or the SFUSD Property are subject.

(g) To the best of SFUSD's knowledge, neither the SFUSD Property nor any real estate in the vicinity of the SFUSD Property is in violation of any Environmental Laws (as defined in Section 4.5); the SFUSD Property is not now, nor, to the best of SFUSD's knowledge, has ever been, used in any manner for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Material (as defined in Section 4.5); to the best of SFUSD's knowledge, there has been no release (as defined in Section 4.5) and there is no threatened release of any Hazardous Material in, on, under or about the SFUSD Property; to the best of SFUSD's knowledge, there have not been and there are not now any underground storage tanks, septic tanks or wells or any aboveground storage tanks at any time used to store Hazardous Material located in, on or under the SFUSD Property; to the best of SFUSD's knowledge, the SFUSD Property does not consist of any landfill or of any building materials that contain Hazardous Material; to the best of SFUSD's knowledge, the SFUSD Property is not subject to any claim by any governmental regulatory agency or third party related to the release or threatened release of any Hazardous Material; and to the best of SFUSD's knowledge, there is no inquiry by any governmental agency (including, without limitation, the California Department of Toxic Substances Control or the Regional Water Quality Control Board) with respect to the presence of Hazardous Material in, on, under or about the SFUSD Property, or the migration of Hazardous Material from or to other property.

(h) As of the Closing Date, there will be no outstanding written or oral contracts made by SFUSD for any of improvements located on the SFUSD Property that have not been fully paid for and SFUSD shall cause to be discharged any mechanics' or material men's liens arising from any labor or materials furnished to the SFUSD Property prior to the Closing Date.

There are no obligations in connection with the SFUSD Property that will be binding upon City after Closing except for the SFUSD Property Permitted Title Exceptions.

The forgoing representations and warranties, and any other representations or writings made in writing by SFUSD to City and delivered pursuant to this Section, shall survive the Closing or any other termination of this Agreement.

4.2 Representations and Warranties of City. SFUSD agrees that it shall accept the City Property in its "as-is" condition, as further set forth in Section 4.4, subject only to the following matters, to which City represents and warrants to and covenants with SFUSD as of the Effective Date and as of the Closing Date:

(a) To the best of City's knowledge, there are no (i) leases, easements, rights of way, permits, licenses, purchase agreements, option agreements or any other agreements that provide any third parties with the right to acquire, use, possess, access, or traverse any portion of the City Property other than this Agreement and the Parcel E Lease, (ii) disputes or claims with regard to the City Property's boundaries, or the location of any fence or other monument thereon, and (iii) easements or rights of way that have been acquired by prescription or are otherwise not of record with respect to the City Property.

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

(c) City does not have knowledge of any condemnation, either instituted or planned to be instituted by any governmental or quasi-governmental agency other than SFUSD, that could detrimentally affect the use, operation or value of the City Property.

(d) To the best of City's knowledge, there is no litigation pending or threatened against City or any basis therefor that arises out of the ownership of the City Property or that might detrimentally affect its use, operation or value, or City's ability to perform its obligations under this Agreement.

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

(f) This Agreement and all documents executed by City that are to be delivered to SFUSD at the Closing are, or at the Closing will be, all of the relevant documents and information pertaining to the condition and operation of the City Property that are under the possession of City, are duly authorized, executed and delivered by City, are legal, valid and binding obligations of City, enforceable against City in accordance with their respective terms, are, and at the Closing will be, sufficient to convey good and marketable title (if they purport to do so), and do not, and at the Closing will not, violate any provision of any agreement or judicial order to which City is a party or to which City or the City Property are subject.

(g) Neither the City Property nor, to the best of City's knowledge, any real estate in the vicinity of the City Property is in violation of any Environmental Laws; the City Property is not now, nor to the best of City's knowledge has ever been, used in any manner for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Material; to the best of City's knowledge, there has been no release and there is no threatened release of any Hazardous Material in, on, under or about the City Property; to the best of City's knowledge, there have not been and there are not now any underground storage tanks, septic tanks or wells or any aboveground storage tanks at any time used to store Hazardous Material located in, on or under the City Property; to the best of City's knowledge, the City Property does not consist of any landfill or of any building materials that contain Hazardous Material; the City Property is not subject to any claim by any governmental regulatory agency or third party related to the release or threatened release of any Hazardous Material; and there is no inquiry by any governmental agency (including, without limitation, the California Department of Toxic Substances Control or the Regional Water Quality Control Board) with respect to the presence of Hazardous Material in, on, under or about the City Property, or the migration of Hazardous Material from or to other property.

(h) As of the Closing Date, there will be no outstanding written or oral contracts made by City for any of improvements located on the City Property that have not been fully paid for and City shall cause to be discharged any mechanics' or material men's liens arising from any labor or materials furnished to the City Property prior to the Closing Date. There are no obligations in connection with the City Property that will be binding upon SFUSD after Closing except for the Parcel E Property Permitted Title Exceptions and the Lot 53 Property Permitted Title Exceptions.

The forgoing representations and warranties, and any other representations or writings made in writing by City to SFUSD and delivered pursuant to this Section, shall survive the Closing or any other termination of this Agreement.

4.3 Indemnities.

(a) SFUSD, on behalf of itself and its successors and assigns, hereby agrees to indemnify, defend and hold harmless City, its Agents and their respective successors and assigns, from and against any and all Losses resulting from any misrepresentation or breach of warranty or breach of covenant made by SFUSD in this Agreement or in any document, certificate, or exhibit given or delivered to City pursuant to or in connection with this Agreement. The foregoing indemnity includes, without limitation, costs incurred in connection with the investigation of site conditions and all activities required to locate, assess, evaluate, remediate, cleanup, remove, contain, treat, stabilize, monitor or otherwise control any Hazardous Material. The indemnification obligations of this Section shall survive the Closing or any termination of this Agreement.

(b) City, on behalf of itself and its successors and assigns, hereby agrees to indemnify, defend and hold harmless SFUSD, its Agents and their respective successors and assigns, from and against any and all Losses resulting from any misrepresentation or breach of warranty or breach of covenant made by City in this Agreement or in any document, certificate, or exhibit given or delivered to SFUSD pursuant to or in connection with this Agreement. The

foregoing indemnity includes, without limitation, costs incurred in connection with the investigation of site conditions and all activities required to locate, assess, evaluate, remediate, cleanup, remove, contain, treat, stabilize, monitor or otherwise control any Hazardous Material. The indemnification provisions of this Section shall survive the Closing or any termination of this Agreement.

4.4 As-Is Conditions; Release.

(a) SFUSD SPECIFICALLY ACKNOWLEDGES AND AGREES THAT IT CURRENTLY POSSESSES THE PARCEL E PROPERTY PURSUANT TO THE PARCEL E LEASE AND FURTHER THAT CITY IS CONVEYING AND SFUSD IS ACQUIRING CITY'S INTEREST IN THE CITY PROPERTY ON AN "AS IS WITH ALL FAULTS" BASIS. EXCEPT FOR CITY'S REPRESENTATIONS IN SECTION 4.2, SFUSD IS RELYING SOLELY ON ITS INDEPENDENT INVESTIGATION AND NOT ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM CITY OR ITS AGENTS AS TO ANY MATTERS CONCERNING THE CITY PROPERTY, ITS SUITABILITY FOR SFUSD'S INTENDED USES OR ANY OF THE PROPERTY CONDITIONS. CITY DOES NOT GUARANTEE THE LEGAL, PHYSICAL, GEOLOGICAL, ENVIRONMENTAL, ZONING, OTHER CONDITIONS OF THE CITY PROPERTY OR THE SUITABILITY OF THE CITY PROPERTY FOR ANY USE, NOR DOES IT ASSUME ANY RESPONSIBILITY FOR THE COMPLIANCE OF THE CITY PROPERTY OR ITS USE WITH ANY APPLICABLE LAWS. IT IS SFUSD'S SOLE RESPONSIBILITY TO DETERMINE ALL BUILDING, PLANNING, ZONING AND OTHER REGULATIONS AND APPLICABLE LAWS RELATING TO THE CITY PROPERTY AND THE USES TO WHICH IT MAY BE PUT.

(b) CITY SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SFUSD IS CONVEYING AND CITY IS ACQUIRING SFUSD'S INTEREST IN THE SFUSD PROPERTY ON AN "AS IS WITH ALL FAULTS" BASIS. EXCEPT FOR SFUSD'S REPRESENTATIONS IN SECTION 4.1, CITY IS RELYING SOLELY ON ITS INDEPENDENT INVESTIGATION AND NOT ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM SFUSD OR ITS AGENTS AS TO ANY MATTERS CONCERNING THE SFUSD PROPERTY, ITS SUITABILITY FOR CITY'S INTENDED USES OR ANY OF THE PROPERTY CONDITIONS. SFUSD DOES NOT GUARANTEE THE LEGAL, PHYSICAL, GEOLOGICAL, ENVIRONMENTAL, ZONING, OTHER CONDITIONS OF THE SFUSD PROPERTY OR THE SUITABILITY OF THE SFUSD PROPERTY FOR ANY USE, NOR DOES IT ASSUME ANY RESPONSIBILITY FOR THE COMPLIANCE OF THE SFUSD PROPERTY OR ITS USE WITH ANY APPLICABLE LAWS. IT IS CITY'S SOLE RESPONSIBILITY TO DETERMINE ALL BUILDING, PLANNING, ZONING AND OTHER REGULATIONS AND APPLICABLE LAWS RELATING TO THE SFUSD PROPERTY AND THE USES TO WHICH IT MAY BE PUT.

(c) As part of its agreement to accept the Property in its "as is and with all faults" condition, each Party, on behalf of itself and its successors and assigns, waives any right to recover from, and forever releases and discharges, the other Party or its respective Agents, officers, employees, agents, contractors and representatives, and their respective heirs,

successors, legal representatives and assigns, from any and all Losses, whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise on account of or in any way be connected with (i) City's and its Agents and customers past, present and future use of the City Property, (ii) the physical, geological or environmental conditions of the City Property, including, without limitation, any Hazardous Material in, on, under, above or about the City Property and any federal, state, local or administrative law, rule, regulation, order or requirement applicable thereto, including, without limitation, all Environmental Laws, (iii) SFUSD's and its Agents and customers past, present and future use of the SFUSD Property, and (iv) the physical, geological or environmental conditions of the SFUSD Property, including, without limitation, any Hazardous Material in, on, under, above or about the SFUSD Property and any federal, state, local or administrative law, rule, regulation, order or requirement applicable thereto, including, without limitation, all Environmental Laws.

In connection with the foregoing release, each Party expressly waives the benefits of Section 1542 of the California Civil Code, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR EXPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN TO HIM MUST HAVE MATERIALLY AFFECTED THE SETTLEMENT WITH THE DEBTOR.”

By placing its initials below, each Party specifically acknowledges and confirms the validity of the releases made above and the fact that such Party was represented by counsel who explained, at the time of this Agreement was made, the consequences of the above releases.

INITIALS: SFUSD: _____ City: _____

Notwithstanding anything to the contrary in the foregoing, neither Party in its capacity as a transferee (the “Transferee Party”) waives, releases, or discharges the other Party (the “Transferor Party”) from any claims for Losses relating to a material adverse condition of the Property being transferred to the Transferee Party of which the Transferor Party had actual knowledge and the Transferee Party had no actual knowledge before the Closing Date, but the Transferor Party failed to disclose to the Transferee Party prior to the Closing Date.

4.5 Definitions.

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

(b) The term “**Hazardous Material**” shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a “hazardous substance,” or “pollutant” or “contaminant” under the Comprehensive

Environmental Response, Compensation and Liability Act of 1980 (“CERCLA”, also commonly known as the “Superfund” law), as amended, (42 U.S.C. Sections 9601 et seq.) or under Section 25281 or 25316 of the California Health & Safety Code; any “hazardous waste” as defined in Section 25117 or listed under Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials (whether or not such materials are part of the structure of any existing improvements on the Property, any improvements to be constructed on the Property, or are naturally occurring substances on, in or about the Property); and petroleum, including crude oil or any fraction, and natural gas or natural gas liquids. “Hazardous Material” shall not include any material used or stored at the Property in limited quantities and required in connection with the routine operation and maintenance of the Property, if such use and storage complies with all applicable Hazardous Material Laws.

(c) The term “**Hazardous Material Claims**” shall mean any and all enforcement, investigation, Remediation or other governmental or regulatory actions, agreements or orders threatened, instituted or completed under any Hazardous Materials Laws, together with any and all Losses made or threatened by any third party against City or SFUSD, their Agents, or the Property, relating to damage, contribution, cost recovery compensation, loss or injury resulting from the presence, release or discharge of any Hazardous Materials, including, without limitation, Losses based in common law. “Hazardous Material Claims” include, without limitation, investigation and Remediation costs, fines, natural resource damages, damages for decrease in value of the Property, the loss or restriction of the use or any amenity of the Property, or any portion of either of the foregoing, and Attorneys’ Fees and Costs, and consultants’ fees and experts’ fees and costs.

(d) The term “**Hazardous Material Laws**” shall mean any present or future federal, state or local laws, rules, regulations or policies relating to Hazardous Material (including, without limitation, its handling, transportation or release) or to human health and safety, industrial hygiene or environmental conditions in, on, under or about the Property and any other property, including, without limitation, soil, air, air quality, water, water quality and groundwater conditions. “Hazardous Materials Laws” includes, without limitation, CERCLA, as amended by SARA, the RCRA, the Clean Water Act, TSCA, the Hazardous Materials Transportation Act (49 U.S.C. Section 1801 et seq.), the California Superfund law, the Hazardous Waste Control Act (California Health and Safety Code Section 25100 et seq.), the Business Plan Law, Porter-Cologne Water Quality Control Act (California Water Code Section 13000 et seq.), Proposition 65, City’s Pesticide Ordinance (Chapter 39 of the San Francisco Administrative Code), and Article 20 of the San Francisco Public Works Code (“Analyzing Soils for Hazardous Waste”).

(e) The term “**release**” when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about any portion of the Property or into the environment.

(f) The term “**remediate**” or “**remediation**” when used with reference to Hazardous Materials means any activities undertaken to clean up, remove, contain, treat, stabilize, monitor or otherwise control Hazardous Materials located in, on, under or about the Property or which have been, are being, or threaten to be released into the environment. “Remediation” includes,

without limitation, those actions included within the definition of “remedy” or “remedial action” in California Health and Safety Code Section 25322 and “remove” or “removal” in California Health and Safety Code Section 25323.

ARTICLE 5: CONDITIONS PRECEDENT TO CLOSING

5.1 City’s Conditions Precedent. The following are conditions precedent to City’s obligations under this Agreement to acquire the SFUSD Property and convey the City Property to SFUSD (each, a “**City Condition Precedent**”, and collectively, the “**City’s Conditions Precedent**”):

(a) SFUSD shall have performed all of the obligations under this Agreement it is required to perform on or before the Closing, no event of default (or event which upon the giving of notice or the passage of time or both shall constitute an event of default) shall exist on the part of SFUSD under this Agreement, and each of SFUSD’s representations and warranties under this Agreement shall be true and correct as of the Closing Date.

(b) SFUSD shall have deposited into Escrow (as defined in Section 6.2) any sums required to be paid by SFUSD under this Agreement and all items to be deposited in Escrow pursuant to Section 6.3(b).

(c) The Title Company shall have issued to City (or shall be irrevocably committed to issue on payment by City of all required premiums) the SFUSD Property Title Policy at City’s sole cost and expense.

(d) There shall be no pending or threatened (i) condemnation, environmental or other pending governmental proceedings in respect of SFUSD Property that would materially and adversely affect City’s intended use thereof or (ii) litigation, administrative agency or other governmental proceeding, either pending or threatened in writing prior to the Closing Date, that would materially and adversely affect any of the SFUSD Property at or after Closing.

(e) There shall be no material adverse change in the condition of the SFUSD Property from the Effective Date to the Closing Date.

(f) SFUSD shall have removed any of its equipment and personal property from the SFUSD Property, as requested by City.

(g) SFUSD’s Board of Trustees and any other necessary parties necessary to authorize SFUSD to enter into this Agreement, in their sole discretion, shall have duly approved of the Exchange in compliance with all Applicable Laws, and all applicable appeal periods for the filing of any administrative or judicial challenge of such approval shall have expired (the “**SFUSD Approval Condition**”).

(h) City’s Board of Supervisors shall have passed, and the Mayor shall have approved of, in their sole discretion, a resolution approving of the Exchange and City’s execution of this Agreement (the “**Transfer Resolution**”) in accordance with and subject to City’s Charter (the “**City Approval Condition**”).

5.2 Failure of City's Conditions Precedent. Each City Condition Precedent is intended solely for the benefit of City. If any City Condition Precedent is not satisfied by the Closing Date or by the date otherwise provided above, City may, at its sole election and by written notice to SFUSD, extend the date for satisfaction of the condition, waive the condition in whole or part, conditionally waive the condition in whole or in part, or terminate this Agreement. Notwithstanding anything to the contrary in the foregoing, if any such conditional waiver is not acceptable to SFUSD in its sole discretion, SFUSD may reject such conditional waiver, in which event the original City Condition Precedent shall remain effective, and if not satisfied, shall entitle City to terminate this Agreement. If City elects to so terminate this Agreement, then upon any such termination, neither Party shall have any further rights nor obligations hereunder except for those that expressly survive termination of this Agreement.

5.3 SFUSD's Conditions Precedent. The following are conditions precedent to SFUSD's obligations under this Agreement to acquire the City Property and convey the SFUSD Property to City (each, a "**SFUSD Condition Precedent**", and collectively, the "**SFUSD's Conditions Precedent**"):

(a) City shall have performed all of the obligations under this Agreement it is required to perform on or before the Closing, no event of default (or event which upon the giving of notice or the passage of time or both shall constitute an event of default) shall exist on the part of City under this Agreement and each of City's representations and warranties under this Agreement shall be true and correct as of the Closing Date.

(b) City shall have deposited into Escrow the Additional Fee and any other sums required to be paid by City under this Agreement and all items City is required to deposit in Escrow pursuant to Section 6.3(a).

(c) If requested by SFUSD, the Title Company shall have issued to SFUSD (or shall be irrevocably committed to issue on payment by SFUSD of all required premiums) any owner's title policy for the Parcel E Property and/or the Lot 53 Property required by SFUSD at SFUSD's sole cost and expense.

(d) There shall be no pending or threatened (i) condemnation, environmental or other pending governmental proceedings in respect of City Property that would materially and adversely affect SFUSD's intended use thereof or (ii) litigation, administrative agency or other governmental proceeding, either pending or threatened in writing prior to the Closing Date, that would materially and adversely affect any of the City Property at or after Closing.

(e) There shall be no material adverse change in the condition of the City Property, from the Effective Date to the Closing Date, that was caused by the City and that may impact SFUSD's intended use of the City Property.

(f) The City shall have removed any of its equipment and personal property from the City Property, as requested by SFUSD.

(g) The City Approval Condition and the SFUSD Approval Condition shall have been satisfied.

5.4 Failure of SFUSD's Conditions Precedent. Each SFUSD Condition Precedent is intended solely for the benefit of SFUSD. If any SFUSD Condition Precedent is not satisfied by the Closing Date or by the date otherwise provided above, SFUSD may, at its sole election and by written notice to City, extend the date for satisfaction of the condition, waive the condition in whole or in part, conditionally waive the condition in whole or in part, or terminate this Agreement. Notwithstanding anything to the contrary in the foregoing, if any such conditional waiver is not acceptable to City in its sole discretion, City may reject such conditional waiver, in which event the original SFUSD Condition Precedent shall remain effective, and if not satisfied, shall entitle SFUSD to terminate this Agreement. If SFUSD elects to so terminate this Agreement, then upon such termination, neither Party shall have any further rights or obligations hereunder except for those that expressly survive the termination of this Agreement.

5.5 Notification Obligation.

(a) From and after the Effective Date through to the Closing Date, City shall promptly deliver written notice to notify SFUSD if City becomes aware of or receives notice of any actual or threatened litigation with respect to the City Property, any violation of Applicable Law affecting or related to the City Property, or any other material adverse change in the condition of the City Property. Such notification shall include all material facts known by City relative to such matter.

(b) From and after the Effective Date through to the Closing Date, SFUSD shall promptly deliver written notice to City if SFUSD becomes aware of or receives notice of any actual or threatened litigation with respect to the SFUSD Property, any violation of Applicable Law affecting or related to the SFUSD Property, or any other material adverse change in the condition of the SFUSD Property. Such notification shall include all material facts known by SFUSD relative to such matter.

5.6 Cooperation of Parties. SFUSD shall cooperate with City and do all acts as may be reasonably requested by City to fulfill any City Condition Precedent, including, without limitation, execution of any documents, applications or permits. SFUSD's representations and warranties to City shall not be affected or released by City's waiver or fulfillment of any City Condition Precedent. SFUSD hereby irrevocably agrees that City and its Agents may make all inquiries with and applications to any party, including, without limitation, any regulatory authority with jurisdiction as City may reasonably require to complete its due diligence investigations.

City shall cooperate with SFUSD and do all acts as may be reasonably requested by SFUSD to fulfill any SFUSD Condition Precedent, including, without limitation, execution of any documents, applications or permits. City's representations and warranties to SFUSD shall not be affected or released by SFUSD's waiver or fulfillment of any SFUSD Condition Precedent. City hereby irrevocably agrees that SFUSD and its Agents may make all inquiries with and applications to any party, including, without limitation, any regulatory authority with jurisdiction as SFUSD may reasonably require to complete its due diligence investigations.

ARTICLE 6: ESCROW AND CLOSING

6.1 Escrow. If the Board of Supervisors passes, and the Mayor approves of, the Transfer Resolution, within five (5) business days following such approval by the Mayor, the parties shall open an escrow for the Exchange (“**Escrow**”) with Chicago Title Company, at its office at 388 Market Street, Suite 1300, in San Francisco, California, 94111 (the “**Title Company**”), and deposit a fully executed copy of this Agreement with Title Company. This Agreement shall serve as instructions to Title Company as the escrow holder for consummation of the Exchange. SFUSD and City agree to execute such additional or supplementary instructions as may be reasonably appropriate to enable the Title Company to comply with the terms of this Agreement and effect Closing; provided, however, that if there is any conflict between the provisions of this Agreement and any additional supplementary instructions, the terms of this Agreement shall control.

6.2 Closing Date. “**Closing**” shall mean the consummation of the Exchange pursuant to the terms and conditions of this Agreement. The Closing shall be held at the offices of the Title Company on the 30th day following the later of (a) the satisfaction of the SFUSD Approval Condition or (b) the satisfaction of the City Approval Condition (the “**Closing Date**”). The Closing Date may not be extended without the prior written approval of the Parties, except as otherwise expressly provided in this Agreement. If the Closing does not occur on or before the Closing Date, Title Company shall, unless it is notified by both Parties to the contrary within five (5) days after the Closing Date, return each item deposited in Escrow to the Party that deposited such item. Any such return shall not, however, limit the provisions hereof or otherwise relieve either Party of any liability it may have for its wrongful failure to perform its obligations under this Agreement.

6.3 Deposit of Documents and Funds for Closing.

- (a) At or before the Closing, City shall deposit the following items into Escrow:
 - (i) the Parcel E Deed, duly executed and acknowledged by City and conveying the Parcel E Property to SFUSD subject to the Parcel E Property Permitted Title Exceptions, and the Lot 53 Deed, duly executed and acknowledged by City and conveying the Lot 53 Property to SFUSD subject to the Lot 53 Property Permitted Title Exceptions; and
 - (ii) the Additional Fee and any other funds City is required to deposit into Escrow in accordance with this Agreement.
- (b) At or before the Closing, SFUSD shall deposit the following items into Escrow:
 - (i) the SFUSD Deed, duly executed and acknowledged by SFUSD and conveying the SFUSD Property to City subject to the SFUSD Property Permitted Title Exceptions; and
 - (ii) any funds SFUSD is required to deposit into Escrow in accordance with this Agreement.

(c) City and SFUSD shall each deposit such other instruments as are reasonably required by the Title Company or otherwise required to close the Escrow and consummate the Exchange in accordance with the terms hereof.

(d) As of Closing, the Title Company shall record the Parcel E Deed, the Lot 53 Deed, and the SFUSD Deed in the Official Records.

(e) As of Closing, the Title Company shall issue to City, at City's expense, the SFUSD Property Title Policy and, shall issue to SFUSD, at SFUSD's expense, the Parcel E Property Title Policy and Lot 53 Property Title Policy.

(f) As of Closing, the Title Company shall deliver to each of City and SFUSD a fully executed original copy of the Parcel E Deed, the Lot 53 Deed, and the SFUSD Deed.

(g) As of Closing, the Title Company shall deliver the Additional Fee to SFUSD.

(h) Unless the parties otherwise expressly agree at or prior to the time of the Exchange, as of Closing, all pre-conveyance conditions of the Parties with respect to the Property shall be deemed satisfied or waived by the Party or Parties benefited by such condition.

6.4 Expenses. The Parties shall each pay fifty percent (50%) of any transfer taxes assessed on the conveyance of the City Property to SFUSD or of the SFUSD Property to City pursuant to this Agreement, any fees related to recording the SFUSD Deed, the Parcel E Deed, and the Lot 53 Deed, and all Escrow fees for the Closing. Any real property taxes or assessments for the Property shall be prorated as of the Closing Date, and SFUSD shall convey the SFUSD Property to City, and City shall convey the City Property to SFUSD, free and clear of any real property taxes or assessments, other than those that are not yet due and payable. Any personal property taxes that may be due from the transfer of the City Property to SFUSD pursuant to this Agreement shall be paid by SFUSD. Any personal property taxes that may be due from the transfer of the SFUSD Property to City pursuant to this Agreement shall be paid by City.

6.5 Prorations. SFUSD shall pay for all utilities used at the SFUSD Property prior to the Closing Date and for all utilities used at the City Property on and after the Closing Date. City shall pay for all utilities used at the City Property prior to the Closing Date (except to the extent SFUSD is required to pay for the utilities pursuant to the Parcel E Lease) and for all utilities used at the SFUSD Property on and after the Closing Date. Any utility deposits paid by either Party for the Property prior to the Closing Date shall remain the property of such depositing Party, and the other Party shall reasonably cooperate to cause the return of such deposits to the depositing Party to the extent the depositing Party is entitled thereto. If any of the foregoing prorations cannot be accurately calculated on the Closing Date, they shall be calculated as soon as reasonably feasible after the Closing Date. Either Party owing the other Party a sum of money based on such subsequent prorations shall promptly pay such sum to the other Party.

6.6 Possession. SFUSD shall deliver possession of the SFUSD Property to City on the Closing Date. SFUSD acknowledges that it currently has possession of the City Property and that City shall not be required to deliver possession thereof to SFUSD.

ARTICLE 7: RISK OF LOSS

7.1 Loss. If all or any portion of the Property is condemned, or destroyed or damaged by fire or other casualty before the Closing, then either Party may, at its option, either terminate this Agreement or consummate the Exchange pursuant to this Section 7.1. If either Party elects to terminate this Agreement under this Section 7.1, then neither Party shall have any further rights or obligations hereunder except for those that expressly survive the termination of this Agreement.

7.2 Self-Insurance. Notwithstanding anything to the contrary contained in this Agreement, each Party acknowledges and agrees that the other Party self-insures and shall not be obligated to purchase any third party comprehensive liability insurance or property insurance.

ARTICLE 8: DEFAULT AND REMEDIES

8.1 Default; Right to Specific Performance. If either Party fails to perform its obligations under this Agreement (except as excused by the other Party's default), including, without limitation, a failure to convey the City Property of the SFUSD Property, at the time and in the manner provided for hereunder, the Party claiming default may, at its sole election, make written demand for performance. If the Party receiving such demand for performance fails to comply with such written demand within thirty (30) days after such notice is delivered, the Party claiming default will have the option to (i) waive such default, (ii) demand specific performance or (iii) terminate this Agreement, in each case by written notice to the defaulting Party. If a Party becomes aware of a default by the other Party under this Agreement that relates to the Property before the Closing Date and the Party elects to proceed with the Closing, then the Party that elects to proceed shall be deemed to have waived the default.

8.2 Termination. If any Party terminates this Agreement pursuant to this Article 8, such Party shall have the right to seek all legal remedies available to such Party.

ARTICLE 9: GENERAL PROVISIONS

9.1 Notices. Any notice, consent or approval required or permitted to be given under this Agreement shall be in writing and shall be deemed to be delivered upon (i) personal delivery, or the day the addressee refuses to accept such delivery, (ii) one (1) business day after being deposited with a reliable overnight courier service, or (iii) two (2) days after being deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required, and addressed as follows:

If to SFUSD:

With a copy to:

If to City: Director of Property
City and County of San Francisco
25 Van Ness Ave., Suite 400
San Francisco, CA 94102
Facsimile: (415) 554-9216
Telephone: (415) 554-9875

With a copy to: Office of the City Attorney
Room 234, City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Attn: Evan Gross
Facsimile: (415) 554-4468
Telephone: (415) 554-4711

For the convenience of the Parties, copies of notice may also be given by facsimile, but a Party may not give official or binding notice by facsimile and the effective time of a notice shall not be affected by the receipt, prior to receipt of the original, of a facsimile copy of the notice.

Every notice given to a Party pursuant to this Agreement must state (or must be accompanied by a cover letter that states) substantially the following: (A) the Section of this Agreement under which the notice is given and the action or response required, if any; (B) if applicable, the period of time within which the recipient of the notice must respond thereto; (C) if approval is being requested, shall be clearly marked "Request for Approval"; and (D) if a notice of a disapproval or an objection which requires reasonableness, shall specify with particularity the reasons therefor.

Any mailing address or facsimile number may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days prior to the effective date of the change. If delivery of any notice given pursuant to this Agreement is rejected, such notice shall be deemed to have been made on the attempted delivery date.

9.2 Amendments. Except as otherwise provided in this Agreement, this Agreement may be amended or modified only by a written instrument executed by City and SFUSD. The Director of Property of City (or any successor City officer as designated by law) shall have the authority to consent to any non-material amendments or other modifications to this Agreement. The _____ of SFUSD shall have the authority to consent to any non-material amendments or other modifications to this Agreement. For purposes hereof, "non-material change" shall mean any change that does not materially reduce the consideration to a Party under this Agreement or otherwise materially increase the liabilities or obligations of a Party under this Agreement. Material amendments to this Agreement shall require the approval of City's Board of Supervisors and the SFUSD's Board of Trustees by resolution.

9.3 Severability. If any provision of this Agreement, or its application to any party or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision shall not affect any other provision of this Agreement or the application of such provision to any other party or circumstance, and the remaining portions of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as so modified by and in response to such invalidation would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the fundamental purposes of this Agreement.

9.4 Non-Waiver. Except as expressly set forth herein to the contrary, a Party's delay or failure to exercise any right under this Agreement shall not be deemed a waiver of that or any other right contained in this Agreement.

9.5 Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the Parties and their respective successors, heirs, legal representatives, administrators and assigns. Neither Party's rights or obligations hereunder shall be assignable without the prior written consent of the other Party; provided, however, even if the other Party approves any such proposed assignment, in no event shall the assigning Party be released of any of its obligations hereunder.

9.6 Consents and Approvals. Any approvals or consents of City required under this Agreement may be given by the Director of Property, unless otherwise provided in the City Charter or applicable City ordinances. Any approvals or consents of SFUSD required under this Agreement may be given by the _____.

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

9.8 Applicable Laws. "**Applicable Laws**" shall mean all present and future applicable laws, ordinances, rules, regulations, resolutions, statutes, permits, authorizations, orders and requirements, whether or not in the contemplation of the parties hereto, that may affect or be applicable to the Property or any part of the Property (including, without limitation, any subsurface area) or the use of the Property. "Applicable Laws" shall include, without limitation, any environmental, earthquake, life safety and disability laws, and all consents or approvals required to be obtained from, and all rules and regulations of, and all building and zoning laws of, all federal, state, county and municipal governments, the departments, bureaus, agencies or commissions thereof, authorities, board of officers, any national or local board of fire underwriters, or any other body or bodies exercising similar functions, having or acquiring jurisdiction of the subject property. The term "Applicable Law" shall be construed to mean the same as the above in the singular as well as the plural.

9.9 No Brokers or Finders. Each Party warrants to the other Party that no broker or finder was instrumental in arranging or bringing about this transaction and that there are no claims or rights for brokerage commissions or finder's fees in connection with the transactions contemplated by this Agreement. If any party brings a claim for a commission or finder's fee based on any contact, dealings, or communication with SFUSD or City, then the Party through whom such party makes a claim shall defend the other Party from such claim, and shall indemnify, protect, defend and hold harmless the indemnified Party from any Losses that the

indemnified Party incurs in defending against the claim. The provisions of this Section shall survive the Closing, or, if the conveyance is not consummated for any reason, any termination of this Agreement.

9.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

9.11 Interpretation of Agreement.

(a) Exhibits. Whenever an "Exhibit" is referenced, it means an attachment to this Agreement unless otherwise specifically identified. All such Exhibits are incorporated herein by reference.

(b) Captions. Whenever a section, article or paragraph is referenced, it refers to this Agreement unless otherwise specifically identified. The captions preceding the articles and sections of this Agreement have been inserted for convenience of reference only. Such captions shall not define or limit the scope or intent of any provision of this Agreement.

(c) Words of Inclusion. The use of the term "including," "such as" or words of similar import when following any general term, statement or matter shall not be construed to limit such term, statement or matter to the specific items or matters, whether or not language of non-limitation is used with reference thereto. Rather, such terms shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter.

(d) References. Wherever reference is made to any provision, term or matter "in this Agreement," "herein" or "hereof" or words of similar import, the reference shall be deemed to refer to any and all provisions of this Agreement reasonably related thereto in the context of such reference, unless such reference refers solely to a specific numbered or lettered, section or paragraph of this Agreement or any specific subdivision thereof.

(e) Recitals. If there is any conflict or inconsistency between the recitals and any of the remaining provisions of this Agreement, the remaining provisions of this Agreement shall prevail. The Recitals in this Agreement are included for convenience of reference only and are not intended to create or imply covenants under this Agreement.

9.12 Entire Agreement. This Agreement (including the exhibits) contains all the representations and the entire agreement between the Parties with respect to the subject matter herein. Any prior correspondence, memoranda, agreements, warranties or representations relating to such subject matter, are superseded in total by this Agreement (and such other agreements to the extent referenced herein). No prior drafts of this Agreement or changes from those drafts to the executed version of this Agreement shall be introduced as evidence in any litigation or other dispute resolution proceeding by either Party or any other party and no court or other body shall consider those drafts in interpreting this Agreement.

9.13 Survival. Any and all other representations, warranties and indemnities of the Parties contained herein (including the Exhibits), shall survive the Closing or termination of this Agreement.

9.14 Parties and Their Agents. As used herein, the term “**Agents**” when used with respect to either Party shall include the agents, employees, officers, contractors and representatives of such Party.

9.15 Attorneys’ Fees. If either Party hereto fails to perform any of its respective obligations under this Agreement or if any dispute arises between the Parties hereto concerning the meaning or interpretation of any provision of this Agreement, then the defaulting Party or the Party not prevailing in such dispute, as the case may be, shall pay any and all reasonable Attorneys’ Fees and Costs incurred by the other Party on account of such default or in enforcing or establishing its rights hereunder, including without limitation, court costs. Any such Attorneys’ Fees and Costs incurred by either Party in enforcing a judgment in its favor under this Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such Attorneys’ Fees and Costs obligation is intended to be severable from the other provisions of this Agreement and to survive and not be merged into any such judgment. For purposes of this Agreement, the reasonable fees of attorneys of the Office of City Attorney of the City and County of San Francisco shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which such 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.

9.16 Time of Essence. Time is of the essence with respect to the performance of the Parties’ respective obligations contained herein.

9.17 Non-Liability. Notwithstanding anything to the contrary in this Agreement, no elective or appointive board, commission, director, or Agent of City shall be personally liable to SFUSD or its successors and assigns, if there is any default or breach by City or for any amount which may become due hereunder to SFUSD or its successors and assigns, or for any obligation of City under this Agreement. Notwithstanding anything to the contrary in this Agreement, no elected or appointed board, commission, director, or Agent of SFUSD (or of its successors or assigns) shall be personally liable to City, or its successors and assigns, if there is any default or breach by SFUSD or for any amount which may become due to City, or its successors and assigns, or for any obligations of SFUSD under the terms of this Agreement.

9.18 Tropical Hardwoods and Virgin Redwoods. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood or tropical hardwood wood product or virgin redwood or virgin redwood wood product.

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

9.20 MacBride Principles - Northern Ireland. City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 et

seq. City also urges companies to do business with corporations that abide by the MacBride Principles. SFUSD acknowledges that it has read and understands the above statement of City concerning doing business in Northern Ireland.

9.21 Relationship of the Parties. The relationship between the Parties hereto is solely that of transferor and transferee of real property.

9.22 Prohibition Against Making Contributions to City. SFUSD acknowledges that no party that contracts with City for the rendition of personal services, or the furnishing of any material, supplies or equipment to City, or for selling any land or building to City, whenever such transaction would require approval by a City elective officer, or the board on which that City elective officer serves, shall make any contribution to such an officer or candidate at any time between commencement of negotiations and either the completion of, or the termination of, negotiations for such contract.

9.23 Effective Date. This Agreement shall become effective upon the first day (“**Effective Date**”) on which each of the following events has occurred: (i) the Parties have duly executed and delivered this Agreement, (ii) the City Approval Condition has been satisfied, and (iii) the SFUSD Approval Condition has been satisfied. The Parties shall confirm in writing the Effective Date of this Agreement once such date has been established pursuant to this Section; provided, however, the failure of the Parties to confirm such date in writing shall not have any effect on the validity of this Agreement. Where used in this Agreement or in any of its attachments, references to the “Effective Date” will mean the Effective Date as established and confirmed by the Parties pursuant to this Section.

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

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, CITY ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF SFUSD HAS AUTHORITY TO COMMIT SFUSD TO THIS AGREEMENT UNLESS AND UNTIL APPROPRIATE RESOLUTION OF SFUSD’S BOARD OF TRUSTEES SHALL HAVE BEEN DULY ADOPTED APPROVING THIS AGREEMENT AND AUTHORIZING THE TRANSACTIONS CONTEMPLATED HEREBY. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF SFUSD HEREUNDER ARE CONTINGENT

UPON THE DUE ENACTMENT OF SUCH LEGISLATION, AND THIS AGREEMENT SHALL BE NULL AND VOID IF SFUSD'S BOARD OF TRUSTEES DOES NOT APPROVE THIS AGREEMENT IN ITS SOLE DISCRETION. APPROVAL OF THE TRANSACTIONS CONTEMPLATED HEREBY BY ANY EMPLOYEES, DEPARTMENTS OR COMMISSIONS OF SFUSD SHALL NOT BE DEEMED TO IMPLY THAT SUCH LEGISLATION WILL BE ENACTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON SFUSD.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

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

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
John Updike, Director of Property

Date: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Evan A. Gross, Deputy City Attorney

SFUSD:

CONSENT OF TITLE COMPANY:

Title Company agrees to act as escrow holder in accordance with the terms of this Agreement. Title Company's failure to execute below shall not invalidate the Agreement between City and SFUSD.

TITLE COMPANY:
COMPANY

FIRST AMERICAN TITLE INSURANCE

By: _____

Its: _____

Date: _____

EXHIBIT A

LEGAL DESCRIPTION OF PARCEL E PROPERTY

LEGAL DESCRIPTION

Real property in the City of San Francisco, County of San Francisco, State of California, described as follows:

PARCEL ONE:

COMMENCING AT A POINT ON THE SOUTHERLY LINE OF MCALLISTER STREET, DISTANT THEREON 165 FEET WESTERLY FROM THE WESTERLY LINE OF FRANKLIN STREET; THENCE EASTERLY 82 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 120 FEET TO THE NORTHERLY LINE OF ASH STREET; THENCE WESTERLY ALONG SAID LINE OF ASH STREET 82 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 120 FEET TO THE POINT OF COMMENCEMENT.

APN: PORTION OF LOT 30, BLOCK 785

PARCEL TWO:

COMMENCING AT A POINT ON THE SOUTHERLY LINE OF MCALLISTER STREET, DISTANT THEREON 165 FEET WESTERLY FROM THE WESTERLY LINE OF FRANKLIN STREET; THENCE WESTERLY ALONG SAID LINE OF MCALLISTER STREET 68 FEET; THENCE SOUTHERLY 136 FEET AND 3 INCHES TO THE NORTHERLY LINE OF ASH STREET; THENCE EASTERLY ALONG SAID LINE OF ASH STREET 137 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 120 FEET TO THE POINT OF COMMENCEMENT.

APN: LOT 30, BLOCK 785

PARCEL THREE:

COMMENCING AT A POINT ON THE SOUTHERLY LINE OF ASH STREET, DISTANT THEREON 88 FEET EASTERLY FROM THE EASTERLY LINE OF GOUGH STREET; THENCE EASTERLY ALONG SAID LINE OF ASH STREET 170 FEET; THENCE NORTHEASTERLY 42 FEET TO A POINT ON THE NORTHERLY LINE OF ASH STREET, DISTANT THEREON 281 FEET FROM THE EASTERLY LINE OF GOUGH STREET; THENCE WESTERLY ALONG SAID LINE OF ASH STREET 171 FEET; THENCE AT RIGHT ANGLE SOUTHERLY 0.5 OF A FOOT; THENCE AT A RIGHT ANGLE WESTERLY 2 FEET; THENCE SOUTHWESTERLY 40 FEET TO THE POINT OF COMMENCEMENT.

APN: LOT 33, BLOCK 785

PARCEL FOUR:

BEING A PORTION OF THE LANDS DESCRIBED IN THAT CERTAIN "DIRECTOR'S DEED" RECORDED JANUARY 16, 2001 IN REEL H804, IMAGE 167, OFFICIAL RECORDS AND ALSO BEING A PORTION OF THE LANDS DESCRIBED IN THAT CERTAIN "STATE OF CALIFORNIA QUITCLAIM DEED" RECORDED JULY 30, 2004 IN REEL I691, IMAGE 735, OFFICIAL RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHERLY LINE OF FULTON STREET (68.75 FEET WIDE) WITH THE EASTERLY LINE OF GOUGH STREET (68.75 FEET WIDE); THENCE ALONG SAID LINE OF GOUGH STREET NORTH 09° 05' 00" WEST, 120.00 FEET TO THE SOUTHERLY LINE OF ASH STREET (35.00 FEET WIDE); THENCE ALONG SAID SOUTHERLY LINE OF ASH STREET (THERE IS A DECLARATION OF INTENTION TO ORDER THE VACATION OF A PORTION OF SAID ASH STREET PER RESOLUTION NO. 588-75) NORTH 80° 55' 00" EAST, 236.25 FEET; THENCE SOUTH 09° 05' 00" EAST, 120.00 FEET TO THE NORTHERLY LINE OF FULTON STREET; THENCE ALONG SAID LINE OF FULTON STREET SOUTH 80° 55' 00" WEST, 236.25 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL MINERALS AND MINERAL DEPOSITS, INCLUDING, BUT NOT LIMITED TO, OIL AND GAS, OTHER GASES, INCLUDING, BUT NOT LIMITED TO, NON HYDROCARBON AND GEOTHERMAL GASES, OIL SHALE, COAL, PHOSPHATE, ALUMINA, SILICA, FOSSILS OF ALL GEOLOGICAL AGES, SODIUM, GOLD, SILVER, METALS AND THEIR COMPOUNDS, ALKALI, ALKALI EARTH, SAND, CLAY, GRAVEL, SALTS AND MINERAL WATERS, URANIUM, TRONA, AND GEOTHERMAN RESOURCES, TOGETHER WITH THE RIGHT OF THE STATE OR PERSONS AUTHORIZED BY THE STATE TO PROSPECT FOR, DRILL FOR, EXTRACT, MINE AND REMOVE SUCH DEPOSITS OR RESOURCES, EXCEPT THAT THE STATE OR PERSONS AUTHORIZED BY THE STATE SHALL NOT HAVE THE RIGHT TO PROSPECT FOR, DRILL FOR, EXTRACT, MINE OR REMOVE SUCH DEPOSITS ABOVE A PLANE LOCATED 500 FEET BELOW THE

SURFACE NOR A RIGHT TO OCCUPY AND USE THE SURFACE OF SUCH LANDS FOR SAID PURPOSES, AS RESERVED TO THE STATE OF CALIFORNIA BY QUITCLAIM DEED RECORDED JULY 30, 2004, INSTRUMENT NO. 2004-H778321, OFFICIAL RECORDS.

APN: LOT 53, BLOCK 785

EXHIBIT B

LEGAL DESCRIPTION OF LOT 53 PROPERTY

LEGAL DESCRIPTION

APN 53 (Portion of former APN 29)

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

Commencing at a point on the Northerly line of Fulton Street, distant thereon N80° 55' 00" E, 236.25' from the Easterly line of Gough Street (68.75 feet wide);

Thence N9° 05' 00" W, a distance of 86.85 feet to the Point of Beginning;

Thence N24°30' 04" E, a distance of 39.79 feet;

Thence S80°55' 00" W, a distance of 22.01 feet;

Thence S9°05' 00" E, a distance of 33.15 feet to the Point of Beginning.

Being a portion of Assessor's Block No. 785.

EXHIBIT C

LEGAL DESCRIPTION OF SFUSD PROPERTY

LEGAL DESCRIPTION

Real property in the City of San Francisco, County of San Francisco, State of California, described as follows:

COMMENCING AT A POINT ON THE WESTERLY LINE OF MISSION STREET, DISTANT THEREON 160 FEET NORTHERLY FROM THE NORTHERLY LINE OF 16TH STREET; RUNNING THENCE NORTHERLY AND ALONG SAID WESTERLY LINE OF MISSION STREET 200 FEET; THENCE AT RIGHT ANGLES WESTERLY 182 FEET TO THE EASTERLY LINE OF WIESE STREET (FORMERLY LIDA PLACE); THENCE AT RIGHT ANGLES SOUTHERLY AND ALONG SAID EASTERLY LINE OF LIDA PLACE 200 FEET; AND THENCE AT RIGHT ANGLES EASTERLY 182 FEET TO THE WESTERLY LINE OF MISSION STREET AND THE POINT OF COMMENCEMENT.

BEING PORTION OF MISSION BLOCK NUMBER 35.

APN: LOT 005, BLOCK 3554

EXHIBIT D

PARCEL E DEED

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

San Francisco, CA _____
Documentary Transfer Tax of \$ _____ based on
full value of the property conveyed

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

QUITCLAIM DEED

(Portion of Assessor's Parcel No. _____)

FOR VALUABLE CONSIDERATION, receipt and adequacy of which are hereby acknowledged, the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("Grantor"), pursuant to Resolution No. _____, adopted by the Board of Supervisors on _____, 201_ and approved by the Mayor on _____, 201_, hereby RELEASES, REMISES AND QUITCLAIMS to _____, any and all right, title and interest Grantor may have in and to the real property located in the City and County of San Francisco, State of California, described on the attached Exhibit A; reserving for itself therefrom a nonexclusive, irrevocable easement for construction, installation, operation, maintenance, repair, removal and replacement of utility lines, pipes, conduits, manholes, above-ground markers and other convenient structures, equipment and fixtures, street lights, ancillary electric and power lines and related facilities and structures to be located in, on or under the portion of the property more specifically described in the legal description attached hereto as Exhibit A, for public utility purposes, together with reasonable access thereto for such purposes, and the right to approve the placement of other utilities within such easement area.

Executed as of _____.

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

Dated: _____

By: _____
John Updike
Director of Property

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

Evan Gross
Deputy City Attorney

State of California)
) ss
County of San Francisco)

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT E

LOT 53 DEED

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

San Francisco, CA _____
Documentary Transfer Tax of \$ _____ based on
full value of the property conveyed

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

QUITCLAIM DEED

(Portion of Assessor's Parcel No. _____)

FOR VALUABLE CONSIDERATION, receipt and adequacy of which are hereby
acknowledged, the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation
("Grantor"), pursuant to Resolution No. _____, adopted by the Board of Supervisors
on _____, 201_ and approved by the Mayor on _____, 201_, hereby
RELEASES, REMISES AND QUITCLAIMS to _____,
any and all right, title and interest Grantor may have in and to the real property located in the
City and County of San Francisco, State of California, described on the attached Exhibit A.

Executed as of _____.

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

Dated: _____

By: _____
John Updike
Director of Property

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

Evan Gross
Deputy City Attorney

State of California)
) ss
County of San Francisco)

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT F

SFUSD DEED

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Director of Property
Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, CA 94102
Documentary Transfer Tax of \$0 based on
full value of the property conveyed

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

QUITCLAIM DEED

(Assessor's Parcel No. _____)

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
SAN FRANCISCO UNIFIED SCHOOL DISTRICT (the "Grantor"), hereby releases, remises
and quitclaims to the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation,
the real property located in the City and County of San Francisco, State of California, described
on Exhibit A attached hereto and made a part hereof.

Executed as of _____.

Dated: _____

By: _____

Name:

Its:

State of California)
) ss
County of San Francisco)

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

State of California)
) ss
County of San Francisco)

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

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

Dated: _____

By: _____

John Updike
Director of Property