

BOND PURCHASE AGREEMENT

\$ _____
City and County of San Francisco
Variable Rate
Multifamily Housing Revenue Bonds
(1601 Mariposa Apartments),
2017 Series B-1

\$ _____
City and County of San Francisco
Variable Rate
Multifamily Housing Revenue Bonds
(1601 Mariposa Apartments),
2017 Series B-2

\$ _____
City and County of San Francisco
Variable Rate
Multifamily Housing Revenue Bonds
(1601 Mariposa Apartments),
2017 Series B-3 (Taxable)

_____, 2017

City and County of San Francisco
Mayor's Office of Housing and Community Development
1 South Van Ness Avenue, Fifth Floor
San Francisco, California 94103
Attention: Director

Related/Mariposa Development Co., L.P.
c/o Related California
44 Montgomery Street, Suite 1300
San Francisco, CA 94104
Attention: Gregory Vilkin

Ladies and Gentlemen:

Citigroup Global Markets Inc. (the "Underwriter") hereby offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with Related/Mariposa Development Co., L.P., a [Delaware] limited partnership (the "Borrower"), and the City and County of San Francisco (the "Issuer"), a municipal corporation organized and validly existing under the laws of the State of California (the "State"), whereby the Underwriter will purchase and the Issuer will sell its \$ _____ Variable Rate Multifamily Housing Revenue Bonds (1601 Mariposa Apartments), 2017 Series B-1 (the "Series B-1"), its \$ _____ Variable Rate Multifamily Housing Revenue Bonds (1601 Mariposa Apartments), 2017 Series B-2 (the "Series B-2 Bonds" and together with the Series B-1 Bonds, the "Tax-Exempt Bonds"), and its \$ _____ Variable Rate Multifamily Housing Revenue Bonds (1601 Mariposa Apartments), 2017 Series B-3 (Taxable) (the "Series B-

3 Bonds” or the “Taxable Bonds” and together with the Tax-Exempt Bonds, the “Bonds”) for the benefit of the Borrower. The Underwriter is making this offer subject to your acceptance at or before [2]:00 P.M., Pacific Time, on the date hereof. If the Borrower and the Issuer accept this Purchase Agreement, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall bind the Borrower, the Issuer and the Underwriter. The Underwriter may withdraw this Purchase Agreement upon written notice delivered by the Underwriter to the Borrower and the Issuer at any time before the Borrower and the Issuer accept this Purchase Agreement. If the Underwriter withdraws this offer, or the Underwriter’s obligation to purchase the Bonds is otherwise terminated by the Underwriter pursuant to Section 8 hereof, then and in such case, the Issuer shall be without any further obligation to the Underwriter, including the payment of any expenses or costs, and the Issuer shall be free to sell the Bonds to any other party. Capitalized terms used but not defined in this Purchase Agreement are defined in the Indenture (as defined below).

1. Purchase and Sale. On the Closing Date, upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriter, the full aggregate principal amount of the Bonds for a purchase price of 100% of the aggregate principal amount of the Bonds. The aggregate principal amount of the Bonds is \$_____. The Borrower agrees to pay to the Underwriter, as compensation for its services, an underwriting fee equal to \$_____ (the “Underwriting Fee”), from which the Underwriter will pay certain expenses, including the fees and expenses of its counsel. The Underwriting Fee shall be due and payable in immediately available funds on the Closing Date (as defined herein), solely and exclusively from funds provided by the Borrower.

The Issuer will deliver the Bonds to or for the account of the Underwriter against payment of the purchase price therefor by wire transfer of immediately available funds to the Trustee at or prior to 10:00 A.M., Pacific Time, on the Closing Date as set forth in Section 6 hereof, or at such other time not later than seven days thereafter as the Underwriter, the Borrower and the Issuer shall mutually agree. One Series B-1 Bond, one Series B-2 Bond and one Series B-3 Bond will be delivered to the Trustee, registered in the name of Cede & Co. as agent for The Depository Trust Company on or prior to the Closing Date. The Bonds may be in printed, engraved, typewritten or photocopied form, and each such form shall constitute a “definitive” form.

Closing on the Bonds is contingent on the closing, on or prior to the Closing Date of the Bonds, of the other financing sources related to the Project (defined below) being available on the Closing Date.

The Borrower and the Issuer each acknowledges and agrees that: (i) the primary role of the Underwriter, as an underwriter, is to purchase securities, for resale to investors, in an arm’s length commercial transaction among the Issuer, the Borrower and the Underwriter, and the Underwriter has financial and other interests that differ from those of the Issuer and the Borrower; (ii) the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer or the Borrower and has not assumed any advisory or fiduciary responsibility to the Issuer or the Borrower with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer or

the Borrower on other matters); (iii) the only obligations the Underwriter has to the Borrower and the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement; and (iv) the Borrower and the Issuer have consulted their respective financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent each has deemed appropriate. Nothing in the foregoing paragraph is intended to limit the Underwriter's obligations of fair dealing under MSRB Rule G-17.

2. Description and Purpose of the Bonds. The Bonds have been authorized pursuant to (i) the Charter of the City and County of San Francisco, Article I of Chapter 43 of the Administrative Code of the City and County of San Francisco Municipal Code and Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code, each as amended (collectively, the "Act"), (ii) a resolution, adopted by the Board of Supervisors of the Issuer on _____, 2017, and approved by the Mayor of the City of San Francisco on _____, 2017 (the "Resolution"), and (iii) the Indenture of Trust, dated as of July 1, 2017 (the "Indenture"), by and between the Issuer and U.S. Bank National Association, as trustee (the "Trustee"). The Bonds shall be dated July __, 2017.

The proceeds of the sale of the Bonds will be used to finance a portion of the cost of acquiring, constructing and equipping a multifamily residential rental housing project by the name of 1601 Mariposa Apartments, consisting of approximately 299-units to be located at 1601 and 1677 Mariposa Street, 485-497 Carolina Street, 395 and 420 Wisconsin Street and 210 Arkansas Street, in San Francisco, California (the "Project"). Of the total 299-units, 60-units will be Very Low Income Units (as defined in the Regulatory Agreement (as hereinafter defined)), and 1 unit will be reserved for an onsite property manager.

The Bonds will be issued and fully funded on the Closing Date, with stated principal amounts as shown in the bond caption on the first page hereof. The Bonds will be secured under the provisions of the Act, the Indenture and the Loan Agreement, dated as of July 1, 2017 (the "Loan Agreement"), among the Borrower, the Trustee, and the Issuer. The Bonds shall mature in the years, bear interest, be purchased at the prices and be subject to optional and mandatory redemption at the times and in the amounts, all as set forth in the Indenture. The Authorized Denomination, Record Date, Interest Payment Date and other details and particulars of the Bonds shall be as described in the Indenture and the Official Statement. The Bonds shall initially bear interest at the Weekly Rate, mature on the dates and have such other terms as described in the Official Statement.

The Project is required to be operated in compliance with a Regulatory Agreement and Declaration of Restrictive Covenants, dated as of July 1, 2017 (the "Regulatory Agreement"), between the Issuer and the Borrower. The Regulatory Agreement contains certain representations, warranties and covenants concerning the operation of the Project.

In connection with the remarketing of the Bonds on any tender date, the Borrower will enter into a Remarketing Agreement, dated as of July 1, 2017 (the "Remarketing Agreement"), with Citigroup Global Markets Inc., as remarketing agent for the Bonds (the "Remarketing Agent").

Payment of the principal of, interest on and purchase price of the Bonds will be secured by an irrevocable, direct pay letter of credit securing the Series B-1 Bonds and an irrevocable, direct pay letter of credit securing the Series B-2 Bonds and Series B-3 Bonds, as further described in the Indenture (collectively, the “Letters of Credit”) to be issued concurrently with the issuance of the Bonds by Bank of America, N.A. (the “Bank”), pursuant to the provisions of the Reimbursement Agreements (as defined in the Indenture) between the Borrower and the Bank relating to the respective Letters of Credit.

The payment obligations of the Borrower under the Reimbursement Agreements, and the Loan Agreement will be secured by the Deed of Trust (as defined in the Indenture) and the Credit Providers Deed of Trust (as defined in the Indenture), which are together referred to herein as the “Deeds of Trust.” The rights of the Bank and the Trustee will also be governed by a Bond Intercreditor Agreement (the “Bond Intercreditor Agreement”), dated as of the date of the Indenture, by and among the Trustee, the Bank and the Issuer, which will govern the exercise of the rights and remedies by the Bank, the Issuer and the Trustee.

3. Delivery of Documents.

(a) The Issuer and the Borrower have delivered or caused to be delivered to the Underwriter copies of the Preliminary Official Statement dated _____, 2017, which, together with the cover page and all appendices thereto, is herein referred to as the “Preliminary Official Statement,” and the Official Statement dated _____ 2017, which, together with the cover page and appendices thereto, is herein referred to as the “Official Statement.” It is acknowledged by the Issuer and the Borrower that the Underwriter may deliver the Preliminary Official Statement and the Official Statement electronically over the internet and in printed paper form. For purposes of this Purchase Agreement, the printed paper form of the Preliminary Official Statement and the Official Statement, if any, is deemed controlling. Pursuant to the form of certificate attached hereto as Exhibit D, the Borrower deems the Preliminary Official Statement final as of its date and as of the date hereof for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), except for any information which is permitted to be omitted therefrom in accordance with paragraph (b)(1) thereof.

(b) An authorized officer of the Borrower shall execute the Official Statement. The Issuer and the Borrower hereby agree to deliver to the Underwriter an electronic copy of the Preliminary Official Statement and the Official Statement in a form that permits the Underwriter to satisfy its obligations under the rules and regulations of the Municipal Securities Rulemaking Board (“MSRB”) and the U.S. Securities and Exchange Commission (“SEC”). The Issuer and the Borrower hereby ratify, confirm and approve the use and distribution by the Underwriter and hereby authorize the Underwriter to use the Preliminary Official Statement, the Official Statement and the Indenture in connection with the public offering and sale of the Bonds.

(c) The Borrower will supply sufficient quantities of the Official Statement to enable the Underwriter (i) to send a single copy of the Official Statement with any confirmation that requests payment for a Bond, and in any event within seven business days after the date hereof, and to any potential customer upon request until the earlier of (A) 90 days after the End of the Underwriting Period (as defined below) or (B) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no

case less than 25 days following the End of the Underwriting Period, and (ii) to comply with any applicable rules of the MSRB. The Underwriter agrees to promptly file the Official Statement with a nationally recognized municipal securities information repository. The “End of the Underwriting Period” means the later of the delivery of the Bonds by the Issuer to the Underwriter or when the Underwriter no longer retains (directly or as a syndicate member) an unsold balance of the Bonds for sale to the public, provided that the “End of the Underwriting Period” will be deemed to be the Closing Date unless the Underwriter otherwise notifies the Issuer and the Borrower in writing prior to such date that there is an unsold balance of the Bonds.

(d) In order to assist the Underwriter in complying with Rule 15c2-12, the Borrower will undertake, pursuant to the Continuing Disclosure Agreement, dated as of July 1, 2017 (the “Disclosure Agreement”), between the Borrower and U.S. Bank National Association, as dissemination agent (the “Dissemination Agent”), to provide annual financial information and notices of the occurrence of specified events. A description of the Disclosure Agreement is set forth in, and a form of such agreement is attached as an appendix to, the Official Statement.

(e) The Underwriter represents that all information contained in the Preliminary Official Statement and the Official Statement under the captions “THE BONDS – Disclosure Concerning Sales by Remarketing Agent and “UNDERWRITING” (to the extent such information is provided by the Underwriter) is true and correct in all material respects.

4. Issuer Representations. The Issuer, subject to the limitations provided herein, represents, warrants to, and covenants and agrees with, the Underwriter and the Borrower that:

(a) The Issuer is duly organized and existing under the laws of the State of California, with full legal right, power and authority to issue, sell and deliver the Bonds to the Underwriter pursuant to the Indenture, and execute, deliver and perform its obligations, as the case may be, under this Purchase Agreement, the Indenture, the Bonds, the Loan Agreement, the Tax Certificate, the Regulatory Agreement and the Bond Intercreditor Agreement (collectively, the “Issuer Documents”) and to perform and consummate all of its obligations and transactions required or described in each of the Issuer Documents.

(b) The Resolution approving and authorizing the execution and delivery by the Issuer of the Issuer Documents was duly adopted at a meeting of the Board of Supervisors of the Issuer called and held pursuant to law and with the public notice required by law and at which a quorum was present and acting throughout, was duly approved by the Mayor, and is in full force and effect and has not been amended or repealed.

(c) By official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has approved the distribution of the Preliminary Official Statement and the distribution of the Official Statement, and authorized and approved the execution and delivery of the Issuer Documents and the consummation by the Issuer of the transactions on its part contemplated thereby.

(d) The Bonds , when duly issued and authenticated in accordance with the Indenture and delivered to and paid for by the Underwriter as provided herein, assuming proper

authentication by the Trustee, will be validly issued and outstanding obligations of the Issuer, entitled to the benefits of the Indenture and payable from the sources specified therein.

(e) The Issuer has executed and delivered, or will execute and deliver on or before the Closing Date, each of the Issuer Documents. Each of the Issuer Documents constitutes, or will, as of the Closing Date, constitute, a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms, subject to any applicable bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium, or other laws affecting creditors' rights generally and by the application of equitable principles as the court having jurisdiction may impose, regardless of whether such proceeding is considered in a proceeding in equity or law, and to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities in California.

(f) Except as described in the Preliminary Official Statement and the Official Statement, to the best knowledge of the Issuer, (i) the Issuer is not in breach of or in default under any constitutional provision, law or administrative regulation of the State or of the United States or any agency or instrumentality of either, or of any other governmental agency, or any Material Judgment or Agreement (as defined below), which breach or default would have a material adverse effect on the Issuer's ability to perform its obligations under the Issuer Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a breach of or a default or an event of default under any such instrument which breach or default would have a material adverse effect on the Issuer's ability to perform its obligations under the Issuer Documents; provided that no representation is made regarding compliance with any federal or state securities or "blue sky" laws; and (ii) the issuance, delivery and sale of the Bonds and the execution and delivery of the Issuer Documents and compliance with and performance of the Issuer's obligations therein and herein will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under, any law, administrative regulation or any Material Judgment or Agreement, which breach or default would have a material adverse effect on the Issuer's ability to perform its obligations under the Issuer Documents. As used herein, the term "Material Judgment or Agreement" means any judgment or decree or any loan agreement, indenture, bond, note or resolution or any material agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its property or assets is otherwise subject (including, without limitation, the Act, the Resolution and the Issuer Documents).

(g) All approvals, consents, orders, authorizations, filings or registrations of or with any governmental authority, board, agency, council, commission or other body having jurisdiction, on its part required, which would constitute a condition precedent to the execution and delivery by the Issuer of the Issuer Documents or issuance of the Bonds, or the performance by the Issuer of its obligations hereunder and under the Issuer Documents have been obtained, or will be obtained on or by the Closing Date (except for the filing of the IRS Form 8038 or the CDLAC Report of Action Taken, both of which will be filed after closing); provided, that the Issuer makes no representations as to any approvals, consents or other actions which may be necessary to qualify the Bonds for offer and sale under Blue Sky or other state securities laws or regulations.

(h) Any certificates executed by any officer of the Issuer and delivered to the Underwriter pursuant hereto or in connection herewith shall be deemed a representation and warranty of the Issuer as to the accuracy of the statements therein made.

(i) The information under the captions “THE CITY AND COUNTY OF SAN FRANCISCO” and “ABSENCE OF MATERIAL LITIGATION – The City” in the Preliminary Official Statement, as of the date thereof did not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(j) Both at the time of acceptance hereof by the Issuer and at the Closing Date, the statements and information contained in the Official Statement under the captions “THE CITY AND COUNTY OF SAN FRANCISCO” and “ABSENCE OF MATERIAL LITIGATION – The City” do not and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) Except as described in the Preliminary Official Statement and the Official Statement, no litigation, proceeding or official investigation of any governmental or judicial body is pending against the Issuer, with service of process having been accomplished, or, to the knowledge of the Issuer, after due inquiry, threatened against the Issuer by a prospective party or their counsel in a writing addressed to and properly served on the Issuer: (i) seeking to restrain or enjoin the issuance, sale or delivery of any of the Bonds, or in any way contesting or affecting any proceedings of the Issuer taken concerning the sale thereof, or the pledge, collection, application or payment of any moneys or security provided for the payment of principal and interest on the Bonds; (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity or binding effect of any of the Issuer Documents, (iii) which is in any way contesting the creation, existence, powers or jurisdiction of the Issuer or the entitlement of any officers of the Issuer to their respective offices or the validity or effect of the Indenture or the Act or any provision thereof or the application of the proceeds of the Bonds, (iv) challenges the completeness or accuracy of the information in the Preliminary Official Statement or the Official Statement, or (v) which, if adversely determined, could materially adversely affect (A) the Project or any of the Issuer Documents, (B) the validity or enforceability of the Bonds, the Resolution or the Issuer Documents, (C) the exclusion from gross income for federal income tax purposes of the interest on the Tax-Exempt Bonds or (D) the use of the proceeds of the Bonds to make the Mortgage Loan.

(l) The Issuer will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter, at the expense of the Borrower, as the Underwriter may reasonably request in endeavoring (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as Underwriter may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification in effect so long as required for distribution of the Bonds; provided, however, that in no event shall the Issuer be required to qualify as a foreign corporation or other entity in any other state or to take any action which would subject it to general or unlimited service of process in any jurisdiction in which it is not now so subject.

(m) If, until the earlier of (A) 90 days after the End of the Underwriting Period or (B) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than 25 days following the End of the Underwriting Period, (i) an event occurs, of which the Issuer has knowledge, which might or would cause the information contained in the Official Statement under the captions “THE CITY AND COUNTY OF SAN FRANCISCO” or “ABSENCE OF MATERIAL LITIGATION – The City” (insofar as the information under such captions pertains to the Issuer) as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or, (ii) if the Issuer is notified by the Borrower or otherwise requested to amend, supplement or otherwise change the Official Statement, the Issuer will notify the Underwriter and the Borrower, and if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer will cooperate with the Borrower and the Underwriter to amend or supplement the Official Statement in a form and in a manner approved by the Underwriter and counsel to the Issuer, provided that all expenses thereby incurred will be paid by the Borrower.

(n) Until the earlier of (A) 90 days after the End of the Underwriting Period or (B) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than 25 days following the End of the Underwriting Period, (a) the Issuer will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Borrower or the Underwriter shall reasonably object in writing or which shall be disapproved by any of their respective counsel and (b) if any event relating to or affecting the Issuer shall occur as a result of which it is necessary, in the opinion of counsel for the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, the Issuer will cooperate with the Borrower and the Underwriter to prepare and furnish to the Underwriter and the Borrower (at the expense of the Borrower) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to counsel for the Underwriter and counsel for the Issuer) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading.

(o) The Issuer has reviewed (a) the information in the G-17 Letter and (b) the information in the Preliminary Official Statement and the Official Statement under the caption “UNDERWRITING” and acknowledges and understands that various subsidiaries of Citigroup Global Markets Inc. (collectively, “Citi”) will be serving in various capacities, in addition to the Underwriter and the Remarketing Agent, in connection with the Project and will receive fees for each of the services rendered. The Issuer will not be obligated to pay any of the fees incurred by Citi in any of these capacities in connection with the Project.

The execution and delivery of this Bond Purchase Agreement by the Issuer shall constitute a representation by the Issuer to the Underwriter that the representations and agreements contained in this Section 4 are true as of the date hereof; provided that as to information furnished by the Borrower pursuant to this Purchase Agreement and the Borrower Documents or otherwise and in

the Preliminary Official Statement and the Official Statement, the Issuer is relying on such information in making the Issuer's representations, warranties and agreements. No officer, agent or employee or member of the governing body of the Issuer shall be individually liable for the breach of any representation, warranty or agreement contained herein.

5. Borrower Representations. In order to induce the Issuer and the Underwriter to enter into this Purchase Agreement, the Borrower represents, warrants to and covenants and agrees with the Issuer and Underwriter that:

(a) Related/Mariposa Development Co., L.P. is duly organized and validly existing as a limited partnership under the laws of the State of [Delaware], is in good standing and duly qualified and authorized to conduct business in the State.

(b) The Borrower has full legal right, power and authority to execute, deliver and perform its obligations, as the case may be, under this Purchase Agreement, the Loan Agreement, the Tax Certificate, the Continuing Disclosure Agreement, the Remarketing Agreement, the Deeds of Trust, the Mortgage Note (as defined in the Indenture), the Regulatory Agreement, the Reimbursement Agreements, and any other applicable agreements to which the Borrower is a party (collectively, the "Borrower Documents" and together with the Issuer Documents, the "Legal Documents") and to perform and consummate all obligations and transactions required or described in each of the Borrower Documents and the Preliminary Official Statement and the Official Statement.

(c) By all necessary action, the Borrower has duly authorized and adopted the Borrower Documents and approved the execution and delivery of the Borrower Documents, and the performance by the Borrower of the obligations in connection with the issuance of the Bonds on its part contained in the Borrower Documents and the consummation by it of all other transactions contemplated by the Indenture, the Preliminary Official Statement, the Official Statement and the Borrower Documents in connection with the issuance of the Bonds. The Loan Agreement, the Mortgage Note and the Deed of Trust when assigned to the Trustee pursuant to the Indenture, will, to the extent of such assignment, constitute the legal, valid and binding agreement of the Borrower with the Trustee enforceable against the Borrower in accordance with their terms for the benefit of the Bondowners, and the Borrower Documents, to the extent that any rights of the Issuer and obligations of the Borrower thereunder are not so assigned to the Trustee, will constitute the legal, valid and binding agreements of the Borrower enforceable against the Borrower in accordance with their respective terms, except as enforcement of each of the above-named documents may be limited by bankruptcy, insolvency, moratorium and other laws affecting the enforcement of creditors' rights generally and by the application of such equitable principles as the court having jurisdiction may impose, regardless of whether such enforceability is considered in a proceeding in equity or at law and except as the indemnification provisions contained in any of the above-named documents may be found to be contrary to public policy.

(d) The Borrower has executed and delivered, or will execute and deliver on or before the Closing Date, each of the Borrower Documents. Each of the Borrower Documents constitutes, or will, as of the Closing Date, constitute, a legal, valid and binding obligation of the Borrower enforceable in accordance with its terms, subject to any applicable bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium, or other laws

affecting creditors' rights generally and by the application of equitable principles as a court having jurisdiction may impose, regardless of whether such proceeding is considered a proceeding in equity or law. No consent or approval of any trustee or holder of any indebtedness of the Borrower, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority (except in connection with Blue Sky proceedings as to which no representation is made), is necessary in connection with the approval and delivery of this Purchase Agreement.

(e) Except as described in the Preliminary Official Statement and the Official Statement, (i) the Borrower is not in any material respect in breach of or in default under any constitutional provision, law, order, rule or administrative regulation of the State or of the United States or any agency or instrumentality of either, or of any other governmental agency, or any Material Judgment or Agreement (as defined below), which breach or default would have a materially adverse effect on the Borrower's ability to perform its obligations under any Material Judgment or Agreement, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute, a default or event of default under any such instrument which breach or default would have a material adverse effect on the Borrower's ability to perform its obligations under any Material Judgment or Agreement; and (ii) the issuance, delivery and sale of the Bonds, and the execution and delivery of the Borrower Documents and compliance with and performance of the Borrower's obligations therein and herein will not in any material respect conflict with, violate or result in a breach of or constitute on the part of Borrower a default under, any such constitutional provision, law, order, rule, administrative regulation or any Material Judgment or Agreement, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower or under the terms of any such law, order, rule, administrative regulation or Material Judgment or Agreement. As used in this Section 5(e), the term "Material Judgment or Agreement" means any material judgment or decree or any loan agreement, indenture, bond, note or resolution or any material agreement or other instrument to which the Borrower is a party or to which the Borrower or any of its property or assets is otherwise subject (including, without limitation, the Borrower Documents).

(f) All approvals, consents, authorizations and orders of any governmental authority, board, agency, council, commission or other body having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the execution and delivery by the Borrower of the Borrower Documents or the performance by the Borrower of its obligations thereunder have been obtained and are in full force and effect, or will be obtained and be in full force and effect prior to or by the Closing Date (except for certain building permits, some of which may be obtained post-Closing); provided, that the Borrower makes no representations as to any approvals, consents or other actions which may be necessary to qualify the Bonds for offer and sale under Blue Sky or other state securities laws or regulations. Additionally, the Borrower has obtained the necessary governmental agency approvals, all variances from applicable zoning ordinances and all building permits (except for certain building permits, some of which may be obtained post-Closing) and easements or licenses required to date for the acquisition, construction, improvement, installation and equipping of the Project, to the extent such governmental agency approvals, variances, permits, easements and licenses constitute

all approvals required by the date hereof to acquire, construct, improve, install and equip the Project.

(g) Any certificates executed by any authorized representative of the Borrower and delivered to the Underwriter or the Issuer pursuant hereto or in connection herewith shall be deemed a representation and warranty of the Borrower when made as to the accuracy of the statements therein made. Additionally, all information provided by the Borrower and all representations made by the Borrower in its application to Issuer and the California Debt Limit Allocation Committee relating to the Project are true and correct in all material respects.

(h) Between the date hereof and the Closing Date, the Borrower shall not, without the prior written consent of the Underwriter and the Issuer, offer or issue in any material amount any bonds, other than the Bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, except in the course of normal business operations of the Borrower or except for such borrowings as may be described in the Preliminary Official Statement and the Official Statement.

(i) The Borrower has all necessary power and authority to conduct the business now being conducted by it and as contemplated by the Borrower Documents.

(j) The information in the Preliminary Official Statement and the Official Statement, as of their respective dates and as of the date hereof (except the information under the captions “THE BONDS – Disclosure Concerning Sales by Remarketing Agent – Remarketing Agent Routinely Purchase Bonds for their Own Account,” “SUMMARY OF CERTAIN PROVISIONS OF THE REIMBURSEMENT AGREEMENT AND THE LETTER OF CREDIT,” “THE BANK,” “THE CITY AND COUNTY OF SAN FRANCISCO,” “UNDERWRITING,” “ABSENCE OF MATERIAL LITIGATION – The City,” “APPENDIX B – FORM OF LETTER OF CREDIT,” and “APPENDIX C – BOOK-ENTRY SYSTEM”) did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) The information in the Preliminary Official Statement and the Official Statement (except the information under the captions “THE BONDS – Disclosure Concerning Sales by Remarketing Agent – Remarketing Agent Routinely Purchase Bonds for their Own Account,” “SUMMARY OF CERTAIN PROVISIONS OF THE REIMBURSEMENT AGREEMENT AND THE LETTER OF CREDIT,” “THE BANK,” “THE CITY AND COUNTY OF SAN FRANCISCO,” “UNDERWRITING,” “ABSENCE OF MATERIAL LITIGATION – The City,” “APPENDIX B – FORM OF LETTER OF CREDIT,” and “APPENDIX C – BOOK-ENTRY SYSTEM”) at all times after the respective dates of the Preliminary Official Statement and the Official Statement up to and including the Closing Date will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(l) If the Preliminary Official Statement or the Official Statement is supplemented or amended, at the time of each supplement or amendment and (unless subsequently again supplemented or amended) at all times subsequent thereto up to and including the Closing

Date, the information in the Preliminary Official Statement or the Official Statement (except the information under the captions “THE BONDS – Disclosure Concerning Sales by Remarketing Agent – Remarketing Agent Routinely Purchase Bonds for their Own Account,” “SUMMARY OF CERTAIN PROVISIONS OF THE REIMBURSEMENT AGREEMENT AND THE LETTER OF CREDIT,” “THE BANK,” “THE CITY AND COUNTY OF SAN FRANCISCO,” “UNDERWRITING,” “ABSENCE OF MATERIAL LITIGATION – The City,” “APPENDIX B – FORM OF LETTER OF CREDIT,” and “APPENDIX C – BOOK-ENTRY SYSTEM”) as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(m) If between the date hereof and the Closing Date, any event shall occur, which is actually known to Borrower, or should have been known by the Borrower with the exercise of due diligence, and would cause the Preliminary Official Statement or the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Borrower shall notify the Underwriter and the Issuer thereof, and if, in the opinion of the Underwriter or the Issuer, such event requires the preparation and publication of a supplement or amendment to the Preliminary Official Statement or the Official Statement, the Borrower shall promptly (and in any event before the Closing Date) prepare and furnish (at the expense of the Borrower) a reasonable number of copies of an amendment of or supplement to the Preliminary Official Statement or the Official Statement in form and substance satisfactory to the Underwriter and the Issuer in accordance with Section 10 hereof.

(n) Until the earlier of (A) 90 days after the End of the Underwriting Period or (B) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than 25 days following the End of the Underwriting Period, (a) the Borrower will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Issuer or the Underwriter shall reasonably object in writing or which shall be disapproved by any of their respective counsel and (b) if any event related to or affecting the Issuer or the Borrower or the Project shall occur as a result of which it is necessary, in the opinion of counsel for the Underwriter or the Issuer, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, the Borrower shall forthwith prepare and furnish to the Underwriter and the Issuer (at the expense of the Borrower) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance reasonably satisfactory to counsel for the Underwriter and counsel to the Issuer) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading. For the purposes of this subsection, the Borrower will furnish such information with respect to itself and the Project as Underwriter and Issuer may from time to time reasonably request.

(o) Except as described in the Preliminary Official Statement and the Official Statement, no action, suit, inquiry, litigation, proceeding or investigation of any governmental or

judicial body is pending against the Borrower or, to the knowledge of the Borrower, after due and diligent inquiry, threatened against the Borrower, (i) seeking to restrain or enjoin the issuance, sale or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity or binding effect of any of the Borrower Documents, or the execution and delivery or adoption by the Borrower thereof, or the completeness or accuracy of the Preliminary Official Statement and the Official Statement or the consummation of the transactions contemplated thereby or hereby, (iii) which is in any way contesting the creation, existence, authority, powers or jurisdiction of the Borrower, or the authority of its authorized signatories executing this Purchase Agreement or the validity, enforceability or effect of the Indenture or the Act or any provision thereof or the application of the proceeds of the Bonds, or the exclusion from gross income for federal income tax purposes of the Tax-Exempt Bonds, or (iv) which, if adversely determined, could materially adversely affect the financial condition, assets, properties, position or operations of the Borrower or the transactions described in the Preliminary Official Statement and the Official Statement or any of the Borrower Documents; nor, to the Borrower's knowledge, after due and diligent inquiry, is there any basis for any such action, suit, inquiry, litigation, proceeding or investigation. The Borrower shall advise the Underwriter and the Issuer promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Preliminary Official Statement and the Official Statement in connection with the offering, sale or distribution of the Bonds.

(p) No representation made, nor any information, exhibit or report furnished to the Issuer by the Borrower in connection with the negotiation of this Purchase Agreement or any of the other Borrower Documents contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. There is no fact that the Borrower has not disclosed to the Issuer that materially and adversely affects the properties, business, assets or operations (financial or otherwise) of the Borrower or the ability of the Borrower to perform its obligations under this Purchase Agreement, any of the other Borrower Documents, or any documents or transactions contemplated hereby or thereby.

(q) During the last five years, the Borrower has not failed to materially comply with any previous undertaking relating to continuing disclosure of information pursuant to Rule 15c2-12.

(r) The Borrower will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use commercially reasonable efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the Borrower shall not be required to register as a dealer or broker of securities or execute a general or special consent to service of process or qualify to do business in any jurisdiction where it is not now so subject.

(s) The Borrower will refrain from taking any action, or voluntarily permitting any action within its control to be taken, except as otherwise required by law, which will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Tax-Exempt Bonds.

(t) The Borrower shall honor all other covenants contained in the Borrower Documents, which agreements are incorporated herein and made a part of this Purchase Agreement.

(u) The Borrower will not voluntarily undertake any course of action inconsistent with the satisfaction of the requirements applicable to it as set forth in this Purchase Agreement or the Borrower Documents.

(v) In order to assist the Remarketing Agent for the Bonds to comply with its obligations under MSRB Rule G-34(c) as remarketing agent, the Borrower agrees to provide the Remarketing Agent with the documents set forth in Section 7(a)(xi)(13) herein on the Closing Date. All representations, warranties and agreements of the Borrower herein shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter or the Issuer or on the Underwriter's or the Issuer's behalf, and shall survive the Closing Date and the delivery of the Bonds.

The execution and delivery of this Purchase Agreement by the Borrower shall constitute a representation to the Underwriter that the representations and warranties contained in this section are true and correct in all material respects as of the date hereof and as of the Closing Date.

6. Closing. At 10:00 A.M., Pacific Time, on July __, 2017, or at such other time or date as the Underwriter, the Borrower and the Issuer may mutually agree upon as the date and time of the closing (the "Closing Date"), the Issuer will deliver or cause to be delivered to the Underwriter, at the offices of Jones Hall, a Professional Law Corporation, San Francisco, California (together with Curls Bartling P.C., "Co-Bond Counsel"), 475 Sansome Street, Suite 1700, San Francisco, CA 94111, or at such other place as the Underwriter and the Issuer may mutually agree upon, the Bonds, through the facilities of The Depository Trust Company, New York, New York ("DTC"), duly executed and authenticated, and the other documents specified in Section 7. On the Closing Date, (a) upon satisfaction of the conditions herein specified, the Underwriter shall accept the delivery of the Bonds, and pay the purchase price therefor in federal funds payable to the order of the Trustee for the account of the Issuer and (b) the Issuer shall deliver or cause to be delivered the Bonds to the Underwriter through the facilities of DTC in definitive or temporary form, duly executed by the Issuer and in the Authorized Denomination as specified by the Underwriter on the Closing Date and the Borrower and the Issuer shall deliver the other documents hereinafter mentioned. The Bonds shall be made available to the Underwriter at least one (1) business day before the Closing Date for purposes of inspection.

7. Conditions Precedent. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and agreements of the Borrower and the Issuer contained herein and the performance by the Borrower and the Issuer of their respective obligations hereunder, both as of the date hereof and as of the Closing Date.

(a) The Underwriter's obligations under this Purchase Agreement are and shall be subject to the following further conditions:

(i) The representations of the Issuer contained herein shall be true, complete and correct in all material respects on the date of acceptance hereof and on and as of the Closing Date.

(ii) The representations of the Borrower contained herein shall be true, complete and correct in all material respects on the date of acceptance hereof and on and as of the Closing Date.

(iii) The Official Statement (as the same may be amended or supplemented with the written approval of the Underwriter) shall not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

(iv) On the Closing Date, the Official Statement, the Resolution, the Borrower Documents and the Issuer Documents shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter.

(v) The Issuer shall perform or have performed all of its obligations required under or specified in the Resolution, the Issuer Documents, and the Official Statement to be performed at or prior to the Closing Date.

(vi) The Borrower shall perform or have performed all of its obligations required under or specified in the Borrower Documents, the Reimbursement Agreements and the Official Statement to be performed at or prior to the Closing Date.

(vii) The Borrower shall have delivered to the Underwriter the final Official Statement by the time required by Section 3 of this Purchase Agreement.

(viii) As of the date hereof and as of the Closing Date, all necessary official action of the Issuer relating to the Issuer Documents and the Official Statement shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect.

(ix) As of the date hereof and as of the Closing Date, all necessary official action of the Borrower relating to the Borrower Documents and the Official Statement shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect.

(x) As of the Closing Date, no material adverse change shall have occurred, nor shall any development involving a prospective material and adverse change in, or affecting the affairs, business, financial condition, results of operations, prospects or properties (including the Project) of, any of the Issuer, the Bank, or the Borrower have occurred between the date hereof and the Closing Date.

(xi) At or prior to the Closing Date, the Underwriter shall receive the following documents (in each case with only such changes as the Underwriter shall approve):

(1) The approving opinion(s) of Co-Bond Counsel relating to the Bonds, dated the Closing Date, substantially in the form attached as Appendix D to the Official Statement, and a reliance letter with respect thereto addressed to the Underwriter;

(2) The supplemental opinion of Co-Bond Counsel, addressed to the Underwriter, dated the Closing Date, to the effect that:

(A) This Purchase Agreement has been duly executed and delivered by the Issuer and is a legal, valid and binding obligation of the Issuer, subject to laws relating to bankruptcy, insolvency, reorganization or creditors' rights generally, to the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State;

(B) The statements contained in the Preliminary Official Statement and the Official Statement as of their respective dates and as of the Closing Date in the captions entitled "INTRODUCTION", "THE BONDS" (other than the information concerning DTC and the book-entry system, and the statements under the subcaptions "Remarketing Agent" and "Disclosure Concerning Sales by Remarketing Agent"), "SECURITY FOR THE BONDS," "TAX MATTERS," "APPENDIX A – DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL DOCUMENTS," and "APPENDIX D – FORM OF OPINIONS OF CO-BOND COUNSEL" insofar as such statements expressly summarize certain provisions of the Indenture, the Bonds, the Loan Agreement, the Regulatory Agreement, the Bond Intercreditor Agreement and the form and content of such counsel's opinion attached as Appendix D to the Official Statement, are accurate in all material respects;

(C) The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended (the "1933 Act") and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act");

(3) A letter, dated the Closing Date and addressed to the Issuer and the Underwriter, from Hawkins Delafield & Wood LLP, San Francisco, California, Disclosure Counsel, to the effect that:

Based upon the information made available to them in the course of their participation in the preparation of the Preliminary Official Statement and the Official Statement and without passing on and without assuming any responsibility for the accuracy, completeness

and fairness of the statements in the Preliminary Official Statement and the Official Statement, and having made no independent investigation or verification thereof, nothing has come to the attention of the attorneys in the firm rendering legal services in connection with the Bonds which would lead them to believe that the Preliminary Official Statement, as of its date, and the Official Statement, as of its date and as of the Closing Date (excluding therefrom any information in the Preliminary Official Statement and the Official Statement relating to DTC, the operation of the book-entry system, information regarding the Bank, the Letters of Credit, the Reimbursement Agreements or any other financial or statistical data or projections or estimates or expressions of opinion included in the Preliminary Official Statement and the Official Statement and the appendices thereto, as to which no opinion need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(4) The opinion of the Office of the City Attorney, counsel to the Issuer, dated the Closing Date and addressed to the Issuer, in substantially the form attached hereto as Exhibit E.

(5) The opinion(s) of Levitt & Boccio, LLP, New York, New York, Gibson, Dunn & Crutcher LLP, Los Angeles, California, and Cox Castle & Nicholson LLP, San Francisco, California co-counsel to the Borrower, dated the Closing Date and addressed to the Issuer and the Underwriter, to the effect that:

- (A) The Borrower is a limited partnership duly organized and validly existing under the laws of the State of Delaware, is in good standing and duly qualified and authorized to conduct business in the State;
- (B) The Borrower has full legal right, power and authority (a) to own its properties and conduct its business as described in the Preliminary Official Statement and the Official Statement and (b) to enter into and to carry out and consummate the transactions contemplated by the Borrower Documents.
- (C) The Borrower has taken all necessary legal action to authorize the execution and delivery of the Borrower Documents, and the undertaking of its obligations thereunder, and the taking of all actions as may be required on the part of the Borrower to carry out the same; and the making and performance of each such agreement will not conflict with, constitute a breach of or a default under, or violate any provision of the organizational documents of the Borrower or any indenture, agreement or other instrument to which the Borrower is a party or by which the Borrower or any of its

properties may be bound, or any constitutional or statutory provision or order, rule, regulation, decree or ordinance of any court, government or governmental body to which the Borrower or any of its properties are subject;

- (D) The Borrower Documents have been duly executed and delivered by the Borrower, are in full force and effect and constitute the legal, valid and binding obligations of the Borrower enforceable in accordance with their respective terms, except as enforcement may be limited by equitable principles, or by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium, or other laws affecting creditors' rights generally and by the application of equitable principles as a court having jurisdiction may impose, regardless of whether such proceeding is considered a proceeding in equity or law.;
- (E) Except as described in the Preliminary Official Statement and the Official Statement, no action, suit, inquiry, litigation, proceeding or investigation of any governmental or judicial body is pending against the Borrower or, to the knowledge of the Borrower, after due and diligent inquiry, threatened against the Borrower, (i) seeking to restrain or enjoin the issuance, sale or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity or binding effect of any of the Borrower Documents, or the execution and delivery or adoption by the Borrower thereof, or the completeness or accuracy of the Preliminary Official Statement and the Official Statement or the consummation of the transactions contemplated thereby or hereby, (iii) which is in any way contesting the creation, existence, authority, powers or jurisdiction of the Borrower, or the authority of its authorized signatories executing this Purchase Agreement or the validity, enforceability or effect of the Indenture or the Act or any provision thereof or the application of the proceeds of the Bonds, or the exclusion from gross income for federal income tax purposes of the Tax-Exempt Bonds, or (iv) which, if adversely determined, could materially adversely affect the financial condition, assets, properties, position or operations of the Borrower or the transactions described in the Preliminary Official Statement and the Official Statement or any of the Borrower Documents; nor, to the Borrower's knowledge, after due and diligent inquiry, is there any basis for any such action, suit, inquiry, litigation, proceeding or investigation. ;
- (F) Except for such approvals as have been obtained (other than building permits, some of which will be obtained when necessary),

no approval, consent, authorization, order or other action by or a filing or registration with any governmental authority, board, agency, council, commission or quasi-governmental agency or private corporation is required as a condition to the execution, delivery or performance by the Borrower of the Borrower Documents, or its approval, execution and delivery of the Preliminary Official Statement and the Official Statement, except that counsel shall express no opinion whatsoever with respect to: (1) any approvals, authorizations or other action that may be required in connection with the offer and sale of the Bonds in certain jurisdictions which may be subject to the provisions of the securities or Blue Sky laws of such jurisdictions; or (2) any approvals required to be obtained by the Issuer or other parties, other than the Borrower to the Borrower Documents;

- (G) Nothing has come to counsel's attention that would lead it to believe that the information in the Preliminary Official Statement and the Official Statement (except the information under the captions "THE BONDS – Disclosure Concerning Sales by Remarketing Agent – Remarketing Agent Routinely Purchase Bonds for their Own Account," "SUMMARY OF CERTAIN PROVISIONS OF THE REIMBURSEMENT AGREEMENT AND THE LETTER OF CREDIT," "THE BANK," "THE CITY AND COUNTY OF SAN FRANCISCO," "UNDERWRITING," "ABSENCE OF MATERIAL LITIGATION – The City," "APPENDIX B – FORM OF LETTER OF CREDIT," and "APPENDIX C – BOOK-ENTRY SYSTEM") as of their respective dates and as of the Closing Date, contains an untrue statement of a material fact or omits to state a material fact that is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;
- (H) The Borrower may not plead the defense of usury or maintain an action for usury with respect to the loan(s) being made under the Legal Documents;

(6) The opinion of Dorsey & Whitney, LLP, counsel to the Trustee, dated the Closing Date and addressed to the Underwriter, to the effect that:

- (A) The Trustee is a national banking association duly organized, validly existing and in good standing under the laws of the United States having full power and authority and being qualified to enter into, accept and administer the trust created under the Indenture to which it is a party and to enter into such Indenture;
- (B) The Legal Documents to which the Trustee is a party have been duly authorized, executed and delivered by the Trustee and constitute the legal, valid and binding obligations of the Trustee enforceable

against the Trustee in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought;

- (C) The execution, delivery and performance of the Indenture will not conflict with or cause a default under any law, ruling, agreement, administrative regulation or other instrument by which the Trustee is bound;
- (D) All authorizations and approvals required by law and the articles of association and bylaws of the Trustee in order for the Trustee to execute and deliver and perform its obligations under the Indenture to which it is a party have been obtained;
- (E) The Trustee has duly authenticated and delivered the Bonds in accordance with the terms of the Resolution and the Indenture; and
- (F) No action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, is pending or threatened in any way affecting the existence of the Trustee or the titles of its directors or officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Bonds or the application of proceeds thereof in accordance with the Indenture, or in any way contesting or affecting the Bonds or the Indenture;

(7) The opinion of Eichner Norris & Neumann PLLC, as counsel to the Underwriter, dated the Closing Date and addressed to the Underwriter, and covering such matters as the Underwriter may reasonably request;

(8) (A) The opinion of Schiff Hardin LLP, counsel to the Bank, dated the Closing Date and addressed to the Issuer, Trustee and Underwriter, in form and substance as set forth in Exhibit A-1 hereto ***{which opinion should, among other things, include an accuracy/10b-5 representation on the summary of the Reimbursement Agreements and the section on the Bank in the POS and OS, the validity and binding nature of the Reimbursement Agreement and LOCs and exemption of the LOCs from registration}***;

(9) The opinion of Chapman and Cutler LLP, counsel to the State Teachers Retirement System of Ohio, dated the Closing Date and addressed to the Issuer, Trustee and Underwriter in form and substance as set forth in Exhibit A-2 ***{which opinion should, among other things, include an accuracy/10b-5 representation on the summary of the Series B-2 & Series B-3 Reimbursement Agreement in the POS/OS, the validity and binding nature of the Series B-2 & Series B-3 Reimbursement Agreement and the Series B-2 & Series B-3 Letter of Credit and its exemption from registration}***;

(10) A certificate, dated the Closing Date, signed by an Authorized Officer of the Issuer, in substantially the form attached hereto as Exhibit F;

(11) A certificate, dated the Closing Date, of Ross Financial, municipal advisor to the Issuer, to the effect that, the information in the Preliminary Official Statement and the Official Statement under the caption “MUNICIPAL ADVISOR” as of their respective dates and as of the Closing Date did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(12) A certificate, dated the Closing Date, signed by an authorized signatory of the Borrower to the effect that: (a) the representations and agreements of the Borrower contained herein and in the other Borrower Documents are true and correct in all material respects as of the Closing Date; (b) the Borrower Documents have been duly authorized and executed and are in full force and effect; (c) except as described in the Preliminary Official Statement and the Official Statement, no litigation, suit, inquiry, litigation, proceeding or investigation of any governmental or judicial body is pending against the Borrower or, to his or her knowledge, after due and diligent inquiry, threatened against the Borrower; ((i) seeking to restrain or enjoin the issuance, sale or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity or binding effect of any of the Borrower Documents, or the execution and delivery or adoption by the Borrower thereof, or the completeness or accuracy of the Preliminary Official Statement and the Official Statement or the consummation of the transactions contemplated thereby or hereby, (iii) which is in any way contesting the creation, existence, authority, powers or jurisdiction of the Borrower, or the authority of its authorized signatories executing this Purchase Agreement or the validity, enforceability or effect of the Indenture or the Act or any provision thereof or the application of the proceeds of the Bonds, or the exclusion from gross income for federal income tax purposes of the Tax-Exempt Bonds, or (iv) which, if adversely determined, could materially adversely affect the financial condition, assets, properties, position or operations of the Borrower or the transactions described in the Preliminary Official Statement and the Official Statement or any of the Borrower Documents; nor, to the Borrower’s knowledge, after due and diligent inquiry, is there any basis for any such action, suit, inquiry, litigation, proceeding or investigation; (d) the information in the Preliminary Official Statement and the Official Statement (except the information under the captions “THE BONDS – Disclosure Concerning Sales by Remarketing Agent – Remarketing Agent Routinely Purchase Bonds for their Own Account,” “SUMMARY OF CERTAIN PROVISIONS OF THE REIMBURSEMENT AGREEMENT AND THE LETTER OF CREDIT,” “THE BANK,” “THE CITY AND COUNTY OF SAN FRANCISCO,” “UNDERWRITING,” “ABSENCE OF MATERIAL LITIGATION – The City,” “APPENDIX B – FORM OF LETTER OF CREDIT,” and “APPENDIX C – BOOK-ENTRY SYSTEM”) as of their respective dates and as of the Closing Date did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; (e) no event has occurred since the date of the Preliminary Official Statement and the Official Statement which should be disclosed in the Preliminary Official Statement and the Official Statement

for the purpose for which they are to be used or which is necessary to be disclosed therein in order to make the statements and information therein not misleading and (f) the Borrower has complied with all agreements and satisfied all the conditions on its part to be performed or satisfied under the Borrower Documents at or prior to the Closing Date;

(13) Executed or certified copies of the Indenture;

(14) Executed or certified copies of each other Legal Document;

(15) For purposes of satisfying the obligations of the Remarketing Agent under MSRB Rule G-34, the Borrower shall provide or cause to be provided: (a) a clean, word-searchable electronic final execution copy of each document required to be submitted by the Remarketing Agent under Rule G-34, including, but not limited to the Remarketing Agreement, the Indenture, the Letters of Credit, and the Reimbursement Agreements; and (b) if any redactions are made in such documents, (x) a redacted word-searchable electronic final execution copy of such documents, and (y) a file containing a list showing all redactions that have been made to such documents;

(16) A certificate of the Bank, dated as of the Closing Date, in form and substance as set forth in Exhibit B hereto ***[which should include a 10b-5 representation on the section on the Bank and the forms of the LOC attached to the POS/OS.]***

(17) An executed copy of each Letter of Credit;

(18) A Tax Certificate executed by the Borrower and the Issuer, in form satisfactory to Co-Bond Counsel, executed by such authorized signatories of the Borrower and the Issuer as shall be satisfactory to the Underwriter;

(19) A certified copy of the Resolution;

(20) Evidence satisfactory to the Underwriter of the assignment of ratings to the Bonds by (i) S&P Global Ratings (“S&P”) of at least “____” and/or (ii) Moody’s Investor Services, Inc. (“Moody’s” and together with S&P, the “Rating Agency”) of at least “_____”;

(21) A certificate of an authorized officer of the Trustee, dated as of the Closing Date, to the effect that: (a) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States, having the full power and being qualified to enter into and perform its duties under the Indenture and to authenticate and deliver the Bonds to the Underwriter; (b) the Trustee is duly authorized to enter into the Indenture and to authenticate and deliver the Bonds to the Underwriter pursuant to the Indenture; (c) when delivered to and paid for by the Underwriter on the Closing Date, the Bonds will have been duly authenticated and delivered by the Trustee; (d) the execution and delivery of the Indenture and compliance with the provisions on the Trustee’s part contained therein, will not conflict with or constitute a breach of or default under any law,

administrative regulation, judgment, decree, loan agreement, indenture, note, resolution, agreement or other instrument to which the Trustee is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or blue sky laws or regulations), which conflict, breach or default would materially impair the ability of the Trustee to perform its obligations under the Indenture, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture; and (e) it has not been served with any action, suit, proceeding, inquiry or investigation in law or in equity, before or by any court, governmental agency, public board or body, nor is any such action or other proceeding threatened against the Trustee, affecting the existence of the Trustee, or the titles of its officers to their respective offices or seeking to prohibit, restrain, or enjoining the execution and delivery of the Bonds or the collection of revenues to be applied to pay the principal, premium, if any, and interest with respect to the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Indenture, or contesting the powers of the Trustee or its authority to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or funding would materially adversely affect the validity or enforceability of the Indenture or the power and authority of the Trustee to enter into and perform its duties under the Indenture and to authenticate and deliver the Bonds to or upon the order of the Underwriter;

(22) Evidence that a Form 8038 relating to the Tax-Exempt Bonds has been executed by the Issuer and will be filed with the Internal Revenue Service (the “IRS”) within the applicable time limit;

(23) A copy of the blue sky survey with respect to the Bonds;

(24) A copy of the Issuer’s executed Blanket Letter of Representation to The Depository Trust Company; and

(25) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, counsel for the Underwriter or Co-Bond Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the Issuer herein contained and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer and all conditions precedent to the issuance of additional Bonds pursuant to the Indenture shall have been fulfilled.

(xii) As of the Closing Date, no default or event of default (as defined in any of the Legal Documents) shall have occurred and be continuing, and no event shall have occurred and be continuing which, with the lapse of time or the giving of notice or both, would constitute such a default or event of default.

(xiii) As of the Closing Date, each of the Legal Documents shall have been executed and delivered by each of the respective parties thereto, all such documents shall be in forms exhibited to the Underwriter on the date hereof with only such changes as the Underwriter may approve, and each of the Legal Documents shall be in full force and effect.

(xiv) As of the Closing Date, no order, decree, injunction, ruling or regulation of any court, regulatory agency, public board or body shall have been issued nor shall any legislation have been enacted with the purpose or effect, directly or indirectly, of prohibiting the offering, sale or issuance of the Bonds by the Issuer as contemplated by this Purchase Agreement or by the Official Statement.

(xv) As of the Closing Date, none of the events referred to in Section 8 of this Purchase Agreement shall have occurred.

All of the legal opinions, certificates, proceedings, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance reasonably satisfactory to the Underwriter, the Borrower and the Issuer.

(b) If any conditions to the obligations of the Underwriter or the Issuer contained in this Purchase Agreement are not satisfied and the satisfaction of such conditions shall not be waived by the Underwriter and the Issuer, then, at the option of the Underwriter and the Issuer, (i) the Closing Date shall be postponed for such period, not to exceed seven days, as may be necessary for such conditions to be satisfied or (ii) without limiting the generality of Section 9(e) of this Purchase Agreement, the obligations of the Underwriter and the Issuer under this Purchase Agreement shall terminate, and neither the Underwriter nor the Issuer shall have any further obligations or liabilities hereunder, except the Borrower shall be obligated with respect to all reasonable fees, expenses and costs incurred payable to the Issuer pursuant to Section 11 hereof.

8. Termination. If the Borrower or the Issuer shall be unable to satisfy the conditions of the Underwriter's obligations contained in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, and only after consultation with the Issuer, this Purchase Agreement may be cancelled by the Underwriter at any time subsequent to the date hereof and on or prior to the Closing Date, effective upon written notice to the Issuer, if any of the following events have occurred. The performance by the Borrower and the Issuer of any and all conditions contained in this Purchase Agreement for the benefit of the Underwriter may be waived by the Underwriter, except that the Borrower shall be obligated with respect to payment of all reasonable fees, expenses and costs incurred by and payable to the Issuer and the Underwriter pursuant to Section 11 hereof.

(a) Any event or circumstance occurs or information becomes known, which, in the reasonable professional judgment of the Underwriter, Co-Bond Counsel and Disclosure

Counsel makes untrue any statement of a material fact set forth in the Preliminary Official Statement or the Official Statement or results in an omission to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading and, in either such event, (i) the Issuer or the Borrower refuses to permit the Preliminary Official Statement or the Official Statement to be supplemented to supply such statement or information in a manner satisfactory to the Underwriter or (ii) the effect of the Preliminary Official Statement or the Official Statement in such condition and not supplemented is, in the reasonable professional judgment of the Underwriter, to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds;

(b) The market for the Bonds or the market prices of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds shall have been materially and adversely affected, in the reasonable professional judgment of the Underwriter, by events (1) – (7) below:

1. An amendment to the Constitution of the United States or the State shall have been passed or legislation shall have been introduced in or enacted by the Congress of the United States or the legislature of any state having jurisdiction of the subject matter or legislation pending in the Congress of the United States shall have been amended or legislation shall have been recommended to the Congress of the United States or to any state having jurisdiction of the subject matter or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the IRS or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such Committee by any member thereof or presented as an option for consideration by either such Committee by the staff of such Committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or of the State or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States, the Internal Revenue Service or other federal or State authority, with respect to federal or State taxation upon revenues or other income of the general character to be derived by the Issuer or upon interest received on obligations of the general character of the Tax-Exempt Bonds which, in the judgment of the Underwriter, may have the purpose or effect, directly or, indirectly, of affecting the federal or State tax status of the Issuer, its property or income, its securities (including the Tax-Exempt Bonds) or the interest thereon, or any tax exemption granted or authorized by State legislation; or

2. The declaration of war by or against the United States, any major new escalation of military hostilities by the United States or the occurrence of any other national or international emergency or calamity or terrorism affecting the operation of the government of, or the financial community in, the United States; or
3. The declaration of a general banking moratorium by federal, New York or State authorities; or
4. The occurrence of a major financial crisis, a material disruption in municipal bond market securities settlement, payment or clearance services or any calamity or crisis in the financial markets of the United States, or a material disruption or deterioration in the fixed income or municipal securities market that affects the sale of the Bonds; or
5. Additional material restrictions not in force or being enforced as of the date hereof shall have been imposed upon the trading of securities in general or on the Bonds, or with respect to the extension of credit by or the charge to the net capital requirements of underwriters or broker-dealers, by any governmental authority or by any national securities exchange; or
6. The general suspension of trading on, or other material restrictions on, any national securities exchange not in effect as of the date hereof; or
7. A downgrade of the sovereign debt rating of the United States by any major credit rating agency or payment default on United States Treasury obligations; or

(c) Legislation introduced in or enacted (or resolution passed) by the Congress, legislation recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States, or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the SEC, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the 1933 Act, or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act or that the issuance, offering, or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect; or

(d) Any change in, or particularly affecting, the Issuer, the Act, the Resolution, the Legal Documents, the Bank, the Letter of Credit or the Trust Estate as the foregoing matters are described in the Official Statement, which results in a downgrade by a rating agency of its rating of the Bonds, which downgrade in the reasonable professional opinion of the Underwriter, materially impairs the investment quality of the Bonds; or

(e) An order, decree or injunction of any court of competent jurisdiction, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby and as described in the Official Statement, is or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities laws as amended and then in effect; or

(f) A stop order, ruling, regulation, proposed regulation or statement by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, sale or distribution of obligations of the general character of the Bonds (including any related underlying obligations), or the execution and delivery of any Legal Documents, as contemplated hereby and as contemplated in the Official Statement, is in violation or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities laws, including the provisions of the 1933 Act, the Trust Indenture Act, or the Securities Exchange Act of 1934, as amended; or

(g) a downgrading or suspension of any rating (without regard to credit enhancement) by Moody's, S&P, or Fitch Ratings ("Fitch") of any debt securities issued by the Issuer, or there shall have been any official statement as to a possible downgrading (such as being placed on "credit watch" or "negative outlook" or any similar qualification) of any rating by Moody's, S&P or Fitch of any debt securities issued by the Issuer, including the Bonds, except in cases where such action or possibility of action has been caused solely by a change in the rating of a credit provider or liquidity provider and so long as such credit provider or liquidity provider is not the Bank in the capacity it is serving in connection with the Bonds; or

(h) A reduction or withdrawal in any of the S&P ___ rating or the Moody's _____ rating, or, as of the Closing Date, the failure by S&P and/or Moody's to assign such ratings to the Bonds; or

(i) Any litigation shall have been filed against the Issuer and pending with service of process accomplished as of the Closing Date to restrain or enjoin the issuance, sale or delivery of the Bonds, or in any way contesting or affecting any authority for or the validity of the proceedings authorizing and approving the Act, the Resolution, the Legal Documents or the existence of the powers of the Issuer with respect to the obligations under the Legal Documents.

9. Indemnification. (a) To the fullest extent permitted by law, the Borrower shall pay, defend, protect, indemnify, save and hold harmless the Issuer, its directors, officers, members, partners, employees, affiliates, and agents, and the Underwriter and its directors, officers, members, partners, employees, affiliates, and agents and each person who controls the Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the Securities Exchange Act of 1934 (collectively, the "Indemnified Party"), against any and all losses, claims, damages, costs, expenses (including reasonable attorneys' fees), causes of action (whether in contract, tort or otherwise), suits, demands and judgments of any kind, character and nature, or liabilities, joint or several (collectively, the "Liabilities"), (a) to which any such Indemnified Party may become subject, under any statute or regulation at law or in equity or otherwise, insofar as such Liabilities are caused by or directly or indirectly arise out of or are based upon or in any way related to (i) as

to the Issuer and its Indemnified Parties only, the Bonds, the Project, the Legal Documents, this Purchase Agreement or any other document, transaction or agreement, written or oral, pertaining to the foregoing, (ii) as to all the Indemnified Parties, any untrue statement of a material fact or alleged untrue statement of material fact set forth in the Preliminary Official Statement or the Official Statement (except the information under the captions “THE BONDS – Disclosure Concerning Sales by Remarketing Agent – Remarketing Agent Routinely Purchase Bonds for their Own Account,” “THE CITY AND COUNTY OF SAN FRANCISCO,” “ABSENCE OF MATERIAL LITIGATION – The City” and “UNDERWRITING” to the extent such information is provided by the Underwriter) or any amendment or supplement thereto which is necessary in order to make the statements made therein, in the light of the circumstances in which they were made, not misleading, or (iii) as to all the Indemnified Parties, any omission or alleged omission to state in the Preliminary Official Statement or the Official Statement (except the information under the captions “THE BONDS – Disclosure Concerning Sales by Remarketing Agent – Remarketing Agent Routinely Purchase Bonds for their Own Account,” “THE CITY AND COUNTY OF SAN FRANCISCO,” “ABSENCE OF MATERIAL LITIGATION – The City” and “UNDERWRITING” to the extent such information is provided by the Underwriter) or any amendment or supplement thereto a material fact which is necessary in order to make the statements made therein, in the light of the circumstances in which they were made, not misleading, and (b) to the extent of the aggregate amount paid in any settlement of any litigation commenced or threatened arising from a Liability if such settlement is effected with the written consent of the Borrower (which consent shall not be unreasonably withheld); and will reimburse any legal or other expenses reasonably incurred by any such Indemnified Party in connection with investigating or defending any such Liability. This indemnity agreement shall be in addition to and shall not be construed as a limitation on any other liability which the Borrower may otherwise have to any Indemnified Party pursuant to the Borrower Documents or otherwise.

(b) The Borrower also agrees to pay, defend, protect, indemnify, save and hold harmless the Underwriter and each affiliate, member, officer, director, official, employee and agent of the Underwriter from and against the Liabilities directly or indirectly arising from or relating to any errors or omissions of any nature whatsoever contained in any legal proceedings or other official representation or inducement made by the Issuer pertaining to the Bonds.

(c) An Indemnified Party shall, promptly after the receipt of notice of the commencement of any action against such Indemnified Party in respect of which indemnification may be sought against the Borrower, notify the Borrower in writing of the commencement thereof, but the omission to notify the Borrower of any such action shall not relieve the Borrower from any liability that it may have to such Indemnified Party otherwise than under the indemnity agreement contained herein above unless and to the extent the Borrower did not otherwise learn of such action and such failure results in the forfeiture by the Borrower of substantial rights and defenses. In case any such action shall be brought against an Indemnified Party and such Indemnified Party shall notify the Borrower of the commencement thereof, the Borrower may, or if so requested by such Indemnified Party shall, participate therein or assume the defense thereof, with counsel reasonably satisfactory to such Indemnified Party (provided, however, that if the Indemnified Party is the Issuer, the selection of counsel rests in the sole discretion of the City Attorney), and after notice from the Borrower to such Indemnified Party of an election so to assume the defense thereof, the Borrower will not be liable to such Indemnified Party under this paragraph for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof

other than reasonable costs of investigation. The Indemnified Party shall at all times also have the right to fully participate in the defense and shall have the right to review and approve or disapprove any compromise or settlement which approval shall not be unreasonably withheld, conditioned or delayed. If there may be legal defenses available to the Indemnified Party that are materially different from or in addition to those available to the Borrower, if conflicts of interest exist or arise between the Borrower and the Indemnified Party or if the Borrower shall, after this notice and within a period of time necessary to preserve any and all defenses to any claim asserted, fail to assume the defense or to employ counsel for that purpose reasonably satisfactory to the Indemnified Party, the Indemnified Party shall have the right, but not the obligation, to undertake the defense of, and to compromise or settle the claim or other matter on behalf of, for the account of, and at the risk and expense of, the Borrower. The Borrower shall not be liable for any settlement of such action effected without its consent, such consent not to be unreasonably withheld, but if settled with the consent of the Borrower, or if there is final nonappealable judgment for the plaintiff in any such action with or without consent, the Borrower agrees to indemnify and hold harmless the Indemnified Party or Parties from and against any loss or liability by reason of settlement or judgment to the extent set forth in this paragraph.

(d) If the indemnification provided for in this Section 9 is unavailable or insufficient to hold harmless an Indemnified Party under subsection (a) above, then the Borrower and the Indemnified Party (other than the Issuer) shall contribute proportionately to the aggregate Liabilities to which the Borrower and the Indemnified Party (other than the Issuer) may be subject, so that the Indemnified Party (other than the Issuer) is responsible for that portion represented by the percentage that the fees paid by the Borrower to the Indemnified Party (other than the Issuer) in connection with the issuance and administration of the Bonds bears to the aggregate offering price of the Bonds, with the Borrower responsible for the balance; provided, however, that in no case shall the Underwriter be responsible for any amount in excess of the fees paid by the Borrower to the Underwriter in connection with the issuance and administration of the Bonds. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Indemnified Parties, other than the Issuer and the Underwriter, shall be considered to be third-party beneficiaries of this Purchase Agreement and shall be entitled to enforce their rights hereunder as if they were parties to this Purchase Agreement. The provisions of this section will be in addition to all liability that the Borrower may otherwise have and shall survive any termination of this Purchase Agreement, the offering and sale of the Bonds and the payment or provisions for payment of the Bonds.

10. Amendments to Official Statement. If, during the period from the date hereof and ending on the earlier of (i) 90 days after the End of the Underwriting Period or (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than 25 days following the End of the Underwriting Period, any event occurs as a result of which the Official Statement for the Bonds as then amended or supplemented might include an untrue statement of material fact, or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer, if such event relates to the information included in the Official Statement under the captions “THE CITY AND COUNTY OF SAN FRANCISCO” and

“ABSENCE OF MATERIAL LITIGATION – The City” of which the Issuer has, or, with the exercise of due care would have had, knowledge, or the Borrower (to the extent such event is actually known to Borrower, or should have been known by the Borrower with the exercise of due diligence) shall promptly notify the Underwriter thereof and shall (in either case, at the expense of the Borrower), upon the request of the Underwriter, prepare and deliver to the Underwriter, as many copies of an amendment or supplement which will correct such statement or omission as the Underwriter may reasonably request.

11. Expenses. All expenses and costs in connection with the authorization, issuance and sale of the Bonds to the Underwriter, including (a) the costs of printing or reproduction of the Bonds, the Legal Documents, the Preliminary Official Statement, the Official Statement, and the blue sky survey, as well as any delivery costs incurred in connection with the foregoing documents, (b) fees of consultants, (c) fees of the Rating Agency, (d) advertising expenses, (e) fees and expenses of the Co-Bond Counsel, (f) the fees and expenses of counsel to the Underwriter, to the extent not included in the Underwriting Fee, (g) the Underwriting Fee, (h) the fees and expenses of the Trustee, (i) the fees and expenses of counsel for the Trustee, (j) the fees and expenses of disclosure counsel, (k) the fees and expenses of the Bank and of the Bank’s counsel, (l) the fees and expenses of Issuer’s counsel, (m) any application or administrative fee of the Issuer; and the fees and disbursements of the Issuer’s financial advisor and any other experts or consultants retained by the Issuer, (n) the fees, if any, of Digital Assurance Certification, L.L.C., for a continuing disclosure undertaking compliance review, and (o) all other costs of issuance of the Bonds shall be paid by the Borrower from the proceeds of the Bonds or other revenues of the Borrower. The Borrower shall be solely responsible for and shall pay for any expenses incurred by the Issuer’s and the Borrower’s employees and representatives which are directly related to the offering and sale of the Bonds, including, but not limited to, meals, transportation, and lodging of those employees and representatives. The Issuer shall have no obligation to pay any fees, expenses or costs associated with or resulting from the issuance and delivery of the Bonds.

The Underwriter is required to pay fees to the California Debt and Investment Advisor Commission in connection with the Bond offering. Notwithstanding that such fees are solely the legal obligation of the Underwriter, the Borrower agrees to reimburse the Underwriter for such fees.

12. Use of Documents. The Borrower and the Issuer each hereby authorizes the Underwriter to use, in connection with the public offering and sale of the Bonds, this Purchase Agreement, the Preliminary Official Statement, the Official Statement, the Legal Documents, and the information contained herein and therein.

13. Qualification of Securities. The Borrower and the Issuer will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and to provide for the continuance of such qualification; provided, however, that the Borrower and the Issuer will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any state.

14. Notices. Any notice or other communication to be given to the Borrower and the Issuer, respectively, under this Purchase Agreement may be given by delivering the same in writing to (i) the Borrower at: 44 Montgomery Street, Suite 1300, San Francisco, California, 94104, Attention: Gregory Vilkin; (ii) the Issuer at: (a) City and County of San Francisco, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 316, San Francisco, California 94102, Attention: City Controller, (b) City and County of San Francisco, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 140, San Francisco, California 94102, Attention: City Treasurer, and (c) Office of the City Attorney, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 234, San Francisco, California 94102, Attention: Finance Team; and (iii) any such notice or other communication to be given to the Underwriter may be given by delivering the same in writing to Citigroup Global Markets Inc., 390 Greenwich St., 2nd Floor, New York, New York 10013, Attention: Short Term Manager.

15. Benefit. This Purchase Agreement is made solely for the benefit of the Borrower, the Issuer and the Underwriter (including their successors or assigns) and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. Except as otherwise expressly provided herein, all of the agreements and representations of the Borrower and the Issuer contained in this Purchase Agreement and in any certificates delivered pursuant hereto shall remain operative and in full force and effect regardless of: (i) any investigation made by or on behalf of the Underwriter; (ii) delivery of and payment for the Bonds hereunder; or (iii) any termination of this Purchase Agreement.

16. City Contracting Requirements. The provisions set forth in Exhibit C attached hereto are incorporated herein by reference.

17. Governing Law. THIS PURCHASE AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND FOR ALL PURPOSES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE WITHOUT REGARD TO CHOICE OF LAW RULES.

18. Counterparts. This Purchase Agreement may be executed in several counterparts, each of which shall be deemed an original hereof.

[Signature Page Follows]

[Counterpart Signature to Purchase Agreement]

CITIGROUP GLOBAL MARKETS INC.

By: _____
Brad Edgar, Director

[Signatures continue on following page]

[Counterpart Signature to Purchase Agreement]

CITY AND COUNTY OF SAN FRANCISCO,
as Issuer

By: _____
Name: Olson Lee
Title: Director, Mayor's Office of Housing and
Community Development

Approved as to Form:
DENNIS J. HERRERA
City Attorney

By: _____
Kenneth Roux
Deputy City Attorney

[Signatures continue on following page]

[Counterpart Signature to Purchase Agreement]

Related/Mariposa Development Co., L.P.
a Delaware limited partnership

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF OPINION OF COUNSEL TO THE BANK

EXHIBIT B
FORM OF CERTIFICATE OF THE BANK

EXHIBIT C

CITY AND COUNTY OF SAN FRANCISCO MANDATORY CONTRACTING PROVISIONS

The following provisions shall apply to this Purchase Agreement as if set forth in the body thereof and apply to the Borrower and the Underwriter, individually and not severally. Capitalized terms used but not defined in this Exhibit shall have the meanings given in this Purchase Agreement.

1. Conflict of Interest. Through its execution of this Purchase Agreement, Related/Mariposa Development Co., L.P., a Delaware limited partnership, and Citigroup Global Markets Inc. (each, a “Contractor”) acknowledges that it is familiar with the provision of Section 15.103 of the City of San Francisco’s (the “City”) Charter, Article III, Chapter 2 of City’s Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitutes a violation of said provisions and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Purchase Agreement.

2. Proprietary or Confidential Information of City. Contractor understands and agrees that, in the performance of the work or services under this Purchase Agreement or in contemplation thereof, Contractor may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Contractor agrees that all information disclosed by City to Contractor shall be held in confidence and used only in performance of the Purchase Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent Contractor would use to protect its own proprietary data.

3. Local Business Enterprise Utilization; Liquidated Damages.

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

b. **Enforcement.** If Contractor willfully fails to comply with any of the provisions of the LBE Ordinance, the rules and regulations implementing the LBE Ordinance, or the provisions of this Purchase Agreement pertaining to LBE participation, Contractor shall be liable for liquidated damages in an amount equal to Contractor's net profit on this Purchase Agreement, or 10% of the total amount of this Purchase Agreement, or \$1,000, whichever is greatest. The Director of the City's Contracts Monitoring Division or any other public official authorized to enforce the LBE Ordinance (separately and collectively, the "Director of CMD") may also impose other sanctions against Contractor authorized in the LBE Ordinance, including declaring the Contractor to be irresponsible and ineligible to contract with the City for a period of up to five years or revocation of the Contractor's LBE certification. The Director of CMD will determine the sanctions to be imposed, including the amount of liquidated damages, after investigation pursuant to Administrative Code §14B.17. By entering into this Purchase Agreement, Contractor acknowledges and agrees that any liquidated damages assessed by the Director of the CMD shall be payable to City upon demand. Contractor further acknowledges and agrees that any liquidated damages assessed may be withheld from any monies due to Contractor on any contract with City. Contractor agrees to maintain records necessary for monitoring its compliance with the LBE Ordinance for a period of three years following termination or expiration of this Purchase Agreement, and shall make such records available for audit and inspection by the Director of CMD or the Controller upon request.

4. Nondiscrimination; Penalties.

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

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

c. **Nondiscrimination in Benefits.** Contractor does not as of the date of this Purchase Agreement and will not during the term of this Purchase Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified

above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in §12B.2(b) of the San Francisco Administrative Code.

d. **Condition to Contract.** As a condition to this Purchase Agreement, Contractor shall execute the “Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits” form (Form CMD-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Contracts Monitoring Division (formerly ‘Human Rights Commission’).

e. **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Purchase Agreement as though fully set forth herein. Contractor shall comply fully with and be bound by all of the provisions that apply to this Purchase Agreement under such Chapters, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Contractor understands that pursuant to §§12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Purchase Agreement may be assessed against Contractor and/or deducted from any payments due Contractor.

5. **MacBride Principles – Northern Ireland.** Pursuant to San Francisco Administrative Code §12F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Contractor acknowledges and agrees that he or she has read and understood this section.

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

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

8. **Resource Conservation.** Chapter 5 of the San Francisco Environment Code (“Resource Conservation”) is incorporated herein by reference. Failure by Contractor to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract.

9. **Compliance with Americans with Disabilities Act.** Contractor acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other

activities provided by a public entity to the public, whether directly or through an owner, must be accessible to the disabled public. Contractor shall provide the services specified in this Purchase Agreement in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. Contractor agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Purchase Agreement and further agrees that any violation of this prohibition on the part of Contractor, its employees, agents or assigns will constitute a material breach of this Purchase Agreement.

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

11. Limitations on Contributions. Through execution of this Purchase Agreement, Contractor acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or the board of a state agency on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Contractor acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Contractor further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Contractor; any Subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Additionally, Contractor acknowledges that Contractor must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Contractor further agrees to provide to City the names of each person, entity or committee described above.

12. Requiring Minimum Compensation for Covered Employees.

a. Contractor agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Sections 12P.5 and 12P.5.1 of Chapter 12P are incorporated herein by reference and made a part of this Purchase Agreement as though fully set forth. The text of the

MCO is available on the web at www.sfgov.org/olse/mco. A partial listing of some of Contractor's obligations under the MCO is set forth in this Section. Contractor is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

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

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

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

e. The City is authorized to inspect Contractor's job sites and conduct interviews with employees and conduct audits of Contractor.

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

g. Contractor understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Purchase Agreement for violating the MCO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

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

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

13. Requiring Health Benefits for Covered Employees.

Contractor agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of section 12Q.5.1 of Chapter 12Q are incorporated by reference and made a part of this Purchase Agreement as though fully set forth herein. The text of the HCAO is available on the web at www.sfgov.org/olse. Capitalized terms used in this Section and not defined in this Purchase Agreement shall have the meanings assigned to such terms in Chapter 12Q.

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

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

c. Contractor's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Contractor if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Purchase Agreement for violating the HCAO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

d. Any Subcontract entered into by Contractor shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Contractor shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Contractor shall be responsible for its Subcontractors' compliance with this Chapter. If a

Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Contractor based on the Subcontractor's failure to comply, provided that City has first provided Contractor with notice and an opportunity to obtain a cure of the violation.

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

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

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

h. Contractor shall keep itself informed of the current requirements of the HCAO.

i. Contractor shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

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

k. Contractor shall allow City to inspect Contractor's job sites and have access to Contractor's employees in order to monitor and determine compliance with HCAO.

l. City may conduct random audits of Contractor to ascertain its compliance with HCAO. Contractor agrees to cooperate with City when it conducts such audits.

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

14. Prohibition on Political Activity with City Funds. In accordance with San Francisco Administrative Code Chapter 12.G, Contractor may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure (collectively, "Political Activity") in the performance of the services provided under this Purchase Agreement. Contractor agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the City's Controller. The terms and

provisions of Chapter 12.G are incorporated herein by this reference. In the event Contractor violates the provisions of this section, the City may, in addition to any other rights or remedies available hereunder, (i) terminate this Purchase Agreement, and (ii) prohibit Contractor from bidding on or receiving any new City contract for a period of two (2) years. The Controller will not consider Contractor's use of profit as a violation of this section.

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

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

17. Protection of Private Information. Contractor has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, "Nondisclosure of Private Information," and 12M.3, "Enforcement" of Administrative Code Chapter 12M, "Protection of Private Information," which are incorporated herein as if fully set forth. Contractor agrees that any failure of Contractor to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of the Contract. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate the Contract, bring a false claim action against the Contractor pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar the Contractor.

18. Food Service Waste Reduction Requirements. Contractor agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Purchase Agreement as though fully set forth. This provision is a material term of this Purchase Agreement. By entering into this Purchase Agreement, Contractor agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Contractor agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for

subsequent breaches in the same year is reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Purchase Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Contractor's failure to comply with this provision.

19. Submitting False Claims; Monetary Penalties. Pursuant to San Francisco Administrative Code §21.35, any Contractor, Subcontractor or consultant who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A Contractor, Subcontractor or consultant will be deemed to have submitted a false claim to the City if the Contractor, Subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

20. Sugar-Sweetened Beverage Prohibition. Contractor agrees that it will not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Purchase Agreement.

EXHIBIT D

FORM OF BORROWER’S RULE 15c2-12 CERTIFICATE

\$ _____
City and County of San Francisco
Variable Rate
Multifamily Housing Revenue Bonds
(1601 Mariposa Apartments)
2017 Series B-1

\$ _____
City and County of San Francisco
Variable Rate
Multifamily Housing Revenue Bonds
(1601 Mariposa Apartments)
2017 Series B-2

\$ _____
City and County of San Francisco
Variable Rate
Multifamily Housing Revenue Bonds
(1601 Mariposa Apartments),
2017 Series B-3 (Taxable)

The undersigned hereby certifies and represents to Citigroup Global Markets Inc. (the “Underwriter”), that he/she is authorized to execute and deliver this certificate on behalf of Related/Mariposa Development Co., L.P., a Delaware limited partnership (the “Borrower”), and hereby further certify to the Underwriter as follows:

(a) This Certificate is delivered to enable the Underwriter to comply with Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934 (“Rule 15c2-12”) in connection with the issuance and sale of the above-captioned bonds (the “Bonds”).

(b) In connection with the issuance and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated the date of this certificate, setting forth information concerning the Bonds and the Borrower (the “Preliminary Official Statement”).

(c) The Preliminary Official Statement is deemed final within the meaning of Rule 15c2-12.

(e) The sections of the Preliminary Official Statement entitled “CONTINUING DISCLOSURE” and “APPENDIX F – FORM OF CONTINUING DISCLOSURE AGREEMENT” describe the agreement the Borrower expects to make for the benefit of the Bondholders in the Continuing Disclosure Agreement, dated as of July 1, 2017, by and between the Borrower and U.S. Bank National Association, in its capacity as trustee and dissemination agent, by which the Borrower will undertake to provide continuing disclosure in accordance with Rule 15c2-12.

Dated: _____, 2017

[Signature Page to Borrower's Rule 15c2-12 Certificate]

IN WITNESS WHEREOF, I have hereunto set my hand this as of the date set forth above.

Related/Mariposa Development Co., L.P.,
a Delaware limited partnership

By: _____
Name: _____
Title: _____

EXHIBIT E

**FORM OF OPINION TO THE ISSUER OF THE
OFFICE OF THE CITY ATTORNEY**

_____, 2017

Board of Supervisors of the
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place
City Hall, Room 244
San Francisco, CA 94102-4689

Re: \$_____ City and County of San Francisco
Variable Rate Multifamily Housing Revenue Bonds
(1601 Mariposa Apartments), 2017 Series B

Ladies and Gentlemen:

This office has acted as counsel to the City and County of San Francisco (the “City”) with respect to the execution and delivery of \$_____ aggregate principal amount of the City and County of San Francisco Variable Rate Multifamily Housing Revenue Bonds (1601 Mariposa Apartments), 2017 Series B, consisting of three subseries, including the 2017 Series B-1, 2017 Series B-2, and the 2017 Series B-3 (Taxable) (collectively, the “Bonds”). In connection therewith, the undersigned has examined such matters of law and such documents, certificates and instruments as the undersigned deemed necessary for the purposes of this opinion, including, but not limited to:

- (i) Resolution ____ adopted by the Board of Supervisors of the City (the “Resolution”);
- (ii) The Indenture of Trust, dated as of July 1, 2017 (the “Indenture”), by and between the City and U.S. Bank National Association, as trustee (the “Trustee”);
- (iii) the Loan Agreement, dated as of July 1, 2017 (the “Loan Agreement”), by and between the City, the Trustee, and Related/Mariposa Development Co., L.P., a Delaware limited partnership, (the “Borrower”);
- (iv) the Regulatory Agreement and Declaration of Restrictive Covenants, dated as of July 1, 2017, by and between the City and the Borrower (the “Regulatory Agreement”);
- (v) the Bond Purchase Agreement, dated _____, 2017, by and between the City, Borrower, and Citigroup Global Markets Inc., as the underwriter for the Bonds (the “Purchase Contract”) and
- (vi) the Bond Intercreditor Agreement, dated as of July 1, 2017, by and among the Trustee, the Issuer and Bank of America, N.A (the “Bond Intercreditor Agreement”).

The Indenture, the Loan Agreement, the Regulatory Agreement, the Bond Intercreditor Agreement and the Purchase Contract are collectively referred to herein as the “City Documents.” Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Indenture.

In connection with our role as counsel to the City, we have examined the Charter, the City Documents, the Preliminary Official Statement, dated _____, 2017 (the “Preliminary Official Statement”), the final Official Statement, dated as of _____, 2017 (the “Official Statement”), and such other records, documents, opinions and matters to the extent we deemed necessary to provide the opinions and conclusions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. We disclaim any obligation to update this opinion. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the City. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents and of the legal conclusions contained in the opinions referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in such documents. In addition, we call attention to the fact that the rights and obligations under the City Documents and the Bonds and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors’ rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against cities and counties in the State of California. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the foregoing documents.

Subject to the foregoing and the limitations expressed below, I am of the opinion that:

1. The City is a duly organized charter city and county and a municipal corporation under and by virtue of its Charter and the Constitution and laws of the State of California, with full legal right, power and authority to adopt the Resolutions, enter into and perform its obligations under the City Documents and execute and deliver the Bonds.

2. The Resolution was duly adopted at meetings of the Board of Supervisors of the City which were called and held pursuant to law and with all public notice required by law at which a quorum was present and acting throughout, and the Resolution is in full force and effect and has not been modified, amended or rescinded.

3. The City Documents have been duly authorized and executed by the City and each is valid and binding upon and enforceable against the City in accordance with its respective terms.

4. The execution and delivery by the City of the City Documents and compliance with the provisions thereof does not conflict with or constitute on the part of the City a material breach of or default under any existing law, regulation, court order or consent decree to which the City is subject or, to the best of my knowledge after due inquiry, any material agreement or instrument to which the City is a party or by which the City is bound, the effect of which would be to materially and adversely affect the ability of the City to enter into and perform its obligations under the City Documents.

5. No consent, authorization or approval of or filing or registration with, any governmental or regulatory officer or body not already obtained or not obtainable in due course by the City is required for the execution and delivery by the City of and the performance by the City of its obligations under the City Documents.

6. Except as disclosed in the Preliminary Official Statement or the Official Statement, to the best of my knowledge, no litigation, action, suit or proceeding is pending against the City (with formal written process having been properly served on or noticed to the City) (a) restraining or enjoining the execution or delivery of the Bonds, the City Documents or the pledge of Revenues pursuant to the Indenture or (b) in any way contesting or affecting the validity or enforceability of the Bonds or the City Documents.

This letter is furnished solely for the benefit of the addressee. This letter is not to be circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by anyone other than the addressee.

Very truly yours,

DENNIS J. HERRERA
City Attorney

Kenneth Roux
Deputy City Attorney

EXHIBIT F

FORM OF ISSUER'S CERTIFICATE

CERTIFICATE OF THE CITY

July __, 2017

The undersigned Director of the Mayor's Office of Housing and Community Development of the City and County of San Francisco, California (the "City"), does hereby certify on behalf of the City with respect to the Bonds (defined below) as follows:

1. The undersigned is the duly appointed, qualified and acting Director of the Mayor's Office of Housing and Community Development and, as such, is familiar with the facts herein certified and is authorized and qualified to certify the same on behalf of the City.
2. The City has duly authorized the issuance of up to \$_____ aggregate principal amount of City and County of San Francisco Variable Rate Multifamily Housing Revenue Bonds (1601 Mariposa Apartments), 2017 Series B (the "Bonds"), which is comprised of 3 sub-series: 2017 Series B-1 (the "2017B-1 Bonds"), 2017 Series B-2 (the "2017B-2 Bonds," and together with the 2017B-1 Bonds, the "Tax-Exempt Bonds"), and 2017 Series B-3 (Taxable) (the "2017B-3 Bonds").
3. The City has the full legal right, power and authority to execute, deliver and perform its obligations under each of the following agreements (collectively referred to herein as the "City Documents"):
 - (a) the Indenture of Trust, dated as of July 1, 2017 (the "Indenture"), by and between the City and U.S. Bank National Association, as trustee (the "Trustee");
 - (b) the Loan Agreement, dated as of July 1, 2017 (the "Loan Agreement"), among the City, Trustee, and Related/Mariposa Development Co., L.P., a Delaware limited partnership (the "Borrower");
 - (c) the Regulatory Agreement and Declaration of Restrictive Covenants, dated as of July 1, 2017, between the City and the Borrower;
 - (d) the Bond Purchase Agreement, dated _____, 2017, by and between the City, Borrower, and Citigroup Global Markets Inc., relating to the 2017B-1 Bonds, the 2017B-2 Bonds and the 2017B-3 Bonds;
 - (e) the Certificate of Arbitrage, dated the date hereof, executed by the City and the Borrower;

- (f) the Bond Intercreditor Agreement, dated as of July 1, 2017, by and among the Trustee, the Issuer and Bank of America, N.A (the “Bond Intercreditor Agreement”); and
 - (g) each of the other documents, agreements, and certificates to which it is a party in connection with the Project (as defined in the Indenture) and the Bonds.
- 4. Each of the City Documents constitutes a legal, valid and binding agreement of the City, each enforceable against the City in accordance with its terms, except as enforceability thereof may be limited by the application of laws affecting bankruptcy, insolvency, moratorium, or similar laws affecting creditors’ rights generally, the application of equitable principles, the exercise of judicial discretion in certain cases and the limitations on legal remedies against charter cities and counties.
- 5. All of the representations and warranties of the City made in the City Documents are true and correct in all material respects as of the date hereof.
- 6. The City is not in breach of or default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or to which it or any of its property is otherwise subject which breach or default would have a material and adverse impact on the City’s ability to perform its obligations under the City Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, which would have a material and adverse impact on the City’s ability to perform its obligations under the City Documents.
- 7. The City has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied pursuant to the City Documents at or prior to the date hereof.
- 8. Except as may be required under blue sky or other securities laws of any state, the issuance by the City of the Bonds and the performance by the City under each of the City Documents will not require the consent, approval, authorization or other order of, the giving of notice to, the registration or filing with, the certification by, or the taking of any other action in respect of, any federal, state or other governmental or regulatory authority or agency. The City has any and all necessary permits, consents and licenses currently obtainable to perform its obligations under the City Documents and has no reason to believe that it will not timely obtain the permits, licenses and consents not currently obtainable.
- 9. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending with service of process having been accomplished, or, to the best of my knowledge threatened, against the City:
 - i. affecting the existence of the City or the titles of its officers to their respective offices;

- ii. seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the execution and delivery of the City Documents;
- iii. in any way materially adversely affecting or questioning the territorial jurisdiction of the City;
- iv. in any way materially adversely affecting or questioning the validity or enforceability of the Bonds, or any proceedings of the City taken with respect to the City Documents;
- v. in any way materially adversely affecting or questioning the exclusion of interest on the Tax-Exempt Bonds from gross income for purposes of federal income taxation; or
- vi. in any way materially adversely affecting or questioning the power of the City to carry out the transactions on its part contemplated by the City Documents.

10. The information contained under the captions “THE CITY AND COUNTY OF SAN FRANCISCO” and “ABSENCE OF MATERIAL LITIGATION – The City” in the Preliminary Official Statement, as of its date, and the Official Statement, as of its date and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Capitalized terms used in this Certificate of the City and not otherwise defined herein shall have the meanings given to such terms as set forth in the Indenture.

[Remainder of Page Intentionally Left Blank.]

[SIGNATURE PAGE TO CERTIFICATE OF THE CITY – 1601 MARIPOSA APARTMENTS]

IN WITNESS WHEREOF, the undersigned has hereunto set his signature as of the date first written above.

CITY AND COUNTY OF SAN FRANCISCO

By: _____

Olson Lee

Director

Mayor's Office of Housing and
Community Development